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Sefton Council 

MEETING: CABINET
DATE: Thursday 12th January, 2017
TIME: 10.00 am
VENUE: Birkdale Room, Town Hall, Southport

DECISION MAKER: **CABINET**

Councillor Maher (Chair)
Councillor Atkinson
Councillor Cummins
Councillor Fairclough
Councillor Hardy
Councillor John Joseph Kelly
Councillor Lappin
Councillor Moncur
Councillor Veidman

COMMITTEE OFFICER: Steve Pearce
Democratic Services Manager
Telephone: 0151 934 2046
E-mail: steve.pearce@sefton.gov.uk

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.

We endeavour to provide a reasonable number of full agendas, including reports at the meeting. If you wish to ensure that you have a copy to refer to at the meeting, please can you print off your own copy of the agenda pack prior to the meeting.

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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 meetings held on 1 and 8 December 2016		(Pages 5 - 16)
* 4	Revenue and Capital Budget Update 2016/17 Report of the Head of Corporate Resources	All Wards	(Pages 17 - 34)
* 5	Revenue and Capital Budget Plan 2016/17 - 2019/20 Report of the Head of Corporate Resources to follow	All Wards	(To Follow)
* 6	Council Tax Reduction Scheme 2017/18 and Council Tax Base 2017/18 Report of the Head of Corporate Resources	All Wards	(Pages 35 - 56)
* 7	The Future Provision of Transactional, Financial, HR and Information Services Report of the Head of Corporate Resources	All Wards	(Pages 57 - 70)
* 8	Sefton Coast Plan Report of the Executive Director	All Wards	(Pages 71 - 116)

* 9	<p>Re-procurement of a new Careers Information Advice and Guidance for Young People</p> <p>Report of the Head of Inward Investment and Employment</p>	All Wards	(Pages 117 - 124)
10	<p>Review of Procurement Processes</p> <p>Report of the Head of Commissioning Support and Business Intelligence</p>	All Wards	(Pages 125 - 132)
* 11	<p>Parking Enforcement Contract / Community Wardens</p> <p>Report of the Head of Regulation and Compliance</p>	All Wards	(Pages 133 - 138)
12	<p>Urgent Decision by the Leader of the Council - Approval to Serve a S220 Highways Act 1980 Notice on Persimmon Homes NW Ltd in relation to their development at School Lane, Maghull</p> <p>Report of the Head of Locality Services - Commissioned</p>	Sudell	(Pages 139 - 144)

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 14 DECEMBER 2016. MINUTE NO's 56, 62, 64 AND 65 (2) ARE NOT SUBJECT TO "CALL - IN."

CABINET

MEETING HELD AT THE COMMITTEE ROOM, TOWN HALL, BOOTLE ON THURSDAY 1ST DECEMBER, 2016

PRESENT: Councillor Maher (in the Chair)
Councillors Atkinson, Cummins, Fairclough,
John Joseph Kelly, Lappin, Moncur and Veidman

ALSO PRESENT: Councillor Lynne Thompson

53. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Hardy.

54. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interest were received.

55. MINUTES OF PREVIOUS MEETINGS

Decision Made:

That the minutes of the Cabinet meetings held on 3 and 14 November 2016 be confirmed as a correct record.

56. LIVERPOOL CITY REGION COMBINED AUTHORITY ORDER

The Chair indicated that a report on the Liverpool City Region Combined Authority Order would be submitted to an extra-ordinary meeting of the Cabinet to be held on 8 December 2016 at 2.00pm in Bootle Town Hall.

57. CHILDREN AND YOUNG PEOPLE'S EMOTIONAL HEALTH AND WELLBEING STRATEGY

The Cabinet considered the report of the Director of Social Care and Health which provided details of the Children and Young People's Emotional Health and Wellbeing Strategy, and an event held on the 14 July 2016 facilitated by Sefton Young Advisors which has been used to help shape the Strategy.

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Decision Made:

That the Children and Young People's Emotional Health and Wellbeing Strategy be approved.

Reasons for Decision:

Communities of Sefton face increasing health inequalities and poor health and wellbeing outcomes. In order to ensure that these outcomes are improved, particularly for the most vulnerable people, the Council needs to ensure that the priorities of the Health and Wellbeing Strategy and our Children and Young People's Plan which includes Mental Health are fit for purpose / financially sustainable. The strategic plan plays an important role in helping to deliver the required improvements.

Alternative Options Considered and Rejected:

None.

58. SEFTON INTEGRATED SEXUAL HEALTH SERVICE

The Cabinet considered the report of the Head of Health and Wellbeing which provided details of key findings of the review of the Integrated Sexual Health Service in Sefton, which indicated that the current Integrated Sexual Health Service contract would expire at the end of June 2017, and a decision must be made by the end of December 2016, at the latest, on whether the contract extension clause would be activated or the Service re-procured. This would provide Southport and Ormskirk NHS Trust with the required minimum 6 months' notice period.

Decision Made:

That approval be given to an extension clause being activated within the existing contract for 12 months until 30th June 2018.

Reasons for Decision:

The contract was originally awarded for 3 years, from 1 July 2014, with the option to activate an extension clause for a further 12 months on two occasions (3+1+1).

The Key reasons for an activation of the contract extension clause for a twelve month period are:

- Service provider performance had been consistently meeting or exceeding targets set by the commissioner;
- To avoid destabilisation of a high priority service through introducing uncertainty through re-procurement;
- To give the current provider the financial stability needed to further develop the fully integrated offer for all ages in the Bootle area; and

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- To allow better alignment of the Service with the outcome of the Council's forthcoming review of the medium term financial plan.

Alternative Options Considered and Rejected:

To re-procure the Sexual Health Service with a contract start date of 1 July 2017, with delegated authority to the Cabinet Member - Health and Wellbeing to sign-off the commissioning and re-procurement decisions.

The reasons for the rejection of this option are:

- Financial costs associated with re-procurement;
- Potential need for start-up costs if provider changed;
- Limited number of potential providers to tender;
- Potential negative impact on service users if current Service is destabilised through uncertainty of re-tendering; and
- Impact on service users and key stakeholders of potentially changing provider.

59. REVENUE AND CAPITAL BUDGET UPDATE 2016/17

The Cabinet considered the report of the Head of Corporate Resources which provided details of the current forecast outturn position for the Council for 2016/17 as at the end of September 2016 which was informed by the latest analysis of expenditure and income due to the Council, in addition to the progress in delivering approved savings; the current forecast on Council Tax and Business Rates collection for 2016/17; and the current position of the Capital Programme.

Decision Made: That

- (1) the current forecast outturn position as at the end of September 2016, together with the impact on the Council's Reserves position be noted;
- (2) the progress to date on the achievement of approved savings for 2016/17 and residual savings carried forward from previous years be noted;
- (3) the forecast position on the collection of Council Tax and Business Rates for 2016/17 be noted; and
- (4) the current position of the 2016/17 Capital Programme be noted.

Reasons for Decision:

To ensure Cabinet are informed of the forecast outturn position for the revenue budget and delivery of savings as at end of September 2016; the updated forecast of the outturn position with regard to the collection of

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Council Tax and Business Rates and the latest forecast outturn of the Capital Programme.

Alternative Options Considered and Rejected:

None.

60. PROVISION OF AGENCY WORKERS

The Cabinet considered the report of the Head of Corporate Resources which sought approval to extend the current Agency Workers Framework Agreement for a period of 12 months from 1st February 2017 until 31st January 2018.

The report indicated that since January 2014, the Council had used this Framework Agreement whenever it had needed to employ Agency Workers. The Framework Agreement was procured collaboratively with other Liverpool City Region authorities and it had been presented for decision in line with the collaborative procurement timetable led by another authority.

Decision Made: That

- (1) approval be given to the extension of the current Agency Workers Framework Agreement for a period of 12 months from 1 February 2017 to 31 January 2018; and
- (2) it be noted that collaborative procurements are likely to increase, and collaborative procurement processes be improved through the Liverpool City Region Procurement Hub Project.

Reasons for Decision:

There was an ongoing need to employ Agency Workers in some service areas, to ensure sufficient capacity is available for those services to be provided safely and effectively.

Since February 2014, Agency Workers had been supplied through the MSTAR Framework Contract. The 3-year core period of the Contract expired at the end of January 2017 and the Council need to determine how it would procure any necessary Agency Workers beyond that date. The current Framework Contract included the option to extend for a 12-month period to 31 January 2018.

Analysis of the options available had identified that extending the current contract would cost approximately 16% less than other options. It was therefore considered appropriate and beneficial for Sefton Council to extend the Framework Agreement for the optional 12-month period, 1 February 2017 until 31 January 2018.

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During the 12-month extension period, the future provision of Agency Workers would be further considered by Liverpool City Region (LCR) authorities, within the context of the LCR Procurement Hub Project, with pre-procurement analysis, options appraisal and planning commencing early in 2017 ahead of an anticipated joint procurement of a new service to replace the current Framework Agreement at the end of its full contract term (31 January 2018). All options would be analysed and considered, including utilising existing Framework Agreements and a full OJEU collaborative procurement process.

Alternative Options Considered and Rejected:

To carry out a full EU compliant Tender exercise or adopt an alternative Framework Agreement.

61. PROCUREMENT OF QUALITY TRAINING AND ASSESSMENT PROVIDERS FOR APPRENTICESHIPS

The Cabinet considered the report of the Head of Corporate Resources which provided details of the proposed process to formalise the procurement of Training and Assessment Providers for the delivery of apprenticeships, which would ensure that the Council had a contract in place with approved providers to deliver one or more occupational LOTs following the introduction of the apprenticeship levy in April 2017.

Decision Made: That

- (1) the Head of Corporate Resources be authorised to conduct a tender exercise in accordance with OJEU regulations and the Council's procurement regulations. The tender exercise is for the procurement of Training and Assessment Providers for the delivery of apprenticeships to run for a period of one year from 1 April 2017 with the option of two further one-year extensions; and
- (2) the Cabinet Member - Regulatory, Compliance and Corporate Resources be authorised to approve the award of the contract for training and assessment providers for each occupational LOT, following completion of this procurement exercise.

Reasons for Decision:

The way the Government funds apprenticeships was changing from April 2017. The Council would be required to contribute to a new apprenticeship levy and to pay providers directly for apprenticeship training and assessment provision.

The procurement process outlined within the report aimed to create a contract with a number of approved providers who had demonstrated compliance with the Council's statutory requirements, quality criteria and

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thus can be invited to submit tender prices for one or more occupational LOTs.

It was recommended that the contract runs for an initial period of 1 year as there was a possibility that additional occupational LOTs may need to be added at a later date, thus giving the flexibility to re-tender this opportunity incorporating all of these additional LOTs after the initial core period of the contract.

The tender exercise would be required to follow an OJEU Procedure, as part of this process.

Alternative Options Considered and Rejected:

None.

