

MEETING: CABINET
DATE: Thursday 25th April, 2013
TIME: 10.00 am
VENUE: Town Hall, Southport

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 28 March 2013		(Pages 5 - 12)
4.	Capital Allocations 2013/14 Report of the Head of Corporate Finance and ICT	All Wards	(Pages 13 - 22)
5.	Scheme of Members Allowances Report of the Director of Corporate Services	All Wards	(Pages 23 - 26)
6.	Appointment of Mayor and Deputy Chair for 2013/14 Report of the Director of Corporate Services	All Wards	(Pages 27 - 30)
* 7.	Coastal Communities Fund Bid Report of the Director of Built Environment	All Wards	(Pages 31 - 34)
* 8.	Update on Management of Bootle Golf Course Report of the Director of Street Scene	All Wards	(Pages 35 - 40)
9.	Southport Cultural Centre - Projected Outturn Report of the Strategic Director - Place	All Wards	(Pages 41 - 48)

10. Exclusion of Press and Public

The Cabinet is recommended to pass the following resolution:

That, the press and public be excluded from the meeting for the following item on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 3 and 6 of Part 1 of Schedule 12A to the Local Government Act 1972. The Public Interest Test has been applied and favours exclusion of the information from the Press and Public.

11. Southport Cultural Centre - Projected Outturn

All Wards

(Pages 49 - 54)

Report of the Strategic Director - Place

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON THURSDAY 11 APRIL 2013. MINUTE NO's 132, 134, 137 AND 138 ARE NOT SUBJECT TO "CALL-IN".

CABINET

MEETING HELD AT THE TOWN HALL, SOUTHPORT ON THURSDAY 28TH MARCH, 2013

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

ALSO PRESENT: Councillors Crabtree, Hands and McKinley

129. APOLOGIES FOR ABSENCE

No apologies for absence were received.

130. DECLARATIONS OF INTEREST

No declarations of interest were received.

131. MINUTES OF PREVIOUS MEETING

Decision Made:

That the minutes of the Cabinet meeting held on 28 February 2013 be confirmed as a correct record.

132. RETIREMENT OF STRATEGIC DIRECTOR - PLACE AND DIRECTOR OF CORPORATE SUPPORT SERVICES

The Chair reported that this would be the last Cabinet meeting that the Strategic Director – Place, Bill Milburn, and the Director of Corporate Support Services, Mike Fogg, would be attending prior to their retirement on 14 April 2013.

The Chair paid tribute to the sterling work undertaken by Bill and Mike for the Council and the Borough of Sefton during the last 17 years and 27 years respectively.

Decision Made:

That the thanks and appreciation of the Council be extended to the Strategic Director - Place, Bill Milburn, and the Director of Corporate Support Services, Mike Fogg, for the work they have undertaken for the Council and the Borough of Sefton during the last 17 years and 27 years respectively and best wishes be extended to them for a happy and healthy retirement.

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133. NOT IN EDUCATION, EMPLOYMENT OR TRAINING (NEET) WORKING GROUP FINAL REPORT

The Cabinet considered the report of the Director of Corporate Commissioning on the recommendations of the NEETS Working Group, which had been jointly established by the Overview and Scrutiny Committee (Regeneration and Environmental Services) and the Overview and Scrutiny Committee (Children's Services), to undertake a review on issues surrounding the delivery of the NEETS (not in education, employment or training) service within the Borough.

Councillor McKinley, a Member of the Working Group, attended the meeting to outline the findings and recommendations set out in the report of the Working Group. Councillor McKinley reported that the Overview and Scrutiny Committee (Children's Services) had also requested that the Cabinet agree to forward a copy of the Working Group's report to the Local Government Association, as a potential example of best practice.

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

Decisions Made: That

- (1) the Director of Young People and Families be authorised to:-
 - (i) request head-teachers and chairs of governors of high schools (including academies and free schools) within the Borough, to consider increasing the breadth, range and quality of impartial advice and guidance provision for young people in schools, prior to leaving year 11, to receive advice on the full range of options available to them and for information to also be made available to parents;
 - (ii) request head-teachers of high schools and principals of colleges within the Borough to consider increasing the level of mentoring support and guidance for young people, in order for them to be better supported in learning about the range of options available to them, prior to leaving school and college;
 - (iii) produce a follow-up report, to be submitted to the relevant Overview and Scrutiny Committees in twelve months time, to include (i) whether the Council is receiving best value for money in terms of services provided within the NEETS area; and (ii) monitoring of looked after young people leaving Council care and their achievements, or whether they subsequently fall into the NEETS category;
 - (iv) produce six monthly reports to be submitted to the relevant Overview and Scrutiny Committee, outlining the latest position with regard to the NEETS;

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- (v) ensure that the Council and its partners be encouraged to use all available statistical evidence to identify NEET hotspots and agree robust intervention targets to reduce numbers in these areas, together with agreed robust systems for monitoring and evaluating the impact of joint interventions; and
- (2) the Director of Corporate Commissioning be authorised to forward a copy of the Working Group's report to the Local Government Association, as a potential example of best practice.

Reasons for the Decision:

To enable the recommendations of the Overview and Scrutiny Working Group to be implemented.

Alternative Options Considered and Rejected:

The Cabinet could refuse part or all of the recommendations.

134. SEFTON HEALTH AND WELLBEING STRATEGY 2013-2018 AND BOARD GOVERNANCE

The Cabinet considered the report of the Head of Business Intelligence and Performance on the proposed governance structure for the Health and Wellbeing Board to be established from April 2013. The report also incorporated a copy of the draft Health and Wellbeing Strategy for Sefton 2013-2018 and the Equality Analysis Report on the findings of the draft Strategy which had previously been considered by the Shadow Health and Wellbeing Board.

The Chair reported that a letter had recently been received from the Police and Crime Commissioner for Merseyside, requesting membership of the Board.

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

Decision Made: That

- (1) subject to the delegation set out in resolution (2) below, the Council be recommended to approve the Health and Wellbeing Strategy for Sefton and note the findings within the Equality Analysis report;
- (2) authority be delegated to the Strategic Director – People, in consultation with the Chair of the Shadow Health and Wellbeing Board (Cabinet Member for Children, Schools, Families and Leisure), to agree the next iteration of the Strategy which shall be submitted to the Council for approval;

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- (3) having due regard to the views expressed by the Shadow Board, the Council be recommended to approve that membership of the Board shall comprise the following:
- Councillors Cummins, J.J.Kelly and Moncur (as determined by the Leader of the Council);
 - One representative of the local Healthwatch organisation;
 - One clinical representative of the NHS Southport and Formby Clinical Commissioning Group;
 - One clinical representative of the NHS South Sefton Clinical Commissioning Group;
 - The statutory director for adult social care;
 - The statutory director for children's services;
 - The statutory director of public health;
 - The Chief Officer of NHS Southport and Formby and the NHS South Sefton Clinical Commissioning Groups; and
 - One representative of the National Commissioning Board
- (4) the Council be recommended to agree a criteria for determining future membership of the Board beyond that listed in resolution (3) above, so as to enable a process to operate whereby future membership could be increased, provided that the tests set out in paragraph 4.6 of the report are met and the request from the Merseyside Police and Crime Commissioner be considered in the light of this criteria;
- (5) the Council be recommended to agree that substitution should not apply to Board Members;
- (6) the Council be recommended to agree that all members of the Board shall have the right to vote, but that this vote would only be exercised in exceptional circumstances: The convention that shall apply is that the Board would have an open debate and would reach decisions based on consensus. Should a vote be required, then it would be based on a simple majority of those present and voting at the meeting;
- (7) the Council be recommended to note that the Board does not favour the creation of sub-committees at this time and that the requirements relating to the Code of Conduct and declaration of interests applies to Board members;and
- (8) the principle functions of the Board be noted and considered by the Audit and Governance Committee and Council for inclusion within the Council's Constitution as set out in paragraph 4.6 of the report.

