

MEETING: CABINET
DATE: Thursday 16th August, 2012
TIME: 10.00 am
VENUE: Town Hall, Bootle

Member

Councillor

Councillor P. Dowd (Chair)
Councillor Cummins
Councillor Fairclough
Councillor Hardy
Councillor Maher
Councillor Moncur
Councillor Tweed

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

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

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

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

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A G E N D A

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
1.	Apologies for Absence		
2.	Declarations of Interest Members are requested to give notice of any disclosable pecuniary interest, which is not already included in their Register of Members' Interests and the nature of that interest, relating to any item on the agenda in accordance with the Members Code of Conduct, before leaving the meeting room during the discussion on that particular item.		
3.	Minutes of Previous Meeting Minutes of the meeting held on 19 July 2012		(Pages 7 - 12)
4.	2011/2012 General Fund Outturn and 2012/2013 Budget Update Report of the Head of Corporate Finance and ICT	All Wards	(Pages 13 - 26)
* 5.	Voluntary Smokefree Code Within Playground Areas Report of the Director of Public Health	All Wards	(Pages 27 - 32)
* 6.	Merseyside and Halton Waste Local Plan - Modifications arising from Public Examination Report of the Director of Built Environment	All Wards	(Pages 33 - 42)
* 7.	Merseyside Local Sustainable Transport Fund Major Project Report of the Director of Built Environment	All Wards	(Pages 43 - 58)

* 8.	North Liverpool and South Sefton Strategic Regeneration Framework - Green Print For Growth and 2011/12 Delivery Plan Report of the Director of Built Environment	Church; Derby; Ford; Linacre; Litherland; Netherton and Orrell; St. Oswald	(Pages 59 - 64)
* 9.	Commuted Sum Adopted Practice for Additional Highway Maintenance Liabilities Report of the Director of Built Environment	All Wards	(Pages 65 - 70)
* 10.	Review of Constitution Joint report of the Director of Corporate Support Service and Director of Corporate Commissioning	All Wards	(Pages 71 - 76)
* 11.	Vehicle Replacements - Refuse Collection Fleet and Specialist Transport Vehicles Report of the Director of Street Scene	All Wards	(Pages 77 - 98)
12.	Elected Member Representation on Area Partnerships Report of the Director of Corporate Commissioning	All Wards	(Pages 99 - 102)
13.	2nd Battalion of the Royal Regiment of Fusiliers Report of the Director of Corporate Commissioning	All Wards	(Pages 103 - 108)
* 14.	Stepclever Legacy Fund Project Report of the Director of Built Environment	Derby; Linacre	(Pages 109 - 114)
* 15.	Channel Dredging Project Report of the Director of Built Environment	Derby; Linacre	(Pages 115 - 128)

16. Exclusion of Press and Public

To consider passing the following resolution:

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

- | | | | |
|-------|---|----------------|----------------------|
| * 17. | Channel Dredging Project
Report of the Director of Built Environment | Derby; Linacre | (Pages 129 -
144) |
| * 18. | Disposal of land at Klondyke Phase 1 to Bellway Homes Limited
Report of the Director of Built Environment | Litherland | (Pages 145 -
150) |

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THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY, 1 AUGUST 2012. MINUTE NO. 27(4) IS NOT SUBJECT TO "CALL-IN".

CABINET

MEETING HELD AT THE TOWN HALL, SOUTHPORT ON THURSDAY 19TH JULY, 2012

PRESENT: Councillor P. Dowd (in the Chair)
Councillors Cummins, Fairclough, Hardy, Maher,
Moncur and Tweed

ALSO PRESENT: Councillors Booth and Papworth

23. APOLOGIES FOR ABSENCE

No apologies for absence were received.

24. DECLARATIONS OF INTEREST

No declarations of interest were made.

25. MINUTES OF PREVIOUS MEETING

RESOLVED:

That the Minutes of the Cabinet meeting held on 21 June 2012 be confirmed as a correct record.

26. TRANSFORMATION PROGRAMME AND REVENUE BUDGET 2012 - 2015

Further to Minute No. 16 of the meeting held on 21 June 2012, the Cabinet considered the report of the Chief Executive that sought approval of the process associated with the development of budget options for 2013-15 and which set out a work programme timetable and information on the re-engineering of the Parks and Green Spaces and Coast and Countryside Service.

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

RESOLVED: That

- (1) the process and work programme for the development of budget options for 2013-15, as outlined in section 2 of the report be approved;

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- (2) the Strategic Leadership Team work programme timetable as detailed in Annex A to the report be noted;
- (3) it be noted that detailed budget options will emerge from September 2012 and will be subject to appropriate consultation and engagement;
- (4) the findings and the proposed savings arising out of the re-engineering of Parks and Green Spaces and the Coast and Countryside services contained in Annex B to the report be approved;
- (5) the commencement of a public engagement exercise on the context and strategic choices for the Council going forward be approved; and
- (6) the strategic and operational risks as outlined in section 6 (Risk Management) of the report be noted.

27. CONSULTATION ON AN APPROPRIATE COUNCIL TAX REDUCTION SCHEME

The Cabinet considered the report of the Head of Corporate Finance and ICT on the proposals in the Local Government Finance Bill for the national Council Tax Benefit system to be replaced by a Local Council Tax Reduction Scheme from 2013-14, which would reduce expenditure by 10 per cent as part of a wider policy of decentralisation and welfare reform.

The report also set out the details of 'Localising Support for Council Statement of Intent' published by the Department for Communities and Local Government in May 2012 on the specific proposals for local authorities to produce a Local Council Tax Reduction Scheme and hold consultations with interested parties.

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

RESOLVED: That

- (1) the Head of Corporate Finance and ICT be authorised to publish a draft Council Tax Reduction Scheme with 80% liability (page 26 of the agenda, paragraph b, item b) as the basis for consultation with interested parties in accordance with the approach set out in this report;
- (2) the Head of Corporate Finance and ICT be authorised to undertake consultations on the removal of Council Tax exemptions and discounts;

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- (3) the Head of Corporate Finance and ICT submit a report to the Cabinet following the consultation exercise with a recommendation for final agreement by Council; and
- (4) the Council be recommended to give approval to the rescheduling of the Council meeting from 7 February 2013 to 24 January 2013 to enable the Council Tax Reduction Scheme to be approved by the required deadline.

28. SUPPORTING PEOPLE REVIEW UPDATE

Further to Minute No. 17 of the meeting held on 21 June 2012, the Director of Older People submitted a report which provided an update on the consultations which have continued to be held with service providers to formulate specific reduction proposals utilising the commissioning principles previously agreed to meet the budget savings required under the Supporting People Review for 2012/13 and 2013/14.

RESOLVED: That

- (1) the progress on the Supporting People Review be noted;
- (2) the managed review and re-commissioning processes outlined in Section 5 of the report, including the integrated re-commissioning of all supported/assisted living services be approved; and
- (3) a further update report be submitted to the next Cabinet meeting.

29. SOUTHPORT CULTURAL CENTRE - PROJECT UPDATE

Further to Minute No. 68 of the meeting held on 8 December 2011, the Cabinet considered the report of the Strategic Director - Place which set out the history of the Southport Cultural Centre project, the potential additional cost and time overrun identified within the project: and the measures taken to mitigate this additional cost and time overrun.

RESOLVED: That

- (1) the potential 'worst case' cost scenario now identified in respect of the completion of the project be noted; and
- (2) the Strategic Director - Place be requested to pursue all potential means of mitigating cost and time overruns, including;
 - a. where possible reducing specifications to the minimum acceptable level for a 'fit for purpose' facility;
 - b. undertaking any further possible Value Engineering exercises to maximise cost savings;

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- c. in conjunction with the Head of Corporate Finance and ICT, explore further funding arrangements to mitigate the increase in final project cost; and
- d. in conjunction with the Head of Corporate Legal Services, explore the potential for minimising and/or recovering additional costs incurred.

30. REFURBISHMENT OF KING'S GARDENS, SOUTHPORT - ACCEPTANCE OF HERITAGE LOTTERY FUND GRANT

The Cabinet considered the report of the Strategic Director - Place which sought approval to formally accept a grant of £4,079,000 offered by the Trustees of the National Heritage Memorial Fund and the Big Lottery Fund towards the refurbishment of King's Gardens, Southport and enter into a Contract with the funders governing how the Council would deliver and manage the project.

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

RESOLVED: That

- (1) the terms and conditions of the funders' Contract relating to King's Gardens, Southport as appended to the report be accepted and the Head of Corporate Legal Services be authorised to enter into Contracts accordingly;
- (2) approval be given to the commencement of the procurement and tender process for the selection of a suitable Main Contractor to undertake the works and the outcome of the tender process be reported at a future meeting of Cabinet;
- (3) it be noted that the existing Economic Regeneration and Tourism and Landscape Services' budgets for Management and Maintenance costs total £180,734 and the funding Contract requires the ongoing provision of this funding to ensure the gardens are adequately maintained upon completion;
- (4) approval be given to the ring-fencing of the existing Economic Regeneration and Tourism and Landscape Services King's Gardens' budgets referred to in (3) above and that at the end of subsequent financial years, any underspend be carried forward into the following financial year to fund cyclical maintenance;
- (5) approval be given to a maximum contribution of £50,000 towards the refurbishment of the Marine Lake Café, to be provided from the Property Intervention Fund;
- (6) the Strategic Director - Place and Head of Corporate Legal Services, be granted delegated authority to approve a new 30-year

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Lease and Agreement for the development between the Council and the current leaseholders of Marine Lake Café, King's Gardens, Southport; and

- (7) the Strategic Director - Place be authorised to agree a programme management structure necessary to demonstrate the Council's commitment to the successful delivery and long term management of the improved facility.

31. MEOLS COP HIGH SCHOOL - PROPOSED NEW EXTENSION

The Cabinet considered the report of the Strategic Director - Place which provided details of the tenders received for the proposed new extension for the provision of a new library, IT Suite, 2 classrooms and 3 nurture rooms at Meols Cop High School. The total cost of the scheme was within the Children's Services Capital Programme budget provision, funded from Capital Maintenance grant.

RESOLVED: That

- (1) the tender submitted by D. Henderson and Son of Southport in the sum of £727,682 be accepted; and
- (2) the Head of Corporate Legal Services be authorised to enter into a contract with the successful tenderer.

32. SUPPLEMENTARY PLANNING DOCUMENT - HOUSES IN MULTIPLE OCCUPATION AND SELF-CONTAINED FLATS.

The Cabinet considered the report of the Director of Built Environment which sought approval to commence consultations on the emerging draft Supplementary Planning Document for assessing Houses in Multiple Occupation (HMO) and self-contained flats, and to revoke the Interim Planning Guidance "New Housing in South Sefton".

RESOLVED: That

- (1) the draft Supplementary Planning Document be approved as the basis for public consultation;
- (2) the Interim Planning Guidance 'New Housing in South Sefton' be revoked; and
- (3) it be noted that the proposal was a Key Decision but, had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Chair of the Overview and Scrutiny Committee (Regeneration and Environmental Services) has been consulted under Rule 15 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision

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until the commencement of the next Forward Plan because the current planning policy on HMOs and flats is out of date due to recent appeal decisions (26 March 2012) and changes to the housing benefits system. This could leave the Council at risk from either granting planning permission for poor quality accommodation or facing appeals to the Planning Inspectorate where the Council may be liable to applications to pay legal costs.

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Report to: Cabinet Date of Meeting: 16 August 2012

Subject: 2011/2012 General Fund Outturn and 2012/2013 Budget update

Report of: Head of Corporate Finance & ICT

Wards Affected: All

Is this a Key Decision? No Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

1. To approve the transfer of required amounts to provisions and reserves following the underspend on the 2011/2012 revenue outturn position for the General Fund; and
2. To note progress on the achievement of the approved savings for 2012/2013.

Recommendation(s)

Cabinet is recommended to: -

- a) Agree the transfer of the 2011/2012 General Fund revenue underspend to increase certain provisions and reserves to required levels as set out in paragraph 4.3 of the report; and
- b) Note the progress to date on the achievement of approved savings for 2012/2013.

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 Cabinet are informed of the revenue outturn position for 2011/2012 and to seek approval to reserve the identified underspend; and to inform Members of the latest position on the achievement of savings for 2012/2013.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no financial costs as a result of this report. The identified underspend from 2011/2012 will provide the opportunity to establish / increase provisions for potential costs. In addition, it will enable further one-off resources to be set-aside to assist the transformation process.

Any under-achievement of the 2012/2013 agreed savings will need to be financed from the Council's earmarked reserves. Any usage of these reserves will reduce the amount available to support the phased introduction of savings in future years.

(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		
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 Finance & ICT (FD1714) and Head of Corporate Legal Services (LD1034/12) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

None.

Implementation Date for the Decision

Immediately following call-in.

Contact Officer: Margaret Rawding

Tel: 0151 934 4082

Email: Margaret.rawding@sefton.gov.uk

Background Papers:

Closure of Accounts working papers 2011/2012

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1. Introduction

- 1.1 This report considers two issues: the required increase in specific provisions and reserves in light of known liabilities which should be addressed as part of the Revenue Outturn position for the year ended 31 March 2012 and identifies the latest position on the achievement of savings for 2012/2013.
- 1.2 The General Fund outturn position for the 2011/2012 financial year is presented, which highlights the major variations compared to the budget and identifies an overall revenue underspend position. The report requests Cabinet to approve the proposed transfer of the non-school revenue underspends to specific provisions and reserves. The increase in liability and risk identified during 2011/2012 requires a further increase in certain provisions and reserves. This will mean these items do not require increased budgetary provision in future years which would have increased the level of savings required.
- 1.3 The remainder of the report identifies the latest position regarding the achievement of the approved savings for 2012/13.

2. General Fund Revenue Outturn 2011/2012

- 2.1 The Council has completed the closure of the Authority's accounts for 2011/2012; PricewaterhouseCoopers are currently auditing the figures. The agreed Statement of Accounts will be presented to Audit and Governance Committee on 26 September 2012, at the conclusion of the audit.
- 2.2 The outturn figures for 2011/2012 are presented in more detail in the following sections but can be summarised as follows:

Revenue Account 2011/2012	Schools £m	Non- Schools Services £m
Budgeted Balances at 31 March 2011	14.460	3.687
Plus: Schools Delegated Budget Underspend 2011/2012	6.054	-
Less Transfer of Balances relating to Academies	-2.700	-
Plus Non-Schools Net Underspend	-	0.024
Provisional Unallocated Balances at 31 March 2012	17.814	3.711

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3. Schools Delegated Budgets Outturn 2011/2012

- 3.1 The underspend on schools delegated budgets for 2011/2012 was £6.054m. However, during 2011/2012 seven secondary schools transferred to academy status. Balances of £2.700m relating to these schools were transferred to the new academies. Consequently, schools retained balances now stand at £17.814m; this represents 9.1% of schools 2012/2013 delegated budgets.
- 3.2 The Sefton Schools Forum previously agreed a scheme to review excessive school revenue balances above the agreed thresholds. Where balances are above 5% of the annual budget, for a secondary school, or 8% for a primary or special school, the schools submitted a pro-forma identifying the planned use of the surplus balances over the current funding cycle. A number of school spending plans were also further reviewed by a working group of the Schools Forum to clarify the reasons for retaining the balances. However, as all schools were able to demonstrate robust plans for the committed use of the surplus balances, no resources were clawed back and re-distributed.
- 3.3 The Government made recommendations within a revised Scheme of Delegation for local authorities, to relax or omit any school balances control mechanism from April 2011. However Sefton Schools Forum agreed to continue to have a school balances control mechanism and to increase the level of permitted balances to 8% of the annual budget for a secondary school, or 12% for a primary or special school in recognition of the tighter financial climate currently faced by the schools, but agreed to continue to robustly review school balances as part of the annual process for 2012/13.
- 3.4 As mentioned above, the level of school balances has increased in 2011/2012 by £6.054m. Increases in school balances have also been identified nationally due to:
- The reduction in the level of Devolved Formula Capital funding has meant that schools will now have to contribute from revenue balances to support any future capital schemes;
 - The impact of budget savings on local authority budgets has meant that schools now have to buy additional services no longer offered by the Council; and
 - Schools have been extremely cautious over spending in 2011/12 due to the uncertainty of the economic climate and the Government's announcement of the proposed introduction of a new national school funding formula in the next spending review period.

4 Non-Schools General Fund Outturn 2011/2012

- 4.1 The Original Estimate for 2011/2012 estimated that balances for non-school budgets would total £3.687m at 31 March 2012; i.e. the assumption was that balances would not increase. The outturn for 2011/2012 shows that a net underspend of £0.024m has been achieved against this budget i.e. increasing the level of General Fund Balances to £3.711m. However, this position assumes the proposed use of £5.804m to increase provisions and reserves; Cabinet is asked to consider this later in the report.
- 4.2 Within this overall net underspending, there have been a number of significant variations in individual services. The major variances are highlighted in the following paragraphs: -

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- a) **Young People and Families** – There was an overall underspend on this service area. The major variations included an underspend on the Connexions service (-£0.327m), Pay Progression costs being re-aligned with Dedicated Schools Grant (-£0.340m), underspends on the Graduate Leader Programme (-£0.200m) and Early Years service (-£0.188m). The Children’s Centre Review was implemented part way through 2011/2012. The anticipated reduction in the saving achievable in the year was to be funded from one-off resources. However, due to the underspends in other service areas the utilisation of reserves to fund the shortfall (£0.583m) wasn’t required.
- b) **Older People** - The Community Care budget continued to face additional demand pressure during the year, resulting in an overspend of £1.311m. However, the Council received additional income from NHS Sefton for Re-Enablement Services which enabled costs to be contained within budget.
- c) **Health and Wellbeing** –Premises budgets underspent by some £0.411m, mainly due to underspends on utilities costs. Sports income was significantly higher during the year (£0.382m), whereas other income budgets, notably Arts and Cultural Services and Libraries were down by £0.241m.
- d) **Built Environment – Environment** – There were two main areas that underspent; Employees (-£0.127m) and Supplies and Services (-£0.180m).
- e) **Built Environment – Investment Programme and Infrastructure** – There were two main area that underspent; Employees (-£0.111m) and NNDR on Admin. Buildings and Car Parks (-£0.290m). However, there was a shortfall on income received on Other Properties and Estates (£0.183m).
- f) **Built Environment – Planning** – The service underspent by £0.387m mainly on employee costs (-£0.124m) and Land Charges income (-£0.095m). It should be noted that this underspend has been reserved to fund the additional costs of developing the Council’s Core Strategy in 2012/13.
- g) **Street Scene – Direct Services** – The main area of overspend was due to the Specialist Transport Unit (+£0.883m), where demand pressures have continued. The introduction of a new route planning system and other service efficiencies were introduced during 2011/12 to help reduce expenditure levels. A significant underspend on Recycling Collection costs was achieved due to the award of a new contract during 2011/2012 (-£1.165m). There were a number of other underspends in this area including Employees (£-0.321m), Merseyside Waste Disposal Authority Recycling Credits (-£0.182), Other Recycling costs (-£0.181m) and the Catering Service (-£0.124m).
- h) **Street Scene – Landscape Services** – There were a number of underspends in this area including Employees (£-0.279m) and Registrars Income (-£0.137m).
- i) **Corporate Support Services – Corporate Finance and ICT** - The net income from Housing Benefit Subsidy was £0.667m higher than anticipated in the budget; this was partly due to the efforts of Arvato / Client team in implementing changes which enabled maximum subsidy to be received.
- j) **Corporate Support Services – Personnel** – There was an underspend of £0.176m on Learning and Development.

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- k) **Corporate** – The Council has incurred additional legal costs of £0.193m due to a claim made against the Council.
- l) **Debt Repayment / Net Investment** - There was an underspend of £1.805m on debt repayment / net investment during the year. This was the result of better investment returns on temporary monies held by the Council and particularly the lower than planned need for borrowing from the Public Works Loan Board.

4.3 The overall underspend for the Authority could have increased General Balances to £9.515m. Such balances are normally viewed as being “untouchable” as they are there to provide a “back-stop” for the Council for unexpected financial consequences. However, there are a number of areas which have been identified during 2011/2012 that are expected to result in future costs for the Authority. **Provision for these costs would therefore need to be made as soon as possible.** In light of the current position of needing to find savings of £43m over two years it is recommended that resources are set-aside following the underspend in 2011/2012 so that these costs will not impact on the level of future required saving levels. It is therefore recommended that the following transfers to provisions / reserves are made:

- a) **Sundry Debts Bad Debt Provision - £1.845m** – Sefton’s external auditors recommended in September 2011 that the provision needed to be increased in view of the age of some of the debt outstanding. Audit and Governance Committee on 28 March 2012 recommended that the Council move towards achieving the target level as resources allow. The increase proposed achieves this target in full.
- b) **Claims against the Council - £1.667m** - The Council currently has a £1.000m provision to cover these potential costs. Current legal advice suggests this provision should be increased to cover the potential costs of the claims and the associated legal costs.
- c) **Contamination Costs - £1.500m** – During 2011/2012 it was identified there was a site in the Borough that was contaminated and there would be significant costs associated with clearing the contamination. It is therefore considered prudent to set resources aside to cover these potential costs.
- d) **Strain on the Fund Pension Costs - £0.792m** – Given the scale of savings required by the Authority over the next two years there will be pension costs associated with early retirements. It is therefore proposed to fund the costs incurred in 2011/2012 from the underspend rather than by utilising the reserve available for this purpose. This will mean that this reserve is available to fund the future costs rather than requiring other resources to be identified.

The overall impact of these changes is to reduce the in-year underspend from £5.828m to £0.024m.

5 Approved savings for 2012/13 – Current position

5.1 Council approved the 2012/13 Revenue Budget on 1 March. This included the requirement to achieve savings of £20m; of this amount £2.5m was financed as a one-off from Council reserves. The remainder of the saving comprised of a large number of amendments to individual service areas. In order for the Council to remain within its financial budget for the year, it is essential that as much of the identified saving areas

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are actually achieved during the year. It is therefore important that officers and Members are kept up to date on the achievement of the agreed savings.