62. NATIONAL SCHEME FOR AUDITOR APPOINTMENTS

The Cabinet considered the report of the Head of Corporate Resources which provided details of proposals for appointing an external auditor to the Authority for the 2018/19 accounts and beyond. The Councils current auditors are working under a contract originally let by the Audit Commission which was subsequently novated to Public Sector Audit Appointments (PSAA) following the closure of the Audit Commission, which would cease at the end of 2017/18.

Decision Made:

That the Council be recommended to accept Public Sector Audit Appointments' (PSAA) invitation to 'opt in' to the sector led option for the appointment of external auditors for five financial years commencing 1 April 2018.

Reasons for Decision:

The Council's arrangements with its current auditors would end following the approval of the 2017/18 Statement of Accounts. The new external auditors for 2018/19 and beyond would need to be appointed by 31 December 2017.

Approval would ensure that PSAA can appoint auditors on the Council's behalf for the five financial years from 1 April 2018.

Alternative Options Considered and Rejected:

Council could choose to set up an independent Auditor Panel, or join with other authorities to set up a Joint Auditor Panel, to enable an external auditor to be appointed.

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63. PRIVATE RENTED SECTOR HOUSING LICENSING SCHEMES

The Cabinet considered the report of the Head of Regeneration and Housing which provided details of the proposed introduction of a selective licensing scheme and two additional houses in multiple occupation licensing schemes in designated areas of the borough; and the business case to support the introduction of the schemes.

Decision Made: That

- (1) approval in principle be given to the Business Case for the introduction of a selective licensing scheme in the Bootle area and 2 additional houses in multiple occupation (HMO) licensing schemes in central Southport and areas of Waterloo / Seaforth.
- (2) approval be given to a 12 week public consultation on the proposals for the implementation of the schemes
- (3) the Head of Regeneration and Housing be granted delegated authority in consultation with the Cabinet Member - Communities and Housing, to:
 - (i) procure and appoint consultants to undertake the required public consultation on the 3 proposed schemes, and
 - (ii) agree any minor/technical changes to the Business Case in advance of the formal consultations.
- (4) approval in principal be given to the draft licencing conditions.

Reasons for Decision:

To enable the introduction of a selective licensing scheme and 2 additional licensing schemes within the Borough; to allow the procurement and appointment of consultants to carry out a public consultation and to approve in principle the draft licence conditions.

Alternative Options Considered and Rejected:

Do nothing

Sefton could continue solely with the current enforcement regime, linked with more aggressive promotion of Accreditation. This option is unlikely to have significant impact due to Accreditation being a voluntary scheme, with only the better landlords usually obtaining accreditation status.

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Expand the Current Enforcement Regime

The Council currently had a reactive enforcement approach in relation to privately rented properties, dealing with cases as they present themselves. A more proactive approach would be taken to target the worst landlords. This would develop an outward facing image of enforcement in relation to rogue landlords.

To practically do this would involve the need to increase the resourcing allocated to the Housing Standards Team by a minimum of 3 additional posts. This cost would be up to £135,711 per annum.

This was a more traditional enforcement approach and less of an enabling one than licensing would bring.

Introduce a borough wide Selective Licensing Scheme

Officers also considered introducing a district-wide scheme but this was not taken forward because the evidence was not yet sufficient to introduce the whole district and therefore such an application was unlikely to be supported by the Secretary of State (who had to agree to the implementation of such a scheme). A consideration when determining an area for selective licensing was a requirement set out in the Government Guidance, which stated that any area considered for selective licensing must have a high proportion of property in the private rented sector, which is more than the national average. Nationally the private rented sector currently makes up 19.6% of the total housing stock in England. The proportion for the borough of Sefton is 13% (2011 census). Therefore a borough wide scheme would fail this test.

64. URGENT DECISION BY LEADER OF THE COUNCIL - ADDITION TO THE SEFTON LOCAL PLAN RELATING TO VACANT BUILDING CREDIT

The Cabinet considered the report of the Head of Regeneration and Housing which provided details of a decision taken by the Leader of the Council as urgent business in respect of an addition to the Sefton Local Plan in relation to the Government's reinstatement of the Vacant Building Credit.

Decision Made:

That the report be noted.

Reasons for Decision:

To address issues raised by the Inspector which required changes to be made in order to make the Local Plan sound.

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Alternative Options Considered and Rejected:

None. Unless these changes were approved, the Local Plan would be found 'unsound' and would not be able to be adopted.

65. PROGRAMME OF MEETINGS – 2017/18 MUNICIPAL YEAR

The Cabinet considered the report of the Head of Regulation and Compliance which provided details of the proposed Programme of Meetings for the 2017/18 Municipal Year.

Decision Made: That

- (1) the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel, Sefton Safer Communities Partnership and the Health and Wellbeing Board for 2017/18 as set out in Annexes A and E of the report be approved; and
- (2) the Council be recommended to approve the Programme of Meetings for the Council, Member Briefing Sessions; Regulatory Committees; Overview and Scrutiny Committees and Area Committees for 2017/18 as set out in Annexes B, C and D of the report.

Reasons for Decision:

To enable the business of the Council and its various Committees / bodies to be conducted during the 2017/18 Municipal Year.

Alternative Options Considered and Rejected:

None. The Council has to produce a timetable of meetings.

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CABINET

MEETING HELD AT THE TOWN HALL, BOOTLE ON THURSDAY 8TH DECEMBER, 2016

PRESENT: Councillor Maher (in the Chair)
Councillors Atkinson, Cummins, Fairclough,
John Joseph Kelly, Lappin, Moncur and Veidman

66. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Hardy.

67. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interest were received.

68. LIVERPOOL CITY REGION COMBINED AUTHORITY ORDER

Further to Minute No. 52 of the meeting held on 14 November 2016, the Cabinet considered the report of the Chief Executive which outlined the legal and governance requirements to establish the Liverpool City Region Combined Authority Mayoral Model with devolved powers and functions agreed as part of the Devolution Deal by all of the constituent local authorities and the Liverpool City Region Combined Authority in November 2015.

The report included the following appendices:

Appendix 1	Report to Council 19 November 2015
Appendix 1A	LCR Devolution Agreement
Appendix 1B	LCR Devolution Governance
Appendix 2	LCRCA Scrutiny Principles
Appendix 3	Draft LCRCA (Functions and Amendment) Order 2017
Appendix 4	LCR Devolution Deal – Powers and the exercise of those powers as contained within the LCRCA Order 2016
Appendix 5	Letter of Commitment from Government concerning Employment and Skills powers
Appendix 6	The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2016

Decision Made: That

- (1) the draft LCR Order as detailed in Appendix 3 to the report which sets out the powers to be devolved to the LCRCA and directly elected Mayor be approved;
- (2) the Chief Executive be granted delegated authority in consultation with the Leader of the Council and/or Deputy Leader of the

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Council to agree minor amendments with Government and subsequently to provide confirmation of Sefton Council's formal consent to Government in respect of the LCR Order;

- (3) the governance principles, previously agreed by the Council and LCRCA in November 2015 (as detailed in Appendix 1b to the report submitted), that will form the basis of the revised LCRCA constitution be noted and reaffirmed;
- (4) the scrutiny principles as detailed in Appendix 2 to the report be approved and it be noted that these will be incorporated into the revised LCRCA constitution;
- (5) the assurances given as detailed in Appendix 5 to the report, in respect of employment, education and skills be noted. Should the Government fail to deliver on those assurances, then the Council shall take all actions considered necessary ,including such legal action as may be considered appropriate, to compel Government to deliver the commitments made by Government in the 2015 Devolution Deal; and
- (6) 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 (Regulatory, Compliance and Corporate Services) had been consulted under Rule 27 of the Access to Information Procedure Rules and Rule 46 of the Overview and Scrutiny Procedure Rules of the Constitution for these decisions to be treated as urgent and not subject to "call in", because to do so would result in a failure to meet the required deadline for action as the Orders have been subject to a Government timetable which only became clear in recent days.

Reasons for the Recommendation:

Consent is required from all local authorities to the LCR Order which will give legal status to the powers and functions agreed as part of the devolution agreement.

Alternative Options Considered and Rejected:

None - On 19 November 2015, Council ratified (Appendix1A) the Devolution Agreement, the change to governance with a directly elected Mayor and the scope of the powers and functions to be devolved to the City Region. The report sought agreement to the final legal and governance steps required to implement that decision.

Agenda Item 4

Report to: Cabinet

Date of Meeting: 12 January 2017

Subject: Revenue and Capital Budget Update 2016/17

Report of: Head of Corporate Resources

Wards Affected: All

Is this a Key Decision? No

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To inform Cabinet of: -

- i) The current forecast outturn position for the Council for 2016/17 as at the end of October. This forecast will be informed by the latest analysis of expenditure and income due to the Council, in addition to the progress in delivering approved savings;
- ii) The current forecast on Council Tax and Business Rates collection for 2016/17; and
- iii) The current position of the Capital Programme.

Recommendation(s)

Cabinet is recommended to:-

- i) Note the forecast deficit outturn position (£2.827m) as at the end of October 2016, and the approach currently being undertaken to reduce this in advance of the year end;
- ii) Review the progress to date on the achievement of approved savings for 2016/17 and residual savings carried forward from previous years;
- iii) Note the forecast position on the collection of Council Tax and Business Rates for 2016/17; and
- iv) Note the current position of the 2016/17 Capital Programme.

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

	<u>Corporate Objective</u>	Positive Impact	Neutral Impact	Negative Impact
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 forecast outturn position for the revenue budget and delivery of savings as at end of October 2016 and the approach currently being undertaken to address the forecast overspend in advance of year end. In addition, an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates. The report also informs Members of the latest forecast outturn of the Capital Programme.

What will it cost and how will it be financed?

(A) Revenue Costs

i) 2016/17 Revenue Budget

Any under-achievement of the approved revenue budget savings for 2016/17 (and residual savings from previous years) will need to be financed from within any surplus identified within other areas of the 2016/17 budget, or from the Council's general balances.

The current financial position on approved savings indicates that £6.875m are at significant risk of not being achieved (the "Red" marked items in Annex A). Due to the time required to implement large projects, some savings will not be achieved (or achieved in full) in 2016/17. Further work is being undertaken to assess the likely achievement of these items in 2017/18 and subsequent years.

As at the end of October, the surplus in the remainder of the Council's Budget reduces the potential deficit to £2.827m. Work is currently being undertaken in order to identify options to mitigate this in advance of the year end. In previous years, surpluses have tended to materialise throughout the financial year as services restrain spending in order to remain within budget and an appropriate intervention strategy has been implemented. As with previous years, the revenue budget will be closely managed throughout the remainder of the year, with reports provided to Cabinet accordingly.

(B) Capital Costs

As at the end of October, expenditure on the Capital Programme is £6.482m (27.1%) which is below the profiled budget for this point in the financial year. As a result individual schemes will require careful monitoring of both delivery and financial management each month in order that a clear assessment of when outputs will be delivered can be made and appropriate re-profiling can take place.