Reasons for Decisions:

The Health and Social Care Act 2012 gives health and wellbeing boards specific functions. One of the statutory functions is to prepare a Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy.

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The Council, NHS Clinical Commissioning Groups, the National Commissioning Board, along with others, have a duty to co-operate. The regulations under section 194 of that Act set out the constitutional and governance arrangements of the Board. The Board has statutory powers from 1st April 2013, and is required to publish a Health and Wellbeing Strategy by April 2013.

Alternative Options Considered and Rejected:

None - There is a statutory requirement to produce a Health and Wellbeing Strategy and to establish a Health and Wellbeing Board.

135. THE REECH PROJECT, GREEN DEAL GO EARLY PROJECT AND REECH INTO BUSINESS BID

The Cabinet considered the report of the Director of Built Environment which provided an update on the Renewable Energy and Energy Efficiency in Housing (REECH) Project; the Green Deal Go Early project bid submitted to Liverpool City Council and the Department for Climate Change; and REECH into Business bid submitted to the Department for Communities and Local Government (DCLG). The matter had also been recently considered by the Cabinet Member – Regeneration and Tourism.

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

Decision Made: That

- (1) the success in securing funding for the Green Deal Go Early Project be noted;
- (2) should the "REECH into Business" bid be successful, approval in principle be given to Sefton Council being the Accountable Body for this sub-regional project and that the Head of Corporate Legal Services be authorised to execute any necessary legal agreements with the DCLG and any other delivery partners; and
- (3) subject to resolution (2) above, the remit of the REECH Steering Group (Chaired by the Cabinet Member – Regeneration and Tourism) be extended to include the REECH into Business Project.

Reason for Decision:

To enable actions to be taken in progressing the REECH, Green Deal Go Early and the REECH into Business Projects.

Alternative Options Considered and Rejected:

None – Not to progress the recommendation would mean Sefton business and residents would not be able to benefit from the opportunities that these three projects would generate.

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136. NOTICE OF MOTION - FINANCIAL MALPRACTICE

Further to Minute No. 70 of the Council meeting held on 22 November 2012, the Cabinet considered the report of the Director of Corporate Commissioning on the motion submitted by Councillor McKinley relating to financial malpractice, which had been referred by the Council to the Cabinet for consideration in accordance with Paragraph 84 in Chapter 4 of the Council's Constitution (Motions on Expenditure).

The Director of Corporate Commissioning undertook to seek further clarification on the timescale for the finalisation of the new procurement directives by the European Commission.

Decision Made: That

- (1) the work being undertaken in the Borough on financial inclusion be noted; and
- (2) the Council's procurement processes be reviewed and reported to the Audit and Governance Committee at such time when the European Commission has finalised the procurement directives to include aspects of social value.

Reasons for Decision:

To enable the Cabinet to respond to the Council motion.

Alternative Options Considered and Rejected:

None.

137. SELECTION OF THE MAYOR AND DEPUTY CHAIR FOR 2013/14

The Cabinet considered the report of the Director of Corporate Commissioning which sought the nomination of the Mayor and Deputy Chair for the Municipal Year 2013/14.

The report indicated that any nominations agreed by the Cabinet would be submitted to the Annual Council meeting to be held on 9 May 2013 for consideration.

Decision Made: That

- (1) the Director of Corporate Commissioning be authorised to formally write to the Leader of the Conservative Group, requesting a nomination for a Mayor and the Leader of the Liberal Democrat Group requesting a nomination for a Deputy Chair for the Municipal Year 2013/14; and

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- (2) the matter be re-considered at the next Cabinet meeting to be held on 25 April 2013.

Reason for the Decision:

It is a statutory requirement for the Council to appoint a Mayor and Deputy Chair under Sections 3(1) and 5(1) of Part 1 of the Local Government Act 1972.

Alternative Options Considered and Rejected:

None.

138. PROGRAMME OF MEETINGS - 2013/14 MUNICIPAL YEAR

The Cabinet considered the report of the Director of Corporate Commissioning which provided details of the Proposed Programme of Meetings for the 2013/14 Municipal Year.

The report indicated that the Council, at its Budget Meeting held on 28 February 2013, approved options to reduce the frequency of meetings generally and to reduce the number of Area Committees from 7 to 3. These options were currently being consulted upon and the outcome of the consultation process would be reported to the Council on 18 April 2013.

Decision Made:

That the report be noted and referred to the Council on 18 April 2013 for deliberation.

Reason for Decision:

To enable the business of the Council and the various Committees to be conducted during the 2013/14 Municipal Year.

Alternative Options Considered and Rejected:

None.

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Report to: Cabinet
Council

Date of Meeting: 25 April 2013
14 May 2013

Subject: Capital Allocations 2013/14

Report of: Head of Corporate Finance & ICT **Wards Affected:** All

Is this a Key Decision? Yes

Is it included in the Forward Plan?

Yes

Exempt/Confidential

No

Purpose/Summary

To provide Members with details of the 2013/14 Capital Allocations and to consider their use in the development of a Capital Investment Plan for 2013/14.

Recommendation(s)

Cabinet recommends to Council that it:

- i) Notes the Children's Services capital allocations for 2013/14 for Devolved Formual Capital, Basic Needs, and Capital Maintenance (paragraph 2.2);
- ii) Notes the Disabled Facilities Grant allocation for 2013/14 (paragraph 2.2);
- iii) Notes the detailed profile of the Capital Priorities Fund of £1m (paragraph 3); and
- iv) Approves the items recommended by the Strategic Capital Investment Group (SCIG) for inclusion within the Capital Investment Plan. This includes those items classed as pre allocated, those funded from Direct Revenue Funding, and those recommended to SCIG to be funded from the Single Capital Pot (paragraph 4).

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 inform Members of the additional 2013/14 Capital Allocations received that were not reported to Cabinet and Council on 28 February 2013, as they had not been received, and to allow Members to consider how these allocations should be utilised.

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What will it cost and how will it be financed?

(A) Revenue Costs

For those schemes that are to be funded from borrowing, any borrowing costs will be met from existing revenue budgets.

(B) Capital Costs

All Government allocations included in this report are capital grants. It should be noted that the allocation of grant funds relates to spend in 2013/14, and for any schemes that span 2013/14 and 2014/15, that future expenditure in 2014/15 will require funding from the 2014/15 capital pot.