5.1.1 The table at **Annex 1** identifies the current position of the agreed savings for 2012/13. As with last year's update reports, they have been analysed into four categories i.e. "Achieved" (Blue), "Progress is Satisfactory" (Green), "Review is scheduled to commence at a later date - outcomes unknown and risk of savings not being fully achieved" (Amber) and "Known shortfalls or significant risks that savings will not be achieved" (Red). This approach is designed to ensure complete transparency, effective risk management and improved consultation and engagement.

5.2 It should be noted that individual savings may be categorised into more than one area; for example, part of the work to achieve a required saving may be on track (and a value can be shown in Green), whilst another element is potentially at risk (and therefore shown as Amber).

5.3 A summary of the current position is shown below: -

	£m
Achieved to 31 July 2012	8.082
Progress is satisfactory (Green) (B2)	6.278
Review scheduled/risk of saving not being fully achieved (Amber)	3.157
Known shortfalls/significant risk of saving not being fully achieved (Red)	3.256
Total Approved Savings	20.773

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A1 - SAVINGS ACHIEVED TO DATE

Ref	Description	Owner	Value 2012/13	Progress	Comment
C1.3	Safeguarding Children	Marlyn Banham	£28,000	Blue	Saving already achieved
C2.1	Commissioned Services - Voluntary, Faith Sectors and Support to Carers	Robina Critchley	£130,000	Blue	Saving achieved from reduced payments to some vcf groups
C5.2	Legal Fees	Marlyn Banham	£21,000	Blue	Saving will be achieved - new legal agreements in place
	Graduated Leader Support Programme (Surestart) - Contract arrangements in place until 31st July 2011. Programme discontinued afterwards.	Olive Carey	£114,000	Blue	Saving already achieved activity ceased
C5.3	Graduated Leader Programme	Olive Carey	£114,000	Blue	Saving already achieved activity ceased
C5.4	Primary/ Secondary Strategy	Mike McSorley	£50,000	Blue	Saving already achieved budget reduced
C5.5	School Improvement Partners (SIPS)	Mike McSorley	£26,000	Blue	Saving already achieved budget reduced
C5.6	Teenage Adolescent Mental Health Grant (TAMHS)	Olive Carey	£67,000	Blue	Saving already achieved budget removed
C5.7	Regulatory Connexions	Mike McSorley	£700,000	Blue	Saving will be achieved reduced contributions to connexions service
C6.1	Sports & Recreation Service - Southport College	Steve Deakin	£14,000	Blue	Savings achieved
C6.2	Sports & Recreation Service - Repair & Maintenance at Sports & Leisure Centres	Steve Deakin	£25,000	Blue	Savings achieved
C7.1	Primary Pay Progression	Mike McSorley	£170,000	Blue	Savings achieved
C7.2	Secondary Pay Progression	Mike McSorley	£170,000	Blue	Savings achieved
C7.3	School Admission, Student Support and Choice Advice	Mike McSorley	£100,000	Blue	Savings achieved
C8.1	Finance - Debt Financing (2012/2013 and 2013/2014 only)	Margaret Rawding	£1,000,000	Blue	Debt charges budget reduced. Total debt charges currently forecast to be within budget
C8.5	Finance - Voluntary Aided Schools' NNDR	Margaret Rawding	£160,000	Blue	See H Bens/C Tax Bens above £5k saving transferred, since budget not big enough to meet £160k saving (£155k only). Saving already achieved budget reduced
CS5	Post 16 Transport - Reduction in post 16 travel passes	Mike McSorley	£100,000	Blue	There was an underspend of £142k on this budget in 2011/12. This saving will be achieved in 2012/13.
CS7	Performing Arts - discretionary grant	Mike McSorley	£32,050	Blue	Saving already achieved activity ceased
E1.1	Family Centres	Olive Carey	£160,000	Blue	Savings will be achieved
E1.2	Short Break Overnight Respite Children's	Marlyn Banham	£100,000	Blue	Savings achieved
E1.4	Parenting Team - Think Family Grant	Olive Carey	£87,000	Blue	Saving already achieved budget removed
E1.5	Independent Reviewing Officers Service - Quality Assurance and Safeguarding	Marlyn Banham	£148,000	Blue	Savings achieved
E1.6	Education Psychologists	Mike McSorley	£48,000	Blue	Saving already achieved budget removed
E2.5	Assessment & Care Management - Reviewing Team	Robina Critchley	£38,000	Blue	Option not approved apart from existing VER/VR - savings already achieved
E3.10	Library Service - Community Cohesion Team	Steve Deakin	£33,000	Blue	Saving already achieved budget reduced
E3.11	Library Service - Facilities Team	Steve Deakin	£19,000	Blue	Savings already achieved budget reduced
E3.3	Sports & Recreation Service - Business Development Team	Steve Deakin	£25,000	Blue	Savings achieved

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E3.6	Sports & Recreation Service - Staffing Review	Steve Deakin	£70,000	Blue	£49k achievable with £21k slippage to be funded from meadows income target
E3.7	Sports & Recreation Service - Litherland Sports Park - Coaching / Casual Staff	Steve Deakin	£15,000	Blue	Sports council funding secured
E4.9	Cease supply of hanging baskets	Jim Black	£30,000	Blue	Saving achieved with cessation of activity
E5.1	Highways / Environmental Enforcement	Alan Lunt	£25,000	Blue	Already being achieved through post reduction - budget reduced
E6.3	Reduce Area Committees Budgets	Graham Bayliss	£26,000	Blue	Saving achieved through reduced budgets to the area committees
	Personnel, Admin Support and Workforce Development (part)	Mike Fogg	£65,000	Blue	Staffing saving of £65k has been achieved through not filling vacant posts. £100k saving for learning & development likely to be achieved.
	Assessment & Care Management - Community Care Practitioners	Robina Critchley	£196,000	Blue	Option not approved apart from existing VER/VR - savings already achieved
	New Homes Bonus	Margaret Rawding	£811,000	Blue	Saving will be achieved as grant is being received
	Treasury Management Additional Savings	Margaret Rawding	£300,000	Blue	Debt charges budget reduced. Total debt charges currently forecast to be within budget
	Connexions	Mike McSorley	£200,000	Blue	Saving will be achieved reduced contributions to connexions service
	Re-Alignment of Trade Union Facility Time	Mark Dale	£24,000	Blue	All relevant arrangements have been put in place to enable full savings to be achieved
	Use of One-Off Resources to fund Part Year Effect of savings (*)	Margaret Rawding	£2,500,000	Blue	Sufficient one-off resources are available to meet this saving
Tier 3	Duke of Edinburgh	Olive Carey	£26,000	Blue	This savings is achieved as the service (DoE) is being delivered within existing resources as described within the Youth Service savings above.
Tier 3	Under Eights Service	Olive Carey	£8,000	Blue	Saving already achieved activity ceased
Tier 3	Pupil Attendance	Mike McSorley	£48,000	Blue	Saving will be made in 2012/13 when the full year effect of savings achieved in 2011/12 will be realised. (£23k underspend in 2011/12)
Tier 3	Families and Schools Together (FAST)	Olive Carey	£59,000	Blue	Fast funding is now restricted to contributions from early years and dsg. Spend has been reduced accordingly and saving will therefore be made
	Total		£8,082,050		

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A2 - PROGRESS IS SATISFACTORY (e.g. Contractual notice periods are being observed)

Ref	Description	Owner	Value 2012/13	Progress	Comment
C1.4	Early Childhood Commissioned Services (part)	Olive Carey	£72,000	Green	£72,338 possible saving only at this stage
C3.1	Sports & Recreation Service - Netherton Activity Centre Income	Steve Deakin	£50,000	Green	Income on target for achievement
C5.1	Children in Care - Reduce Care Package Costs	Marlyn Banham	£396,000	Green	Saving on target but monitored regularly
C7.4	Environmental Health - further rationalisation	Alan Lunt	£70,000	Green	Saving will be achieved through staff and running expense savings within the dept
C8.4	Finance - Debt Financing - Cash Flow Management	Margaret Rawding	£100,000	Green	Debt charges budget reduced. Total debt charges currently forecast to be within budget
E1.7	Early Years Outcomes Monitoring & Quality	Olive Carey	£250,000	Green	Savings identified through VR/VER and running expense reductions - needs careful monitoring and management to achieve
E1.8	Administrative support to Children's Social Care Teams	Marlyn Banham	£135,000	Green	Savings being made by not filling vacancies - needs careful monitoring
E3.2	Sports & Recreation Service - Increase income targets - Active Sports Programmes	Steve Deakin	£10,000	Green	Monitored new charges implemented
E3.4	Sports & Recreation Service - Crosby Lakeside Adventure Centre (part)	Steve Deakin	£200,000	Green	Savings of £217k expected due to slippage. £200,000 is expected through additional income - on target
E4.1	Cleansing Administration and Running Costs - Review	Jim Black	£50,000	Green	Saving will be achieved
E4.2	Highways Maintenance	Alan Lunt	£400,000	Green	Savings will be achieved through careful planned spending on highways. Will be monitored carefully throughout the year
E4.4	Grass Cutting - Reduce Frequency	Alan Lunt	£50,000	Green	Savings will be achieved through reduced planned spending on highways grass cutting. Will be monitored carefully throughout the year
E5.2	Planning Services	Jane Gowing	£88,000	Green	Mix of savings should be achieved
E5.3	Planning - Senior Planner	Jane Gowing	£50,000	Green	Restructure savings should be achieved
E6.4	Voluntary, Community and Faith Review	Steph Prewett	£20,000	Green	Saving achieved from reduced payments to some VCF groups
E6.6	Public Conveniences - Market Test	Jim Black	£100,000	Green	Saving will come from staffing and running cost reductions. outsourcing still being investigated.
E6.8	Environmental Conservation & Coast Management - Minimum Level (part)	Alan Lunt	£51,000	Green	£50,600 saving achieved. Shortfall of £37,400. Underachievement has been dealt with as part of review of overall budget position
Tier 3	Surestart (Dcatch Programme) (part)	Olive Carey	£85,000	Green	Savings will be achieved
	Domiciliary Personal Care for Vulnerable Adults	Robina Critchley	£733,000	Green	Savings should be achieved through revised rates being paid to domiciliary care providers in 2012/13, providing demand pressures on this budget remain the same or are less than in 2011/12
	Personnel, Admin Support and Workforce Development (part)	Mike Fogg	£100,000	Green	Staffing saving of £65k has been achieved through not filling vacant posts. £100k saving for learning & development likely to be achieved.
	Saving on General Corporate and Departmental Support Services - Arvato / Capita	Margaret Rawding	£431,000	Green	Element of saving relating to capita (£112k) was deleted at March budget council. Arvato element will be achieved in 2012/13 with continued discussions to ensure achievement in future years.
	Voluntary, Community and Faith Sector Review	Steph Prewett	£67,000	Green	Reductions in grants to voluntary groups
	Finance Department - restructure	Margaret Rawding	£700,000	Green	All relevant arrangements have been put in place to enable full savings to be achieved
	CSF Demand Led Pressures	Marlyn Banham	£700,000	Green	Current forecasts are well within available budget (including £117k inflation allowance). Remaining uncommitted budget (currently estimated to be about £467k from within the total childcare budget) will be available for new cases throughout the rest of the year.
	Car Parks Contract Review (Retendering of Car Park Enforcement Contract from April 2012)	Alan Lunt	£100,000	Green	Being achieved through the new car parks contract
	Establish Pay & Display parking on the coastal car parks in Crosby	Jim Black	£15,000	Green	Monitored new charges implemented
	Waste Recycling Contract	Jim Black	£1,125,000	Green	Already being achieved through the new kerbside collection contract
	Landscape Services - Grounds Maintenance Contract Renewal	Jim Black	£130,000	Green	Savings already negotiated through an extension of the grounds maintenance contract
	Total		£3,000		

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A3 - Review is scheduled to commence at a later date (outcomes unknown and risk of savings not being fully achieved)

Ref	Description	Owner	Value 2012/13	Progress	Comment
C1.2	Social Care Commissioned Services (part)	Marlyn Banham	£55,000	Amber	£55,000 possible saving only at this stage - work continuing to achieve full savings
C4.1	Vehicle Maintenance - Operation of Stores and Parts (part)	Jim Black	£75,000	Amber	Delayed procurement exercise underway for possible implementation sept/oct. Savings to come from staffing / MOT income / parts savings
C4.2	Sefton Security - Additional Income Generation	Jim Black	£100,000	Amber	Achievement of full saving subject to expansion of business. Service confident
C4.4	Careline (£100k income, £5k rent)	Robina Critchley	£105,000	Amber	Achievement of saving subject to transfer of careline operation from St Johns House to Linacre Lane by September 2012
C6.3	Library Services - Charge for People's Network	Steve Deakin	£2,500	Amber	Monitored new charges implemented - indications are that target will not be met. Since charging was introduced in April 2012 and to mid July, the income achieved is £920 in total. Based on this figure it is estimated that the total annual income will be approximately £2,500. The Library review will also be examining Network charges and concessions to potentially bring in more income.
C8.3	Finance - Housing Benefits (2012/2013 and 2013/2014 only)	Margaret Rawding	£200,000	Amber	£5k saving taken from discrete rate relief against C Tax benefits - should be achieved
CM23	Increase Charge to Schools for Energy Advice	Alan Lunt	£10,000	Amber	Saving will be achieved through use of the energy contract fund
CM24	Charge schools for Env Education or stop service	Alan Lunt	£17,500	Amber	Saving will be achieved through use of the energy contract fund
E2.1	Supporting People (*) (part)	Graham Bayliss	£750,000	Amber	The delivery of £3m (£2m in 2012/13) approximately 50% is from Older People services and services for excluded groups (accommodation based and visiting/floating support). With the remaining 50% coming from care and support services. A Cabinet report is due September 2012 - it is expected that £450K to £750K will be saved in 2012 -2013. This is subject to additional savings within care and support providers offering efficiency savings. The full amount of savings is expected in 2013-14. The underachievement in 2012/13 is due to the combined effect of a maximum of half-year savings (ie savings effective from October 2012) and the implementation of savings for the care and support services requires managed review of approximately 440 individual care and support packages, together with the integrated recommissioning of all support/associated living services, as advise in the July Cabinet report.
E2.2	Supporting People Commissioning Functions	Robina Critchley	£43,000	Amber	Linked to SP review
E2.8	Area Finance / Finance Visiting Officers - Review	Robina Critchley	£100,000	Amber	Saving through the implementation of Liquid Logic. Dependent on achieving 'Go Live'
E3.12	Library Service - Local History & Information Services Team	Steve Deakin	£37,000	Amber	Achieved in part £30k due to slippage. Full amount will be saved in future years
E3.13	Library Service - Cease provision of Mobile Library Service	Steve Deakin	£39,000	Amber	Achieved in part £27k due to slippage on notice period and lease period. Full amount will be saved in future years
E3.8	Sports & Recreation Service - Review management arrangements	Steve Deakin	£50,000	Amber	Achieved in part £45k due to slippage in 12/13. Full amount will be saved in future years
E3.9	Library Service - Stock Services Unit / Stock Fund (part)	Steve Deakin	£122,000	Amber	£122k achieved due to slippage. Shortfall of £8k experienced. Full amount will be saved in future years
E4.5,10,11,12	Parks, Greenspaces, Coast & Countryside Redesign (part)	Jim Black	£125,000	Amber	Saving to be achieved subject to call in period following Cabinet consideration of restructure proposal on 19/07/2012
E4.6	Recharge sports users and allotment users the costs of provision of utilities	Jim Black	£26,000	Amber	Monitored new charges implemented
E4.7	Recharge formal sports users the costs of Grounds Maintenance	Jim Black	£39,000	Amber	Monitored new charges implemented
E5.4	Fairways Park and Ride - Figure Reduced from £20k	Alan Lunt	£15,000	Amber	Saving should be achieved through reduced operations/charges from Arriva
E5.5	Car Parks (including Management) - Blue Badges	Alan Lunt	£15,000	Amber	Monitored new charges implemented
E5.7	Cemeteries and Crematoria - Increased Income	Jim Black	£215,000	Amber	Monitored new charges implemented
E6.2	Committee Support - Reduce Level	Graham Bayliss	£61,000	Amber	Restructure of Committee section ongoing
E6.5	Building Cleaning - Reduction in Cleaning Schedules (part)	Jim Black	£100,000	Amber	Achievement of saving subject to reworking of staff terms and recipient departments' recharge mechanism
E6.7	Tourism - Reduction (part)	Mark Long	£38,000	Amber	Budget saving achieved through removal of a post £22k and conference and running expense budgets £30k and use of event reserve (one off) £38k
E6.8	Environmental Conservation & Coast Management - Minimum Level (part)	Alan Lunt	£27,000	Amber	£50,600 saving achieved. Shortfall of £37,400. Underachievement has been dealt with as part of review of overall budget position
	Legal Department - charge to HMRI (part)	Mark Fogg	£25,000	Amber	Saving likely to be £25k.

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Saving on General Corporate and Departmental Support Services - Sefton	Margaret Carney	£55,000	Amber	This is a corporate saving to be considered as part of review of overall budget position
Youth Services Review	Olive Carey	£500,000	Amber	£500k savings in 2011/12 achieved. Ability to achieve further £500k savings in full could be influenced by a decision on the roll forward of the 2011/12 underspend - approx £433k - through an earmarked reserve.
Car Parks Fees and Charges (rising to £400K IN 2012/13)	Alan Lunt	£200,000	Amber	Already acknowledged that this will not be achieved in 2012/13 - met from one off resources in 12/13
Total		£3,157,000		

Agenda Item 4

A4 - Known shortfalls or significant risks that savings will not be achieved or a scheduled review is late in commencing

Ref	Description	Owner	Value 2012/13	Progress	Comment
C1.2	Social Care Commissioned Services (part)	Marlyn Banham	£25,000	Red	£55,000 possible saving only at this stage
C1.4	Early Childhood Commissioned Services (part)	Olive Carey	£10,000	Red	£72,338 possible saving only at this stage
C4.1	Vehicle Maintenance - Operation of Stores and Parts (part)	Jim Black	£50,000	Red	Delayed procurement exercise underway for possible implementation sept/oct. Savings to come from staffing / MOT income / parts savings
E3.4	Sports & Recreation Service - Crosby Lakeside Adventure Centre (part)	Steve Deakin	£25,000	Red	Savings of £217k expected due to slippage. £200,000 is expected through additional income - on target
E3.9	Library Service - Stock Services Unit / Stock Fund (part)	Steve Deakin	£8,000	Red	£122k achieved due to slippage. Shortfall of £8k experienced. Full amount will be saved in future years
E4.5,10,11,12	Parks, Greenspaces, Coast & Countryside Redesign (part)	Jim Black	£125,000	Red	Saving to be achieved subject to call in period following Cabinet consideration of restructure proposal on 19/07/2012
C6.3	Library Services - Charge for People's Network	Steve Deakin	£7,500	Red	Monitored new charges implemented - indications are that target will not be met. Since charging was introduced in April 2012 and to mid July, the income achieved is £920 in total. Based on this figure it is estimated that the total annual income will be approximately £2,500. The Library review will also be examining Network charges and concessions to potentially bring in more income.
C8.2	Finance - Payment Cards	Margaret Rawding	£5,000	Red	Debt charges budget reduced. Total debt charges currently forecast to be within budget
E2.1	Supporting People (*) (part)	Graham Bayliss	£1,250,000	Red	The delivery of £3m (£2m in 2012/13) approximately 50% is from Older People services and services for excluded groups (accommodation based and visiting/floating support). With the remaining 50% coming from care and support services. A Cabinet report is due September 2012 - it is expected that £450K to £750K will be saved in 2012 -2013. This is subject to additional savings within care and support providers offering efficiency savings. The full amount of savings is expected in 2013-14. The underachievement in 2012/13 is due to the combined effect of a maximum of half-year savings (ie savings effective from October 2012) and the implementation of savings for the care and support services requires managed review of approximately 440 individual care and support packages, together with the integrated recommissioning of all support/associated living services, as advised in the July Cabinet report.
E2.6,7,9	Re- Commission Nursing and Residential Care (*)	Robina Critchley	£1,500,000	Red	Currently full saving unlikely to be achieved in 2012/13. Priority action was to establish care home fees for 2011/12 and 2012/13. A detailed report was provided for June 2012 Cabinet. Exploring alternative approaches involves complex issues, significant risks and no absolute certainty that savings "ambition" will be achieved - not a simple re-procurement/recommissioning of a service. Note that approximately 1,600 mostly elderly residents placed in care homes at any one time and that they are in their homes of choice - health and human rights implications of moving them plus capacity issues (limited spare bed spaces if care homes insisted residents were moved means that a change of provider is not an option as with domiciliary or day service.
E6.5	Building Cleaning - Reduction in Cleaning Schedules (part)	Jim Black	£50,000	Red	Achievement of saving subject to reworking of staff terms and recipient departments' recharge mechanism
E6.7	Tourism - Reduction (part)	Mark Long	£52,000	Red	Budget saving achieved through removal of a post £22k and conference and running expense budgets £30k and use of event reserve (one off) £38k
	Introduce Pay & Display at Crosby Civic Hall / Library Car Park	Steve Deakin	£23,500	Red	First full year of operation but indications are that full saving will not be achieved. Residents parking has not been introduced leading to car users avoiding parking charges by parking on side-streets.
	Legal Department - charge to HMRI (part)	Mike Fogg	£25,000	Red	Saving likely to be £25k.
	Elections	Graham Bayliss	£100,000	Red	Saving not to be achieved in 2012-13
	Total		£3,256,000		

Agenda Item 5

Report to: Cabinet **Date of Meeting:** 16 August 2012

Subject: Voluntary Code for Smokefree Play Areas

Report of: Director of Public Health **Wards Affected:** All

Is this a Key Decision? Yes **Is it included in the Forward Plan?**
Yes

Exempt/Confidential No

Purpose/Summary

- 1.1 Inform members of the proposal to make public play areas in Sefton smokefree
- 1.2 Provide members with an opportunity to comment on the proposal

Recommendation(s)

That the proposal for a voluntary code to make children's play areas in Sefton smokefree be approved.