Implications: None

Legal:

Human Resources None

Equality

Equality Implication

Equality Implications identified and mitigated

Equality Implication identified and risk remains

Impact on Service Delivery:

None.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources is the author of the report (FD 4441/16)

The Head of Regulation and Compliance has been consulted and has no comments on the report. (LD3724/16)

Are there any other options available for consideration?

None.

Implementation Date for the Decision

Immediately following the call-in period following the publication of the Cabinet Minutes

Contact Officer: Stephan Van Arendsen**Tel:** 0151 934 4082**Email:** Stephan.VanArendsen@sefton.gov.uk**Background Papers:** None

Agenda Item 4

1. Introduction

- 1.1 The Council approved the revenue budget for 2016/17 and this required savings of £37m to be implemented during the year in order for a balanced budget to be delivered. The approved budget also included the use of balances totalling £0.869m (increasing to £0.969m following the approval to continue the modern apprenticeship scheme as agreed by Cabinet in July), pending identification of any alternative means of financing.
- 1.2 This report therefore presents an assessment of the forecast revenue outturn position for 2016/17 and the latest position on the achievement of the agreed savings for 2016/17 (£29.171m), plus the ongoing savings requirements carried forward from previous years.
- 1.3 The report also outlines the current position regarding other key income streams for the Authority, namely Council Tax and Business Rates, as variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.4 An updated position with regard to the 2016/17 Capital Programme is also provided as at the end of October, following the recently approved additions to the programme.

2. Summary of Forecast Outturn Position as at the end of October 2016

- 2.1 At the end of October 2016, a forecast deficit is projected on the Council's outturn budget of £2.827m (previously reported as £3.564m to the end of September). This is shown in the table below:

	Budget	Forecast Outturn	Variance	September Position
	£m	£m	£m	£m
<u>Services</u>				
Strategic Management	2.991	2.991	0	0
Strategic Support Unit	2.891	2.807	(0.084)	0.047
Adult Social Care	86.144	89.205	3.061	2.883
Children's Social Care	27.548	28.552	1.004	1.117
Communities	10.694	10.102	(0.592)	(0.477)
Corporate Resources	4.005	3.655	(0.350)	(0.270)
Health & Wellbeing	23.311	22.936	(0.375)	(0.100)
Inward Investment and Employment	2.517	2.691	0.174	0.089
Locality Services - Commissioned	17.961	18.331	0.370	0.335
Locality Services - Provision	9.288	10.318	1.030	1.030
Regeneration and Housing	4.499	4.474	(0.025)	(0.025)
Regulation and Compliance	4.515	4.301	(0.214)	(0.214)
Schools and Families	25.962	25.317	(0.645)	(0.484)
<u>Total Service Net Expenditure</u>	222.326	225.680		

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Reversal of Capital Charges	(13.376)	(13.376)	0	0
Council Wide Budgets	4.689	4.162	(0.527)	(0.367)
Levies	33.769	33.769	0	0
General Government Grants	(34.803)	(34.803)	0	0
Total Net Expenditure	212.605	215.432		
Forecast Year-End Deficit			2.827	3.564

- 2.2 In reporting this forecast deficit, this takes account of the shortfall in the achievement of agreed saving proposals (£6.875m – see para. 3.2) but also importantly the impact of the Council not receiving the £6m budgeted income from the Better Care Fund.
- 2.3 In order to mitigate this financial pressure, some compensating savings have been identified and if this position were to be maintained until the year-end, the use of Council reserves would total £3.796m, due to the budget already assuming the use of reserves totalling £0.969m.
- 2.4 It can be seen from the Table at paragraph 2.1 that the key movements between September and October are as follows:-
- 2.4.1 The Adult Social Care deficit has increased by £0.178m. This is mainly due to a reduction in the surplus relating to community care budgets (£0.378m) partially offset by forecast surplus in other areas within the Adult Social Care budget including employees and employee related transport. As previously reported budgeted income of £6m from Clinical Commissioning Groups via the Better Care Fund, will not be received during the year. As a result, a lower contribution of £0.910m will be received. This outcome has placed a significant budgetary pressure on the service and the wider Council finances.
- 2.4.2 The Locality Services- Commissioned deficit position has increased as a result of costs to be incurred when the Grounds Maintenance service is brought back in house towards the end of this financial year. It should be noted that there is a corresponding surplus held within the Communities budget relating to that service's Parks budget.
- 2.4.3 Similarly, there are a number of services where there is an increase in the surplus currently being forecast. These include:
- Health and Wellbeing surplus is expected to increase by £0.275m as a result of a reduction in the Substance Misuse contract when it is recommissioned;
 - The Schools and Families budget is forecasting an increase in the surplus of £0.161m. This increase is due to Family Support (£0.150m) mainly as a result of specialist equipment (£0.058k), employee costs within Aiming High (£0.056k) and Parenting Support (£0.041k);

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- The Council Wide budget surplus has increased mainly as a result of the STU budget growth not being fully required in the 2016/17 financial year, with a further £0.138m identified since September;
- The Strategic Support budget surplus is forecast to increase by £0.131m as a result of Employee, Supplies and Services, and Income budgets.

Development of a Budget Action Plan

- 2.5 Despite the forecast deficit for the year falling from £3.564m to £2.827m during the last month, it is recognised that further options to improve the overall position are required as the Council enters the last quarter of the financial year. As a result, each service is currently reviewing their budgets with a view to identifying uncommitted funding and other mitigating actions that could reduce this deficit.
- 2.6 The outcome of this work will be consolidated and will be reflected in the monitoring report for the next period. In previous years, the Council has seen its year end forecast improve towards the end of the financial year as a result of a similar approach and a greater understanding of payments that will be made being available. Due to the potential impact on the Councils reserve position this exercise has been brought forward and will be reported to Members.

3. Approved savings for 2016/17 (and previous years carry forward savings)

- 3.1 The table at **Annex A** identifies the current position of the agreed savings for 2016/17. They are analysed into four categories: -
- Savings achieved to date (Blue);
 - Progress is satisfactory (Green);
 - Outcome is unknown and is at risk of not being fully achieved (Amber); and
 - Known shortfalls, or significant risk of not being achieved (Red).

This approach is designed to ensure complete transparency, effective risk management and improved consultation and engagement.

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).

- 3.2 The position as at the end of October 2016 for the achievement of savings is that £28.514m (79%) of the total required savings in 2016/17 of £35.916m that have been delivered or are on plan; with £0.527m (2%) at some risk of not being fully achieved. This leaves a further £6.875m (19%) of savings that are unlikely to be achieved in 2016/17 (identified as "Red"). Mitigating action

elsewhere in the budget has considerably reduced this gap; however, further action is still required to balance the budget.

- 3.3 As with previous years, all budget savings will continue to be closely managed, with regular reports being presented to Cabinet and Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services). Officers will also continue to be mindful of the ongoing financial position and take appropriate action where further efficiencies can be found which do not require a change of policy.
- 3.4 As stated, in the event that the current outturn forecast materialises, the Council's General Fund Reserves would reduce to £4.382m which would need to be considered in the context of the Council's Medium Term Financial Plan and the risks that will be reflected in its reserves strategy. As a result the current review of all budget areas and remedial options is important in order that a balanced budget position can be delivered as the Council enters the final quarter of the financial year.

4. Council Tax Income – Update

- 4.1 Council Tax income is shared between the billing authority (Sefton Council) and the two major precepting authorities (the Fire and Rescue Authority, and the Police and Crime Commissioner) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £111.644m for 2016/17 (including Parish Precepts), which represents 85.4% of the net Council Tax income of £130.689m.
- 4.2 The forecast outturn at the end of October 2016 is a surplus of -£2.060m (-£1.892m to the end of September) on Council Tax income. This is due to:-
- The surplus on the fund at the end of 2015/16 being higher than estimated at -£0.462m;
 - Gross Council Tax Charges in 2016/17 being higher than estimated at -£0.711m, a change of -£0.081m from September;
 - Council Tax Reduction Scheme discounts being lower than estimated at -£0.505m, a change of -£0.104m from September;
 - Exemptions and Discounts (including a forecasting adjustment) being lower than estimated at -£0.225m, a change of +£0.017m from September; and
 - Bad Debt Provision being lower than estimated at -£0.157m, no change since September.
- 4.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2016/17 but will be carried forward to be distributed in future years.

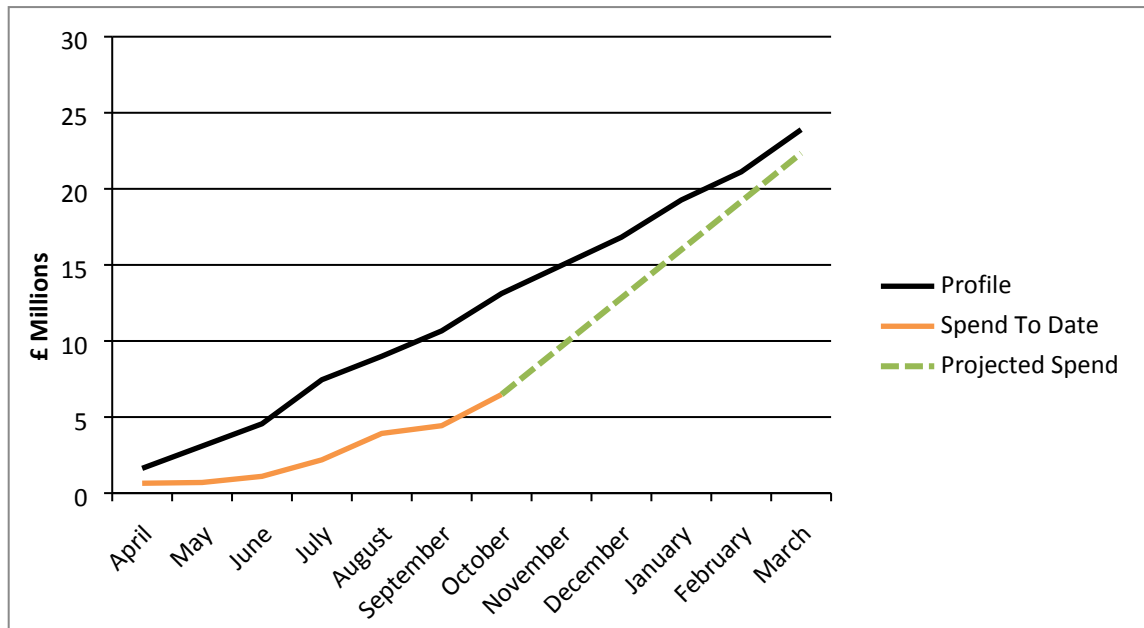
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5. Business Rates Income – Update

- 5.1 Since 1 April 2013, Business Rates income has been shared between the Government (50%), the Council (49%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £32.975m for 2016/17, which represents 49% of the net Business Rates income of £67.296m. Business Rates income has historically been very volatile making it difficult to forecast accurately.
- 5.2 The forecast outturn at the end of October 2016 is a deficit of £1.616m (£1.913m to the end of September) on Business Rates income. This is due to:
- The surplus on the fund at the end of 2015/16 being lower than estimated £2.438m;
 - In year budget variations to date in 2016/17 of -£0.822m which are largely due to the rateable value of properties increasing since December 2015 rather than reducing as forecast.
- 5.3 Due to Collection Fund regulations, the Business Rates deficit will not be transferred to the General Fund in 2016/17 but will be carried forward to be recovered in future years.