Implications:

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

Legal Devolved Formula Capital grant funding is ring-fenced and can only be used for its intended purpose
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:

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD2236/13) and Head of Corporate Legal Services (LD1552/13) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

The options available to Members for the use of non ring-fenced capital grant allocations are included in the body of the report.

Implementation Date for the Decision

After Council.

Contact Officers: Jeff Kenah and Amanda Langan

Tel: 0151 934 4104

Email: Jeff.kenah@sefton.gov.uk

Background Papers:

None.

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1. Introduction/Background

- 1.1 Cabinet and Council were notified on 28 February 2013, of the Capital Allocations for Sefton in 2013/14 that had been announced by the Government at that time. This report updates those allocations, and highlights the final position.
- 1.2 Cabinet on 28 February approved the introduction of the new Capital Allocation Framework and Capital Strategy. With effect from 2013/14, this Strategy introduces the principle of a single capital pot system for the allocation of schemes to be included in the Capital Investment Plan. This means that all non-ring fenced grants will initially be held centrally, and bids will need to be made in order to secure funds for capital projects. This report includes proposed new capital schemes for 2013/14, for consideration by Cabinet, as recommended by the new Strategic Capital Investment Group.

2. Government Capital Allocations 2013/14

- 2.1 The Government has now announced all capital allocations for 2013/14. The below itemises the newly announced capital allocations that have been received for 2013/14, as well as those reported to Council on 28 February 2013. The 2012/13 figures, where applicable, are shown for comparison.
- 2.2 All allocations, with the exception of Devolved Formula Capital, have been identified by the Government as non-ring-fenced. This means that the Council does not necessarily have to utilise the allocations in the areas as set out below, and are therefore available for determination by the Council.

Description of Allocation	2012/13 £m	2013/14 £m	Variation £
Children's Services – Devolved Formula Capital (ring-fenced)	0.450	0.447	-0.3
Children's Services – Basic Need	0.781	1.040	0.259
Children's Services – Capital Maintenance	2.417	2.322	-0.95
Children's Services – Short Breaks	0.203	0.000	-0.203
Early Education for Two year Olds	0.428	0.000	-0.428
Total Children's Services	4.279	3.809	-0.470
Disabled Facilities Grant	1.954	1.581	-0.373
Total Housing	1.954	1.581	-0.373
Department of Health Capital Grant	0.808	0.820	+0.12
Total Social Services	0.808	0.820	+0.12
Highways Maintenance	2.536	2.355	-0.181
Integrated Transport Block (indicative)	0.981	0.965	-0.16
Additional Highway Maintenance	0.000	0.426	+0.426
Total Transportation	3.517	3.746	+0.229
Total Allocations non-ring-fenced	10.108	9.509	-0.599
Total Allocations ring-fenced	0.450	0.447	-0.003
TOTAL ALLOCATIONS	10.558	9.956	-0.602

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- 2.3 The Children's Services Basic Need allocation is based upon 50% of a two year grant, totalling £2.080m for 2013/14 and 2014/15.

3. Other Sources of Finance for Capital Schemes

- 3.1 As noted in the report to Cabinet and Council of 28 February 2013, an additional £1m of capital funding is to be released from Council reserves, aimed at assisting the development of town centres across the Borough, youth unemployment and the local economy.
- 3.2 Grant funding of £0.050m is earmarked for the North West Training Council. The organisation provides training for young people in Sefton which aims to underpin economic growth for employers in Sefton. The grant is to fund a contribution to the purchase of modern IT equipment, to upgrade the engineering machine facilities by the purchase of six new machines, and to fund roof repairs.
- 3.3 A further report on the allocation of the remaining funding will be presented to a future meeting of Cabinet.

4. Capital Strategy

- 4.1 A revised Capital Allocation Framework and Capital Strategy was approved by Cabinet and Council on 28 February 2013. This outlined the use of a single capital pot into which all non-ring-fenced funds will be placed, and for which bids must be made in order to secure funding for capital schemes. As can be noted in paragraph 2.2, grant allocations of £9.956m have been made. The capital allocation of Children's Services Devolved Formula Capital of £0.447m is ring-fenced, and must be spent in line with terms of the grant offer, leaving £9.509m for the single capital pot.
- 4.2 The Strategic Capital Investment Group (SCIG) had its inaugural meeting on 9 April 2013. The purpose of the meeting was to review and assess bids received for capital funding from the single capital pot in order to recommend to Cabinet and Council a Capital Investment Plan for 2013/14. As part of this process an initial 'gateway assessment' of bids was undertaken by a Capital Investment Bids Panel consisting of the Council's Service Directors. This panel offered suggestions to SCIG as to the assessment of bids considered within the framework of the new Capital Allocation Framework and Capital Strategy. In respect of the single capital pot, 21 bids have been put forward to be considered as part of the bidding process; in some cases the bids covering 2013/14 and 2014/15 financial years. The capital bids have been classified into four distinct groups as follows (a full list of the bids by group is included within **Appendix A**):
- **Pre allocated (£5.877m 2013/14)** – These are funds which are non-ring-fenced by Government; however following an internal review are considered appropriate to the original suggested purpose. Therefore they have been "internally ring-fenced" to be used in the spirit in which they were given. The reasons for this include contractual obligations, the potential for clawback, and reduced funding levels in future years. These schemes include the Local Transport Plan, funding which is administered by Merseyside Integrated Transport Authority (MITA). However, these funds are allocated to deliver a programme of work, the detail of which would be agreed by the Cabinet Member.

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- **Direct revenue funding (£1.713m 2013/14 and £0.04m 20104/15)** – schemes will be funded by borrowing. All borrowing costs will be met from the existing revenue budgets of the relevant department i.e. no call on the single capital pot.
- **Single Capital Pot bids – recommended (£3.005m 2013/14 and £0.772m 2014/15)** – capital bids that are recommended as a priority against this pot.
- **Single Capital Pot bids – further consideration required (£1.326m 2013/14 and £1.400m 2014/15)** - capital bids that, if approved, will draw upon the single capital pot. However, further assessment and consideration is required by SCIG.

4.3 Those bids assessed and accepted by SCIG as pre allocated (bids 1-5 in **Appendix A**), those being met from direct revenue funding (bids 6-9 in **Appendix A**), and recommended to be funded from the single capital pot (bids 10-17 in **Appendix A**), are now recommended to Council for inclusion within the Capital Investment Plan.

4.4 Bids 18-21 which call upon the single capital pot and for which further consideration by SCIG is required will be the subject of a future report to Cabinet and Council. The value of these bids is £1.326m in 2013/14, and £1.4m for 2014/15.