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		√	

Agenda Item 5

Reasons for the Recommendation:

What will it cost and how will it be financed?

(A) **Revenue Costs- All revenue costs (such as signage) will be funded through Heart of Mersey on behalf of the Cheshire and Merseyside Tobacco Alliance and NHS Sefton.**

(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 Smokefree play areas is a voluntary code so the authority will not be open to a legal challenge. It is not intended that the smokefree playgrounds initiative is perceived as a smoking ban. The scheme will be promoted as a polite request for adults to voluntarily refrain from smoking in play areas.	
Human Resources	
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?

A survey of 205 adult visitors to four Local Authority parks during March 2012. Findings from this survey demonstrate high levels of support for a voluntary code.

The Head of Corporate Finance and ICT has no comments on this report because the contents of the report have no financial implications for the Council (FD 1685/12) and Head of Corporate Legal Services (LD1023/12.) has no comments on this report because the contents of the report have no legal implications for the council.

Are there any other options available for consideration?

None

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Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting a launch date will be set to ensure that we inform both staff and the public of this initiative.

Contact Officer: Paula Bennett- Health Promotion Specialist: Tobacco

Tel: 0151 247 7000

Email: paula.bennett@sefton.nhs.uk

Background Papers:

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

Smokefree Playground Briefing Paper- Sefton

Smokefree Playground Survey Results- Sefton

Agenda Item 5

1 Introduction/Background

- 1.1 This report sets out a proposal to implement a voluntary code to make children's play areas smokefree. The initiative aims to reduce the exposure of young children to smoking behaviour and hence reduce the likelihood of them becoming smokers in the future.

2 National and Sefton context

- 2.1 It is estimated that 15% of adults in the borough smoke. Whilst this level has decreased over recent years the level within our most deprived wards has not decreased at the same rate, and remains above the national average at 23%. Sefton's rate of early death caused by smoking remains significantly higher than the national average. Reducing the rates of illness and death caused by smoking is one Sefton's key Public Health priorities. To achieve this objective there is a need to reduce the number of people who smoke. Data illustrates that young people continue to take up smoking, thereby replacing those who quit or die from addiction to tobacco. To overcome this issue we need to ensure that we help prevent Sefton's children from becoming the next generation of smokers.
- 2.2 Nationally it is estimated that 6% of 11-15 year olds are current smokers. In the North West 22% of 14-17 year olds have tried cigarettes; in Sefton 20% of young people have experimented with cigarettes with 13% becoming regular smokers (Trading Standards 2011). The vast majority of individuals start smoking before they are 19 with two thirds starting before 18 – now the legal age of sale.
- 2.3 Children become aware of cigarettes at an early age. Three out of four children are aware of cigarettes before they reach the age of five irrespective of whether or not their parents smoke. Research suggests that if young people see smoking as part of normal everyday life they are more likely to become smokers themselves. Young people are exposed to a mix of personal, social and environmental influences that serve to normalise the habit and encourage the onset of smoking. National statistics have revealed that children who live with other smokers are more than twice as likely to smoke regularly compared to those living in non-smoking households. Children who experiment with cigarettes can quickly become addicted to nicotine in tobacco and can show signs of addiction within four weeks of starting smoking. Symptoms of nicotine dependence can develop soon after trying their first cigarette.

3 Smokefree Playgrounds

- 3.1 Research in social psychology and behavioural economics highlights that influencing the adult world in which children grow up is pivotal to reducing their rates of smoking uptake. This is why we are proposing the implementation of a voluntary smokefree code within park play areas. This will reduce children's exposure to smoking and help to denormalise tobacco use within the community. In the long term this will assist in decreasing the uptake of smoking amongst young people. One of the short term benefits of this initiative is that it will also reduce levels of unsightly cigarette litter such as cigarette butts and empty packets in play areas.
- 3.2 Public support for smokefree play areas within England is high. A YouGov survey undertaken by Action on Smoking and Health in March 2010 found that 73% of the general population backed a smoking ban in children's play areas. NHS Sefton in partnership with Heart of Mersey conducted a survey during February and March 2012 with 205 adult visitors to play areas in four parks across Sefton to evaluate levels of public support for the introduction of a voluntary code. The parks were located in Crosby, Bootle and Southport to ensure a wide range of residents were canvassed for their views. Almost all of those surveyed supported the introduction of a voluntary smokefree code within the immediate play area (193/205; 94.2%). Support for this measure was high amongst both smokers (92.5%) and non-smokers (94.7%).

- 3.3 Smokefree Playgrounds proposal has been presented to Sefton Health and Wellbeing Board who support the implementation of this measure within the immediate play area, to protect children from exposure to smoking and to prevent them from becoming smokers in the future.
- 3.4 There has been a legal ban on smoking in all enclosed public places in the UK since July 2007 which has seen high levels of compliance across Sefton. It is important to note however that there is no legal basis to formally ban smoking in open public areas. However the Government's Tobacco Control Plan for England published in March 2011 states;
"Local communities and organisations may also wish to go further than the requirements of smokefree laws in creating environments free from secondhand smoke, for example in children's playgrounds, outdoor parts of shopping centres and venues associated with sports and leisure activities. Initiatives such as these can also help to shape positive social norms and discourage the use of tobacco".
- 3.5 Local Authorities that have already implemented a voluntary code within play areas include Halton, Wirral, Knowsley and Warrington.

4. Proposal

- 4.1 The proposal is to introduce a voluntary smokefree code within all playground areas of council owned parks. It is not intended that the smokefree playgrounds initiative be perceived as a smoking ban. The scheme will be promoted as a polite request for adults to voluntarily refrain from smoking in play areas.
- 4.2 It is anticipated that, as with the smokefree laws covering enclosed public spaces, the scheme will require minimal policing as it has high levels of public support. There is no intention to actively enforce no-smoking in playgrounds as there is no legal basis to do so. However community members and park staff can be trained to issue advice and guidance to the public to encourage them to support the scheme.
- 4.3 The smokefree requirement will cover all 61 children's play areas managed by Sefton Council. The public will be free to smoke in the park and open space outside the play area. The survey conducted by NHS Sefton revealed that there was some support for a voluntary smokefree code for entire parks, but this is much lower than support for smokefree play areas with only 54% of respondents agreeing with the proposal.
- 4.4 The scheme is being funded by Heart of Mersey and NHS Sefton. Although the scheme will require the on-going support of community wardens to advise the public the authority is not required to finance the scheme. Heart of Mersey will also fund the signage production, publicity material and training for any staff working within the parks and volunteers.
- 4.5 In summary the code will be voluntary so the authority will not be open to legal challenge, it will apply to only the designated play areas within local authority parks, will be externally funded so there are no significant financial implications for the authority and there is strong support from local park users to this measure.

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Agenda Item 6

Report to: Cabinet
Council

Date of Meeting: 16 August 2012
6 September 2012

Subject: Merseyside and Halton Waste Local Plan - Modifications arising from Public Examination

Report of: Alan Lunt
Director of the Built Environment

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan?

Yes

Exempt/Confidential

No

Purpose/Summary

This report seeks to:

- (i) Update Members on progress and the outcomes of the public Examination process for the Waste Local Plan to date;
- (ii) Seek approval of the main modifications to the Waste Local Plan required as a result of the Examination process;
- (iii) Seek approval for consultation on the modifications required;
- (iv) Set out the final stages to Waste Local Plan adoption.

Recommendations

That Cabinet recommend that Council approve

- the modifications (both main and additional) to the Waste Local Plan
- public consultation on the modifications to the Waste Local Plan
- to delegate District officers within the Waste Local Plan Steering Group to make necessary further minor and typographical changes to the Waste Local Plan prior to Council approval being sought for adoption.

That Council approve

- the modifications (both main and additional) to the Waste Local Plan
- public consultation on the modifications to the Waste Local Plan
- to delegate District officers within the Waste Local Plan Steering Group to make necessary further minor and typographical changes to the Waste Local Plan prior to Council approval being sought for adoption.

Agenda Item 6

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	✓		

Reasons for the Recommendations:

So that the proposed modifications to the Waste Plan can be consulted on and submitted to the Inspector.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional revenue implications arising from this report. The costs associated with addressing the required modifications to the Plan and the further consultation that will then be required can be met from the existing Local Plans Budget.

(B) Capital Costs

N/A

Implications:

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

<p>Legal Paragraph 178 of the National Planning Policy Framework states that "Public bodies have a duty to cooperate on planning issues that cross administrative boundaries, particularly those which relate to the strategic priorities set out in paragraph 156. The Government expects joint working on areas of common interest to be diligently undertaken for the mutual benefit of neighbouring authorities". Waste management is one of the strategic priorities set out in paragraph 156 of the NPPF</p>
<p>Human Resources N/a</p>
<p>Equality 1. No Equality Implication</p>

- | | | |
|----|--|--------------------------|
| 2. | Equality Implications identified and mitigated | |
| 3. | Equality Implication identified and risk remains | <input type="checkbox"/> |

Impact on Service Delivery:

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD1692) and Head of Corporate Legal Services (LD1017/12) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

No. This is a statutory requirement

Implementation Date for the Decision

Immediately following the Council.

Contact Officer: Steve Matthews
Tel: 0151 934 3559
Email: steve.matthews@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

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1. Introduction/Background

- 1.1 Members approved the Publication and Submission of the Joint Merseyside and Halton Waste Development Plan Document (now known as the Waste Local Plan) at Full Council meetings between September and December 2011. The Waste Local Plan seeks to guide the future development of waste management and disposal facilities across the 6 partner Districts through a combination of policies and land allocations that will seek to move waste management up the Waste Hierarchy [i.e. more re-use and recycling] and away from landfill disposal. The Waste Local Plan must conform to national policy and meet the waste management needs of the Plan area.
- 1.2 It has taken several years of joint working, local authority investment and public consultation to get the Waste Local Plan to this advanced stage. The Plan has been prepared within the context of a rapidly changing availability of land which is suitable for waste management facilities. Technology continues to change rapidly as do the contractual and economic considerations governing the availability of land and investment finance. This has created the need for the Waste Local Plan to be adaptable and have the ability to respond to change through a flexible policy framework. Throughout Waste Local Plan preparation, considerable effort has been expended on ensuring that the technical evidence base is robust and up-to-date.

2. Public Examination Hearing and Required Modifications

- 2.1 The Waste Local Plan was submitted for Public Examination in February 2012. An independent Planning Inspector, Elizabeth Ord, was appointed by the Secretary of State to examine the Waste Local Plan. Her role is to examine and test the legal compliance and soundness of the submitted plan. Any further changes to the Plan must be owned and led by the Plan's sponsors – the six Local Planning Authorities – in response to the findings of the Examination process. The Public Hearings are currently adjourned to allow consultation to take place on a number of proposed modifications that the Inspector believes are necessary before she can recommend that the Plan can be adopted.

3. Hearing Outcomes

- 3.1 As part of the Examination process, all the representations received during the consultation process were assessed by the Planning Inspector on the basis of whether they identified any soundness or legal compliance issues and whether changes suggested are necessary to make the Plan sound. A total of 68 representations were received from 37 organisations and individuals. Table 1 lists the organisations that appeared at the Hearing sessions to present their case. For all representations submitted the Districts, with technical support from MEAS, not only responded directly to the issues raised but also responded to the questions posed by the Inspector. 80 additional queries or questions were raised by the Inspector prior to the Hearing sessions and were answered by MEAS and the Districts to the satisfaction of the Inspector. The hearing sessions were focussed on the matters of greatest importance as identified by the Inspector.

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Table 1: Organisations that Appeared at the Waste Local Plan Examination in Public (June 2012)

Name of Organisation	Matter of Concern
Peel Holdings	Sub-regional sites and flexibility
Associated British Ports	Sub-regional sites and flexibility
Cheshire West and Chester Council	Export of waste to landfill outside Merseyside and Halton, and utilisation existing void space. Overarching waste strategy and Energy from Waste
Lancashire County Council	Export of waste to landfill outside of Merseyside and Halton and utilisation of existing void space. Overarching waste strategy, vision and strategic objectives
Rainford Parish Council	Sub-regional sites
Cory Environmental (Central) Ltd	Allocation of landfill and use of available void space
Merseyside Recycling and Waste Authority	Energy from Waste
Sanderson Weatherall representing the Bank of Ireland	Landowner interests with respect to site S1 (Sandwash Close, St.Helens)

- 3.2 Copies of all the representations considered by the Inspector can be viewed on the Waste Planning Merseyside consultation portal at http://merseysideeas-consult.limehouse.co.uk/portal/public_docs/wdprd_docarchive . MEAS and the Waste Planning Authorities have worked proactively to resolve as many residual objections as possible both before and during the Hearing sessions. Statements of common ground have been agreed with ABP, Cory Environmental, Cheshire West and Chester Council and Peel Holdings. Substantial progress has also been made in resolving the issues raised by Lancashire County Council and the Merseyside Recycling and Waste Authority.

4. Legislation and Policy Changes

- 4.1 Since the Publication and Submission of the Waste Local Plan several important national changes have taken place, including the publication of the new National Planning Policy Framework (The Framework), the Localism Act 2011 and new national Local Planning Regulations. There has also been a steady stream of new initiatives and guidance from the Planning Inspectorate, DCLG and the Planning Officers Society. Two of the new requirements have required an immediate and direct response in the Waste Local Plan.
- 4.2 Firstly, a new Duty to Co-operate has been introduced which requires new ways of proactive working to resolve issues with neighbouring authorities and others during the Plan making process. Fulfilment of the Duty to Co-operate is an absolute test, which the Waste Local Plan must either pass or fail. The Waste Local Plan has, however, appeared to fare well against this test by virtue of the fact that it is a joint plan founded on a high level of prolonged co-operation between the Districts, and that regular consultation and involvement had already

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taken place with neighbouring authorities and other relevant agencies throughout the Plan preparation process.

- 4.3 Secondly, The Framework now includes a requirement for all plans, irrespective of their scope or content, to include an explicit policy statement to support the implementation of the new presumption in favour of sustainable development. The inclusion of the presumption is a non-negotiable requirement. This issue was identified by the Inspector during the pre-hearing meeting in April and was confirmed as a requirement in June, despite counter arguments being advanced by the Districts. A new Policy (WM0) on the presumption in favour of sustainable development has therefore been included in the Plan. This policy is based on a “model policy” provided by the Planning Inspectorate, which covers the requirement set out in the Framework.

5. Modifications

- 5.1 The imposed inclusion of this new policy triggers a procedural requirement to advertise and consult on a “main modification” to the Waste Local Plan. Not only does this require a new consultation with its inherent costs and timescale implications but it also requires a round of further Council approvals.
- 5.2 Other modifications have also been proposed to respond to the justifiable concerns of objectors to the Plan, where the Inspector indicated that they ought to be addressed. The modifications seek to improve the Plan in terms of greater policy clarity, and improved site deliverability. The key changes are termed “main modifications” and were discussed in detail and at length during the Examination Hearing sessions.
- 5.3 A total of eight main modifications were discussed and agreed in principle during the Examination process. None of these main modifications change the policy direction, strategy or agreed approach of the Waste Local Plan. Rather, they further improve the Plan and should make complying with and interpreting policy more straightforward. Six main modifications relate to policy and two to sites and are summarised in Table 2 with changes to the detailed policy wording presented in the Annex.
- 5.4 Responding explicitly to issues of particular concern to the Planning Inspector should increase the likelihood that the Waste Local Plan will be declared sound and suitable for formal adoption.

Table 2: Summary of Main Modifications to the Waste Local Plan (See the Annex for full details)

Nature of Main Modification	Reason for Modification
New Policy – WM0 Presumption in Favour of Sustainable Development	Imposed modification resulting from changes to national planning policy.
Overarching Waste Management Strategy Re-wording to clarify intent of strategy.	Following objections from Cheshire West & Chester and Lancashire County Councils.
Policy WM2 – Sub-regional Sites Substitution of sub-regional site in St Helens	Substitution following late withdrawal of support by landowner. Exemption following objections from Peel

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Port-based sub-regional sites exempted from safeguarding due to strategic nature of ports.	Holdings Ltd and Associated British Ports.
Policy WM3 – District-level Sites Removal of site H3	Site removed following late withdrawal of support by landowner for operational reasons.
Policy WM7 – Protecting Existing Waste Management Capacity Making the implicit intent with respect to protecting landfill void space more explicit.	To improve the deliverability of the Plan following objections from Cheshire West & Chester and Lancashire County Councils and Cory Environmental (Central) Ltd.
Policy WM13 – Planning Applications for New Waste Management Facilities on Unallocated Sites Minor re-wording	To bring policy in line with changes proposed to policy WM15.
Policy WM14 – Energy from Waste Provision of criteria based wording to enable EfW if existing operational or consented capacity unavailable.	To improve the deliverability of the Plan following objections raised by Cheshire West & Chester and Merseyside Recycling and Waste Authority.
Policy WM15 – Landfill on Unallocated Sites To make intent of policy clearer and the wording more positive.	To improve the deliverability of the Plan following objections from Cheshire West & Chester and Lancashire County Councils and Cory Environmental (Central) Ltd.

5.5 The main modifications must now be formally endorsed by each of the partner Councils and consulted on before the Inspector can take them into account. The main modifications must also be reassessed in terms of Sustainability Appraisal and Habitats Regulations Assessment to demonstrate full procedural compliance. Again, this is a non-negotiable requirement which will also reduce the risk of legal challenge.

5.6 A number of additional more minor modifications have also been proposed, in discussion with the Inspector, to further improve the interpretation of the Plan. These are of less concern to the Inspector’s final report but are nonetheless important in terms of clarifying and explaining how the Plan will deliver its objectives. It is advisable that these additional modifications are also subject to public consultation to comply with Statements of Community Involvement and to guard against legal challenge. The additional modifications are also summarised in the Annex and their scope primarily relates to changes to the supporting text and minor changes to site profiles. Again, none of the additional modifications proposed will change the overall strategy or policy direction of the Waste Local Plan.

5.7 Since the report was approved by Planning Committee on 25th July, the Inspector has suggested several changes to the schedule of Modifications. Mainly these have been suggestions to move text from “Additional” to “Main” modifications. These changes are summarised below.

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- These further changes to the Main Modifications are as follows:
 - Policy WM0 – very minor changes to wording for clarification (Inspector was concerned that the current wording implied that other LDF documents were somehow part of the Waste Local Plan)
 - Policy WM2 – some explanatory text (para 4.15) moved from Additional Modifications Schedule to the Main Modifications Schedule
 - Policy WM7 – Additional sentence inserted under “criteria for protecting existing WM capacity” as follows: “One or more of the above criteria must be met for a change of use to be acceptable”.
- Changes to Additional Modifications:
 - WM15 – Explanatory text added for this policy
 - Changes to Site Profile for site S3 (change to permitted extraction area)
- Change to Generic modifications: update reference to Core Strategies and other Development Plan Documents to reflect the terms used in the new planning guidance.

6. The Approvals and Consultation Process for Modifications

- 6.1 Council approval is required by all Districts prior to the advertising and consultation of the modifications to the Waste Local Plan. The last programmed Full Council approval is time-tabled for 17th October 2012 after which the Schedules of Changes to the Waste Local Plan will be printed, advertised and consulted upon for a 6-week period. This is the minimum period required to comply with the districts’ Statements of Community Involvement. Members should note that the scope of the consultation is restricted to the modifications only – any observations on other elements of the Plan would at this stage be inadmissible.
- 6.2 Given that a replacement sub-regional site is required in St. Helens, to guard against the risk of procedural challenge it is recommended to arrange a single public consultation event to support the allocation of the site identified, even though the replacement site was previously consulted upon at an earlier stage.
- 6.3 Following completion of the consultation, the Merseyside Environmental Advisory Service and the Districts will consider and collate the representations received and pass this information to the Inspector. It is a matter for the Inspector to consider the merits of this information and to form a view on whether she wishes to reconvene further Hearing session(s) to discuss the new representations received and whether there are any issues that require further exploration. Alternatively, the Inspector can proceed without a further Hearing to the completion of her Report.

7. Final Steps

7.1 The Inspector's report, which is estimated to be delivered in late January / February 2013, will state whether the Plan meets the stringent legal compliance, soundness and Duty to Co-operate tests and is suitable for adoption. Two outcomes are possible. If the Plan meets the tests the Councils can proceed to formal adoption. If the Plan fails the tests, a step back will be required in order to address the issues identified. Given that the Inspector has indicated broad support for the proposed modifications, this outcome is considered less likely, subject to any further consultation comments by third parties. However it is important that Members appreciate that the main modifications to the Waste Local Plan set out in this report are deemed essential to pass the necessary Examination tests.

7.2 On the assumption that the Waste Local Plan is found to be legally compliant and sound then the Districts will be able to proceed to the following final stages:

- Agree the date that the Waste Local Plan will become a material consideration in the determination of planning applications, which is most likely to be the date of publication of the Inspector's report;
- Council approvals to formally adopt the Waste Local Plan as part of their own statutory land use development frameworks;
- Agree a single adoption date from which the Waste Local Plan would come into full effect in the Districts;

These matters will be the subject of a further report to each of the Councils during early 2013.