6. Capital Programme 2016/17

- 6.1 The full year budget for the Capital Programme in 2016/17 is £23.892m. This represents £9.779m of schemes that have been approved in the current year and £14.113m in relation to schemes approved in previous years. As at the end of October, expenditure of £6.482m has been incurred against this budget. This represents 27.1% of the full year Capital Programme.
- 6.2 Despite this level of expenditure, project managers are reporting that expenditure of £22.345m will be incurred by the end of the financial year. The following graph therefore shows the 2016/17 Capital Programme expenditure to date and the year-end forecast against the profiled budget.



6.3 A detailed service by service breakdown of the expenditure is shown in the following table:

	Full Year Budget	Total Expenditure to Date	% of Budget Spent	Budget Remaining
	£m	£m	%	£m
Health & Wellbeing	0.364	0.065	17.9%	0.299
Communities	2.279	0.620	27.2%	1.659
Schools and Families	4.402	2.277	51.7%	2.125
Regulation and Compliance	0.168	0.110	65.5%	0.058
Regeneration and Housing	2.398	0.171	7.1%	2.227
Adult Social Care	2.323	0.752	32.4%	1.571
Locality Services - Provision	2.540	0.579	22.8%	1.961
Locality Services - Commissioned	8.391	1.742	20.8%	6.649
Corporate Support	1.027	0.166	16.2%	0.861
Total Capital Programme	23.892	6.482	27.1%	17.410

6.4 With a capital programme in excess of £20m, it is currently forecast that a number of key projects will be operationally complete during 2016/17. These include:-

Project	Impact	Total Project Value £'m
Transport – Carriageway Maintenance 2016/17	Ongoing preservation / maintenance of the Highway network	2.727
Transport – Integrated	Improvements to the transport network e.g.	2.059

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Transport 2016/17	travel awareness, cycling and health, local safety schemes, traffic management schemes	
Transport Programme STEP	A565 improvement, Seaforth Village improvements and A59 Ormskirk Road Access Improvements	1.540
Vehicle Replacement 2016/17	Planned replacement of vehicles incorporating refuse vehicles and other departmental vehicles e.g. libraries, in order to maintain fleet resilience	1.241
HMRI 2016/17	Housing / Regeneration improvements which includes HMRI schemes for Klondyke Phases 2A and 2C;	1.078
Atkinson Museum Development	Development and improvement of facilities at the new museum	0.708
Dunes Leisure Centre Mezzanine Floor Gym	Invest to Save Scheme – Building and Infrastructure changes in order to generate additional income.	0.504
Formby Library	Capital investment to ensure that the remaining libraries are fit for purpose now and in the future	0.370
Transport - Bridges and Structures 2016/17	Improvements / maintenance of the highways bridges and structures	0.314
Meadows Leisure Centre Extended Gym	Invest to Save Scheme – Building and Infrastructure changes in order to generate additional income.	0.303
Crosby Lakeside Adventure Centre	Invest to Save Scheme – Building and Infrastructure changes in order to generate additional income.	0.291
ICT Data Centre	Improvement of resilience of ICT data storage	0.250
Bootle Library	Capital investment to ensure that the remaining libraries are fit for purpose now and in the future	0.100

- 6.5 In reviewing the current position on the capital programme it should be noted that as part of the new and improved capital monitoring arrangements, a capital outturn report for 2016/17 will be presented to Cabinet (in conjunction with the revenue outturn) at year end. In addition to providing detail of in year expenditure and those schemes that have been completed, it will also provide details of those schemes that have underspent or are yet to start. This review will provide Members with some opportunity to ensure that those schemes that are to be carried forward into the next year remain a priority and align with the objectives of the Council. This will also improve the delivery and financial performance of the overall programme.

2013-17 LISTED BUDGET SAVINGS PERFORMANCE AT OCTOBER 2016

Savings achieved to date	23,133,700
Progress is Satisfactory	5,380,150
Risk of savings not being fully achieved	527,000
Known shortfalls or significant risk that savings will not be achieved	6,875,600
Total of Savings	35,916,450

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Review of Commissioning - reducing funding support to community groups - Commissioning & Neighbourhood Coordination	261,000				261,000	This saving will be achieved in 2016/17.
Libraries - Review of operation and management of libraries including book fund and opening times	70,000				70,000	This saving will be achieved in 2016/17.
Parks Maintenance - Botanic Gardens Shop Closure	30,000				30,000	This saving will be achieved in 2016/17.
Parks Maintenance - Increase in payment fees by an average of £10 per full size plot in 2016/17 and again in 2017/18.	20,000				20,000	This saving will be achieved in 2016/17.
Further Changes in Style and Standards of Parks Management	27,000				27,000	This saving will be achieved in 2016/17.
Arts - Review management and opening times at the Atkinson	120,000			120,000		This saving will be achieved in 2016/17.
Street Scene - Building Cleaning - change frequency of office cleaning	19,000				19,000	There has been a reduction in the cost of cleaning Council and internal facilities during 2016/17 so the required saving is being met.
Public Conveniences increase charges	40,000	40,000				This saving will not be achieved in 2016/17. This is due to the one off costs of fitting coin mechanised doors at facilities that were previously provided free of charge and higher than expected costs for maintenance and vandalism issues. Although charges have been increased / introduced, the financial benefit to the Council has been less than expected. Negotiations are currently underway with an external operator to provide a fully managed service at a cost that can be contained within the reduced budget. Therefore this saving is expected to be achieved from 2017/18 onwards.
Public conveniences reviewed for efficiency savings	20,000	20,000				This saving will not be achieved in 2016/17. This is due to the one off costs of fitting coin mechanised doors at facilities that were previously provided free of charge and higher than expected costs for maintenance and vandalism issues. Although charges have been increased / introduced, the financial benefit to the Council has been less than expected. Negotiations are currently underway with an external operator to provide a fully managed service at a cost that can be contained within the reduced budget. Therefore this saving is expected to be achieved from 2017/18 onwards.

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Careline Service/Security Force (income target)	75,000		75,000			This saving is not being achieved as it is reliant on income derived from other parts of the Council (which have been subject to cuts) and the cessation of a healthcare project which was also expected to generate income for the service. At this stage no alternative income sources have been identified and it is therefore unlikely that this additional income requirement will be met in 2016/17.
Street Scene - Building Cleaning - change frequency of office cleaning	50,000				50,000	There has been a reduction in the cost of cleaning Council and internal facilities during 2016/17 so the required saving will be met.
Cleansing Service - Reorganisation of workload and work patterns	25,000				25,000	The budgetary provision for Cleansing Services has been adjusted to take account of the restructure which has now been implemented. As such, the required savings target will be achieved in 2016/17. However, it should be noted that the income target for recharges to internal facilities and services needs to be reviewed in the light of a reduction in cleaning budgets available across the Council.
Street Cleansing - Bulky Items Collection Service - Restructure Crews and introduce charge for bulky items	6,000				6,000	The budgetary provision for Bulky Items has been adjusted to take account of a restructure and increased charges and as such, the required saving target will be achieved in 2016/17.
Green Waste	430,000	430,000				Saving not likely to be achieved following the reorganisation of the recycling service.
Public Conveniences - Closure of all public conveniences	74,000	24,000		50,000		The original saving was predicated on the entire budget for the service being removed. There will still be residual costs to be incurred in closing the facilities in terms of NNDR, insurance, utilities, etc. for which no budget remains. Consequently, it will not be possible to meet the saving target in full during 2016/17 or in future years.
Bulky Items - Increasing collection charge from £7.50 to £10 per collection	48,000				48,000	The budgetary provision for Bulky Items has been adjusted to take account of a restructure and increased charges and as such, the required saving target will be achieved in 2016/17.
Sefton Care Line and Sefton Securities - Increased income as result of increased service activity	200,000	200,000				This saving target was predicated on increasing income by insourcing a wider range of previously externalised maintenance, testing and installation services across Council facilities and services. This did not happen as expected or proposed and as such it will not be possible to generate this additional income on top of the increased income target set for the current financial year. As such, this saving target will not be met during 2016/17. However additional business e.g. through the promotion of the Arc Angel product, is expected to generate significant income in the future which will not only enable this saving to be achieved but will also contribute towards future years' savings. Savings options in this area for 2017/18 and beyond will need to acknowledge the need to make this saving first
Catering - To increase the charge for each meal by 10p in September 2015 (start of the school term) and by a further 10p from September 2016	250,000				250,000	This saving requirement is based upon increasing the cost of a school meal annually over a two year period. The first increase generated the required additional income. Therefore, it is expected that the second increase will also provide the required increase in income. As such, the required saving target will be met in 2016/17.
New Options - Increase Cremation and Burial Fees by 5% above inflation	150,000	150,000				A new crematorium has opened in West Lancashire within five miles of the existing facility in Southport. This has had an effect on the income generated at the facility. The crematorium at Thornton is also operating at reduced capacity (2 days a week) for some months this year due to a replacement programme for the old cremators which have failed emissions tests. As such the increased income levels will not be achieved in 2016/17. In future years, although full capacity will return at Thornton, the impact of the private crematorium will continue and the loss of income arising from this competition will prevent the income target of £150,000 from being met.

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Improved procurement of Council wide communications activity	61,050	43,400		17,650		A deficit is forecast on sponsorship income of £43.4k in 2016/17 due to the phased cessation of Roundabout advertising (by 31 March 2017) and the delayed start of Web advertising resulting in this saving not being fully achieved in year from income but will be met from other areas budgets within the Strategic Support Unit as the budget monitoring is now reporting an overall surplus of £84k. For 2017/18 the Council is anticipating full year income from Web advertising, this will result in a reduction to the unachievable saving to £42k. The Strategic Support team will continue to seek out further income opportunities and savings, if this does not materialise this will result in permanent non achievement which is assumed here.
Corporate Communications Team - Deletion of vacant posts and Team restructure	100,000	0		0	100,000	This saving was in total £204k (£100k phased 2016/17) and was originally to be met from a reduction in staffing. However the saving was then anticipated to be achieved by both staffing and income i.e. staffing £104k in 2015/16 (achieved) and income £100k in 2016/17 which has previously been reported as not achievable. Having reviewed the Communications budget and the wider Strategic Support budgets this saving will now be achieved.
Transformation - Reduction of Transformation resource	75,000				75,000	This saving will be achieved in 2016/17 due to a restructure of teams.
Environmental Health - Reduction in front line environmental health regulatory services. Reduction in pest control services but retain full rat control service	170,000			170,000		On target to be achieved.
Parking - Review of service and charging regimes	467,000	100,000		367,000		There will be a shortfall in income achieved due to the proposal to cease the refund of car park charges at leisure centres. The remaining 367k should be achievable subject to market conditions.
Street Lighting Energy - Invest to save in lighting columns and bulbs to allow reduced hours of lighting.	530,000	530,000				It was anticipated last month that £100k would be achievable from energy savings / reduced tariffs which would have restricted the unachieved element of this saving to £430K. Latest information suggests that there will be no contributory saving in tariffs and the entire saving will not be achieved in the current year. Furthermore, the indicative tariff for 2017/18 will increase by £112k (based on current consumption levels) which will put further pressure on the achievement of the saving in subsequent years. Whilst every effort will be made to cover the saving through increases in income, this cannot be guaranteed. Excess income has been used in previous years to cover the regular overspend on winter service. There is a spend to save initiative for Cabinet to consider shortly. The outcome of the Cabinet decision will inform how the Council considers this saving option.
Further Changes in Style and Standards of Parks Management	64,000			64,000		On target to be achieved.
Parks Maintenance - Reduction in GM Contracts	30,000			30,000		On target to be achieved.
Coast - Reduction to visitor and site management activities. Extension to the length of the life guard contract on reduced terms. Car-parking income charges	75,000			75,000		On target to be achieved.
Highway management, development, design and safety - Changes to charges Service reorganisations	130,000			130,000		On target to be achieved.