4.5 The allocation of grant funding is summarised in the following table (and see Appendix A):

	2013/14 £m
Non-ring-fenced grant 2013/14 (para 2.2)	9.509
Funding from 2012/13 to fund bids 4&5	0.631
TOTAL GRANT FUNDING	10.140
Pre allocated (para 4.2)	(5.877)
Single capital pot bids – recommended (para 4.2)	(3.005)
TOTAL ALLOCATED	(8.882)
GRANT FUNDING UNALLOCATED	1.258
Single capital pot bids – further consideration (para 4.2)	(1.326)
OVERCOMMITMENT – should bids requiring further consideration be included	(0.68)

4.6 An underspend on any scheme will be returned to the Single Capital Pot.

4.7 A capital bid can consist of a list of smaller, prioritised schemes formulated from a much larger list, such as bid 11. Any underspend on the scheme should be

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referred to Cabinet Members discretion, so that approval can be given for the funding to be allocated to the next prioritised scheme on the list which was not included within the original bid. Conversely, any overspend on the scheme will not automatically illicit any additional funding, and the schemes on the list with the least priority within the bid will not be carried out.

- 4.8 It should be noted that the most advantageous use of the Councils grant funding, both ring-fenced and non-ring-fenced, will be made, to ensure that the Council's priorities are achieved.

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APPENDIX A

BID NUMBER	Funding required 2013/14 £	Funding required 2014/15 £	Scheme name	Scheme description	Applicant Department
PRE ALLOCATED					
1	1,500,000		Disabled Facility Grants	To support expenditure of £2.5m on issuing Disabled Facility Grants	Strategic Housing (IPI)
2	965,000		Local Transport Plan, Integrated Transport Block Capital Programme	Various transport network improvements.	Investment Programmes & Infrastructure
3	2,781,000		Local Transport Plan, Highway Maintenance Block Capital Programme	To undertake capital maintenance of the Highway Network	Investment Programmes & Infrastructure
4	427,970 FUNDED FROM 2012/13 grant		Two Year Old Offer	Works to increase capacity of 2 year old education childcare places	Early Intervention and Prevention 0-11
5	203,153 FUNDED FROM 2012/13 grant		Aiming higher - short breaks	To help local authorities and their partners to create better access to short break provision for disabled children and young people.	Early Intervention and Prevention 0-11
	5,877,123				
DIRECT REVENUE FUNDING					
6	1,391,000		Vehicle replacement	The project is in response to a review of vehicles nearing the end of their current operating lease. This is the maximum spend that would be required should	Operational Services

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				all the vehicles be replaced.	
7	90,000	40,000	Management Information System (MIS) Replacement	To replace the current Management Information System used by recreation & cultura facilities	Older People - Health & Wellbeing
8	147,100		Litherland Sports Park - Replacement Fitness Equipment	To replace 6 year old fitness equipment at Litherland Sports Park	Older People - Health & Wellbeing
8	45,000		Holy Rosary Primary School	Kitchen replacement	Operational Services
9	40,000		Holy Trinity Primary School	Kitchen replacement	Operational Services
	1,713,100	40,000			
<i>SINGLE POT BIDS - RECOMMENDED</i>					
10	1,279,000		School General Maintenance Schemes - 2013/14	17 projects at 14 schools ie boiler replacements, window / door replacements & re-roofing projects	Learning & Support Services
11	378,000	22,000	Corporate Essential Maintenance Fund	To undertake essential maintenance to non school buildings	Investment Programmes & Infrastructure
12	128,000	750,000	Library Review centres of excellence	Capital investment in 3 libraries (Bootle, Crosby or College Rd & Formby); various works to make them fit for purpose now & in the future	Older People - Health & Wellbeing
13	140,000		New Car Parks Infrastructure	Works at various car parks to install charging equipment and signage to generate savings	Investment Programmes & Infrastructure

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				approved by Council	
14	120,000		Green Park Primary School - Kitchen Refurbishment	Refurbishment of 20 year old kitchen and equipment	Learning & Support Services
15	160,000		Larkfield Primary School - Kitchen Refurbishment	Refurbishment of 30 year old kitchen and equipment	Learning & Support Services
16	300,000		Rowan Park - Classroom Extension	To bring accommodation up to standard following increase in pupil numbers	Learning & Support Services
17	500,000		Kew Woods Primary School Phase 3 - Nursery and IT Suite	To increase school capacity producing new IT room and nursery provision	Learning & Support Services
	3,005,000	772,000			
<i>SINGLE POT BIDS – FURTHER CONSIDERATION</i>					
18	866,000		Hillside High School - New Drama/Music Suite & Science Accom. Refurbishments	To provide 2 new drama suites, changing rooms, music classrooms, music practice rooms and storage area	Learning & Support Services
19	180,000		Stanley High School - Refurbished Science Laboratories	To provide 2 refurbished science labs by altering existings labs that are in poor condition	Learning & Support Services
20	80,000	1,400,000	Litherland Moss Primary School - Remodelling & Refurbishment	Remodelling & refurbishment of school providing new entrance, a new admin block, kitchen & boiler house and also address early years provision.	Learning & Support Services
21	200,000		New Street	Replacement of	Investment

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			Lighting Columns (boroughwide)	Street lighting columns	Programmes and Infrastructure
	1,326,000	1,400,000			
TOTAL	11,921,223	2,212,000			

Agenda Item 5

Report to: Cabinet
Council

Date of Meeting: 25 April 2013
14 May 2013

Subject: Scheme of Members Allowances

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

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

Exempt/Confidential No

Purpose/Summary

To fulfil the requirements of the Local Authorities (Members' Allowances) (England) 2003 (as amended) that the Scheme of Allowances be reviewed each year and to recommend that the existing scheme be continued into the next Municipal Year.

Recommendation(s)

That the Cabinet be requested to submit the following recommendations to the Council for consideration on 14 May 2013:

- (1) That the existing Scheme of Allowances be implemented for the 2013/14 Municipal Year;
- (2) That the Scheme of Allowances be adjusted annually in accordance with the average of any pay increase awarded to Sefton Council employees.
- (3) That the publicity required as set out in Section 4 of the report be undertaken; and
- (4) That the Council's Constitution be amended to insert the revised Scheme.

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:

To fulfil the requirements of The Local Authorities (Members' Allowances) (England) 2003 (as amended) which require the Council to establish a scheme of Members' Allowances in accordance with these regulations, to agree and publicise its Members' Allowance Scheme and have an independent review at least every 4 years.

What will it cost and how will it be financed?

(A) Revenue Costs

The proposals contained within the report would be cost neutral until such time as any pay award is made to Sefton Council employees.

(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 The Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) require authorities to make a scheme for the payment of allowances for members and before it makes or amends a scheme, to have regard to the recommendations of an independent remuneration panel.	
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 (FD 2213) and Head of Corporate Legal Services (LD 0041) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

There are no other options available for consideration.

Implementation Date for the Decision

Immediately following the Council meeting.

Contact Officer: Andrea Watts

Tel: 0151 934 2030

Email: andrea.watts@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) require the Independent Remuneration Panel to review the Scheme of Members' Allowances on an annual basis unless the Scheme is linked to an index.
- 1.2 In preparation for the review, the Panel has received presentations on the budget of the Council and has sought the views of all Members of the Council. Minutes of the Panel meetings are available on the Council's website. The Scheme of Allowances is published as part of the Council's Constitution and is available on the Council's website.