A Schedule of Requested Main Modifications and additional Modifications for the Merseyside and Halton Waste Local Plan can be viewed by accessing the Council's Document Library using the following link:

<http://modgov.sefton.gov.uk/moderngov/documents/s40895/Schedule%20of%20Requested%20Main%20Modifications%20and%20additional%20Modifications%20for%20the%20Merseyside%20and%20Halton%20Waste%20Local%20Plan.pdf>

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Report to: Cabinet Member Transportation
Cabinet
Council

Date of Report : 3rd August 2012
Date of Meeting : 16th August 2012
Date of Meeting : 6th September 2012

Subject: Merseyside Local Sustainable Transport Fund Major Project

Report of: Director of Built Environment

Wards Affected: Church, Victoria, Manor, St Oswald, Molyneux, Netherton & Orrell, Litherland, Ford, Linacre, Derby

Is this a Key Decision? Yes

Is it included in the Forward Plan? No

Exempt/Confidential No

Purpose/Summary

To advise the Cabinet of Sefton's role in the Merseyside Local Sustainable Transport Fund major project and to seek authority to commit and to allocate the funds.

Recommendation(s)

It is recommended that Cabinet Member Transportation notes the report and recommends Cabinet to approve the allocation of funds and authorise officers to commence commitment of the funds.

Cabinet

It is recommended that:-

- (i) Cabinet note the elements of the Merseyside LSTF major project to be delivered in Sefton; and
- (ii) Cabinet note that Merseytravel is the lead accountable body for the Merseyside LSTF major project; and
- (iii) Cabinet authorises the Strategic Director - Place to enter into a formal agreement with Merseytravel for the funding, delivery and monitoring of the project; and
- (iv) Cabinet requests Council to approve the inclusion of £646,000 in the Capital Programme phased as indicated in paragraph 2.5; and
- (v) Cabinet requests Council to approve the inclusion of £300,000 grant funding from Sustrans in the Capital Programme towards the delivery of the Hightown to Formby Coastal Path Improvements; and
- (vi) Subject to Council approval of items (iv) and (v) above, Cabinet authorises officers to commence commitment of the funds; and
- (vii) It be noted that the proposal was a Key Decision but had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Chair of the Overview and Scrutiny Committee (Regeneration and Environmental

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Services) has been consulted under Rule 15 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan because of the need to secure an amendment to the Capital Programme with sufficient time to deliver the elements required in 2012/13. The Department for Transport announcement of the overall allocation for the Merseyside major project was only made on the 27th June and subsequently confirmed in a letter to Merseytravel dated 4th July. However, this did not indicate which elements of the overall major project would be funded and confirmation of the level of funding for Sefton's elements of the project was only received from Merseytravel in a letter dated 19th July. The project requires an amendment to the Capital Programme to include the grant allocation of £166,000 capital resources for 2012/13. The allocation for 2012/13 must be spent in 2012/13 and cannot be carried forward. Approval to amend the Capital Programme is therefore required at Cabinet on 16th August and Council on 6th September. If the decision was deferred until the next Forward Plan, the amendment to the Capital Programme would not be made until Council on 22nd November. This delay would make it impossible to achieve the required spend of the 2012/13 allocation. The recent nature of the announcement and funding details meant that it was not included on the Forward Plan and the timing of future Cabinet and Council meetings means that it cannot be deferred to the next Forward Plan.

Council

It is recommended that:-

- (i) Council approves the inclusion of £646,000 in the Capital Programme phased as indicated in paragraph 2.5; and
- (ii) Council approves the inclusion of £300,000 grant funding from Sustrans in the Capital Programme towards the delivery of the Hightown to Formby Coastal Path Improvements

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 allow the funds to be committed to commence delivery of the bid and ensure the required spend is made in the current financial year.

What will it cost and how will it be financed?

(A) Revenue Costs

£440,000 of LSTF grant available over the three years of the fund (until 31 March 2015), including £100,000 in 2012/13

(B) Capital Costs

£646,000 of LSTF grant available over the three years of the fund (until 31 March 2015), including £166,000 in 2012/13

£300,000 of Sustrans grant funding towards delivery of Phase 2 of the Hightown to Formby Coastal Path Improvements in 2012/13

All LSTF grant funds will be met by the Department for Transport through the Local Sustainable Transport Fund through Merseytravel as the accountable body. The Sustrans grant will be met through their DfT funded Links to Schools Programme and will be paid directly to Sefton Council.

Implications:

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

Legal	None
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 Finance & ICT (FD1696/12) has been consulted and any comments have been incorporated into this report.

Head of Corporate Legal Services (LD1025/12) has been consulted and any comments have been incorporated into the report.

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Are there any other options available for consideration?

No

Implementation Date for the Decision

Immediately following the Council meeting

Contact Officer: Stephen Birch Team Leader STPU
Investment Programmes & Infrastructure
Tel: 0151 934 4225
Email: stephen.birch@sefton.gov.uk

Background Papers:

Letter from Merseytravel (19th July 2012) - Large Project Local Sustainable Transport Fund Grant Award
Letter from Sustrans (30th May 2012) – Round 9 Links to Schools Programme – 2012/13 – Formby & Aintree

1.0 Introduction

- 1.1 At the meeting of the Cabinet held on 14th April 2011, Members approved the progression of bids for inclusion in the Local Sustainable Transport Fund (LSTF) in partnership with the Merseyside Integrated Transport Authority (ITA) and the Merseyside local authorities. The Merseyside bid consisted of a Key Component element and a Major Bid.
- 1.2 The Key Component Bid was approved by the Department for Transport and the success of the Merseyside bid and an overview of the content of the project was reported to Cabinet on 21st July 2011. On 18th August 2011, Cabinet approved the funding arrangements for the Key Component Project and the inclusion of the project grant in the Council budgets.
- 1.3 An expression of interest relating to the proposed Merseyside Major Bid was submitted to the Department for Transport in June 2011 and following approval by the DfT, a detailed major bid and supporting business case was prepared and submitted to the DfT in December 2011. The DfT announced on the 27th June 2012 that the Merseyside major project bid had been granted £19.99m.

2.0 The Merseyside LSTF Major Project - Supporting Sustainable Access to Opportunity in Merseyside

- 2.1 The Merseyside major project submitted by Merseytravel was for £21.7m, to be used across Merseyside to support sustainable access to employment and opportunity. It contained about 50 complementary interventions to be delivered across Merseyside by a range of partner organisations. The bid was based around four main areas of activity, in common with the Key Component Project; Working with Employers, Travel Solutions, Sustainable Transport Infrastructure and Bus Services. It contained a mix of both revenue and capital funding.
- 2.2 Merseytravel has confirmed that Sefton will receive £1,096,000 (comprising £440k revenue, £646k capital and £10k maintenance allowance) from the Merseyside project to work with local communities, businesses, schools and colleges in addressing transport issues and to improve accessibility for pedestrians and cyclists to key employment locations, local centres and facilities and education and training establishments and to introduce community based low speed zones. Further details are provided below.
- 2.3 Merseytravel will act as the lead Authority and accountable body. The project will be administered by Merseytravel in accordance with the Terms and Conditions specified by the Department for Transport (DfT). The letters of confirmation for the project from Merseytravel and the DfT are attached as Annex A. Merseytravel will enter into formal agreements with the partner local authorities for the management, delivery and monitoring of the project in the same way as has been done for the Key Component Project. This will be finalised as quickly as possible so that the spending commitments for 2012/13 can be met as the DfT has made it clear that there is no scope for carrying forward any funding to future years.
- 2.4 It is recommended that the Strategic Director - Place is authorised to enter into the formal agreement to enable the delivery and financial management of the project.

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2.5 The funding amounts and spend profile for the components of the project to be delivered in Sefton are summarised below.

	£k	2012-13	2013-14	2014-15	Total
Travel Solutions (Revenue funding)					
Transitional transport solutions	Revenue	32	55	55	142
Active Sefton	Revenue	68	115	115	298
Total Revenue		100	170	170	440
Sustainable transport infrastructure (Capital funding)					
Access to key employment locations	Capital	0	35	35	70
Community based low speed zones	Capital	50	100	100	250
Local area accessibility improvements	Capital	50	55	55	160
Access to education and training locations	Capital	66	50	50	166
Total Capital		166	240	240	646

2.6 Members will note that there is a considerable amount of spend profiled for 2012/13 and in order to deliver the aims of the project and meet this spend it is necessary to commence committing funds at the earliest opportunity.

2.7 In view of the above and subject to confirmation of the funding agreement with Merseytravel and Council approval of the capital budget, the Cabinet is requested to authorise officers to commence commitment of the funds identified for 2012/13. Delivery of these commitments will be subject to subsequent reports to the Cabinet Member –Transportation.

3.0 Project Spend 2012/13

3.1 Paragraph 2.5 above outlines the spend profile for all Sefton's elements of the Merseyside LSTF major project. The proposed spend for 2012/13 is as follows:-

3.2 **Transitional Transport Solutions (£32k Revenue)** - The transitional transport solutions project consists of the provision of information, advice, training and practical assistance specifically targeted at those making the transition from school into college, training or employment or those leaving college to enter training or employment. The aim of the scheme is to establish and reinforce sustainable travel behaviour patterns with a target market/audience who are undergoing a significant transition in their life and, as such, are more open to new opportunities and more willing to change. The project will engage with the high schools and colleges in

south Sefton to offer advice and support for those about to leave the school or college.

- 3.3 **Active Sefton (£68k Revenue)** – The Active Sefton project consists of a series of community based campaigns and programmes to support and promote walking, cycling and public transport as part of a wider active and healthy lifestyle programme. It is intended to develop confidence and independence and to improve health and well being among local populations, whilst also encouraging greater use of local facilities and local businesses. This programme will be delivered as part of the existing Active Sefton brand and focus on local communities. It will be delivered in partnership with NHS Sefton and Sefton CVS who would lead the establishment of a series of community based programmes to support and encourage active travel to school, to employment and to local services and facilities. The programme will seek to involve local businesses, community organisations and health and education establishments.

- 3.4 **Sustainable Transport Infrastructure (£166k Capital)** – This element of the project is intended to provide new or improved infrastructure that will support walking, cycling or public transport access to key employment locations, to local centres, to schools and colleges and in residential areas. A comprehensive approach to encourage walking, cycling and public transport use by improving walking and cycling infrastructure will be developed, complemented by the transport solutions packages. An area focussed approach will be used to develop a range of measures, appropriate to the local area, to make it safer and easier for people to walk, cycle or use public transport within their communities and to get access to employment, to local centres and facilities and to schools and colleges.
 - 3.4.1 The proposed infrastructure improvements to key employment locations will be linked with the similar measures proposed in the key component project, but will enable additional sites to be improved. As with the key component elements, they will be supported by funding from other programmes, including the LTP capital programme.

 - 3.4.2 The community based low speed zones will concentrate on local residential areas and local centres. Low speed zones are more successful if there is community ownership and a combined approach through community consultation and engagement and the Active Sefton package will provide this support and involvement. The low speed zones will be an important component in creating the perception of safety needed to encourage walking and cycling within local residential areas and both to and around local centres.

 - 3.4.3 The local area accessibility improvements seek to remove barriers to walking, cycling and public transport use to important local centres and facilities. These will include rail stations, local shops, health centres, GP surgeries and libraries. The accessibility and attractiveness of local centres and local facilities plays an important role in their continued viability and the level of use by local communities. This project combined with the Active Sefton initiative will provide a comprehensive approach to removing the barriers to sustainable travel, thereby encouraging greater local access to and use of local centres and facilities.

 - 3.4.4 High schools, colleges and other training establishments will be targeted for investment in infrastructure measures to improve access and to promote walking, cycling and public transport use. These measures will reinforce the transport solutions campaigns to encourage sustainable transport use and develop confidence, independence and life-skills by providing the infrastructure that makes it

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easier and safer to walk, cycle or use public transport. The transport solutions campaigns will provide the advice and assistance needed to support sustainable transport while the measures provided through the capital investment programme will address the physical barriers and obstacles to greater uptake of sustainable transport activity.

4.0 Sustrans Linking to Schools grant

- 4.1 The proposals to upgrade the Sefton Coastal Path between Hightown and Formby have been approved as part of the LTP Capital Programme. Phase 1 of the project was completed in 2011/12 and Phase 2 is proposed for implementation in 2012/13. Phase 2 comprises the construction of a new footbridge (also suitable for cyclists) across the River Alt and the upgrade of 2km of the existing footpath to a path suitable for use by pedestrians and cyclists. The total cost of Phase 2 is estimated at £550,000, which will be met through £300,000 of grant funding from Sustrans, £100,000 of LSTF funding from the existing Sefton LSTF project and £150,000 from the LTP Capital Programme.
- 4.2 Confirmation of the grant from Sustrans was received in June (letter dated 30th May 2012). The grant is provided through the DfT funded Links to Schools Programme. Although the scheme has been identified in the LTP Capital Programme, the Sustrans grant needs to be included in the Council's Capital Programme. Cabinet is therefore requested to approve the inclusion of the £300,000 Sustrans grant in the 2012/13 Capital Programme.

5.0 Financial Implications

- 5.1 The Head of Corporate Finance and ICT comments that the financial implications of the report for the Council are that the expenditure of £100,000 revenue and £166,000 capital to be incurred in 2012/13 is to be funded by grant from the Local Sustainable Transport Fund, along with further funding up to 2015 as shown in the schedules above, awarded by the Department for Transport and administered by Merseytravel. Grant will be claimed quarterly in arrears based on actual spend in the same way as the Key Component Project. In addition, spend of £300,000 capital to be incurred in 2012/13 as part of the Hightown to Formby Coastal Path Improvements is to be funded by grant from Sustrans. The grant will be claimed quarterly in arrears based on actual spend. There are not expected to be any financial resource implications to the Council as a result of these projects as they are fully funded.



Merseytravel

P.O. Box 1976
 Liverpool L69 3HN
 Tel: 0151 227 5181
 mail@merseytravel.gov.uk

Our ref: LTP/BW/AS/SB/jg **Contact:** Barbara Wade
Your ref: **Tel:** 0151 330 1852
Date: 19 July 2012

Ms Amanda Langan
 Head of Investment Programme & Infrastructure
 Sefton Council
 Bootle Town Hall
 Oriel Road
 Bootle L20 7AE

Dear *Amanda*,

Large Project Local Sustainable Transport Fund (LSTF) Grant Award for Financial Year 2012/2013

Following the notification letter from DfT in July, I am pleased to confirm the funding for your elements of the successful Merseyside LSTF Project for financial year 2012/13, effective from 27 June 2012.

Annex A attached, sets out the capital and revenue grant for your organisation. Please note as per DfT conditions, any unclaimed funds cannot be carried forward into subsequent financial years. Every effort should therefore be made to avoid any budget slippage, as we cannot guarantee that a project underspend in one year will be incorporated into higher allocations in subsequent years.

Conversely, where variances to spending budgets result in one year overspends; these should be notified to Merseytravel, acting on behalf of the ITA, at the earliest opportunity. Merseytravel cannot guarantee the availability of funds to cover any overspends, but will engage in discussions with DfT to secure additional funding where appropriate.

A formal Funding Agreement will be proposed to determine the conditions of funding based on payment of the grant being made in arrears. Merseytravel will co-ordinate the Merseyside LSTF claims by combining and reporting expenditure to DfT quarterly as follows:-

2012/13	Quarter 2 (Apr-June 12)	Quarter 2 (July-Sept 12)	Quarter 3 (Oct-Dec 12)	Quarter 4 (Jan-Mar 13)
Partner deadline	-----	5 October 12	7 January 13	8 April 13
Claim deadline	20 July 12	19 October 12	21 January 13	22 April 13
Payment date	31 August 12	30 November 12	1 March 13	31 May 13

Cont'd.....

Merseyside Integrated Transport Authority and Passenger Transport Executive

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Annex B contains confirmation of DfT's contribution to the Merseyside LSTF large project, for the period 2012/13 to 2014/16.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alan', written in a cursive style.

Alan Stilwell
Director of Integrated Transport

Encs

Appendix A

Large Project Local Sustainable Transport Fund (LSTF) Grant Award: Sefton Council

£K	Revenue	Capital	Maintenance Allowance	Total
2012/13	100,403	166,402	2,100	268,905
* 2013/14	169,845	239,845	3,800	413,490
* 2014/14	169,845	239,845	3,800	413,490
Total	440,093	646,092	9,700	1,095,885

* Please note we are only able to confirm spend profiles for 2012/2013 at this time. Profiles for subsequent years are indicative at this stage and will be confirmed at a later date.

Department for
Transport

Jim Barclay
Acting Chief Executive
Merseytravel
1 Mann Island,
Liverpool,
L69 3HN

Pauline Reeves
Deputy Director Sustainable Travel
Department for Transport
2/15 Great Minster House
33 Horseferry Road
London
SW1P 4DR
Direct Line: 020 7944 2470
lstf@dft.gsi.gov.uk

Web Site: www.dft.gov.uk

4 July 2012

Dear Mr Barclay,

Supporting Sustainable Access to Opportunity in Merseyside

Thank you for your above bid to the Local Sustainable Transport Fund large project bidding round, submitted in December 2011. This letter is to inform you that Ministers have decided to provide partial funding for your bid.

This project presents a real opportunity to overcome barriers to accessing work in a sustainable way. Ministers welcomed the strong partnership focus, with high levels of support from key private sector organisations. However, DfT funding has been removed for the St Helens electric buses (£1.28m). In addition, due to affordability reasons, the level of DfT funding has been scaled back to 70% of the overall project costs. The DfT contribution to this project has been reduced by £459.1k, which Ministers expect you to find in extra local contribution to ensure project delivery. If this is not possible and the project will need to be scaled back as a result, please consult with the LSTF team about which elements of the project will be deprioritised.

The Department would be happy to provide further feedback and advice if you require. Please contact the team at lstf@dft.gsi.gov.uk

The Department's funding contribution to the project takes effect from 27 June, and will be paid as resource and capital grant as follows:

£k	Revenue	Capital	Total
2012/13	2974.5	2803	5777.5
2013/14	3783.5	3193	6976.5
2014/15	3524	3712	7236
Total	10,282	9708	19,990

We will write to you shortly with a formal offer of grant under Section 31 of the Local Government Act 2003. The letter will include the full terms under which the grant is to be provided and explain that there will be no opportunity to carry forward any unspent funds into subsequent financial years.

Agenda Item 7

Thank you for taking the time to develop your bid to the Fund. My team and I look forward to working with you and we wish you every success in implementing the project and realising the benefits for your local communities.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Pauline', with a horizontal line underneath.

Pauline Reeves

Agenda Item 7

Our Ref U003/9



Mr Peter Hillsdon
Principal Transport Policy Officer
Sefton Metropolitan Borough Council
Technical Services
Balliol House
Balliol Road
Bootle
Merseyside
L20 3NJ

Head Office
Sustrans
2 Cathedral Square
College Green
Bristol BS1 5DD
T: 0117 926 8893
F: 0117 929 4173
Information: 0845 113 0065
www.sustrans.org.uk

30 May 2012

Dear Peter

ROUND 9 LINKS TO SCHOOLS PROGRAMME – 2012/13 **Reference: U003 Formby & Aintree**

Thank you for your application for funding under the Links to Communities programme. I am pleased to confirm that we have reserved a sum of £300,000 towards estimated total project costs of £555,000 for the project to link community facilities in Formby and Aintree, Sefton.

This grant is eligible towards capital costs incurred in the delivery of the agreed work and within the timescale as detailed in the Memorandum of Understanding (Schedule of Works)

Sustrans support a range of coordinated programmes to encourage and support cycling and walking. Your scheme has been selected because we recognise that it meets our criteria and we will therefore expect the scheme to be delivered in full in accordance with the Memorandum of Understanding.

I enclose two copies of the Memorandum of Understanding for Links to Communities and I would be grateful if you could countersign and return one copy. Please note that the full conditions related to the uptake of this grant are in Appendix A and payment is conditional on fulfilling the terms and conditions as set out in the Memorandum of Understanding (and Schedule of Works).

Registered Office, Sustrans, 2 Cathedral Square, College Green, Bristol BS1 5DD. T: 0117 926 8893

Belfast T: 02
Edinburgh T: 0131.539 8122
Cardiff T: 029 2065 0602 /
Oxford / Peterborough / Rhuthun/Ruthin / Stockton on Tees

with offices in: Birmingham / Crewe / Derby / Leeds / London / Man

Registered Charity no. 326550 (England and Wales) SC039263 (Scotland) Company Limited by Guarantee no. 1797726 Company Registered in England VAT Registration no. 416749656 Printed on recycled paper



Agenda Item 7

The grant is payable in arrears, but we can release interim payments as work progresses. I enclose the Claim for Payment form and guidance notes for completing this form and claiming your first payment. Please contact me at paul.hilton@sustrans.org.uk, Tel. 0117 9150313 if you require any further information regarding the uptake of the fund.

Thank you for your continuing support for Sustrans and the Links to Communities Programme.

Yours sincerely



Paul Hilton
Senior Project Officer, Links to Communities

Encs. 2 x Memorandum of Understanding (both to be signed, one to be returned)

- Links to Communities Technical Checklist
- Claim for Payment Form
- Claim for Payment Form Guidance Notes
- Press, PR and Marketing Protocol for Sustrans

Cc. Peter Foster - Sustrans, Regional Director
Alice Rickwood - Sustrans, Project Manager

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Report to: Cabinet **Date of Report:** 16th August 2012

Subject: North Liverpool and South Sefton Strategic Regeneration
Framework - Green Print for Growth and 2011/12 Delivery Plan

Report of: Director of Built Environment **Wards Affected:** Linacre,
Derby, Church, Litherland,
Netherton and Orrell, Ford

Is this a Key Decision? Yes **Is it included in the Forward Plan? Yes**

Exempt/Confidential: No

Purpose/Summary

To update Cabinet on the North Liverpool and South Sefton SRF in respect of;

- The Green Print for Growth Framework
- The 2012/13 Delivery Plan

And what this means for South Sefton

Recommendation

It is recommended that Cabinet approves :-

Part 1 of this Report

1. the Green Print for Growth Framework

Part 2 of this Report

2. the 2012/13 Delivery Plan

Agenda Item 8

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	/		

Reasons for the Recommendation(s): To enable progress to be made in respect of authorisation to develop the Green Print Framework in Sefton and to deliver the North Liverpool and South Sefton SRF in respect of the 12/13 Delivery Plan

What will it cost and how will it be financed?