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Budget re-alignment of salaries to be funded from grants, contracts and reserves	116,000	116,000				It is forecast that this saving will not be delivered in year as the majority of budget relates to Head of Service and grants that are used to fund remaining staff within the service who are not core funded. This saving will not be achieved in the long term and the Medium Term Financial Plan has been adjusted to reflect this.
14-19 Services - Changes to commissioning arrangements for Information, Advice & Guidance	40,000				40,000	Achieved.
Management fee reduction - Formby Pool Contract	50,000				50,000	Following re-negotiation of the contract this saving will be achieved
School Health - Re-specify/recommission the healthy Child programme for the whole 0-19 age range	260,000				260,000	Saving achieved in 2016/17
Sports Leisure- Active Sports - Increase in income due to increased charges and new programmes	30,500			30,500		This £30.5k saving is the residual amount of a total saving target of £84k of which £53.5k was achieved in 2015/16. It appears that there has been an element of duplication around this particular saving with the original proposal only anticipating £30k additional income. While there may be some further additional income achieved in this particular area in 2016/17 it is unlikely that the full remaining £30.5k will be achieved in this specific income budget. However, It is anticipated that this will be achieved from other income areas. The situation will continue to be monitored throughout the year.
Public Health-Internal restructure to reflect the need to strengthen the influencing role of the team, and reduced need for commissioning capacity	100,000				100,000	Saving achieved in 2016/17
Integrated Wellness - Integration of lifestyle services	1,549,000				1,549,000	Saving achieved in 2016/17
Substance Misuse - Reduction in Substance Misuse spend	440,000				440,000	Saving achieved in 2016/17
DCATCH - The scheme has already closed to new pupils, saving reflects cohorts of pupils completing the programme	15,000				15,000	Saving will be achieved in 2016/17
Children With Disability Service - Continue with the development of, and implement, new eligibility criteria	315,000			315,000		The achievement of this savings target has been challenging. A post originally identified to contribute towards this saving has been taken as part of the Senior Management Review. However, options are still being explored to ensure the permanent achievement of this saving. Currently, the saving is being mitigated by under-spends elsewhere within the service. This will continue to be monitored closely.
Aiming High - Continue with the development of, and implement, new eligibility criteria. Review and potential cessation of funding for some activities	400,000				400,000	This saving will be achieved in 2016/17.
Attendance Welfare Service - Improved administration of legal procedures. Reduced eligibility for service interventions. Increase income	142,000			142,000		This saving should be achieved in 2016/17.

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Locality Assessment - Redesign of Common Assessment Framework team Implement a	60,000			60,000		This saving should be achieved in 2016/17.
Commissioning - Reduction of the Commissioning Service staffing	144,000				144,000	This saving will be achieved in 2016/17 due to a restructure of teams.
Business Intelligence & Performance - Re-structure	360,000				360,000	This saving will be achieved in 2016/17 due to a restructure of teams.
Housing Standards - Reduction in housing enforcement services including cessation of corporate illegal traveller sites co-ordination	20,000			20,000		On target to be achieved.
Planning - Increase in income across parts of the service Development Management, Building Control, and Technical Support [land charges] in light of economic forecast	130,000	105,000		25,000		This savings target relates to Planning / Building Control income and whilst there is likely to be an overachievement of Planning Application income of £96K, there are currently estimated shortfalls on Building Control (£160K), Planning Policy (£16K) and the Section 106 admin fee (£25K). The net effect of all of these is a shortfall of income against budget of £105K.
Home Improvements DFG - Re-profiling the allocation of costs and increasing the level of	10,000			10,000		On target to be achieved.
Treasury Management	8,000,000				8,000,000	The Council has changed its policy relating to the provision for debt repayment. This has generated significant savings until 2019/20 (2016/17 saving includes the saving achieved in 2015/16 that was reserved to be utilised in 2016/17 and future years).
General inflation provision - Remove general inflation provision set in MTFP at 2%. This will require all services to deliver general efficiency in the delivery of all services	2,180,000				2,180,000	Budget provision reduced, saving therefore achieved.
Reduced accommodation costs - Lease on Houghton Street	76,000		76,000			This saving is unlikely to be able to be achieved in this or future financial years due to it being a duplication of the 2015/16 saving Ref 67 (£60k). However, a balanced service outturn will be delivered and this will be delivered in future years.
Building Maintenance - Recharge Salaries to Capital Schemes	136,000		136,000			It is currently uncertain as to whether this saving will be delivered in 2016/17. However, a balanced service outturn will be delivered and this will be delivered in future years.
EEMS (Energy and Environment) - Reduction in Carbon reduction service and community energy service	42,000				42,000	Saving achieved in 2016/17
Finance & ICT Services - Restructuring Finance and ICT services after implementation of new financial system in 2015	500,000			50,000	450,000	It has previously been identified that there is an issue with a saving of £50,000 being achieved by arvato in this financial year. Discussions have now taken place with arvato in order to identify other savings which can be made in order to address this shortfall, and one-off mitigating savings have been potentially identified. The remainder of the saving of £450,000 has been achieved in 2016/17.
Finance & ICT Services - Reduce ICT, printing and telephone costs in line with general Council reductions	190,000				190,000	Saving achieved in 2016/17

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Learning & Development - Reduction in activity associated with learning and development	108,000				108,000	Saving achieved in 2016/17
New Options - Remove the discretionary support to Parish Councils for Council Tax Reduction Scheme	95,000				95,000	Saving achieved in 2016/17
Contracted transactional services	1,000,000			382,000	618,000	Saving will be achieved in full in 2016/17, however £0.382m relates to one-off savings in this financial year. Discussions are continuing with arvato to identify ongoing sustainable savings.
Area Finance / Finance Visiting Officers - Review	28,700				28,700	This is the full year effect of the saving resulting from the review of this service and the saving has been achieved in full.
Day Care - Day Care Review	873,050	670,000			203,050	There is a saving requirement in- year of £750k and £123.05k that relates to the previous financial year. The element that relates to the previous year has been achieved in full as a result of the full year effect of contract negotiations already agreed with New Directions. Of the £750k in year saving, £80k has been identified specifically to date. The refurbished Mornington Road and Dunningsbridge Resource Centres (for those with the most complex needs) are due to open in 2017. Further contract negotiations are being undertaken with New Directions to reflect the outcome of the Day Care review. There may be some further savings made in 2016/17 following negotiations and depending on the timing of the completion of refurbishments. A working group has been established to manage the detail of the required changes to the contract, to ensure plans are in place to avoid the risk of the saving not being achieved, in full, in 2017/18
Adult Social Care - Social care services will be required to contain net demographic growth within existing budgets for the duration of the plan. The figure has been adjusted to reflect Cabinet's previous decision relating to the underachievement of the services 2014/15 budget savings requirement. This assumption will need to be kept under close scrutiny to ensure deliverability	3,000,000				3,000,000	This saving has been achieved. However, note the issue regarding Better Care Fund in the main body of the report.
Domiciliary Care - Further explore the use of adaptations, equipment and Assistive Technology Reduce the number of hours, number of calls, or number of carers utilised, where this is appropriate Work in partnership with the voluntary/community sector to facilitate the development and utilisation of low-level alternative/preventative community services Explore more outcome-focused commissioning	1,560,000			1,560,000		The saving was intended to be delivered in the first instance through a more effective Reablement Service model, reducing the need for ongoing domiciliary care, together with improved use of adaptations and assistive technology. The new Reablement Service is proving effective with the most significant impact being to reduce the requirement for residential care. The intention is to extend Home Care Re-ablement to community referrals. In addition re-assessments continue with a particular focus on those cases where providers have identified that they feel provision could be reduced. Where domiciliary care packages are being re-assessed the option to increase established 30 minute care visits by 15 minute blocks rather than the usual 30 minute blocks is available. Early discussions have been held with the Cabinet Member ASC, in respect of the redesign/recommissioning of the Domiciliary Care and Reablement Services, with a view to exploring more outcome- focused commissioning

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
Supported Living - Alternative and more efficient ways of meeting assessed care needs	1,800,000	1,124,000		676,000		£676k has been identified to date following the review of Supported Living care packages. Officers continue to work on the commissioning of a more efficient, effective and sustainable supported living and care model. Service users' eligible care and support needs will continue to be met but possibly in larger occupancy dwellings. An increased number of people may have their needs met through Shared Lives or other placements that meet their needs. Any changes to a service user's tenancy will be via reassessment of need and will be agreed with the service user and housing/care providers. It is anticipated that service users' care packages may change through increased/additional use of assistive technology which will result in independence and self-sufficiency. The recommissioning will consider 'zoning' of care providers. . Progress on the project has recently been reviewed, an action plan/ time frame has been drafted and re-specification and redesign of the service model will be completed by April 2017. To ensure the saving is achieved in full in 2017/18 it is anticipated that the level of resources in the commissioning team will need to be strengthened temporarily and the Head of Adult Social Care is taking action to progress this. There is currently some concern about a reduction in the appetite of housing providers to develop the larger occupancy properties required, due to uncertainties relating to possible government changes to housing benefit provision. The government position should become clear in the next couple of months
Adult Assessments - An end to end review of assessment and review policies, procedures and processes within Adult Social Care.	300,000				300,000	This saving has been achieved following the review of assessment processes, policies and procedures
Housing Related Support Further decommissioning and re-commissioning of funded services in accordance with the approved Commissioning Intentions and Priorities	900,000	79,000			821,000	£821k of this saving has been achieved. Commissioners are reviewing residual contracts and are in discussions with providers to identify how the remaining saving can be achieved. The saving will be achieved in full in 2017/18
Children's administrative support - Service redesign	20,000			20,000		On target to be achieved and will be captured as part of the restructure of Children's Social Care administration.
New Options - Funding of highways, ICT and other developments from capital resources	1,000,000	434,000		566,000		The achievable figure is based on the actual capitalisation in 2015/16. Work will continue to identify all work that can be capitalised in 2016/17, although the full saving may not be delivered.
New Options - Funding revenue consequences of planning projects from Section 106	500,000			500,000		This saving will be achieved in 2016/17.
Financial Assessments	250,000	250,000				Actions ongoing to identify how this saving can be delivered.
Customer Access Point	250,000	250,000				Actions ongoing to identify how this saving can be delivered.
Levies - Merseyside Waste and Recycling Authority and the Integrated Mersey Transport Authority have been requested to support the Council by finding 10% efficiency savings in setting their budgets for 2015/16 and 2016/17	2,509,150	859,550			1,649,600	The Council actively engaged with the levying bodies to try to achieve a 10% reduction in the cost of levies to the Council. Unfortunately reductions in the Merseyside Recycling and Waste Authority Levy were not achievable in full. The partial non-achievement of this saving has been built into the 2017/18 to 2019/20 Medium Term Financial Plan.
Budget Planning Assumptions - Management Arrangements	1,300,000	300,000	240,000		760,000	£760k delivered on phase one with a further £240k to be delivered.
Voluntary Community Faith Review	1,500,000	1,150,650			349,350	£364k of the savings target has been achieved. The remainder of the £1.5m is not achievable.
Total Savings Requirement 2013-2017		6,875,600	527,000	5,380,150	23,133,700	