2. Recommendations of the Panel

- 2.1 Cabinet will be aware that the Panel previously recommended a 'banded' scheme to the Council and this was subsequently amended by the Council to reduce the costs of Members' Allowances.
- 2.2 In response to comments submitted by Members the Panel resolved "...with regard to the comments made on the relationship between the Special Responsibility Allowances paid to the Chairs of the Planning and Licensing and Regulatory Committees and the Overview and Scrutiny and Audit and Governance Committees the Council is reminded that the Panel offered the current scheme to the Council with the intention that the Council should have the flexibility to appoint Councillors to such of the Bands as the Council considers appropriate for their duties".

3.0 Annual Adjustment of Allowances

- 3.1 In accordance with The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended), Part 3 s10 (4) and (5), the Panel does not have to review the Scheme of Allowances each year if the Scheme is index linked to provide for any annual adjustment.
- 3.2 The Panel considered the position across Merseyside in relation to this matter and resolved that

Agenda Item 5

(1) having taken into account Sefton's current economic circumstances and acknowledging the fact that Council staff have not received a pay increase for three years, the Council be recommended to link increases in Members Allowances to the average pay increase given to Sefton Council employees;

(2) the annual adjustment in Members' Allowances be implemented for a period of four years in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) Part 3 Sections (4) and (5).

3.3 This does not prevent the Panel from reviewing the Scheme at any time, but allows for the Scheme to continue without a full review subject to the annual adjustment being applied.

4.0 Publicity for the Panel's recommendations

4.1 As soon as practicable after receiving the Panel's recommendations, the Council is required to ensure that copies of that report are available for inspection by members of the public. The minutes of the Panel are available on the Council's website for inspection. In addition the Council is required to publish in one or more newspapers circulating in its area, a notice which—

- (i) states that it has received recommendations from an independent remuneration panel in respect of its scheme;
- (ii) describes the main features of that panel's recommendations and specifies the recommended amounts of each allowance mentioned in the report in respect of that authority;
- (iii) states that copies of the panel's report are available at the principal office of the authority for inspection by members of the public at such times as may be specified by the authority in the notice; and
- (iv) specifies the address of the principal office of the authority at which such copies are made available.

4.2 Once the Council has considered the recommendations, a further notice must be published which must include any differences between the adopted Scheme and the recommendations of the Independent Remuneration Panel.

Agenda Item 6

Report to: Cabinet **Date of Meeting:** 25th April 2013

Subject: Selection of the Mayor and Deputy Chair for 2013/14

Report of: Director of Corporate Services **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 selection of a Mayor and Deputy Chair for the Municipal Year 2013/14.

Recommendation(s)

The Cabinet is invited to consider the nomination of a Mayor and Deputy Chair for 2013/14 and to select the Members to be nominated to that Office at the Annual Council Meeting on 9 May 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	√		

Reasons for the Recommendation:

It is a statutory requirement for the Council to appoint a Mayor and Deputy. Part 1, s3 (1) of the Local Government Act 1972 requires each principal Council to appoint a Mayor. Under Part 1, s5 (1) each principal Council is required to also appoint a Deputy.

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What will it cost and how will it be financed?

(A) Revenue Costs

The appointment has no cost implications. Allowances are not payable for the Deputy Chair position.

(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 Sections 3-5 of the Local Government Act 1972 (as amended) refer.	
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:

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD2237/13) has been consulted and has no comments to make on this report as there are no financial consequences to the appointments being made. The Head of Corporate Legal Services (LD1553/13) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration? There are no further options for consideration.

Implementation Date for the Decision

Immediately following the Annual Council Meeting on 9th May 2013.

Contact Officer: Andrea Watts

Tel: 0151 934 2030

Email: andrea.watts@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

1.1 At its meeting on 28th March 2013, Cabinet resolved:

“That

(1) the Director of Corporate Commissioning be authorised to formally write to the Leader of the Conservative Group, requesting a nomination for a Mayor and the Leader of the Liberal Democrat Group requesting a nomination for a Deputy Chair for the Municipal Year 2013/14; and

(2) the matter be re-considered at the next Cabinet meeting to be held on 25 April 2013.”

1.2 The Leader of the Conservative Group has indicated that his Group have declined to nominate to the position of Mayor for 2013/14 and therefore the Leader of the Liberal Democrat Group has been asked to consider a nomination. An update on the position will be provided at the meeting.

1.3 Members will recall that for the 2012/13 Municipal Year, a Deputy Chair (Councillor Maureen Fearn) was appointed by the Council to fulfil the statutory requirements set out in the Local Government Act 1972. A Deputy Chair will also need to be nominated for 2013/14.

1.4. The Cabinet needs to consider the nominations of a Mayor and Deputy Chair to serve in the 2013/14 Municipal Year, in order to offer advance notice to the Members likely to be elected and to enable the necessary personal arrangements to be put in hand. The formal election can only take place at the Annual Meeting.

1.5 An early nomination is not, of course, a guarantee of election in May as it is possible for alternative nominations to be made at any time up to and including the date of the Annual Meeting.

1.6 In practice, however, this would be outside the arrangements agreed by the Council with regards the Selection and Nomination Procedure.

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Agenda Item 7

Report to: Cabinet

Date of Report: 25th April 2013

Subject: Coastal Communities Fund Bid

Report of: Director of Built Environment

Wards Affected: The main wards are Meols, Dukes, Cambridge, Norwood, Kew, Birkdale, Ainsdale, Harrington, Ravenmeols, Manor, Blundell Sands, Church and Victoria.

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential: No

Purpose/Summary

The purpose of this report is to ask for approval from Cabinet to proceed with the development of an application for Coastal Communities Funding for the second bidding round which has recently been launched. The funds being made available for the CCF Round 2 in England amount to £21.7m.

Recommendations

That Cabinet;

1. Approves the development of a Coastal Communities Fund application for grant funding as described in the report;
2. Delegates approval and submission of the completed funding application to the Director of Built Environment in consultation with the Cabinet Member Regeneration and Tourism;
3. Receives a further report in the event that the bid for funding is successful.

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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(s):

To enable progress to be made in respect of an external funding application.

What will it cost and how will it be financed?

Any costs to the Council in preparing a Coastal communities Fund Bid will be met either from the reserves of Economy & Tourism Service or from external funding. There is no call on Council funding.

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?

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The Head of Corporate Finance and ICT (FD2223) 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 (LD1539/13) has been consulted and has incorporated their comments in this report.

Are there any other options available for consideration?

Not to apply for CCF would be to forego a major funding opportunity, at a time of financial constraint.

Implementation Date for the Decision

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

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

Background Papers:

None

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Background

1. In March 2012 the Government launched the Coastal Communities Fund to support economic development projects in coastal areas across the UK. This is being delivered on behalf of the government by the Big Lottery Fund.
2. The Coastal Communities Fund is designed to **support the economic development of coastal communities by promoting sustainable economic growth and jobs**. Capital and revenue grants are available for a wide range of applicant organisations and projects which benefit coastal communities. <http://www.communities.gov.uk/news/corporate/2198622>
3. Previously the Council gave its support to the application by Southport Tourism Business Network for the town of Southport, but also extended along the coast through Ainsdale and Formby to Crosby. This bid was unsuccessful in Round 1.