There are no financial implications as a result of this report. **Implications:**

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

Legal None	
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:

Not applicable.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD 1698) has been consulted and has no comments on this report as there are no direct financial implications as a result of it.

The Head of Corporate Legal Services (LD 1015/12) has been consulted and has no comments on this report.

Are there any other options available for consideration?

Not applicable.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer: Andrew Hall
Tel: 0151 934 3604
Email: andrew.hall@sefton.gov.uk

Background Papers:

None

Agenda Item 8

Part 1: Green Print for Growth, The making of the Great Park...

Background

1. The idea is to create a Great Park connecting together the City Centre, North Liverpool, South Sefton and the River Mersey waterfront. The Great Park brings a collective identity, sense of purpose and direction to connect existing projects together and encourage new investors to think about North Liverpool and South Sefton as a connected part of the Liverpool City Region in a positive way. The Great Park will enable investment and create jobs by setting in place an ambition that:
 - creates the Greenest City Park in the UK within 10 years
 - creates over 300 jobs and new training opportunities
 - delivers 10 big projects and 1001small projects
 - plants 10 trees for each resident every 10 years
 - encourage everyone to contribute in their own way
2. GreenPrint for Growth is about improving the lives of local people and making North Liverpool and South Sefton 'investment ready' to attract investors and visitors alike. It is a way of bringing together and connecting ideas, investments and actions for our waterways and greenspaces.
3. The ideas for the Great Park, the Lanes and Moorings as set out in the leaflet which can be accessed via this link: <http://www.liverpoolvision.co.uk/Docs/DownloadDocs/313GreenPrint%20for%20Growth.pdf> are the starting point for securing and targeting investment and activity around key opportunities identified to date.
4. The next steps are to:
 - continue to support and connect local groups and projects
 - continue to work with key city investors that have begun to align their investment programmes with the Great Park ideas
 - work more closely with developers who are actively looking for opportunities and innovative ways to coordinate investments
 - promoting GreenPrint for Growth and the Great Park to secure funding and resources as opportunities allow
5. Greenprint had already been to Vision's Board (and approved by their Mayor and several Cabinet Members who sit on the Board). They are proposing a formal launch of Greenprint at the next SRF Stakeholders meeting which is the morning of 27th July 2102 at Bootle Cricket Club.

Agenda Item 8

Proposal

6. The northern end of the SRF boundary is defined by the edge of the Linacre and Derby wards. It is an arbitrary boundary in respect of Green Print for Growth which affords the opportunity to improve the environment for residents impacted most by Port expansion proposals. In this respect Liverpool Vision are supportive of extending the Green Print Framework to capture the southern end of Crosby Coastal Park, and Dunnings Bridge Road. This captures the Church, Litherland, Netherton and Orrell and Ford wards.
7. Should Regional Growth Funding be approved for the River Dredging Project, the Mersey Docks and Harbour Company have indicated financial support for several areas of study that would involve an Investment Framework approach - outlined in a separate report to – CM R and T, 11th July). It's proposed that this would include an Environmental Study to develop proposals further - in respect of the "moorings", "lanes" and "gardens" outlined in the Green Print framework.

Part 2: 2012/13 Delivery Plan

8. An SRF Officer Steering Group continues to manage the partnership between Liverpool City Council and Sefton Council. The Thematic Groups of the partnership have produced a Delivery Plan for 2012/13 which can be accessed via this link:
<http://www.liverpoolvision.co.uk/Docs/DownloadDocs/328NLSS%20Report%2031%20july%202012.pdf> The Liverpool Vision Board has endorsed the 12/13 Delivery Plan.
9. Officers are working in a number of areas which are relevant to the SRF objectives and to Sefton in particular. These include;
10. Port of Liverpool Expansion: Officers are progressing the legal agreement with the Mersey Docks and Harbour Company (MDHC) in respect of the Regional Growth Fund conditional offer letter to dredge the Mersey for the benefit of estuary channel users.
11. In addition Peel Ports are planning the delivery of a deep River Terminal capable of handling post panamax shipping
12. Business Support: Liverpool Vision and Sefton Council's Invest Sefton service are the drivers for stimulating business and enterprise growth.

Key activities will include;

- 1:1 business advice and support through a dedicated Business Growth Manager
- Access to 1:1 specialist business support

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- Financial support for new and existing businesses seeking to create new sustainable growth and job opportunities through the Stepclever Legacy project
 - Retention of a small Stepclever delivery team providing access to new funding
 - Inward investment support in conjunction with LCR Local Enterprise Partnership
 - Developing business sector networks including North Liverpool Business Forum
 - Access to demand driven business support events and workshops
13. Skills and Employment: Maximising the local economic benefit from major investments such as Port expansion, but also Liverpool Waters and Low Carbon technology is a key objective. A number of initiatives are being developed to link education and training providers with local industries. Sefton@Work are developing a targeted recruitment and local supply chain methodology in connection with the Port of Liverpool's expansion plans. This will be designed to target jobs towards Sefton and Liverpool residents and to maximise training and apprenticeship opportunities. In particular Sefton@Work are supporting workless residents with health problems, low skills, who are social tenants and those who are most affected by welfare reform.
14. GreenPrint for Growth: (Please see Part 1 of this report)
15. Housing Regeneration: Reshaping the housing offer, which commenced under the former New Heartlands housing market renewal pathfinder is continuing. The aim is to help ensure that North Liverpool and South Sefton provide the type and quality of homes that will support the retention of existing residents and help attract new ones. In Sefton the focus is on Klondyke and Bedford/Queens.
16. Transport: In Sefton a priority is to secure Government support to enable the Highways Agency to undertake feasibility work that will address the demand in the future for Port Access.
17. Bootle Town Centre: Bootle's importance as a regeneration priority is reflected in the Council's emerging Local Plan. The SRF is an important vehicle for promoting a unified ambition for Bootle as it represents the only existing town centre within this area.
18. Integrated Family Support: Common to both local authorities are the Implementation Plans which will be formulated to support the Government's high profile troubled families initiative aimed at turning around the lives of families involved in crime, anti social behaviour, poor school attendance, and where ill health and worklessness are also key factors. It's recognised in the delivery plan that the impact of the Welfare Reform Bill on North Liverpool and South Sefton needs to be considered.

Report to: Cabinet

Date of Meeting: 16 August 2012

Subject: COMMUTED SUM ADOPTED PRACTICE FOR ADDITIONAL HIGHWAY MAINTENANCE LIABILITIES

Report of: Director of Built Environment

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan?
Yes

Exempt/Confidential

No

Purpose/Summary

To seek approval for a proposed adopted practice of securing commuted sums from developers through Section 38/278 legal agreements to fund future highway maintenance liabilities that result from the impact of new developments.

Recommendation(s)

It is recommended that Cabinet approves a proposed adopted practice of securing commuted sums from developers through Section 38/278 legal agreements to fund future highway maintenance liabilities that result from the impact of new developments. It is also recommended that this is carried out in line with the advice and principles set out in the ADEPT guidance document “Commuted sums for maintaining infrastructure assets” with information provided by the Sefton TAMP used to justify commuted sum charges.

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:

The recommendation will ensure the Council's future maintenance liability will not increase as a result of new developments.

What will it cost and how will it be financed?

- (A) **Revenue Costs** No financial implications for the Council
- (B) **Capital Costs** Increases in future maintenance liabilities as a result of new developments will be funded by developers

Implications:

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

Legal The statutory provisions (Sections 38 and 278 Highways Act 1980) are set out in section 2.0 of the report
Human Resources
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 (LD 973/12) has been consulted and any comments have been incorporated into the report.

The Head of Corporate Finance and ICT (FD1639) has been consulted and has made no comments on this report.

Are there any other options available for consideration? No

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet

Contact Officer: Brian Mason : Team Manager
Highways Development Control
Investment Programmes & Infrastructure

Tel: 0151 934 4175

Email: brian.mason@sefton.gov.uk

Background Papers:

ADEPT (formerly County Surveyors Society or CSS) guidance document "Committed sums for maintaining infrastructure assets" 2009

A copy of the ADEPT guidance document can be viewed by accessing the Council's Document Library using the following link:

<http://modgov.sefton.gov.uk/moderngov/ecSDDisplay.aspx?NAME=SD977&ID=977&RPID=4588613&sch=doc&cat=13375&path=13374%2c13375>

1.0 INTRODUCTION

1.1 The purpose of this report is to seek formal approval for the proposed adopted practice of securing commuted sums from developers through Section 38/278 legal agreements to fund future highway maintenance liabilities that result from the impact of new developments. Typical circumstances where this may occur as identified in the ADEPT guidance include:

- **ADDITIONAL AREAS NOT REQUIRED FOR NORMAL HIGHWAY PURPOSES** - Maintenance costs for construction not required for the safe and satisfactory functioning of the highway (including alterations to existing highway only required to serve the development) with no general benefits
- **'EXTRA-OVER' ITEMS** – In relation to Section 38 works, maintenance costs for additional features which may be considered as 'extra-over' the normal design, such as highway structures, additional street lighting, traffic signal installations, non-essential street furniture/fencing, public transport infrastructure and landscaping
- **ALTERNATIVE MATERIALS** - Additional maintenance costs for permitted non-standard or alternative materials and features for example, bespoke street furniture exceeding standard specification
- **SUDS** - Provision of Sustainable Urban Drainage Systems (SUDS) such as flow-attenuation devices, swales and storage areas

1.2 The use of non-standard materials in highway construction, adoption of additional areas of highway over and above the minimum requirements for the safe functioning of the highway, structures, including bridges and culverts, SUDS, street furniture and special features not forming standard highway features, all result in a future maintenance liability for the Council as Highway Authority. This additional liability, in respect to new developments, is not covered by the Relative Needs Formula (RNF) used when calculating the Revenue Support Grant (RSG) for highway maintenance within the Borough. Failure to charge commuted sums in respect to new developments would, over time, result in a further deterioration of the highway network throughout the Borough, thus placing pressure on existing highway maintenance and other Council budgets.

1.3 Provisions within Section 38 and Section 278 of the Highways Act 1980 enable the future maintenance liability associated with new developments to be covered by securing commuted sum payments.

1.4 Whilst Sefton Council already uses the 1980 Highways Act to secure commuted sums from developers, formal approval of a proposed adopted practice will ensure that the process is justifiable and better equipped to withstand scrutiny.

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2.0 HIGHWAYS ACT 1980

- 2.1 Highway infrastructure works are generally covered by agreements entered into under Section 38 and Section 278 of the Highways Act 1980, which provide discretionary powers to the Highway Authority to enter into an agreement with a developer to adopt new highways (Section 38) or improve the existing highway (Section 278).
- 2.2 Section 38(6) of the Act provides the power to seek commuted sums for the maintenance of the adopted highway: 'An agreement under this section may contain such provisions as to the dedication as a Highway Authority of any road or way to which the agreement relates, the bearing of the expenses, maintenance or improvement of any highway, road, bridge or viaduct to which the agreement relates and other relevant matters as the Authority making the agreement thinks fit.' This relates not only to maintenance prior to adoption, but also to 'relevant matters as the authority making the agreement thinks fit', which may include a commuted sum for future maintenance following adoption by the Council acting in its formal capacity as the Highway Authority.
- 2.3 Section 278(3) of the Act includes the provision for payments for maintenance of the works on the existing highway, and this may be applied by the Highway Authority if it chooses to do so: 'An agreement under this section may provide for the making to the Highway Authority by the other party to the agreement of payments in respect of the maintenance of works to which the agreement relates and may contain such incidental and consequential provisions as appear to the Highway Authority to be necessary or expedient for the purposes of the agreement.'

3.0 ADEPT GUIDANCE – COMMUTED SUMS FOR MAINTAINING INFRASTRUCTURE ASSETS

- 3.1 In 2009, ADEPT (formerly the CSS or County Surveyors Society) issued national guidance for Local Authorities in respect to the use of commuted sums for future maintenance: 'Committed sums for maintaining infrastructure assets.' Since that time many Local Authorities charge commuted sums in accordance with the advice and principles given in the guidance. Such Local Authorities include Surrey County Council, Cambridgeshire County Council, Lincolnshire County Council and East Sussex County Council.
- 3.2 The guidance provides a transparent and consistent approach both in the seeking of and the calculation of commuted sums. The guidance outlines a clarity of approach in order to:
- remove uncertainty and risk for developers at an early stage in the process
 - provide greater security for overstretched highway maintenance budgets
 - enable developments to progress with much more certainty about the overall requirements and commitments for all parties involved
- 3.3 The guidance recommends that Highway Authorities should use a discounted rate of 2.2% and a life time period of 60 years for highway maintenance calculation purposes. However, it also states that if a Highway Authority considers that a different rate or time period should be used, then the reasons for doing so and the calculations used must be made explicit.
- 3.4 The development of the Transport Asset Management Plan (TAMP) for Sefton will be an invaluable tool in providing the information required to determine justifiable

commuted sum charges for each type of highway asset and all materials used in respect to new developments throughout the Borough. Charges calculated in this manner will better withstand scrutiny and the possibility of being legally challenged.

- 3.5 The development of the Developers Pack for Sefton has highlighted the need to ensure that commuted sum charges are justified and reflect the true cost of future maintenance liabilities. Where a developer uses materials or construction methods that are proven to reduce the need for future maintenance, then the commuted sum charge will need to be reduced accordingly.

4.0 CONCLUSIONS

- 4.1 The approval of a proposed adopted practice of securing commuted sums from developers through sections 38 and 278 legal agreements to fund future highway maintenance liabilities that result from the impact of new developments in line with the advice and principles set out in the ADEPT guidance will formalise the process and provide a justifiable system better equipped to withstand scrutiny and the possibility of being legally challenged. It will also ensure an additional source of income to fund future highway maintenance liabilities that result from the impact of new developments and so reduce pressure on existing highway maintenance and other Council budgets.

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Report to:	Cabinet	Date of Meeting:	16 August 2012
	Overview & Scrutiny Management Council		28 August 2012
			6 September 2012

Subject: Update on the Council’s Constitution

Report of: Directors of Corporate Services and Corporate Commissioning

Wards Affected: No

Is this a Key Decision? Yes

Is it included in the Forward Plan?
Yes

Exempt/Confidential

No

Purpose/Summary

1. To outline the proposed changes to the Council’s Constitution
2. To formulate recommendations to Council for determination on 6 September 2012

Recommendations: Cabinet – 16 August 2012

1. That Cabinet notes the proposed amendments to the Constitution
2. That Cabinet recommends the newly amended Constitution for consideration
3. That Cabinet agrees to delegate power to both the Heads of Governance and Civic Services and Corporate Legal Services to make legislative and any other necessary and urgent amendments to the Constitution and for such actions to be reported to the next Council meeting as appropriate. Any such step to be taken in consultation with the Leader of the Council

Recommendations: Council – Overview and Scrutiny – 28 August 2012

1. That the Committee consider the amended Constitution and refer any comments for consideration to Council

Recommendations: Council – 6 September 2012

1. That Council adopts the newly revised Constitution with immediate effect.

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		X	
2	Jobs and Prosperity		X	

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3	Environmental Sustainability		X	
4	Health and Well-Being		X	
5	Children and Young People		X	
6	Creating Safe Communities		X	
7	Creating Inclusive Communities		X	
8	Improving the Quality of Council Services and Strengthening Local Democracy		X	

Reasons for the Recommendation:

The purpose of revising the Council's Constitution was to make the document more user friendly.

What will it cost and how will it be financed?

(A) Revenue Costs

Nil

(B) Capital Costs

Nil

Implications:

Legal: Legal implications are contained within the report

Human Resources: Nil

Equality

- | | | |
|----|--|--------------------------|
| 1. | No Equality Implication | <input 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:

It is anticipated that this will facilitate more efficient working for all those who have to work to and consult the Council's Constitution.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD1706/12) has been consulted and there are no financial implications arising from the contents of the report.

Are there any other options available for consideration?

These are contained within the report

Implementation Date for the Decision

6 September 2012

Contact Officer: Jill Coule
Tel: Head of Corporate Legal Services
Email: jill.coule@sefton.gov.uk

Background Papers: Nil

1. Introduction/Background

The Constitution is being presented to Members as a draft for consideration, which will ultimately be determined at the meeting of Council on 6 September 2012.

Key steps have been taken to amend the Constitution in light of the following principles/issues:

- a. No changes have been made to the balance of responsibilities between Councillors and Officers
- b. Existing legislative provisions have been reviewed to ensure they are accurate and up to date. Where legislative changes have been made, they may have also necessitated an updating of practices and procedures in the Constitution. In particular new legislative provisions have been included such as those arising from the Localism Act 2011.
- c. Key phrases and terms have been reviewed to ensure that they are consistent throughout their use in the Constitution
- d. Terms of Reference for committees, panels etc have been updated to reflect changes made to the Council's structure and hierarchy
- e. The style and format of the officer scheme of delegation has been radically overhauled. It will now operate on a set of principles as opposed to an exhaustive list of legislation that requires extensive reviewing and updating on an at least annual basis.
- f. Reduction in the size of the Constitution where possible – duplication has been removed etc

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The Constitution is currently divided into 7 sections. It can be hard to locate key information within it, difficult to reference and inconsistent in places. Officers consider that by using the current Articles/Sections (currently set out in Section 1 of the constitution) as the basis for the key chapters of the Constitution, information will be more easily accessed. Information is now contained in the following categories. These are now referred to as chapters of the Constitution.

- **Introduction to the Constitution** – this Chapter includes a short explanation and summary of the purpose and statutory basis for the document, some key definitions and principles
- **Members** – this Chapter now includes all information that is relevant to all member to understand for their role as a Councillor, such as the Code of Conduct, what rights there are for access to information, in which forums a member can ask questions, when member's have rights to speak at, how to ask for a dispensation, call for action, petitions, register of interests etc
- **Citizens** – this Chapter sets out relevant information so that a member of the public can readily understand how to access council information, when and how to ask questions and which forums and how to make a complaint about council services or councillors.
- **Full Council** – every councillor has to attend full Council so it is important that they know where to find the rules that apply to the meeting, what the role of the Mayor is , what decisions are unique to Council meetings, when they can and cannot vote at a Council budget meeting etc.
- **Cabinet** –this Chapter includes all the rules of procedure, decisions which are unique to Cabinet, the role of the Leader and the Portfolio Holders, responsibilities etc.
- **Overview & Scrutiny** – as this is a unique function within the Council this Chapter ensures that all of the rules of procedure, responsibilities, composition and how a committee goes about calling people to give evidence, assist them with their scrutiny function etc.
- **Regulatory & Other Committees** – the Council has a range of other committees, some of which are quasi-judicial in nature, such as licensing, planning, and other committee such as audit and governance etc. All aspects relating to these committees is captured in this Chapter so that it is clearly understood what the roles, rules and responsibilities of these bodies are.
- **Area Committees** – the same approach has been taken in this Chapter to ensure that both members and citizens participating in these committees understand the roles and responsibilities

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- **Joint arrangements & Strategic Partnerships** – there are number of organisations with which the Council works that are included in this Chapter. The Chapter sets out roles, responsibilities, composition and access to information rules. There is also an opportunity here to include information about the Council’s own company to ensure that the Council undertakes the role of the shareholder in a transparent and consistent manner.
- **Officers** –This Chapter incorporates a range of rules and procedures with which officers need to be acquainted. This includes delegations, rules around publicity, purdah, the roles of statutory officers, political restriction of posts, codes and protocols etc.
- **Finance, Contracts and Legal** – these issues underpin much of the work that goes on within the Council. It is essential that these rules, procedures etc are readily found, so it proposed to have a separate chapter accordingly.
- **Officers and Members** – this has been used for information that both officers and members need to be aware of and includes for example the Access to Information Rules and the Member/Officer Protocol

2. Process and timetable:

Date	Meeting/Consultation
25 June 2012	Briefing Cabinet Member - Performance and Governance Portfolio Holder
23 July 2012	Briefing Cabinet Member - Performance and Governance Portfolio Holder
16 August 2012	Cabinet
22 August 2012	Briefing Opposition Spokespersons
28 August 2012	Overview & Scrutiny Management Committee
6 September 2012	Council

The Constitution can be viewed by accessing the following link to the Council’s Document Library:

<http://modgov.sefton.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13375&path=13374>

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Agenda Item 11

Report to: Cabinet Council
Date of Meeting: 16th August 2012 5th September 2012

Subject: Vehicle Replacements – Refuse Collection Fleet and Specialist Transport Vehicles

Report of: Director of Street Scene **Wards Affected:** All

Is this a Key Decision? Yes **Is it included in the Forward Plan?** Yes

Exempt/Confidential: No

Purpose/Summary

To inform Members of the results of two recent tendering exercises and seek Member approval to place orders for the purchase of the new refuse collection vehicles for the Cleansing Section and ten new coach built welfare vehicles for the Specialist Transport Section, using a Prudential Borrowing facility arranged by the Finance Department.

Recommendation(s)

That Cabinet;

- 1) Accepts the tenders that best comply with the specification and score highest in terms of evaluation criteria.
- 2) Approves the ordering of the vehicles listed in Annex 1.
- 3) Recommends to Council to approve the sum of £4,384,175 to be included in the capital programme and financed by a Prudential Borrowing facility.
- 4) Agrees to fund the costs of the new Cleansing fleet vehicles over the next 5 years by use of the Earmarked Reserve held for recycling, thereby alleviating the need to request additional Council resources.
- 5) Agrees to fund the costs of the new Special Transport Unit (STU) vehicle fleet over the next 5 years from within the existing revenue budget.

That Council;

- 1) Approves the sum of £4,384,175 to be included in the Capital Programme and financed by a Prudential Borrowing facility.