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Report to:	Cabinet	Date of Meeting:	12 January 2017
	Council		26 January 2017
Subject:	Council Tax Reduction Scheme 2017/18 & Council Tax Base 2017/18	Wards Affected:	(All Wards);
Report of:	Head of Corporate Resources		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

This report seeks to provide Cabinet with details of the annual review of the Council Tax Reduction Scheme (CTRS) that has been completed. Following this review a Local Council Tax Reduction Scheme for 2017/18 will be recommended to Council in addition to an updated Council Tax Base for both Sefton Council and for each Parish Area for 2017/2018. This report is technical in nature however it is compulsory that it is completed before 31st January 2017.

The report contains the following Annex listed below:-

Annex A: Council Tax Base Report 2017/18

Recommendation(s)

Cabinet:

1. That Cabinet notes the contents of the Council Tax Reduction Scheme 2016/17 review.
2. That Cabinet recommend to Council no changes to the existing Local Council Tax Reduction Scheme for 2017/18 for working age claimants.
3. That Cabinet delegate to the Head of Corporate Resources consideration and implementation of any minor textual changes to the Council Tax Reduction Scheme for 2017/18
4. That Cabinet recommends that Council approves the Council Tax Base for 2017/18 as set out in Annex A.

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Council:

1. That the Council approves the continuation of the existing Local Council Tax Reduction Scheme for 2017/18.
2. Council approves the Council Tax Base for 2017/18 as set out in Annex A of the report.

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:

Council Tax Reduction Scheme

Each financial year the Council must consider whether to revise or replace its Local Council Tax Reduction Scheme. The Council must approve and adopt the 2017/18 Council Tax Reduction scheme by the 31st January 2017 to take effect from 1st April 2017.

Any decision to revise or replace the scheme would require compliance with statutory provisions in accordance with The Local Government Finance Act 2012 (Chapter 17), schedule 4.

The report comments on the impact of various changes made to the scheme for the current year 2016/17 together with the impact of the Government Welfare Reform changes. After consideration of the factors outlined in the report it is proposed that the Local Council Tax Reduction Scheme for 2017/18 remains unchanged for working age claimants.

Council Tax Base

In accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 1992, as amended, the Council is required to set a tax base for both Sefton Council and for each Parish Area for 2017/2018.

Alternative Options Considered and Rejected:

The Council revised its local Council Tax Reduction Scheme in 2016/17 following an extensive consultation process. Any change for the 2017/18 scheme would require financial modelling against potential impacts from the welfare reforms that are due to be introduced. Final details of the welfare reforms have yet to be agreed and disclosed by Department for Work & Pensions (DWP). As a result no alternative options for change have been considered for 2017/18.

What will it cost and how will it be financed?

(A) Revenue Costs

Council Tax Reduction Scheme: There would be no additional revenue implications as a result of a decision to retain the current scheme. The cost of the current council tax reduction scheme discounts has been reflected in the council tax base.

Welfare Reforms: The Government's proposed welfare reforms are expected to increase the cost of the council tax reduction scheme. The worst case scenario would indicate an increase of up to £0.766m. However, this is unlikely to be the case as the final regulations may have a smaller impact and claimant behaviour will change as a result of the reforms. Additional costs of £0.300m have been built into the council tax base set out in Annex A. It has been assumed that any further cost arising from welfare reforms will be offset by reductions in claimant numbers and the positive impact of other changes such as the increase in the national living wage.

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Council Tax Base: Changes to the Council's tax base will have an impact on the level of Council Tax income transferred from the Collection Fund to the Council's General Fund in 2017/18. It will also impact on the amounts due to the Police and Crime Commissioner, and the Fire and Rescue Service in the year.

The following table shows the impact of the changes to the tax base based on the Band D Council Tax levels set for 2016/17:

Council Tax Income	Sefton Council £000	Police & Crime £000	Fire & Rescue £000	Total £000
Budget 2016/17	-110,718	-13,155	-5,890	-129,763
Forecast 2017/18	-112,226	-13,334	-5,970	-131,530
Increase (-) / Decrease (+)	-1,508	-179	-80	-1,767

(B) Capital Costs

No capital costs are planned for this change in system.

Implications:

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

Financial

Legal

By Section 5 of Schedule 1A of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012) for each financial year each billing authority must

- a. Consider whether to revise its Council Tax Reduction Scheme or to replace it with another scheme
- b. Make any revision to its scheme, or any replacement scheme, no later than 31st January in the financial year preceding that for which the revision or replacement is to have effect.
- c. If any revision to a scheme, or any replacement scheme, has the effect of reducing or removing a reduction to which any class of person is entitled, the revision or replacement must include such transitional provision relating to that reduction or removal as the authority thinks fit.
- d. Before revising its scheme or making a replacement scheme, an authority must:
 - i. Consult any major precepting authority which has power to issue a precept to it.
 - ii. Publish a draft scheme in such manner as it thinks fit and
 - iii. Consult other such persons as it considers are likely to have an interest in the operation of the scheme.

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"/>

Impact of the Proposals on Service Delivery:

By retaining the 2016/17 Local Council Tax Reduction scheme which includes reducing the amount of council tax that low income working age households have to pay, the Council will make administrative savings, with less customer contact for our Customer Services, reducing the need for debt advice and budgeting support.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD 4436/16) and the Head of Regulation and Compliance (LD3719/16) have been consulted and any comments have been incorporated into the report.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet recommendation to Council and approval by Council 26 January 2017.

Contact Officer:

Tel: 0151 934 4161

Email: christine.finnigan@sefton.gov.uk
Partnership & Local Taxation Manager

Background Papers:

The following paper is available for inspection on the Council website:

- Equality Impact Assessment – addendum to Equality Analysis Report 2013/14.
Link - <http://smbc-modgov-01/ieListDocuments.aspx?CId=139&MIId=8057&Ver=4>

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1. Introduction/Background

1.1 Local Council Tax Reduction Scheme

1.2. Local Council Tax Reduction replaced Council Tax Benefit (CTB) with effect from the 1 April 2013. The local scheme rules only apply to working age customers. Pensioners are protected by legislation and must be provided with the level of council tax support specified by the Government.

1.3 The total grant of £24.2m transferred to the Council, Police and Crime Commissioner, and Fire Service in 2013/14 to fund the local scheme was £3.0m (11%) lower than had previously been provided to fund council tax benefit in 2012/13. As a result, the Council had to introduce changes to the national default council tax support scheme in order to ensure that the local council tax support scheme was cost neutral. As the Council was unable to alter the pensioner scheme rules, the saving requirement was met by reducing the level of support provided to working age claimants and through technical changes to empty property discounts.

1.4 The Council is required by law to review the scheme each year irrespective of whether it is being amended.

1.5 The current local scheme has been in place since 1 April 2016. It is based on the Government's national default scheme with the following amendments:

- The calculation of the reduction is based on 84% of the Council Tax bill, rather than 100%. This means all non-pensioner claimants have to pay a minimum of 16% of the Council Tax due.
- The capital/savings limit has been reduced from £16,000 to £6,000 so those with capital exceeding £6,000 are required to make full payment of their Council Tax liability.
- The Council Tax second adult rebate for non-pensioner claimants has been removed. Claimants on low income can apply for Council Tax Reduction.
- Non-dependant deductions – flat rate deductions for working age claimants were introduced at £2 and £5. The reduced charges for non-dependants support households on low incomes by providing incentive to non-dependants to contribute to the council tax bill.

1.6 The scheme must be approved by Council and adopted no later than the 31st January in the preceding financial year.

2. Review of the Local Council Tax Reduction Scheme 2016/17

2.1. Areas Covered by the Scheme Review

In order to satisfy the requirement to review the Council Tax Reduction Scheme the following key areas were evaluated:

- Claimant caseload
- Scheme expenditure.
- Impact on the most vulnerable claimants.
- Welfare reform changes.
- Council Tax collection
- Attachment of Benefits.
- Review of scheme principles.
- Council Tax Exceptional Hardship fund

2.2 Claimant Caseload

The table below shows the caseload data at 31 October 2016 compared to caseload data at the end of each year since the Council Tax Reduction Scheme was introduced in 2013/14.

Year	Date	Pensioners	Working Age	Total	Change
2013/14	03.04.14	14,655	16,025	30,680	n/a
2014/15	01.04.15	13,925	15,349	29,274	-1,406
2015/16	31.03.16	13,206	14,886	28,092	-1,182
2016/17	31.10.16	12,823	14,641	27,464	-628

The working age caseload can be split further:

Year	Date	Employed	Other	Total	Change
2013/14	03.04.14	2,874	13,151	16,025	n/a
2014/15	01.04.15	2,748	12,601	15,349	-676
2015/16	31.03.16	2,504	12,382	14,886	-463
2016/17	31.10.16	2,244	12,397	14,641	-245

- 2.2.1 Pensioner Claimants: Since the initial implementation of the scheme in 2013/14 the number of Pensioner Claimants has declined in every year. The total reduction in pensioner claimant numbers has been -1,832 (-12.5%) between 2013/14 and 2016/17.

2.3 Scheme Expenditure

- 2.3.1 Scheme expenditure data is reported to the Government in both the Revenue Outturn (RO) Return and also in the Council Tax Base (CTB) Return. The data recorded in the RO Return is the total cost recorded for the year. The data reported in the CTB Return is based on the weekly payments recorded on a single day at the beginning of October each year. The amount of expenditure for each year would increase in-line with annual council tax increases and decrease as a result of reductions in claimants. The cost of the scheme also increased in 2016/17 as a result of reducing the minimum payment required from working age claimants.