Proposal

4. An initial meeting and correspondence has taken place between the Economy and Tourism Service, Southport College, Sefton CVS and the private sector representatives of the Southport BID Team. Discussion has covered the fit between Sefton's economic objectives and the objectives of the Fund; the characteristics of bids successful in round 1; and the likely timetable for round 2. Based on this, the Council has invited partners to support an outline model for a similar geographical area to the previous bid, but with a focus on
 - Place Marketing
 - Inward Investment
 - An Enterprise and Business "Growth Hub"
 - Job Brokerage and Skills
5. Partners have agreed to undertake further work over the next weeks to scope and refine the activity, outputs and wider benefits of these four workstreams, as co-ordinated by the Economy and Tourism Service. An indicative size of £1.5 million has been placed on the bid.
6. A successful application could mitigate the impact of the recession, support an emergent Southport Business Improvement District, create jobs, improve skills, help young people and nurture enterprise.

Report to: Cabinet	Date of Meeting: 25 April 2013
Subject: Update on Management of Bootle Golf Course	
Report of: Director of Street Scene	Wards Affected: All
Is this a Key Decision? Yes	Is it included in the Forward Plan? No
Exempt/Confidential	No

Purpose/Summary

To update Members on the recent changes in management of Bootle Golf Course and to seek approval for management arrangements by the Council on an interim basis.

Recommendation(s) That

1. The course be maintained by the Council at a basic playable standard until a further decision is made on longer-term arrangements.
2. The fees and charges be maintained at the existing rates and the Director of Street Scene in consultation with the Cabinet Member Children, Schools, Families and Leisure be given delegated powers to adjust the fees and charges if necessary, to respond to market forces
3. It be noted that there is no budget to accommodate the forecast potential financial shortfall which might result from the interim management arrangements.
If this shortfall cannot be contained within the overall Landscape Services budget, then any shortfall will need to be met by the use of one-off reserves.
4. 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 Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regeneration and Environmental Services) had been consulted under Rule 26 of the Access to Information Procedure Rules of the Constitution, to the decision being made by the 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 formal arrangements for management of the golf course, the budget for its operation, and the fees and charges which are to be applied, need to be agreed urgently to enable the course to continue to operate. The item was not included on the Forward Plan because the need for the report and accompanying decisions is a result of the liquidation of the previous lessee, and this was not known when the Forward Plan was published.

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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:

To continue the interim provision of a golf course in Bootle for the local community, whilst trying to minimise costs for the Council.

What will it cost and how will it be financed?

(A) Revenue Costs

It is estimated that the operating costs of the interim arrangements could be in the region of £275,000 with an initial estimate of income from fees and charges of £250,000 (ie a potential net cost of £25,000) for which no budget exists. In addition the existing budget includes an estimate of £35,000 for income from the former lessee which will not be achieved. Based on initial forecasts there is therefore a potential for the current budget to be exceeded by £60,000 in 2013/14, until such time as alternative management arrangements can be put in place. Initially, any underspends identified against the 2013/14 Landscape budget would be used to mitigate the effect of the shortfall. Should this prove impossible, then any shortfall will need to be met by the use of one-off reserves.

(B) Capital Costs

It is not currently proposed to carry out any Capital works; health and safety related improvements will be carried out under Repairs and Maintenance as part of the revenue costs.

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:

There will be no impact on delivery of the remainder of the Parks and Greenspace Service.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD 2234/13) and Head of Corporate Legal Services (LD 1550/13) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

The only other immediate option would be to close the facility on a temporary basis, which would carry the risk of damage and abuse to the unsecured site, loss of members / players, reputational loss to the Council, and a significant loss of potential income. The Council's land management responsibilities and therefore potential liabilities would remain. Longer-term options are being assessed and will be presented to Cabinet for consideration in due course.

Implementation Date for the Decision

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

Contact Officer: Phil Esseen

Tel: 0151 934 2392

Email: phil.esseen@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

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Introduction/Background

- 1 Fairways Investments Ltd, the company who leased and managed Bootle Golf Course, went into voluntary liquidation in February 2013. The lease was disclaimed back to the Council on 6th March 2013.
- 2 Landscape Services have now taken responsibility for managing the course on an interim basis, until further decisions are made by the Council regarding the long-term management of the facility.
- 3 Upon disclaimer of the lease, the Council responded promptly and re-opened the course for play on the 8th March.

Issues on Take-Over

- 4 Officers have inspected the facility, including the amenities, buildings and the course itself, to assess any Health & Safety or operational concerns, and are resolving any significant issues so that the Council can maintain the course as a 'pay and play'.
- 5 The condition of the main clubhouse building is very poor, and assessments have been carried out to determine which parts of the building can be safely used without presenting an unacceptable liability to the Council.
- 6 The course itself is also currently in poor condition, and along with the other facilities on site, would require a very significant capital investment to bring it up to modern standards.

Interim Management of the Golf Course

- 7 Some initial works have been undertaken quickly to ensure that the course can reopen safely and functionally as early as possible. One wing of the building has been made safe to allow access for male and female toilets, and the rest of building has been isolated. Security alarms have been checked and revised
- 8 Initial grounds maintenance works, including preparing greens and moving holes have taken place to provide a functional course from the start of the season.
- 9 It is proposed that, while further discussions about the future management of the course continue, the Council maintains the course to a 'basic playable standard', i.e. to a similar standard (or hopefully slightly better) than it has been maintained by the previous company, without the Council having to commit any significant financial resources other than for routine golf-course maintenance, health and safety related work, and minor improvements which may increase the short-term income.
- 10 The grounds maintenance of the course is being undertaken by the Council's Parks Maintenance Contractors, The Landscape Group.

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- 11 The bookings and the day to day operation of the course are currently being managed on an emergency short-term basis by staff from Parks and Greenspace and Sports and Recreation.
- 12 It will be necessary in the near future, however, to review the staffing required to run the operation in the interim period; the cost of this has been allowed for within the projected shortfall.

Fees and Charges

- 13 A comparison of the fees and charges which had been applied by Fairways Investments Ltd in 2012/13 has been made with other local municipal courses. The costs for Bootle are broadly comparable, with some courses being cheaper than Bootle for certain equivalent charges and vice versa. On average, Bootle is around 9% cheaper than Southport. However, the condition of the course is poor, facilities are poor (or absent), and takings by the previous operators from both Contracts and Pay and Play have reportedly decreased markedly over the past year.
- 14 Because of these limiting factors, it is proposed to maintain the fees and charges set by the previous operator at the 2012/13 rates, with the option of re-assessing them as and when necessary to respond to market conditions and maximise income for the Council (subject to the constraints outlined above). It is requested that the Director of Street Scene in consultation with the Cabinet Member - Children, Schools, Families and Leisure be given delegated powers to adjust the fees and charges if necessary, to respond to market forces.
- 15 Approximately 100 people had contracts with Fairways Investments Ltd, which allowed them to play the course for a pre-paid sum, until the end of March 2013. These contracts were honoured by the Council until that date.
- 16 Users of other Council-run leisure facilities in Sefton (including Southport Golf) benefit from concessionary rates if in possession of an Active Choices Membership. If appropriate, this will be extended to pay and play and Bootle Golf Course.