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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	√		

Reasons for the Recommendation:

The current refuse collection fleet is approaching lease expiry and will shortly be five years old. It has been established that there is no financial benefit to the Council in extending the current lease arrangements. The STU vehicle fleet includes ten vehicles which are now approaching ten years of age. These vehicles have no value whatsoever as they have been subject to a number of lease extensions. They are now becoming wholly un-economic to run. Whilst a review of the adult component of specialist transport function is currently being undertaken, a responsibility still currently exists to transport children with disabilities to and from both school and respite care, as necessary. It is proposed to replace the aging ten vehicles with new vehicles which meet all of the new regulations and legislative requirements of transporting vulnerable passengers.

What will it cost and how will it be financed?

(A) Revenue Costs:

The new Cleansing Fleet and Specialist Transport vehicles would be funded from Prudential Borrowing, which would be repaid over the life of the vehicles (in this case 5 years). The running costs of both the Refuse Collection fleet (Annex 3) and the Specialist Transport vehicles (Annex 4) have been forecast over this period.

It is proposed to fund the additional costs of replacing the cleansing fleet in years 2–5 (£416,346) from the partial use of an earmarked Cleansing Reserve, with the forecast year 1 saving (£55,938) being added to this reserve thereby reducing the net call on the reserve to £360,408, whilst keeping the same level of revenue budget throughout the 5 year period. This would alleviate the need for budget growth.

The replacement of the STU vehicle fleet will generate savings in each of the next 5 years when compared to the existing revenue budget. The forecast savings in year 1 (£76,934) will be broadly maintained in years 2-5 giving an overall saving of £344,742 over this period.

(B) Capital Costs:

The costs of Prudential Borrowing for the replacement of the Cleansing fleet and the STU vehicles will be £4,572,724 (including interest repayments) and will be met from revenue funding over the 5 year period.

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

Legal:

In accordance with the Budget and Policy Framework Procedure Rules, a request to amend the existing budget must be referred to the full Council for decision (paragraph 3a refers)

Under s.29 National Assistance Act 1948 and LAC (93) 10 local authorities have the power to provide free or subsidised transport but they do not have a duty to do so unless a service user has Fair Access to Care Services eligible transport needs identified through a community care assessment.

Likewise, under s.2 Chronically Sick and Disabled Persons Act 1970 a local authority has a discretion to provide assistance with transport.

Local authorities also have responsibilities under s509 Education Act 1996 and the Special Educational Needs Code of Practice, 2001

Human Resources

Equality

1. No Equality Implication
2. ~~Equality Implications identified and mitigated~~
3. ~~Equality Implication identified and risk remains~~

Impact on Service Delivery:

Procurement of a replacement vehicle fleet will allow the service to continue to be delivered in as efficient and effective a manner as possible.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance & ICT Strategy (FD1648/12) and Head of Corporate Legal Services (LD1007/12) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

The option to enter into secondary lease periods was considered. However, the current fleet of vehicles would cost substantially more to maintain over coming years, and will also become less reliable and susceptible to breakdown. There

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would therefore be substantially more costs incurred through both maintenance and vehicle hire costs.

Implementation Date for the Decision

Following the decision by Council on the 5th September 2012.

Contact Officer: Andrew Walker
Tel: 0151 288 6159
Email: andrew.walker@sefton.gov.uk

Background Papers:

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

Vehicle Tenders January 2012

Vehicle Tenders April 2012

Stage One and Stage Two Tender Evaluation Scoring Spreadsheets

Introduction/Background

Refuse Collection Fleet

1. The current refuse collection fleet is now approaching lease expiry with the 27 leased vehicles reaching their expiry dates between November 2012 and October 2013. The vehicles are used by the Cleansing Section of Direct Services and are based at the Council's 2 operating centres at Hawthorne Road Depot Bootle and Forest Road Depot Southport.
2. The vehicles are also included on the Goods Vehicle Operators Licence issued to the Council and are subject to a rigorous inspection and maintenance regime to ensure compliance with the undertakings of the licence.
3. The current refuse collection fleet comprises a total of 28 vehicles. There are 23 x Mercedes Econic chassis/cabs on a 6 x 4 configuration with a gross vehicle weight of 26000kg fitted with Ros Roca compaction bodies and Zoeller automatic bin-lifts. In addition, there are 5 x Mercedes Atego chassis/cabs on a 4 x 2 configuration with a gross vehicle weight of 15000kg also fitted with Ros Roca compaction bodies and the same bin-lifts. One of the Econic vehicles was purchased not leased, and is owned outright by the Council.
4. The current refuse collection fleet were assigned to 5-year operating lease. The Council has now decided to discontinue using operating leases, preferring to use prudential borrowing to procure such vehicles. This means the asset is owned by the Council and therefore is not subject to any return conditions and/or associated charges at the end of an operating lease term.

STU Welfare Vehicles

5. At least 10 vehicles within the current Specialist Transport fleet are approaching lease expiry within the next 3 months. These vehicles range between 8 and 10 years old and have been subject to lease extensions on a number of occasions. The vehicles are utilised by the Specialist Transport Unit to transport both children and adults and are based at the Council's two operating centres at Hawthorne Road Depot, Bootle, and Forest Road Depot, Southport.
6. Due to the nature of the operation the vehicles are issued with small bus permits by the Traffic Commissioner and are therefore subject to a rigorous inspection and maintenance regime to ensure compliance with the undertakings of the licences.
7. The current STU fleet is currently comprised of 23 coach-built vehicles, of which 11 are '15 seaters', 10 vehicles are '24 seaters' and the remaining 2 are 17 seat minibuses. All of the current vehicles are leased and do not belong to the Council. The Council has now decided to discontinue using such operating leases, preferring to use prudential borrowing to procure any such vehicles. In effect, this means that the asset in question, namely the vehicle(s) is/are owned by the Council, and therefore is not subject to any return conditions and/or associated charges at the end of an operating lease

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term. This also means that any residual value of the vehicle at the end of the repayment period belongs to the Council.

8. The current budgetary provision within the Specialist Transport Unit for vehicle repair and maintenance, and for vehicle leasing (capital costs), is a combined £497,900 per year.
9. In September 2011 a new framework agreement for the hire of external buses and taxi's was implemented. This was coupled with the introduction of a new software package which has the capability to allocate clients to particular routes, and using specific vehicles, based on both similarity of customer need, as well as the route to be taken in order to transport a set number of people to and from particular locations via the shortest route possible.
10. It was envisaged that the 'Route Optimisation' function would, by the very nature of the task in hand, take a number of months to work through. However, utilising in-house knowledge and experience, and amending the work rotas of Drivers and Passenger Assistants, coupled with the introduction of a bespoke 'Planning Unit', the Specialist Transport Unit was able to re-allocate resources amongst the existing vehicle fleet and make a large number of routes far more efficient.
11. In turn, this resulted in an opportunity to reduce the then existing in-house fleet by some nine vehicles. This also created a financial saving which brought the operational transport budgets back to an underspend position.
12. The annual operating costs of the 10 'older' vehicles within the fleet, and which are proposed for replacement, are shown in Annex 2. It can be seen that the annual maintenance costs alone for these particular vehicles is nearly £50k. There is a great concern that these vehicles will cost substantially more to maintain in the coming year if not replaced. This will substantially reduce the savings made so far.
13. In addition, the vehicles will become increasingly unreliable, resulting in more expenditure in either hiring vehicles in to cover downtime due to unscheduled maintenance, or outsourcing particular routes on a short term basis whilst repairs are undertaken.
14. It is recognised that a review into the provision of Adult Transport is currently being undertaken, and that this may result in changes to the requirement or provision of transport. However, at this stage there is still a recognised requirement to transport children to and from school and respite care.
15. In budgetary terms, and as shown in Annex 4, the decision to replace the ten aging vehicles would result in a saving of £76k in 2013/14. The Council would also immediately have the benefit of an asset in terms of the resale value of the vehicles, should a decision be taken at a future date to change the way transport is provided to vulnerable groups in Sefton.

Options for vehicle Replacement

16. A number of options have been considered before arriving at the decision to replace the existing Refuse Collection fleet and part of the Specialist

Transport Fleet including:

- (i) Extending existing lease arrangements.
 - (ii) Refurbishment of existing fleet vehicles.
 - (iii) Fleet replacement using Prudential Borrowing facility.
 - (iv) Fleet replacement by external contract Hire.
17. Each of the options has previously been examined in detail, following a Best Value Review of the Transport activity. Of the options listed above only (iii) in house prudential borrowing and (iv) external contract hire are still considered to be suitable to maintain acceptable levels of service provision. Owing to the nature of the work undertaken by the Refuse Collection vehicles, namely domestic and garden waste collection, they are in continuous use and as such generate a high maintenance demand. Also, the nature of the work undertaken by the Specialist Transport vehicles, namely the transportation of vulnerable clients, means that the vehicles have to comply with PCV legislation, and as such generate a high maintenance demand. The service delivery problems experienced by both the Refuse Collection and Specialist Transport Unit when their vehicles are off the road for maintenance, both planned and unplanned, are such that continuing to operate an aging fleet is not considered a sustainable option.
18. External contract hire was reviewed when the last refuse fleet was procured in 2007 with a comparison carried out with in house operating leasing. The review carried out by external consultants revealed that based on cost comparisons the contract hire option was not competitive. It was found to be considerably more expensive (~ £250,000) over the life of the fleet and therefore offered no financial benefit to the Council. As part of the current procurement exercise, contract hire was again considered and explored, and it was established the costs are still more expensive than the procurement route, and as such offer no financial benefit to the Council.
19. Following meetings with colleagues from the Council's procurement section it was decided to utilise the Procurement Partnership Collaborative framework agreement to ensure compliance with all European Procurement Procedures and access to all the specialist vehicle industry manufacturers on the framework. A previous report was presented to Cabinet Member Transportation in August 2011 requesting approval to carry out the tendering exercise.
20. Prior to compiling the tender specifications for the refuse collection vehicles, a review of the service requirements was undertaken. This resulted in a decision to increase the size and carrying capacity of eight vehicles. Increasing the Gross Vehicle Weight to increase payload will reduce the number of trips to transfer loading stations saving fuel and unproductive time.
21. A review of service requirements was also undertaken within the Specialist transport Unit. This resulted in a decision to decrease the size of the vehicles to 15 seats and to include the option of automatic transmission in

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an effort to reduce maintenance costs and vehicle downtime. In addition, new legislation was introduced within the industry with effect from 2012 in that all new vehicles must meet stringent requirements known as 'Type Approval'. The proposed vehicles meet all of these requirements and as such the residual value of all of these vehicles will be maintained in future years

Results of the Tendering Exercise

22. A summary of the evaluated scores, for each stage of the evaluation process are shown in Annex 5.
23. Members will note that The Procurement Partnership contacted eight refuse collection vehicle manufacturers inviting them to tender for the vehicles. The following 5 companies returned the completed documentation by the deadline;

C P Davidson & Sons Ltd	Dennis Eagle Ltd	Farid UK Ltd
Faun Zoeller UK Ltd	Heil Europe Ltd	
24. Members will also note that The Procurement Partnership contacted seven bus and coach vehicle manufacturers inviting them to tender for the Specialist Transport vehicles. The following 2 companies returned the completed documentation by the deadline;

Treka Bus Ltd
Mellor Coachcraft
25. Attached in Annex 1 is a summary of the types and number of vehicles required together with details of returned tenders and the lowest price received.

Tender Evaluation/Financial Implications for the Refuse Collection Vehicles

26. Officers from the Transport Section of Direct Services and the Finance Departments Procurement Section have evaluated the returned tenders and supporting documentation using the following evaluation criteria:

Price	50%
Quality	20%
Experience	10%
After Sales Support	20%
27. Stage one of this exercise consisted of scoring each of the tenders using a clear and transparent scoring method and awarding points against each of above factors. This resulted in two tenderers occupying the four highest bid positions each offering 2 options of vehicles to the required specification.
28. Stage two of the tender evaluation involved meetings being held with the two highest scoring tenderers attended by officers from the Cleansing and Transport Sections of Direct Services and the Procurement Section of the

Finance Department.

29. Each of the companies were asked a number of key questions relating to vehicle delivery deadlines, warranty terms and conditions, staff product training, bin lift options and service support arrangements including response times and were scored accordingly by the panel. Tenderers were also given the final opportunity to propose any bid enhancements for each category of vehicle or ancillary equipment.
30. Importantly, in order to critically examine the actual value of each bid, Evaluating officers considered a range of whole life costs at this second stage of evaluation including:
 - Full warranty cover costs
 - Full support cover costs
 - Full vehicle tracking provision costs
 - Workshop re – tooling
 - Camera recording facilities on vehicles
 - Operation downtime attributable to re-training of workshop personnel
 - Annual calibration of vehicle load weighing equipment
 - Non-cost reduction bid enhancements
31. The results of the stage two evaluation meetings were that;
 - (i) The total purchase price for the fleet of vehicles was reduced by £27,485
 - (ii) Tenderer B has offered to fit the manufacturers approved fuel saving device to the ten (8 x 4) 32000kg vehicles at no cost, an initial saving of £13,725 with ongoing fuel savings. We have also negotiated a substantially reduced rate for fitting fuel saving devices to the rest of the proposed fleet, the cost of which is included in the price structure.
 - (iii) The nominated supplier would also provide a dedicated spare bin lift to Sefton, at no cost, for use in the event of breakdown to reduce operational downtime.
32. Meetings and vehicle demonstrations have been held across the Cleansing Section to ensure the vehicles are fit for purpose, compatible with the geography of the dedicated rounds, and can carry the required payloads of both domestic 'residual' and 'garden' wastes.
33. It had been hoped that the use of some vehicles with larger capacities could generate a saving to the Council by a commensurate reduction in the size of the vehicle fleet. Whilst the overall size of the vehicle fleet has indeed reduced by two vehicles, the overall cost to the Council has increased by £360k over the five year period. Since the last procurement exercise was undertaken five years ago there have been huge increases in the cost of raw materials, especially in the steel used to manufacture the vehicle fleet. On average terms the Council paid £115,000 per vehicle five years ago. This exercise has resulted in an average cost of some £145,000 per vehicle,

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an increase of over 25%. It should be noted that despite the huge increase in vehicle costs, the proposed one-off use of reserves to fund the difference between budget and procurement cost means that there will be no increase in the transport budget over the next five years.

34. It should also be noted that to extend the existing lease arrangements, coupled with an obvious increases in maintenance costs, would make this option cost prohibitive. However, as the procurement option identified for this new fleet involves the residual assets (the vehicles) belonging to the Council at the end of the repayment term, there may well be a future option to delay the replacement of any or all of the vehicles subject only to ongoing maintenance costs, as there will be no additional procurement costs after the initial five year period.

Tender Evaluation/Financial Implications for the Specialist Transport Vehicles

35. Officers from the Specialist Transport Unit and the Finance Department's Procurement Section have evaluated the returned tenders and supporting documentation which involved a number of checks and assessments including:
 - a) Compliance with specification.
 - b) Arithmetic Accuracy.
 - c) Technical Competence.
 - d) Financial Appraisal.
 - e) Warranty and After Sales Support.
36. Meetings and vehicle demonstrations have been held with the Specialist Transport Section to ensure the vehicles are fit for purpose, compatible with the operation and can carry the required number of clients, including wheelchairs and walking aids, and comply with all current legislation

Financial Implications

37. The estimated purchase costs for the proposed new refuse fleet and STU fleet are shown in Annex 1. These costs would be funded from Prudential Borrowing over 5 years
38. In accordance with CIPFA Code of Practice for best value accounting all vehicle recharges to user departments must be at actual cost. It is therefore important that an estimated 5-year prediction be made to provide user departments with confidence in their budget projections.
39. The vehicle maintenance costs have been calculated using historical information from the current refuse collection Mercedes Econic fleet, and the current Mercedes specialist transport vehicles, and includes for all planned maintenance, tyres, unscheduled repairs and excess wear and tear.
40. Inflation in fuel costs cannot be predicted and thus are based on current

annual usage consumption and cost. The new vehicles are fitted with EURO 5 compliant engines, which with the use of an additive called Adblue reduce the exhaust emissions and air pollutants. Members should note that no provision has been made within these estimates for any abnormal inflationary increases or potential changes to fuel taxation policy or fuel supply restrictions. However, it is assumed that such inflationary pressures as might arise would be considered as part of the Council's wider corporate budget considerations.

41. Annex 3 shows the phased implementation of the new refuse collection fleet together with a profile of the estimated expenditure of the vehicles from 2013 to 2017. Members will note a reduction in costs at year 4 following replacement of major vehicle components in year 3. This is a natural part of the life cycle costs and operation of such a fleet, and reflects the actual experience with the current fleet. Costs will increase again at year 5.
42. Annex 3 further summarises the revenue budgetary implications of the proposed changes to the refuse collection fleet for each year to 2017. The overall additional cost, across the 5 year period, is £360,408.
43. Annex 4 summarises the revenue budgetary implications of the proposed changes to the specialist transport fleet for each year to 2017. The overall saving against the current budget over the five year period is £344,742.
44. It is proposed to fund the additional costs of replacing the cleansing fleet in years 2–5 (£416,346) from the partial use of an earmarked Cleansing Reserve, with the forecast year 1 saving (£55,938) being added to this reserve thereby reducing the net call on the reserve to £360,408, whilst keeping the same level of revenue budget throughout the 5 year period. This would alleviate the need for budget growth.
45. The replacement of the STU vehicle fleet will generate savings in each of the next 5 years when compared to the existing revenue budget. The forecast savings in year 1 (£76,934) will be broadly maintained in years 2-5 giving an overall saving of £344,742 over this period.
46. The refuse collection vehicles would also have a residual value after the end of a 5 year usage, and any capital receipts arising from the sale of such an asset could be used towards the replacement costs of the next fleet. Such value may be in the region of £425,000 based on current average market values. This figure however is indicative and would be dependent upon condition and vehicle usage at the end of the 5 year period. In addition, a decision could be taken to delay the purchase of a refuse collection fleet at the end of this procurement period. This would be on the basis that the remaining vehicles would not be subject to any repayments, and it may therefore be cost effective to retain them for an additional period even taking account of increased maintenance costs.
47. Likewise, it is anticipated that the specialist transport vehicles would have a good residual value throughout the usage period. Based on current

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average market values the value of the fleet at the end of the five year period could be in the region of £175k, with the value obviously increasing within a shorter timescale. This figure at this stage is therefore purely indicative and would be dependent upon condition and vehicle usage at the end of the 5 year period. However, it is also assumed that by purchasing vehicles which are fully compliant with the new 'Type Approval' legislation, the residual values will remain at a high level.

Existing Fleet Vehicles

48. All vehicles now recommended for replacement are approaching the end of their current lease period and are not subject to any early termination penalty.

Conclusion

49. The current Cleansing refuse fleet, and a large part of the current Specialist Transport fleet, is now approaching the end of its useful life. Maintenance costs are rapidly increasing and vehicle unreliability will result in more downtime and the need to supplement the fleet with externally hired vehicles, which are very expensive and not readily available. The introduction of new vehicles fitted with the latest technology, and to the latest legislative specifications, will ensure delivery of the service is not reduced.
50. The procurement of ten new vehicles for the Specialist Transport Unit will allow the service to continue to operate subject to the findings and recommendations of the ongoing review into adult transportation within the Borough. The remaining 13 vehicles will be coming to the end of their latest lease period in 2013 and at that time a further report can be considered regarding the future operation of the in-house fleet. However, this proposal provides continuity of service for all vulnerable junior clients both during and following the adult transport review, whilst also providing an ongoing asset to the Council
51. Based on the outcome of the second stage of the evaluation process, see Annex 5, the contract for supplying the new fleet of refuse collection vehicles should be awarded to Tenderer B.
52. Based on the outcome of the financial evaluation for the STU vehicles, as per Annex 1, the contact for supplying the ten STU vehicles should be awarded to Tenderer No. 1.
53. To enable the phased introduction of new vehicles, and to accommodate build times, orders will need to be placed during September 2012 to ensure that the vehicle delivery schedules coincide with the return of the first batch of existing fleet in November 2012.