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2.3.2 Revenue Outturn Return Data

2.3.3 The following table shows the Council Tax Reduction Scheme expenditure reported in the Revenue Outturn Return compared to the latest estimate for 2016/17:

Year	Source	Pensioners £000	Working Age £000	Total £000	Change £000
2013/14	RO Return	13,305	9,907	23,212	n/a
2014/15	RO Return	12,152	10,364	22,516	-696
2015/16	RO Return	11,895	9,760	21,655	-861
2016/17	Estimate	12,419	9,851	22,270	+615

Notes:

1. 2013/14: The split of Pensioner and Working age costs included an estimate based on ceased cases.
2. 2016/17 Estimate: Total cost has been split pro-rata to the amounts reported in the CTB Return 2016.
3. 2016/17 Estimate: Change figure (+615) reflects the position as at 31/10/2016. This includes (a) the impact claimant reductions since 1 April 2016, (b) the cost of reducing the minimum claimant contribution, from 20% in 2015/16 to 16% in 2016/17, and (c) the impact of the Council Tax increase of 3.69% in 2016/17.

2.3.4 Council Tax Base Return Data

2.3.5 The following table provides a view of the Council Tax Reduction Scheme expenditure based on weekly payments recorded in early October as reported in the Council Tax Base Return:

Year	Source	Pensioners £000	Working Age £000	Total £000	Change £000
2013	CTB Return	12,602	10,214	22,816	n/a
2014	CTB Return	12,491	10,260	22,751	-65
2015	CTB Return	11,991	10,033	22,024	-727
2016	CTB Return	12,503	9,918	22,421	+397

Notes

1. 2016 CTB return: The change figure (+397) reflects both the impact of the reduction in claimant contribution, from 20% in 2015/16 to 16% in 2016/17 and the Council Tax increase of 3.69% in year.

2.4 Impact on the most vulnerable claimants

2.4.1 The scheme implemented for 2016-17 continues to address the Council's priorities to minimise the impact on the most vulnerable, by seeking to strike a balance between dealing with Council priorities whilst supporting the financially vulnerable. The Council, having recognised the impact on communities, has introduced a range of mitigating actions, including:

- Provision of an Exceptional Hardship Fund (see Section 2.9)
- Maintenance of core aspects of the Government Housing Benefit scheme that provides additional assistance where there are children, disability and caring responsibilities.
- Council Tax collection – 12 month instalment payments continues to be offered to council tax payers.
- Enforcement action – a sensitive approach was adopted to take into account the potential vulnerability of Council Tax support claimants. Processes and correspondence continue to be reviewed and court costs were minimised to external charges only. Customers are sign posted for debt advice and appointments can be arranged with Citizen Advice for advice on budgeting skills.
- Before cases are referred to Enforcement Companies a vetting stage has been introduced and cases are dealt with under a separate debt recovery process to minimise potential increases in debt.

2.5 Welfare Reform Changes

2.5.1 Over the past 18 months the Government have announced their intention to implement a series of welfare reform changes aimed at cutting the cost of welfare payments and providing more incentive to work. They have also introduced a new higher rate national living wage that provides more income to lower paid council tax benefit claimants in employment. These changes are expected to have an impact on the number of claimants and the value of the council tax reduction scheme for claimants.

The table overleaf provides a summary of these changes:

Date	Description of Reform	Who is affected	Impact on CTRS	Comments
April 2016	Universal Credit (UC) allowances removed for non-disabled childless claimants and reduced for the rest of claimant.	Any working UC claimant with earnings above their current work allowance	CTRS entitlement will increase by up to 20% of the reduction in UC. Numbers will start small and increase over time as UC is expanded further.	The numbers of affected claimants will start off small but will increase over time when UC roll out expands further. Full service for Sefton due October 2017 Initial cost as follows: June 2016 – 161 CTRS customers in work and on UC – costing £501pw in additional CTRS August 2016 – 180 customers costing an additional £560pw in CTRS October 2016 – 219 customers – costing an additional £689pw in CTRS
April 2016	National Living Wage (NLW) of £7.20 per hour introduced. Will increase to £7.50 per hour in April 2017.	Anyone working and aged 25 or over.	Will reduce the amount of CTRS discounts awarded to claimants who are aged 25 and over and are working. Claimants will also see reduction in housing benefit.	The Benefits service issued approx. 2,440 letters for NLW. Based on a sample undertaken; <ul style="list-style-type: none"> • On average HB entitlement has reduced by £7.58 per week. • On average CTR entitlement has reduced by £1.35 per week. Approximately 6% have been cancelled due to never responding to request for information to renew claim.
April 2016	Removal of savings credit.	Persons who reach state pension age on or after April 2016.	Potential to increase the expenditure for CTRS if DCLG do not make relevant changes to the pensioner prescribed scheme.	Initial estimate that cost could be £13k a year (£26k in second year, £39k in third etc.)

Date	Description of Reform	Who is affected	Impact on CTRS	Comments
May 2016	Removal of the family premium of Housing Benefit for all new claims	<p>Any new claimant to HB who is not in receipt of a passported DWP benefit</p> <p>Regulations have been laid before parliament ready for implementation</p>	<p>For 2016/17 CTR working age claimants have not been affected as the scheme did not replicate the provision.</p> <p>New claims for pensioners will be affected by this change as the Government aligned the CTR regulations to HB. Only a few pensioner claimants will be affected by this change.</p>	This change could also affect existing claimants if they move home or have a change in their circumstances.
May 2016	Backdating of Housing Benefit restricted to 1 months for working aged customers who can demonstrate good cause	Any new claimant of HB	Backdating remains part of the CTRS feature for 3 months if claimant can demonstrate good cause. This assists claimants who move onto UC and DWP delay informing the Council.	<p>Cost of backdating is included in the cost of expenditure for the current scheme.</p> <p>CTR Backdating more than 1 month cost £1,630 (total of 19 cases for the period 1/4/2015 to 26/10/2016 (approx. £1,030 per year)</p>
<p>November 2016 for existing claims.</p> <p>December 2016 for new claims</p>	Benefit Cap Reduced from £26,000 to £20,000 per couple (Outside London).	Non-working families where there are no disabilities or caring responsibilities, mostly impacts on those with 3 or more children.	Claimants will find it more difficult to pay their council tax, which could reduce collection rates and increase arrears.	September 2016 scan indicated 320 affected families – various correspondence has been issued to claimants for support and advice. Working group established with key stakeholders to support claimants and provide advice.

Date	Description of Reform	Who is affected	Impact on CTRS	Comments
April 2017	Child tax credits and Housing Benefit will be limited to a maximum of 2 children where the child or children are born after April 2017 or they make a new claim for tax credits or Housing Benefit.	<p>Most new claimants of child tax credits.</p> <p>Similar rules will be brought in for HB and UC.</p>	<p>Will reduce working family incomes which would increase CTRS entitlement.</p> <p>The worst case scenario has been estimated at £0.470m per annum.</p>	Still awaiting legislation to assess the impact for CTR and HB.
April 2017	Family element of Child Tax Credits abolished (£545 per annum)	Any new claimant of Child Tax Credits, whether working or not.	<p>Could increase the cost of CTRS discounts by £109 per annum per family that is not on passported benefits.</p> <p>The worst case scenario has been estimated at £0.296m per annum.</p>	This change is likely to push up HB expenditure for non-passport HB claimants as family income will reduce.

2.5.2 The impact of the reforms introduced in April 2016 is already reflected in the forecast cost of the scheme reported in section 2.3 of this report. It is highly unlikely that the worst case estimates given in the table above for changes from April 2017 will apply in full in 2017/18. For example, there will be some mitigation between the child tax credit changes that will limit the total financial impact. An allowance £0.300m has been made for the additional costs in the council tax base 2017/18.

2.6 Council Tax collection

2.6.1 Department for Communities & Local Government national data for 2015/16 indicated that Council Tax collection rates remain high (97.1% average in year), however, £2.7 billion of debt remained uncollected (all years) at 31 March 2016.

2.6.2 Analysis by the Institute for Fiscal Studies in 2014 showed that arrears among Council Tax Support claimants increased most where minimum payments were set highest. Councils who chose not to introduce a minimum payment saw a smaller increase in arrears than those who opted for a minimum payment. The larger the minimum payment meant Council's saw a bigger increase in arrears.

2.6.3 The table below provides an analysis of the number of Councils requiring a minimum payment at various levels based on figures published by the New Policy Institute:

Minimum Payment level	Count of Local Authorities			
	2013/14	2014/15	2015/16	2016/17
0%	96	80	75	66
8.5% and under	113	65	56	51
More than 8.5% and less than 20%	23	65	66	65
20%	53	69	76	77
More than 20%	41	47	53	67
Total	326	326	326	326

2.6.4 Sefton's Minimum Payment Requirement

2.6.5 Sefton's Council Tax Reduction Scheme (CTRS) required working age claimants to pay a minimum of 20% of the Council Tax between 2013/14 and 2015/16. The minimum payment requirement was reduced to 16% from 2016/17. This puts Sefton in the mid-range of minimum payments with 168 Billing Authorities requiring a lower percentage payment and 156 requiring a higher percentage payment.

2.6.6 Sefton's Council Tax Collection 2015/16

2.6.7 The table below shows the amount of Council Tax billed and collected during 2015/16:

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Recorded at 31 March 2016	Liability Raised £000	Received In Year £000	Collection Rate %
CTRS Cases - Working Age	4,064	2,816	71.5%
CTRS Cases - Pensioner Age	1,905	1,905	100.0%
Other Council Tax Payers	123,095	119,455	97.0%
Total	129,064	124,176	96.2%

2.6.8 The total collection rate has fallen from 97.2 % in 2012/13 before Council Tax support was localised, to 96.2% in 2013/14, 96.3% in 2014/15 and 96.2% in 2015/16. This is despite the proactive work officers have undertaken with people affected by the Council Tax Reduction Scheme.

2.6.9 Sefton's Council Tax Collection 2016/17

2.6.10 The reduction in the minimum payment appears to be having a positive impact on collection rates for Working Age CTRS Claimants. At the beginning of November 2015 the collection rate was 45.6%, at the beginning of November 2016 the rate has increased to 48.3%.

2.7 Attachment of Benefits (AOB)

2.7.1 Since the introduction of the Council Tax Reduction Scheme in April 2013 the number of working age Council Tax support claimants falling into arrears grew. One recovery option open to the Council in respect of benefit claimants is to apply for an attachment of benefits (AOB) via the courts. Under this option the Court can require a payment of up to £3.70 per week to be made by the DWP directly from the claimant's benefits in order to meet Council Tax arrears.

2.7.2 Payments by AOB do provide some certainty to both the Council and the debtor, For the Council the payments do guarantee regular income from the debtor. For the debtor there is the security of knowing that a debt is being paid by a deduction from their benefit.