Budget

- 17 There is currently no budget provision for the management of Bootle Golf Course.
- 18 The Council has received unconfirmed verbal information about the turn-over of the Bootle Golf Course operation during previous years. It is understood that both pay-and-play and contract numbers have decreased markedly over the past two years, due to the poor condition of the course compounded by very wet weather in the peak playing season.
- 19 The lack of accurate available information about the trends of income and player numbers (and the weather-dependant nature of the sport) mean that it is not possible to predict accurately what the end of year out-turn will be at this stage.
- 20 However, using anecdotal information obtained about the income from the previous operation, and the estimated costs of staffing, maintenance, health and

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safety works, operating costs etc, it is considered that the Council can operate the course, in the short term, at a net cost equivalent to £25,000 in a full year. Based on this figure, together with the loss of rent from the previous lease-holders (for which £35,000 is currently included in the budget), the projected spend in 2013/14 would exceed budget provision by £60,000. However, every effort will be made to minimise costs to the Council and to maximise income from users.

- 21 This estimated increased financial commitment of £60,000 in a full year will need to be contained within the Council's overall resources for 2013/14. As departmental budgets for both 2013/14 and 2014/15 have already been set, this additional commitment will be met from any under spends that may arise elsewhere within the Landscape Services budget. Should this prove impossible, then any shortfall will need to be met by the use of one-off reserves.

Agenda Item 9

Report to: Cabinet

Date of Meeting: 25 April 2013

Subject: Southport Cultural Centre – Projected Out-turn

Report of: Strategic Director (Place)

Wards Affected: All

Is this a Key Decision? No

Is it included in the Forward Plan? No

Exempt/Confidential

No

Purpose/Summary

To update Cabinet on the projected outturn for this scheme and identify actions to address those additional costs

Recommendation(s)

That Cabinet;

1. Notes the projected outturns for the Southport Cultural Centre Project and likely cost overruns
2. Instructs the Director of Built Environment, in conjunction with the Head of Corporate Finance and ICT, to identify the means of meeting the projected funding shortfalls.
3. Recommends to Council that the Capital Programme be amended to include the Southport Cultural Centre final out-turns.

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 9

Reasons for the Recommendation:

To advise Members of progress and likely outturn cost of the refurbishment of Southport Cultural Centre

What will it cost and how will it be financed?

(A) **Revenue Costs** – See Report

(B) **Capital Costs** – See Report

Implications:

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

Legal – There are no legal implications arising directly from this report	
Human Resources - None	
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:

Delays in the completion of works at the Southport Cultural Centre have meant that temporary arrangements have had to continue (e.g. Temporary Library) beyond original expectations. Phased return of service provisions from the Atkinson commenced in April 2013.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD.2230) and Head of Corporate Legal Services (LD.1546) have been consulted and any comments have been incorporated into the 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 Meeting

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Contact Officers: Bill Milburn – Strategic Director (Place)
Tel: 0151 934 4191
Email: bill.milburn@sefton.gov.uk

Tel: Alan Lunt – Director of Built Environment
0151 934 4580
Email: alan.lunt@sefton.gov.uk

Background Papers:

The following papers are available for inspection by contacting the above officer(s).
Cabinet report “*Southport Cultural Centre – Project Update*” dated 19 July 2012.

Agenda Item 9

1. Background

- 1.1 Members will recall the Capital Programme Update report “*Southport Cultural Centre – Project Update*”, presented to Cabinet on July 19th 2012 which included information on the background of the project and the current position relating to the projected outturn costs. The report identified a projected cost over-run of £2.384 million as a result of the need for additional works and time delays. At that stage, a completion date in December 2012 was predicted following discussions with main contractor, Lend Lease and Sefton’s project management consultants Capita Symonds.
- 1.2 The report to Cabinet on 19th July 2012 gave detailed information in a number of important areas, including:-
 - Background to the Project Approval Process
 - Project Achievements
 - Challenges addressed during the construction process
 - The respective roles of the Council and its contract manager/consultant (Capita Symonds)
 - Summary of cost overruns
 - Proposed actions
 - Project Evaluation & conclusions
- 1.3 Specifically, the report detailed that Cabinet had originally agreed a report in November 2008 setting out a number of options for the refurbishment of the buildings forming the Southport Cultural Centre. The preferred option selected was for the implementation of a full refurbishment scheme with an anticipated cost of £22m. Following some extensive discussions with potential funders a budget was established based on grant offers “*in principle*” of approximately £8m from CABE from their Sea Change Programme (£4m) and from the North West Development Agency (£4m).
- 1.4 Normally for a project of this scale & complexity the process of developing the feasibility report into a detailed design, procuring a Contractor and, securing and testing a “*Target Cost*” for the project would take at least 2 years to complete, leading to a start on site in the spring of 2011. However, in early 2009 the Council were asked by CABE to bring the project forward to meet its revised programme requirements. This led to detailed discussions being held with the key external funders to determine the basis on which their formal (as opposed to “*in principle*”) grant offers would be made. It became clear that both CABE and North West Development Agency (NWDA), required the Council to make a physical start on the project in May 2010 and, more demanding, to defray £8m of expenditure by the end of March 2011, in order to be able to claim their grant offers in full. Both funding bodies confirmed that failure to meet these targets and deadlines would result in significantly reduced (or possibly withdrawn) grant offers.
- 1.5 The external funders requirements proved extremely challenging to address as they effectively halved the time available for the project development process. An agreed “*Target Cost*”, was eventually established following a re-design developed in May 2010, at £11,366,801 (compared with the previous cost estimate of ~£22m

in 2008). In addition a contingency sum of £568,340 was identified. This equated to 5% of the contract sum (rather than the entire scheme cost) and was considered by Capita Symonds to be reasonable based on their knowledge of the building at that time. Other costs making up the total budget included design fees, surveys, legal and property costs and costs associated with the relocation of staff and artefacts.

- 1.6 With the co-operation of all parties and some careful programming, a site start was achieved at the end of May 2010. This resulted in the very challenging spend target of £8m by March 2011 imposed by CABE/NWDA being achieved, however this did have some detrimental impacts on the programme. Subsequently the Council has been successful in claiming the £8m of grants in full from both major funding parties.
- 1.7 Whilst maintaining good progress in order to meet the spending target, there were a significant number of “discoveries” within the first year of the project that resulted in significant additional costs and time delay. Whilst initial survey work was completed prior to the works starting helped inform the design of the project, many of these discoveries could not have been reasonably foreseen until work progressed on the internal stripping out and demolition. This has been a major issue throughout the project delivery.
- 1.8 The most significant “discovery” issues were:-
 - Significant structural weakness within the building resulting in the need for additional structural strengthening.
 - The structure of the 1980’s extension was found to differ significantly from that predicted, requiring redesign of the structural support, particularly within the proposed studio space. Importantly, the poor construction of the 1980’s roof extension required significant structural strengthening prior to the new roof construction.
 - Poor condition of the structural support under the main theatre stage resulting in significant additional timber strengthening.
 - The Lord Street stone façade was discovered to be in much worse condition than originally estimated, requiring significant additional repair work, to prevent pieces of masonry from falling.
 - There was evidence of structural damage within the Clock Tower requiring the extension of scaffolding and completion essential safety repairs.
 - Large areas of plasterwork, previously hidden behind wall boarding, were found to be in a very poor and unsafe condition, resulting in a far greater degree of replacement than originally estimated.
- 1.9 Progress on the project had also been affected by a number of external factors that had an impact on time. Lend Lease identified that would result in the Contract handover being delayed beyond the original target date and therefore incur additional costs.