ANNEX 1							
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NEW VEHICLE PROCUREMENT - REFUSE COLLECTION & SPECIALIST TRANSPORT VEHICLES 2012/13

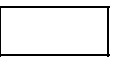
SPECIALIST TRANSPORT VEHICLES

Tender No	Vehicle Type	Number Required	No.of Companies Invited to Tender	No.of Returned Tenders	Comparison of Submitted Tenders		Total Cos Vehi
					Tenderer No	Price per vehicle	
T:351	Mercedes Coachbuilt 16 Seat Bus	10	7	2	Tenderer No 1	£66,168 per vehicle	£661
T:351	Mercedes Coachbuilt 16 Seat Bus				Tenderer No 2	£68,802 per vehicle	£688

REFUSE COLLECTION VEHICLES

Tender No	Vehicle Type	Number Required	No.of Companies Invited to Tender	No.of Returned Tenders	Lowest Price which complied in full with tender requirements	
					Cost Per Vehicle	Total Cost
T:380	8 X 4 32,000KG Refuse vehicle with Splitlift	10	8	5	£155,738	£1,557,380
T:383	6 X 2 Rear Steer 26,000kg Refuse Vehicle with Splitlift	15	8	5	£144,341	£2,165,115

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Cost for Ten icles
1,680
3,020

ANNEX 2

SPECIALIST TRANSPORT UNIT - FLEET COST BREAKDOWN FOR 2011/12

COSTS OF 13 'NEWER' VEHICLES FOR 2011/12

REG NUM	FLEET NO	VEHICLE TYPE	MAINT	LEASE	LICENCE	FUEL	ADMIN	TOTAL
North Depot								
DK08OSG	1820	Mercedes Spinter 15 Seater	3,866.30	11,568.00	165.00	4,049.43	1,236.00	20,884.73
DK08OSL	1822	Mercedes Sprinter 15 Seater	2,662.52	11,568.00	165.00	2,151.93	1,236.00	17,783.45
DK08OSY	1823	Mercedes Sprinter 15 Seater	2,717.96	11,568.00	165.00	3,699.74	1,236.00	19,386.70
DK08OSZ	1824	Mercedes Spinter 15 Seater	3,365.72	11,568.00	165.00	3,491.13	1,236.00	19,825.85
DK58CWM	1830	Mercedes Sprinter 15 Seater	2,621.31	11,568.00	165.00	2,834.11	1,236.00	18,424.42
MV58LNW	1826	Ford Transit Minibus	1,193.69	4,452.00	165.00	1,414.66	1,236.00	8,461.35

South Depot

DK08OSJ	1821	Mercedes Sprinter 15 Seater	1,808.90	11,568.00	165.00	2,260.00	1,236.00	17,037.90
DK08OSX	1825	Mercedes Sprinter 15 Seater	4,422.15	11,568.00	165.00	3,849.91	1,236.00	21,241.06
DK58CWT	1828	Mercedes Sprinter 15 Seater	2,065.10	11,568.00	165.00	1,477.66	1,236.00	16,511.76
DK58CYG	1829	Mercedes Sprinter 15 Seater	2,355.52	11,568.00	165.00	3,332.52	1,236.00	18,657.04
DK58CWO	1831	Mercedes Sprinter 15 Seater	3,337.78	11,568.00	165.00	3,011.34	1,236.00	19,318.12
DK58CWL	1832	Mercedes Sprinter 15 Seater	2,709.17	11,568.00	165.00	2,592.87	1,236.00	18,271.04
DK58LNU	1827	Ford Transit Minibus	1,185.65	4,452.00	165.00	1,935.04	1,236.00	8,973.69
TOTALS		13 Vehicles	34,311.77	136,152.00	2,145.00	36,100.34	16,068.00	224,777.11

COSTS OF 10 'OLDER' VEHICLES FOR 2011/12

REG NUM	FLEET NO	VEHICLE TYPE	MAINT	LEASE	LICENCE	FUEL	ADMIN	TOTAL
North Depot								
BJ03OUV	1759	Mercedes Vario 24 Seater	3,932.96	9,468.00	220.00	3,026.68	1,236.00	17,883.64
BW04USM	1783	Mercedes Vario 24 Seater	4,320.72	9,708.00	220.00	4,511.54	1,236.00	19,996.26
BW04USN	1784	Mercedes Vario 24 Seater	5,327.06	9,708.00	220.00	4,539.94	1,236.00	21,031.00
South Depot								
MK52PDO	1752	Iveco 24 Seater	3,572.88	9,708.00	220.00	3,851.02	1,236.00	18,587.90
BJ03OTX	1763	Mercedes Vario 24 Seater	6,876.61	9,468.00	220.00	3,931.02	1,236.00	21,731.63
BJ03OTY	1764	Mercedes Vario 24 Seater	4,029.21	9,468.00	220.00	1,796.59	1,236.00	16,749.80
BW04USP	1785	Mercedes Vario 24 Seater	3,867.93	9,708.00	220.00	3,135.96	1,236.00	18,167.89
BX54EFE	1786	Mercedes Vario 24 Seater	5,053.28	9,792.00	220.00	2,584.69	1,236.00	18,885.97
BX54EFF	1787	Mercedes Vario 24 Seater	4,806.11	9,708.00	220.00	1,891.41	1,236.00	17,861.52
BX54EFG	1788	Mercedes Vario 24 Seater	6,935.69	9,876.00	220.00	8,761.04	1,236.00	27,028.73
TOTALS		10 Vehicles	48,722.45	96,612.00	2,200.00	38,029.89	12,360.00	197,924.34

Vehicle Repair & Maintenance Budget 2011/12 **£206,250**
 Vehicle Leasing Charges Budget 2011/12 **£291,650**
 Total Vehicle Operations Budget 2011/12 **£497,900**
 Total 'In House' Vehicle Expenditure 2011/12 **£422,701**
 Underspend / Surplus **-£75,199**

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ANNEX 3			REFUSE COLLECTION VEHICLE REPLACEMENT PROGRAMME - PRUDENTIAL BORROWING PROPOSAL							
				2013/14	2014/15	2015/16	2016/17	2017/18		
	New Vehicles			Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL	
2013/14	15 Number	26 Ton	Borrowing Costs	451,515	451,515	451,515	451,515	451,515	2,257,575	
	RCV with	Bin lift	Other Costs	117,150	181,665	236,085	168,375	236,085	939,360	
	10 Number	32 Ton	Borrowing Costs	324,780	324,780	324,780	324,780	324,780	1,623,900	
	RCV with	Bin lift	Other Costs	94,200	137,210	173,490	128,350	173,490	706,740	
	Existing / Remaining Vehicles									
	1 x 26 Ton Econic		Lease Costs	0	0	0	0	0	0	
			Other Costs	12,111	14,911	16,186	13,801	14,686	71,695	
	2 x 15 Ton Atego		Lease Costs	0	0	0	0	0	0	
			Other Costs	14,876	21,252	21,614	25,746	30,500	113,988	
	Estimated fuel costs based on £14059 per vehicle			345,780	345,780	345,780	345,780	345,780	1,728,900	
			TOTALS	1,360,412	1,477,113	1,569,450	1,458,347	1,576,836	7,442,158	
	Cleansing Refuse Budget Transport			1,416,350	1,416,350	1,416,350	1,416,350	1,416,350	7,081,750	
	Variance			-55,938	60,763	153,100	41,997	160,486	360,408	

Based on above, the total **additional** resource required over a five year period from 2013 to 2018 is **£360,408**.

Notes:	1. Fuel estimates based on 25 core vehicle daily use.
	2. Maintenance costs assume Assume w/shop labour rate of £32 per hour+10% addition to materials cost for handling , storage etc .
	3. New vehicle borrowing costs based on Finance estimates of 1.41%

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ANNEX 4		SPECIALIST TRANSPORT VEHICLE REPLACEMENT PROGRAMME - PRUDENTIAL BORROWING PROPOSAL						
			2013	2014	2015	2016	2017	
			Year 1	Year 2	Year 3	Year 4	Year 5	
							TOTAL	
Proposed 10 New Vehicle Costs	Borrowing Costs		138,230	138,230	138,230	138,230	138,230	691,150
	Other Costs (licence, maintenance, admin)		22,000	22,000	22,000	27,000	29,500	122,500
Remaining 13 Vehicle Costs	Lease Costs		136,152	136,152	136,152	136,152	136,152	689,072
	Other Costs (licence, maintenance, admin)		52,524	57,524	60,000	60,000	60,000	180,964
Estimated fuel costs based on £3,136 per vehicle per year			72,060	72,060	72,060	72,060	72,060	360,300
TOTALS			420,966	425,966	428,442	433,442	435,942	2,144,758
Current STU In House Transport Budget			497,900	497,900	497,900	497,900	497,900	2,489,500
Variance / Saving			-76,934	-71,934	-69,458	-64,458	-61,958	-344,742
Notes:	1. "Borrowing Costs" on new vehicles includes 1.41% interest repayment.							
	2. "Other Costs" on new vehicles includes nominal £750 per vehicle for maintenance in Years 1,2 and 3 whilst under warranty.							
	3. "Other Costs" on remaining 13 vehicles includes an estimation based upon current current maintenance costs, but only until 2015, as after this time vehicles will be difficult to maintain due to age, condition and mileage of vehicles. A decision will be needed as to future viability, usage, and potential replacement of the in-house fleet.							
	4. Fuel estimates are based on an average usage across 20 vehicles .							
	5. Maintenance costs assume a workshop labour rate of £32 per hour, plus 10% addition to materials costs for handling, storage etc.							

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ANNEX 5

Tender Evaluation - RCV Fleet Replacement

STAGE 1	Maximum Score Available	Allocated Score	
Tender A Option 1	300	221.95	Taken through to Stage 2
Tender A Option 2	300	223.67	Taken through to Stage 2
Tender B Option 1	300	265.92	Taken through to Stage 2
Tender B Option 2	300	263.57	Taken through to Stage 2
Tender C Option 1	300	211.84	
Tender C Option 2	300	211.4	
Tender C Option 3	300	70.82	(Part offer only)
Tender C Option 4	300	70.79	(Part offer only)
Tender D Option 1	300	186.74	
Tender D Option 2	300	186.55	
Tender E Option 1	300	211.57	
Tender E Option 2	300	211.48	
Tender E Option 3	300	206.55	
Tender E Option 4	300	206.46	

STAGE 2	Maximum Score Available	Allocated Score	
Tender A Option 1	220	153.69	
Tender A Option 2	220	154.98	
Tender B Option 1	220	187.77	Highest Evaluated Bid
Tender B Option 2	220	185.24	

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Agenda Item 12

Report to: Cabinet **Date of Meeting:** 16 August 2012

Subject: Elected Member representation on Area Partnerships

Report of: Director of Corporate Commissioning **Wards Affected:** All

Is this a Key Decision? No **Is it included in the Forward Plan?**
No

Exempt/Confidential No

Purpose/Summary

For Cabinet to consider the proposal put forward for Area Partnerships and agree nominations for Elected Member representation.

Recommendation(s)

That Cabinet agrees:

- i.) That Elected Member representation on the Area Partnerships is via the Area Committees to represent the local area context and that the Chair of each Area Committee should be the nominated member, and
- ii.) That the Leader of the Council nominates a Cabinet Member for each of the five Area Partnerships to represent the strategic views of the borough.

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	√		

Reasons for the Recommendation:

Area Partnerships require Elected Member representation.

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What will it cost and how will it be financed?

There are no financial costs associated with this proposal

(A) Revenue Costs

(B) Capital Costs

Implications:

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

Legal	
Human Resources	
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:

The involvement of Elected Members in the Area Partnerships will help strengthen the design and delivery of local services

What consultations have taken place on the proposals and when?

The Head of Corporate Finance & ICT (FD1701/12) has been consulted and has no comments to make on this report as there are no financial consequences as a direct result of it.

The Head of Corporate Legal Services (LD.1031/12) has been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

The purpose of the Area Partnerships is to take a partnership approach to looking at an area and the services within it. The Council is a key partner within this, and as Elected Members are elected to represent the views of their communities to the Council they should be a key part of this process. Therefore no other option is available for consideration.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet/Cabinet Member Meeting

Contact Officer: Steph Prewett
Tel: 934 3485
Email: steph.prewett@sefton.gov.uk

Background Papers:

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

Appointment of Representatives of Sefton Borough Partnership Bodies 2012/13, Full Council 15 May 2012

1. Introduction/Background

- 1.1 Cabinet and Council agreed to the establishment of Area Based Thematics on 4 March 2010, which following consultation evolved into Area Partnerships. The role of the Area Partnerships is to provide a strategic view of an area with the involvement of a range of partners looking at how services are best delivered at a local level.
- 1.2 It was agreed five Area Partnerships should be developed: South Sefton, Crosby, Sefton East, Formby and Southport. All of these excepting Formby were established and were operating for just over a year. It was agreed by Cabinet Member for Communities and Environment that a mini review of this structure should take place to ensure it was fit for purpose and was delivering what was needed in the context of other partnership arrangements in Sefton.
- 1.3 In conjunction with the Cabinet Member for Communities and Environment a revised proposal has been developed which has been out for consultation to current members of the existing Area Partnerships. Overall, feedback has been positive and all comments will be considered within the next phase of development.
- 1.4 In addition, there is a requirement to seek the formal nomination of Elected Member representation on any partnership arrangements. At Full Council on 15 May 2012 it was agreed appointments to the Area Partnerships should “ be deferred to Cabinet for determination pending the review of the Partnerships”.
- 1.5 The key elements of Area Partnerships within the revised proposals are to:
 - Provide a strategic overview for the area
 - Improve the ways services are delivered across the borough
 - Join up services to maximise efficiency and effectiveness of resources available
 - Influence and develop council and partner corporate policies to meet neighbourhood need
 - Provide an area perspective to forthcoming policy/legislation changes that will impact on local communities
 - Be the place where the Area Committees can escalate concerns up to that they cannot deal with on their own
 - Consist of a maximum of 12 core members

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- Allow for a maximum of 3 sub groups to be established to take forward their top priorities

2. Proposals

- 2.1 Elected Members have a key role to play on the Area Partnerships, in that they can reflect the views of the Council and its key priorities, but also can offer a view of their local community.
- 2.2 The revised proposal for Area Partnerships suggests Elected Member representation that reflects local concerns is taken from the Area Committees, and that the Area Committee Chairs act as the nominated members on these groups. This would mean the following:
- Southport 1 Elected Member
 - Crosby 1 Elected Member
 - Formby 1 Elected Member
 - Sefton East 1 Elected Member
 - South Sefton 3 Elected Members
- 2.3 Proportional representation has also been considered as an alternative option. However, as Area Committees represent local area interests as opposed to political views it is felt the Chair would still be the most appropriate representative to sit on the Area Partnership. Formal reporting arrangements back into the Area Committees will be put in place to ensure all Members are kept up to date on the progress of Area Partnerships.
- 2.4 As an addition to the revised proposal document put forward to partners it is also suggested that a Cabinet Member is nominated for each Area Partnership to ensure a strategic view of the borough can also be represented.
- 2.5 The proposal also allows for the provision of sub groups, which would take forward the actions agreed by the Area Partnerships. Additional Elected Members to the nominated representatives could be involved at this level if a particular issue was of interest to them.

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Report to: Cabinet **Date of Meeting:** 16th August 2012

Subject: 2nd Battalion of the Royal Regiment of Fusiliers

Report of: Director of Corporate Commissioning **Wards Affected:** All

Is this a Key Decision? No **Is it included in the Forward Plan?** No

Exempt/Confidential No

Purpose/Summary

To consider the attached letter from the Leader of Bury Council seeking support for their petition asking the Government to reconsider their proposal to disband the 2nd Battalion of the Royal Regiment of Fusilliers.

Recommendation(s)

That Cabinet considers any action it wishes to take in respect of the request from the Leader of Bury Council.

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 consider the request.

What will it cost and how will it be financed?

(A) Revenue Costs Nil

(B) Capital Costs Nil

Implications:

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

Legal	
Human Resources	
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:

There is no impact on service delivery.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT has no comments on this report because the contents of the report have no financial implications. (FD 1699/2011) and Head of Corporate Legal Services (LD1027) has been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

None

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet

Contact Officer: Andrea Grant

Tel: 0151 924 2030

Email: andrea.grant@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 Attached at Appendix 1 is a letter from the Leader of Bury Council, requesting the Council to support their petition to the Government. The petition requests the Government to re-consider their proposal to disband the 2nd Battalion of the Royal Regiment of Fusiliers.
- 1.2 In particular, the letter requests that the Council places a link to the e-petition on the Council's web site.

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Councillor M Connolly
Leader of the Council

Our Ref MC/JH
Your Ref
Date 11 July 2012
Please ask for Councillor Mike Connolly
Direct Line 0161 253 5103
Direct Fax 0161 253 5108
E-mail m.connolly@bury.gov.uk

Office of the
Leader of the Council

Dear Leader

Many of you will be aware recent Government announcements there a proposal to scrap the 2nd Battalion of the Royal Regiment of Fusiliers by 2014. The timing couldn't be worse for the soldiers and their families as the 2nd Battalion is currently in training to be deployed to Afghanistan in 2013

As you know Bury has, for over 100 years, been the home of the Fusiliers and for many thousands of families who have connections with the Fusiliers and its rich heritage.

As Leader of the Council I am calling on the people of Bury and beyond to stand up and support the 2nd Battalion the Royal Regiment of Fusiliers. I am shocked at the Government's plan to axe the battalion as part of army cutbacks, and will be raising this as a matter of urgency when the Council's Cabinet meets on Wednesday (11 July).

The Fusiliers Regiment and their wider families play an important role in the community and day-to-day life of the Borough. The Fusiliers are Freemen of the Borough and the Regiment is an integral part of our history, with troops and their families making a great sacrifice throughout the generations. They have defended us and it is right that we support them now in their hour of need.

This is a Regiment with a record second to none. It is one of the best recruiting Regiments in the British Army. The Fusiliers' operational record, which recently includes Northern Ireland, Kosovo/Bosnia, both Iraq Wars and Afghanistan, reinforces the proud history of a Regiment who won six Victoria Crosses at Gallipoli to say nothing of numerous other awards and campaigns. The commitment of the regiment to our Country's security is exemplary and the support and resilience of the people of the North West has never faltered. They believe in what it means to be a Fusilier and that we must fight to retain the 2nd Battalion of the Royal Regiment of Fusiliers.

-2-

11 July 2012

The only way that the Government will reconsider this decision is if we get 100,000 signatures on the Government's e-petition web site. I would be grateful for your Council's support for the campaign to ask the Government to think again by putting a link on your web site's home page - <http://epetitions.direct.gov.uk/petitions/35724> which will take you straight to the petition.

Thank you for your support in this very important matter.

Yours sincerely

A handwritten signature in black ink that reads "Mike Connolly". The signature is written in a cursive style and is underlined with a single horizontal stroke.

Mike Connolly
Leader of the Council

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Report to: Cabinet Council

Date of Reports: Cabinet 16 August 2012
Council 6 September 2012

Subject: Stepclever Legacy Fund Project

Report of: Director of Built Environment

Wards Affected: Derby/Linacre

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To advise members of the award of the Stepclever Legacy grant for the Stepclever Legacy Fund project and to request that the project is included in the Council's Capital Programme.

Recommendation(s)

That members:

- (1) Note the award of Stepclever Legacy grant to Sefton for delivery of the Stepclever Legacy Fund project.
- (2) Include the Stepclever Legacy Fund project within the Council's Capital Programme for 2012/13 and 2013/14 (subject to the receipt of a written offer of grant) at a cost of £1,847,749 to be fully funded from the Stepclever Legacy Grant. (Note that £563,020 of this sum is residual funding from the Stepclever Property Project and is already included in the current Regeneration Capital Programme.)

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	✓		

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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	✓		

Reasons for the Recommendation:

To approve arrangements for the implementation of the Stepclever Legacy Fund project

What will it cost and how will it be financed?

(A) Revenue Costs

N/a.

(B) Capital Costs

The total forecast capital cost is £1,847,749 as set out in the table in paragraph 9 below. The project is to be entirely funded by Stepclever Legacy grant. There are no financial implications for the revenue budget of the Council.

Implications:

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

Legal	
Human Resources	
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"/>
<p>The equality impact and mitigation measures are as described in the Enterprise Gateway delivery plan (p10 'Targeted engagement activity') and will be updated and carried forward to the new project accordingly.</p>	

Impact on Service Delivery:

What consultations have taken place on the proposals and when?

The Head of Corporate Finance & ICT Strategy (FD1671) has been consulted and any comments have been incorporated into the report.

The Head of Corporate Legal Services (LD1014/12) has been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Not to support the receipt of LEGI would be to forego access to new and additional resources at a time of considerable spending restraint and reduction in other public funded business support programmes.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Council and Cabinet Member Meeting

Contact Officer: Mike Mullin
Tel: x3442
Email: mike.mullin@sefton.gov.uk

Background Papers:

The following papers are available for inspection by contacting the above officer:

Cabinet Member Regeneration & Housing-Stepclever Legacy project briefing report (22 February 2012)
Stepclever Legacy Fund proposal (January 2012)
CMR report Stepclever update (16 March 2011)
Enterprise Gateway delivery plan (2010-2012)
Cabinet (16th April 2009), “Stepclever Property project”

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Introduction

- 1 Members will be aware of Economy & Tourism's (E&T) efforts to secure new external funding to support service delivery. E&T was alerted to a potential new funding opportunity arising from the Stepclever Local Enterprise Growth Initiative (LEGI), which ended on 31st March 2012. The grant offer will provide up to £1,847,749 of Stepclever Legacy monies to administer a business grants programme for the period 1st April 2012 to 31st March 2014. The offer also includes residual Stepclever Property Support grant of £563,020. This sum is already included in the Regeneration Capital Programme (approved by Cabinet on 15th April 2009).
- 2 The grant will fully fund four posts for two years that were under threat of redundancy. A ring fenced re-deployment programme was used to retain and re-designate the four posts to deliver the new project subject to confirmation of funding. The team will sit under the recently revised Invest Sefton business and enterprise support service.
- 3 The council's Invest Sefton team, under the E&T service, has designed and delivered the Stepclever business grants programme since its inception in June 2007. This has been managed in partnership with Liverpool Vision under the project title of Enterprise Gateway with the aim of stimulating entrepreneurship, new business start-ups, business growth and employment in south Sefton (Derby/Linacre wards) and north Liverpool (County/Anfield/Kirkdale/Everton wards).
- 4 At its board meeting of 28th November 2011 the Stepclever board gave 'in principle' approval to continue a revised business grants programme using unallocated capital monies. Invest Sefton was asked to deliver a new business grants programme for post April 2012. Liverpool City Council Cabinet approved the funding on 30 March 2012. A formal offer letter will be issued to Sefton shortly.