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- The scaffolding required within Lord Street to enable the stone works treatment was delayed by Scottish Power taking much longer than programmed to complete the electrical diversion works
- Entry to Cambridge Walks to complete the necessary drainage improvement works within this space was delayed some months through the very lengthy and costly process associated with securing agreement from Threadneedle (the previous owners of Cambridge Walks) and their lawyers.
- Delays and costs associated with the legal agreement with Threadneedle, including a compensatory payment to Arriva to secure their removal from the building and a compensatory payment to a shop owner necessary to secure vacant possession and to avoid the threat of a possible court injunction.
- Late delivery of the extensive detailed design information from Capita Symonds, necessary to meet the programme, also contributed to the delay.

1.10 At various stages in the project delivery Capita Symonds were advised that there were concerns about the numbers of staff they allocated to deliver this scheme, their level of experience and the frequency in which Capita staff were being moved on to and away from the project delivery team. Capita responded by giving assurances that they were resourcing the team correctly and that additional expertise was being drawn in from other parts of the Capita business.

1.11 The report of 19th July 2012 concluded that in light of the stage that the contract has reached and also taking cognisance of the fact that the Council had already served notice on Capita Symonds to terminate the Council's Service Contract with them the emphasis of on-going activity must be placed on getting the Cultural Centre finished at the minimum excess cost. However, officers would ensure that any necessary procedures are followed to ensure disputes are registered within relevant timescales so as to protect the Council's position in relation to any possible future action and to avoid being 'out of time' to make such challenges, but the primary objective is to complete the project before considering any other action. It was also noted that one of the most frustrating elements of the project has been the lack of direct control the Council is able to exercise in its relationship with its consultant and contractors.

2 Current Position

2.1 Since July 2012, Officers have worked to reduce additional costs and to minimise, wherever possible, the need for additional works which would increase the cost overrun. On 13th December 2012 Cabinet authorised the Strategic Director (Place) in conjunction with the Head of Corporate Legal Services to negotiate and conclude a commercial settlement with the main contractor for the Southport Cultural Centre if it could be shown to be in the Council's best interests, subject to final consultation with the Cabinet Member (Children, Schools, Families and Leisure). As a result, during December 2012, after extensive discussions with both LendLease and Capita Symonds to mitigate additional cost overruns and secure possession of the building to prepare for opening, agreement with LendLease was reached in respect of an agreed final payment for works completed and for a list of outstanding works, in the amount of £14.710 million.

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The Council took possession of the substantive portion of the building on 3rd January 2013.

- 2.2 However, despite these actions, due to the complexity of the project and the range of additional but essential works required, the projected Capital Project overspend has increased by a further £1.206 million, bringing the total overspend to a projected £3.590 million, resulting in a £2.335 million unfunded projected outturn.
- 2.3 Running alongside the project capital works budget is a separate specialist client fit-out budget for works to prepare the building for its operational use. The initial fit-out budget was based on estimates prepared by Capita, as the project has progressed it became clear that the scale of fit-out works had to be increased, due to a number of circumstances, including:
- The replacement of theatre equipment
 - Increased IT requirements and costs
 - Increased operational requirements in order to meet the needs of additional business plan income targets
 - Increased Kitchen and Bar fit-out costs
 - Increased cost of furnishing the public areas
 - Conservation Officer requirements related to the interior of the building
 - Unforeseen accommodation requirements to meet additional business plan activities to generate additional income.
- 2.4 While every effort has been made to minimise costs in this regard, (e.g. by the reductions of standards of fit-out in non-public areas) it has been considered essential that the overall level of fit-out is of a high standard to enable the Atkinson to compete in a highly competitive leisure market and achieve the delivery of the ambitious projected income targets.
- 2.5 Although current capital and revenue provisions have been utilised to their full potential, and sources of potential external income have been (and continue to be) explored, it is projected that the additional cost of required fit-out works could, worse case, result in up to a additional £500,000 overspend.
- 2.6 The results of a number of fit-out tender packages are still awaited and the evidence of those which have been received indicates that some savings of projected costs are probable. This together with the very strict “best value” procurement of the still outstanding fit-out work packages gives a reasonable expectation that current projected fit-out overspend will be reduced.
- 2.7 There is also the potential for additional costs relating to a tenant of Cambridge Walks who is claiming that works to Cambridge Walks were not completed on schedule and in accordance with a development agreement made between the then owners of the Walks (Threadneedle) and the Council. The Council’s position is that works were complete in accordance with the development agreement and will vigorously defend any such claim. No allowance has been made for this claim in the above figures.

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- 2.8 The final completion date for the balance of the capital contract works is 16th May 2013. The fit-out works, which are at an advanced stage, will continue beyond this date with full completion being achieved in June 2013.
- 2.9 The new Atkinson facility will open to the public on a phased basis with the Library, Reception and Tourist Information facilities being available from 2nd April 2013, the Main and Studio Theatres hosting their first events in early May 2013 and full opening being achieved in June 2013, save for the Museum fit out which is the subject of a separate HLF grant provision.

3 Proposed Actions

- 3.1 Following the report to Cabinet on 19th July 2012, Members agreed that the potential for minimising and/or recovering additional costs incurred should be explored. Arrangements were made for an assessment of the cause of all additional expenditure incurred to be carried out. Details of this assessment and potential courses of action to be taken are detailed in a further report in the exempt section of this agenda.

- 3.2 Cabinet are asked to note the projected outturns for the Southport Cultural Centre Project and likely cost overruns and instruct the Director of Built Environment, in conjunction with the Head of Corporate Finance and ICT, to identify methods and sources of funding to meet the projected overspend, including;

- the use of any underspends elsewhere in the Council's Capital Programme;
- a review of currently approved Capital schemes which could be reduced or abandoned to allow resources to be allocated to the Cultural Centre;
- the use of current and expected capital receipts;
- and any other funding options such as additional prudential borrowing,

in order to meet the funding shortfall with minimum impact on the Council's overall finances, services and priorities.

- 3.2 Cabinet are asked to recommend to Council that the Capital Programme be amended to accommodate the Southport Cultural Centre, works and fit-out, final out-turns.

By virtue of paragraph(s) 3, 6 of Part 1 of Schedule 12A of the Local Government Act 1972.

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