Proposed legacy project

- 5 The proposal includes the delivery of a grant project for both new and existing businesses that will generate new business start up, business growth and associated job opportunities in the Stepclever area building on the achievements of the existing programme. The new project includes:
 - A capital grants programme for new and existing businesses in the Stepclever wards.
 - Two Dedicated Business Specialists working alongside new existing growth sector specialists/Managers in Invest Sefton and Liverpool Vision.
 - One Senior Financial & appraisal officer and One monitoring and administrative officer to support compliance and delivery.
 - A private sector led steering group including Stepclever business representatives to oversee grant applications.
 - Access to existing specialist growth sector support through Invest Sefton and Liverpool Vision; e.g. Low Carbon/SuperPort/Knowledge Economy/Construction/Digital & Creative

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- Access to dedicated employment brokerage support from [Sefton@Work](#)
 - The potential to develop and expand the fund through Regional Growth Fund and ERDF bids.
- 6 A revised investment fund will be made available to both new business start-ups and growing businesses in the Stepclever wards. The fund is based on the existing tiered grant programme administered and delivered by the Enterprise Gateway project. While the fund will not rule out specific business activities, particularly if it generates new job creation, there is now the opportunity to align it with key Liverpool City Region (LCR) industry growth sectors, several of which are prevalent in the Stepclever area; e.g.. Port/Maritime related/Low Carbon/ Environmental Technologies/Knowledge Economy/Manufacturing.
- 7 The Investment fund will offer a tiered level of financial support accessed through the dedicated Business team. The table below shows the proposed level of funding (grant levels are subject to change):

Grant type	Amount £	Eligibility
Tier 1	Up to £750 *	Individuals seeking to start their own business
Tier 2	Min £2,000 up to max £7,500 *	Businesses up to 18 months old seeking to grow and create new jobs
Tier 3	Min £5,000 up to max £25,000 *	Existing businesses located or seeking to locate in the Stepclever area and create new jobs and demonstrate a plan for growth in turnover and profit

- Grants will be managed under State Aid/De Minimis rules with a maximum intervention rate of 100% for Tier 1 and Tier 2 Grants and a maximum of 45% for Tier 3 grants.
- 8 A cornerstone of the success of the existing funding programme has been the private sector led Investment Steering Group (ISG). This model had been established in 1995 in Sefton as a result of private sector nominated representatives from successive Single Regeneration Boards. A similar model has been in operation for the duration of the Stepclever programme and consisted of two Board members and business representatives from North Liverpool and South Sefton. They bring with them a wealth of expertise and experience while at the same time providing both a challenging and transparent process for the project team. A recent 'rule of thumb' exercise revealed that the free, voluntary support provided by private sector members runs at an average cost of £49k per member pa in terms of participation, meetings attended and on going advice and support. It is proposed that a similar model will be used for the Stepclever Legacy fund.

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Financial Implications

- 9 The Head of Corporate Finance & ICT Strategy comments that there are no financial implications for the Council and the total forecast capital expenditure of £1,847,749 as set out in the table below is fully funded from Stepclever Legacy capital grant.

Expenditure	Budget 2012-14 (£)
Grants to business	968,761
Property project c/f	563,020
Staffing (inc on costs)	290,968
Running costs	25,000
Total	1,847,749

Outcomes

- 10 The project has been tasked with a number of key performance indicators including :

Output	Total
No of new business start ups	82
No of business assisted	38
No of new jobs created	137
No of jobs safeguarded	22

- 11 The output forecasts reflect the current state of the economy, a much-reduced programme and that the available monies are Capital only. The previous programme incorporated both Revenue and Capital grants. However it is worth noting the success of the previous Stepclever Enterprise Gateway project, which ran from June 2007 to March 2012, and yielded some excellent outcomes for the area:

OUTPUT	TOTAL
No of Individual Beneficiaries	1,504
No of New Business Start Ups	601
No of Residents into Self Employment	359
No of Women into Self Employment	133
No of Businesses Assisted	1,204
No of New Jobs Created	1,465
No of Jobs Safeguarded	100
No of VAT Registrations	34
No of Grants Awarded	589

- 12 The new programme is due to start in September 2012 and regular performance updates will be report to Cabinet Member for Regeneration, Housing and Tourism.

Report to: Cabinet
Council

Date of Report: 16 August 2012
6 September 2012

Subject: Channel Dredging Project (Part 1 report)

Report of: Director of Built Environment

Wards Affected: Linacre and Derby

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To review progress with the project for dredging the River Mersey; to seek delegated authority for grant to be accepted; and subject to receipt of grant, for the project to be entered into the Council's Capital Programme.

Recommendation(s)

Cabinet:

- (1) To note progress with the grant offer letter from Dept of Business Innovation & Science for £35 million of Regional Growth Fund (RGF) towards the cost of the Mersey channel dredge project.
- (2) To note progress with the negotiation of a Co-operation Agreement between Mersey Docks and Harbour Company (MDHC) and Sefton Council in respect of the Mersey channel dredge project and the extent of the proposed indemnity
- (3) To note the financial, legal and construction risks associated with the project, and in the event of a grant award to transfer the risks and corresponding mitigation plans to the Corporate & Community Risk Register
- (4) To note that should the grant be awarded that the Council will commence procurement for the dredge work immediately
- (5) To receive a further report on progress with the project

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Council:

- (1) To note the Cabinet report
- (2) To include the channel dredge project within the Council's approved Capital Programme, subject to the receipt of grant

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		✓	

Reasons for the Recommendation:

To advise members of progress, and itemise potential risks and their mitigation.

What will it cost and how will it be financed?

(A) Revenue Costs

Officer time assigned to the negotiation of contracts is already accounted for in the approved revenue budget.

The Council is not a direct financial beneficiary of any monies secured, which will flow through to the private sector as stipulated in the legal agreement. However, under the terms of the proposed legal agreement, the Council is indemnified for all costs, liabilities and charges arising from its accountable body role in the delivery of the River Dredging project.

(B) Capital Costs

The project will be entered in the Council's Capital Programme, subject to receipt of funding and all conditions met as stipulated in the RGF offer letter.

Implications:

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

Legal	
Human Resources	
Equality	
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"/>
The equality impact and mitigation measures are as described in the full RGF application, and will be further developed when the offer letter is accepted.	

Impact on Service Delivery:

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD1707) and Head of Corporate Legal Services (LD 1030/12) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Not to accept the RGF would be to forego access to additional resources at a time of considerable spending restraint.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet/Cabinet Member Meeting

Contact Officer: Mark Long
Tel: x3471
Email: mark.long@sefton.gov.uk

Background Papers:

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Introduction

1. It was reported to members on 19th January 2012 that the Council was assisting Mersey Docks & Harbour Company (MDHC) with the development of a bid for Regional Growth Fund (RGF) to dredge the Mersey estuary channel.
2. This is to ensure the next generation of post-Panamax vessels can access the Port of Liverpool, and to improve river access for all users by lengthening the tidal window.
3. Members resolved (referring in the resolution to Peel Ports, the parent company of MDHC):

“1. That the conditional offer of £35 million from the Dept of Business Innovation & Science (BIS) to Peel Ports for River Dredging and construction of a River Berth at Seaforth, is noted.

2. That the Council accepts the role of accountable body for the RGF project, subject to negotiation of a satisfactory legal agreement with Peel, completion of due diligence, and an unconditional grant offer letter from BIS.

3. That officers proceed to negotiate a legal agreement with Peel in respect of the RGF project, and report progress to members at a subsequent meeting.

4. That members approve in principle the commissioning of a Port Hinterland study to provide a spatial masterplan and investment programme, so that the benefits of investment in Port Expansion can be maximised for local communities.”

Outline of project

4. Members will recall that MDHC is requesting £35 million of grant to support a £40 million investment in dredging the Mersey estuary approaches. This deeper channel will increase the tidal window for all river users of the estuary, and allow next generation deep-sea container vessels to access the docks.
5. The capital dredge will create benefits for all users of the Mersey and is therefore a “public good”. In these particular circumstances of their being a general public good it is appropriate that a public authority should act as accountable body for the RGF funding to procure the dredge. Sefton assumed this role as lead maritime authority for the Liverpool City Region.
6. As a result of the dredge, commercial operators located along the Mersey will take advantage of the deeper channel and longer tidal window.
7. The most advanced investment projects enabled by the dredge comprise
 - A new River Container Terminal for Peel Ports at Seaforth to receive post-Panamax vessels, planned to be operational from 2014
 - Port-centric distribution facilities adjacent the Port estate, These will be developed on-demand over the next 3-10 years

8. The Mersey Port Master Plan forecasts that by 2021 the Seaforth River Terminal will lead to a further 4,270 jobs and net additional GVA of £1,128 million.

Progress with RGF funding

9. Since the January 2012 report to Cabinet, officers have continued to negotiate with BIS regarding the criteria and conditions associated with the RGF grant
10. The principle condition to be met by the applicant (MDHC) is that the UK assistance is State Aid compliant i.e. that granting aid will not distort market forces. Initial legal advice obtained by the MDHC was clearly of the view that the activities would not be classed as State Aid. A recent European case means that this legal view needs to be revisited.
11. The Council's next steps will be dictated by the outcome of the State Aid enquiries being made by BIS and MDHC. This is the best way to maximise the Council's positive influence on the development as a whole, and makes for the most efficient use of natural and financial resources.

Next steps

12. Should the grant be awarded and be classified as non-State Aid, the next steps are to:
 - Approve the Co-operation Agreement
 - Complete "due diligence"
 - Satisfy BIS we are ready to proceed
 - Accept the RGF "unconditional" offer letter
 - Enter the project in the Capital Programme
 - Commence procurement for the dredge works
13. Because of the construction scheduling issue referred to in para 14 above, it is important that the Council's decision-making processes do not inadvertently delay procurement of the project contractor in the event of the Commission reporting favourably in late summer/early autumn. The main risk for the Council in this project which cannot be indemnified in the Co-operation Agreement, is the risk arising from delays. Such risks could emanate from delays in actions taken by officers or in the Council's internal decision-making. Quite understandably, this risk is excluded from the overall indemnification offered by MDHC.
14. The next available Council meeting to accept the project into the Capital Programme is 6th September, and then there is no meeting until 22nd November. Therefore members are requested to delegate acceptance of the RGF offer letter and agreement to the Co-operation Agreement to the Cabinet Member – Regeneration and Housing; and to request Council in September to receive the project into the Capital Programme, subject to receipt of grant.
15. This method of decision-making protects the Council's interest in the project while expediting business. It also demonstrates the Council's continued commitment to facilitate where possible this economic investment into the region. Taking this step allows for a flexible response in the event of further information received from the Commission or BIS that does not require a report to Cabinet.

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Licensing and supervision of the capital dredge contract

16. The MDHC was granted a Harbour Revision Order in 2007 to dredge the channel, and will apply (either in its own name or jointly with the Council) to the Marine Management Organisation for a licence immediately prior to construction work beginning. Sefton Council is also a statutory consultee for the issuing of a licence, and members will have a further opportunity to consider the proposal at that stage.
17. As accountable body, the Council is directly responsible for the procurement of the dredging contract, which will be tendered under EU rules. Under the Co-operation Agreement, the Council will appoint MDHC as its managing agent to supervise the dredge. This arrangement makes the best use of both organisations' skills and best ensures accountability.

Key terms of the agreement

18. Before issuing an unconditional offer letter for the RGF funding, BIS require an agreement between MDHC and Sefton Council confirming their respective roles, responsibilities and obligations, both to each other and collectively. Officers have been closely engaged with MDHC in preparing this key document.
19. The key terms of the Agreement are:

Role, responsibility and obligations of Sefton Council

Recipient and accountable body for Regional Growth Fund

Appointment of a Sefton Project Co-ordinator to act on the Council's behalf

Undertake the procurement of the capital dredge

Obligation to notify MDHC of any issue having an adverse impact on the project or funding

Role, responsibility and obligations of MDHC

Assist the Council with the discharge of its obligations to BIS

Appoint a Programme Director/Project Manager

Assist with the procurement and delivery of the capital dredge

Agree to contribute £5 million towards maximum total cost of capital dredge of £40 million, even if the total cost is less than £40 million (subject to detailed cash flow profile agreed with Sefton MBC)

MDHC is responsible for excess costs above the £40 million agreed

Obligation to notify Sefton MBC of any issue having an adverse impact on the project or funding

MDHC is responsible for costs incurred by Sefton MBC in its role as accountable body as set out in a schedule

Joint responsibilities

To work together with all reasonable endeavours

To separately contribute to the due diligence process as BIS/CLG may require

To collaborate closely with each other in connection with the procurement process

To govern the project via (i) a Project Board of the Managing Director of MDHC and the Chief Executive of Sefton MBC, and (ii) a Steering Group of personnel from MDHC and Sefton MBC, that reports to the Project Board.

To collaborate closely on the maximisation of employment opportunities, local supply and community engagement through an agreed process

Warranty and Indemnity

MDHC will indemnify Sefton for any losses or liabilities arising from failure to complete the project in accordance with the RGF offer letter, or to achieve job targets, or funding clawback by BIS, or the dredging contractor, except insofar as they arise from failure of Sefton in relation to matters within its control or to act without the approval of MDHC where that is required under the provisions of the Offer Letter.

Confidentiality

No disclosure without agreement, except insofar as Sefton is bound by applicable law (Freedom of Information) or regulations.

Agree to a publicity protocol, jointly with BIS

Key risks and mitigation

20. A careful analysis of risks associated with the project has been undertaken. The risks for the Council and their mitigation will be transferred into the Corporate and Community Risk Register, and closely monitored and managed by the risk owner, Director of Built Environment.

Powers under which the Council is acting

21. The Council relies on Section 1 of the Localism Act 2011 in making these arrangements with MDHC.

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Employment benefits

22. Under the terms of the RGF offer letter, Sefton is committed to creating 408 direct jobs (full-time equivalents) within 7 years of project completion. The Council and MDHC have reviewed the methodology used to calculate the jobs gain from the project and have agreed a procedure with BIS. This agreement will form the basis for monitoring of job outputs during each claim period.
23. It will also provide the basis for BIS to measure contract performance, as underperformance in terms of the jobs target may trigger clawback of grant (for which the Council has received an indemnification from MDHC – see above).
24. The Council and MDHC are committed to working together to develop a long-term employment partnership for the benefit of Sefton, and will invite other river users to join any collaborative recruitment and training arrangements that are established under this project but are of wider utility.

Wide Area Studies

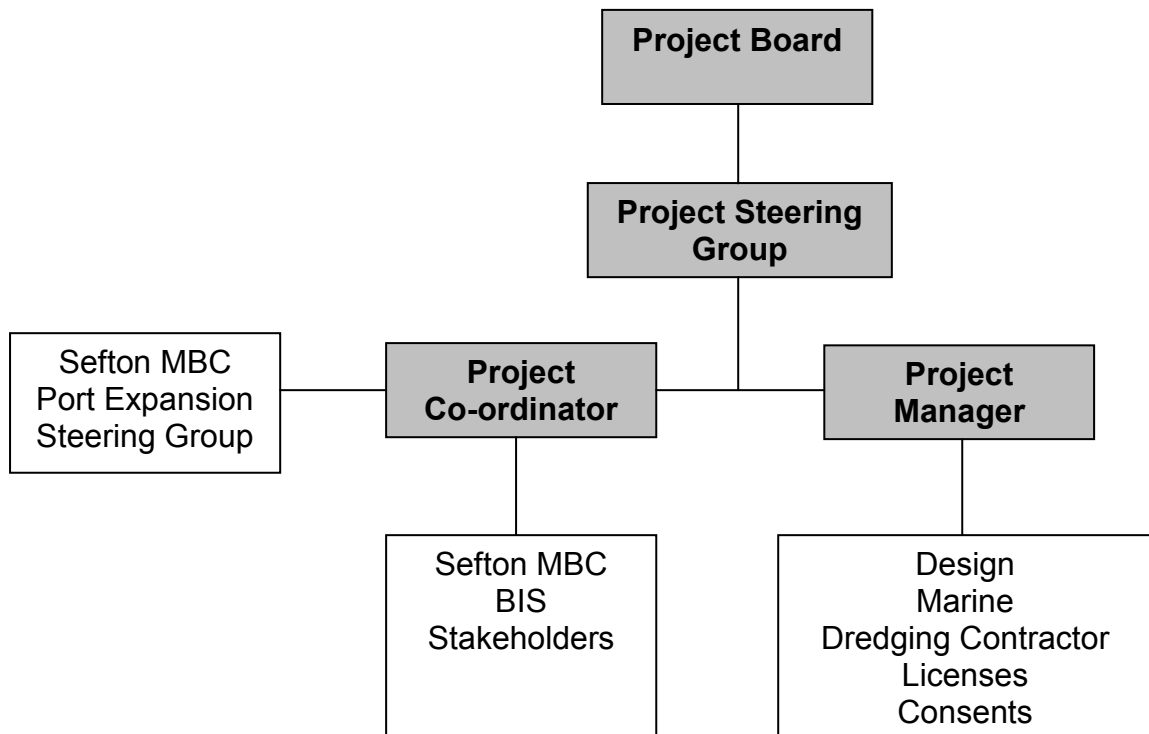
25. Under the Co-operation Agreement, MDHC promises a financial contribution towards the commissioning of a series of Wide Area Studies. These studies – in conjunction with funding from Homes & Communities Agency and the Council – will lead to a master plan and investment programme to capture and maximise the value of the Port's investment at Seaforth. They will also help update the land supply and demand estimates contained in the Core Strategy (now Local Plan).
26. The scope of these studies, plans and programme includes:
 - The creation of receptor sites for businesses displaced by port expansion
 - Site acquisition, assembly and development of the L5 zone for port-related uses
 - Attracting inward investment and supporting the maritime cluster
 - Employment, training and supply opportunities arising from port expansion, captured for the benefit of local people
 - Improvement and redevelopment of residential and community assets in the Seaforth area and the immediate port hinterland
 - Investment in Green Infrastructure (implementing the GreenPrint vision)
 - Harnessing opportunities for renewable energy and energy efficiency
 - Opportunities for environmental mitigation and to relieve neighbourhoods of unnecessary congestion and emissions associated with the A5036 corridor.
27. In addition MDHC and the Council will investigate innovative finance and delivery options, as flagged up in the City Region's City Deal "asks" of government.

Accountable Body role

28. MDHC has agreed to reimburse the Council (under its general indemnity) for any and all costs incurred by the Council in performing the accountable body function.
29. The schedule of costs is embedded in the agreement between MDHC and the Council, which includes provision for exercise of accountable body functions for up to an additional three years following project completion.

Future management of the agreement and RGF project

30. The management arrangements for the dredge project are detailed in the agreement between MDHC and the Council.
- Project leadership is through a Project Board of the Managing Director, MDHC and the Chief Executive Officer, Sefton Council
 - A joint Council/MDHC officer steering group provides oversight of the project and receives issues escalated by project management
 - Operational support is provided by the Project Co-ordinator (a Sefton employee), and a Project Manager (an MDHC employee).
31. To co-ordinate the Council's input to the project, a cross-departmental Port Expansion Steering Group for Council officers, chaired by the Director of Built Environment, has been meeting for several months. The group will continue with the participation of the Project Co-ordinator and Project Manager, to assist with a consistent policy and practice towards port-related activity across the authority.



32. The Project Co-ordinator's job is to ensure the Accountable Body role is delivered, either through their own work or by co-ordinating the work of others. They will co-ordinate procurement of the dredge contractor, engage closely with the project delivery team, supervise monitoring and claims, and account to members and the funder for the use of RGF. Further detail is supplied in Annex 1 – below.
33. The Project Manager's role is to secure all necessary consents and permissions, manage the dredge contractor, ensure targets and deadlines are met, and minimise any risks associated with the completion of the dredge project.
34. MDHC has appointed a person to the post of Project Manager. The Council is requested to establish the post of Project Co-ordinator within Built Environment

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and to fill the post to ensure an early start – in particular, the procurement of the dredge contractor.

Reporting mechanism to members

35. Cabinet approved “in principle” participation in the dredging project in January 2012.
36. Since then, the Leader of the Council and Cabinet Member – Regeneration have received progress reports and briefings.
37. This report establishes a management and accountability framework for the dredge project. The Director of Built Environment is the named lead officer, reporting to Cabinet as a whole.
38. A Joint Overview & Scrutiny Working Party has been meeting to review the Mersey Port Master Plan. Its report is due in the summer. Officers have kept the Joint Working Party fully informed of the channel dredge project.
39. Ongoing accountability of the project to members will be via regular reporting to Cabinet and Cabinet Member – Regeneration & Housing, with such additional briefings or site visits as are requested.

Annex 1 – Proposed roles and responsibilities of Sefton Council as accountable body for the channel dredge project

Project Co-ordination

- Liaison with BIS DGLC - act as a single point of contact between Sefton and BIS DCLG
- Liaison with MDHC
- Project interface for other port users
- Represent the Authority on various internal working groups and external bodies

RGF Grant Management & Administration

Development and implementation of systems

- Develop, manage and maintain project management systems and procedures for the RGF project, including sound record keeping as required by Council's Internal Audit procedures and BIS/DCLG requirements.

Claim preparation, verification and validation

- Co-ordinate the preparation and submission of appropriate interim/final claims and monitoring returns in order to secure funds and ensure performance targets are met.
- Completing and submitting grant claims, monitoring and evaluation of claims and risk assessments.
- Ensure all Council Standing Orders and Financial Procedure Rules are upheld

Indirect outputs verification and validation

- Commissioning, procurement, payments, risk assessment, monitoring, co-ordination, returns, reports, and evaluation.

Audit preparation and facilitation

- Co-ordinating and managing the monitoring of the project for the purpose of audit and evaluation and to ensure compliance with the Council's and other funding Agencies' procedures.
- Co-ordinate internal and external verification and audit visits. This will include preparing files for audit and helping to ensure that auditing queries are dealt with appropriately.

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Impact assessment procurement

- Commissioning, procurement, payments, risk assessment, monitoring, co-ordination, returns, reports, and evaluation.

Reporting

- Produce documents, Steering Group and Committee reports, liaising as required with Councillors and Officers of the Authority
- Presenting reports to Committees and other Partners

Internal Co-ordination

- Internal liaison with and co-ordination of colleagues from various departments with a stake in the RGF project ensuring a co-ordinated approach is adopted giving greatest benefit and return on investment:
 - Economy & Tourism
 - Sefton@Work
 - Finance
 - Legal
 - Corporate Procurement Unit
 - Investment Programmes and Infrastructure

Expert Advice

- Commissioning, procurement, payments, risk assessment, monitoring, co-ordination, returns, reports, and evaluation.

Procurement

Dredge

- Co-ordinate the preparation of a project brief
- OJEU Preparation inc stages
- Appraisal & Evaluation of Tenders
- Council Reporting Procedures
- Legals and Contractualisation

Liverpool 2

- Social Value element to MDHC procurement process

Dredging Contract

- Client side contract management
- Liaison with MDHC re monitoring and progress

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- Invoice/payment verification and validation
- Environmental impact assessment and monitoring

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