2.7.3 However, AOB is not a perfect solution to the problem of growing debt for the following reasons:-

- At the commencement of the scheme the maximum deduction of £3.70 was lower than the minimum weekly Council Tax charge for all property bands. The minimum contribution of 20% towards the Council Tax was greater than the amount that could be collected within the year by AOB. This created a problem of debt being carried forward to the following year. Therefore, whilst debt payments are being collected regularly the amount of debt at the end of each year kept growing.
- An AOB cannot be applied without first having taken the debtor to court to obtain a Liability Order. Due to the need to follow the correct legislative timeline for obtaining a Liability Order payment by AOB cannot commence until part way through the year. Typically for a bill issued in March the first payments would not be made by the DWP until August of the same year. This

means that debt has already accrued to a level that will leave arrears outstanding before a payment is made.

- Many debtors have arrears outstanding for multiple years Council Tax. An AOB can only be used to collect one debt at a time. In addition current legislation does not allow the Council to take any other form of debt recovery (e.g. use of Enforcement Agents) whilst an AOB is in place. In an attempt to mitigate this, people on AOB have been issued letters asking them to contact the Council for advice, to make alternate payment arrangements or seek financial advice from CAB. However, this initiative met with only a few people contacting the Revenue Service to make arrangements to pay.
- Collection of Council Tax debt by way of AOB is not the highest priority of debt administered by the DWP. Therefore, the level of recovery will be affected when people have multiple debts e.g. rent and energy debts are given a higher priority.
- Many new claimants for Council Tax Reduction have already accrued debts before an AOB can be considered.

2.7.4 To try and break the cycle of debt the Council Tax Reduction Scheme was amended with effect from 1st April 2016 to reduce the minimum contribution rate to 16%. This rate was calculated so that the AOB payment of £3.70 per week was more than would be due from Council Tax for the majority of claimants. The impact and potential success of the change in contribution rate will not be known until the end of the full year collection cycle.

2.7.5 Below is a snapshot of the amount of debt being recovered under AOB and the amount of debt still waiting recovery by AOB

	As at 01.04.15	As at 01.04.16	As at 31.10.16
AOB in Payment	£940,177	£927,049	£967,623
No. of Cases	5,846	5,847	5,830
AOB Pending	£1,752,474	£2,292,812	£2,708,159.18
No. Of Cases	7,174	9,809	11,800

2.7.6 Cases in payment will take an estimated 45 weeks to clear all years, assuming circumstances remain unchanged from the 31.10.16

2.7.7 Cases pending the payment of AOB will not commence recovery until other priority or older Council Tax debts are paid.

2.8 **Review of Scheme Principles**

2.8.1 The local Council Tax Reduction Scheme is based on 5 principles and the review is summarised below:

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Principle	(CTRS) Scheme working for non-pensioner claimants?
<p>The Council will continue to support work incentives</p>	<p>Yes – The council continues to operate a system which disregards certain amounts of money from customers earnings through employment (and self-employment) when calculating entitlement.</p> <p>This results in some additional support to those customers receiving Universal Credit (UC) who are in low paid work, following the removal of UC work allowances from April 2016</p>
<p>The Council will continue to recognise the additional needs of our most vulnerable residents.</p>	<p>Yes – The council continues to make additional allowances and give additional support to those receiving certain DWP sickness benefits, disability benefits and benefits for Carers when calculating entitlement.</p> <p>Additionally, the council continues to disregard certain disability benefits as income when calculating entitlement</p> <p>Procedures were reviewed for the collection of non-payment of Council Tax to ensure non-disproportionate impact on the most vulnerable households. Also financial budgeting skills and advice is made available to all claimants.</p> <p>The Council Tax Exceptional Hardship Fund – is available to those in the greatest financial need with fair and transparent criteria for awards.</p>
<p>The Council will continue to recognise the additional needs of families with children</p>	<p>Yes – Child Benefit and Child Maintenance payments are not taken into account as income when calculating entitlement to CTRS.</p> <p>Additional allowances are given when calculating entitlement for where there is a disabled child in the family.</p> <p>The CTRS scheme also mirrors provisions in the Housing benefit scheme by taking child care costs into account for low income working families</p> <p>The Council will continue to include the Family Premium when calculating the Council Tax reduction. This was removed for all new housing benefit claims from May 2016.</p>

<p>The Council supports households staying together to make better use of housing in Sefton and reduce homelessness.</p>	<p>Yes - The amount of Council Tax Reduction taken away from a customer when other adults live in the household (known as a non-dependant deduction), was reduced in 2013 and still remains at those lower levels.</p>
<p>The Council will continue to have due regard to the Armed Forces Covenant</p>	<p>Yes – War Disablement and War Widows pensions in calculating CTRS, including any Armed Forces compensation in accordance with the covenant is disregarded. This also includes the service attributable element of the armed forces pension could also be disregarded as income when calculating entitlement.</p>

2.9 Council Tax Exceptional Hardship Fund (EHF)

2.9.1 A key feature of the local council tax support scheme was the creation of an exceptional hardship fund with an annual budget of £150,000 to help mitigate hardship issues for vulnerable working age council tax support claimants. The fund is used to reduce council tax bills when an individual is judged to be facing particular hardship. The fund is administrated within a set of agreed policies and procedures approved by Cabinet Member for Regulatory, Compliance and Corporate Services on 23 February 2016.

2.9.2 For the purposes of administration, the decision to grant any reduction in liability is considered under any one of three categories, which includes “Exceptional Financial Hardship - for Council Tax payers who have qualified for support under the Local Council Tax Reduction Scheme but who are still experiencing severe financial hardship”.

2.9.3 The Policy replaces the Council Tax Exceptional Hardship Scheme that has been in place since April 2013. That scheme was introduced by the Council to mitigate against potential issues that may have arisen as a consequence of the abolition of Council Tax Benefit and the introduction of the Local Council Tax Reduction Scheme.

2.9.4 The following is a breakdown of awards for period 01.04.2016 – 31.10.2016

- 824 claimants received an award
- Total Amount Awarded = £72,641
- Average award £88.15
- Average length of award = 6 months
- 557 claimants receiving an award have received an award previously
- 204 claimants have received an award on 3 or more occasions
- 50 claimants have received an award on 5 or more occasions
- Highest number of awards = 7
- 509 claims have been refused

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2.9.5 Awards in previous years:

Year	£
2013/14	150,435
2014/15	136,789
2015/16	122,400

2.9.6 When residents are actively reminded and debt recovery commences through the court proceedings a larger volume of applications for EHF are received. This is reflected in the phasing of the payments falling into the 2nd half of the year.

2.9.7 It is clearly recognised that the support provided is an important means by which vulnerable residents are provided with assistance to meet their Council Tax liability. It is also considered that the hardship scheme has met its aim of mitigating the impact of welfare reforms on vulnerable residents and that this should continue to be a feature of the current scheme.

2.9.8 Further details are covered in the Equality Impact Assessment addendum.

3. Summary of local Council Tax Reduction Scheme Review

3.1 From its inception in April 2013, the local Council Tax reduction scheme has delivered financial support to a significant number of vulnerable residents.

3.2 The number of claimants eligible for support has reduced in each year since 2013/14. The number of claimants has continued to reduce in 2016/17. By 31 October 2016 the number of claimants had reduced to 27,464 (12,823 pensioner age and 14,641 working age).

3.3 The forecast cost of the scheme has increased by £0.615m in 2016/17 to £22.270m. This is due to the impact of a council tax increase of 3.69%, a reduction in the minimum payment required from working-age claimants from 20% to 16%, and the offsetting impact of a reduction in claimant numbers.

3.4 Welfare Reform Changes are expected to increase the cost of providing council tax support in 2017/18. The final details of some of these changes have not yet been published by the DWP, so the actual impact cannot be assessed accurately at this time.

3.5 Council tax in year collection rates fell by 1% to 96.2% in 2013/14 after the replacement of council tax benefit with the local council tax support scheme. The collection rate has remained at a similar level since with a collection rate of 96.2% being achieved in 2015/16.

3.6 There are signs that the collection rate has improved in 2016/17, however, outstanding debt subject to attachments to benefits (AOB) and AOB pending have continued to increase. The long-term impact of reducing the minimum payment to 16% cannot be judged at this time.

3.7 The Exceptional Hardship Fund continues to operate within budget whilst helping mitigate the impact of the CTRS on the most vulnerable council tax payers.

4. Proposed revisions to 2016/17 Local Council Tax Reduction Scheme (CTRS) in 2017/18

- 4.1 The success of the local Council Tax reduction scheme to date and the various changes made in previous years indicates that there is no requirement to change the scheme in the next financial year.
- 4.2 Therefore, no changes to the existing scheme are proposed for 2017/18. This will allow more time to assess the longer term impact of the changes made in 2016/17. It will also allow the Council to measure the impact of future welfare changes and will provide a period of stability for council tax support claimants.

5. Council Tax Reduction Scheme 2017/18 - Consultation

- 5.1 The statutory provisions are silent on the consultation required when a council is not proposing to change its Council Tax reduction scheme.
- 5.2 Letters will be issued to the precepting authorities – Merseyside Police and Merseyside Fire and Rescue Service notifying them that no change is being proposed.

6. Equality Impact Assessment

- 6.1 Department for Communities and Local Government issued a report in February 2014 reminding local authorities of their key duties when deciding on Local Council Tax reduction Schemes:
- Public Sector Equality Duty (The Equality Act 2010)
 - Duty to mitigate the effects of child poverty (The Child Poverty Act 2010)
 - The Armed Forces Covenant
 - Duty to prevent Homelessness (The Housing Act 1996)
- 6.2 A detailed equality assessment was undertaken and published as part of the design and implementation of CTRS for 2013/14. This assessment had been reviewed in the context of the proposed options for 2016/17 and found there was no disproportionate impacts as the mitigating actions put in place for the 2013/14 scheme remained.
- 6.3 The addendum to the original assessment is available on the Council Website to review. <http://smbc-modgov-01/mglIssueHistoryHome.aspx?IId=42533>

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SETTING THE COUNCIL TAX BASE FOR 2017/18

1. Setting the Council Tax Base

- 1.1 The Council Tax Base is the link between the Council's budget and the level of Council Tax. The tax base will be used to calculate the Council Tax in Sefton, once the Council's budget has been agreed. The Council is required to calculate its own tax base as well as the tax base for each parish council within its boundary and have them approved by the 31 January 2017.
- 1.2 The calculation of the Council Tax Base takes into account many factors such as the rate of new building and the trends in people living on their own (Sole Occupier Discount).
- 1.3 The tax base calculation assumes a collection rate of 98.25% in 2017/18, which is an increase of 0.25% over 2016/17. This reflects long-term collection rates.

2. Council Tax Base for Sefton Council in 2017/18

- 2.1 The tax base for 2017/18 is 81,865.1 Band D equivalent dwellings for Sefton Metropolitan Borough Council. This is an increase of 1,100.3 in comparison with the tax base for 2016/17. An analysis of the changes between the 2016/17 and the 2017/18 tax base is provided in the table below:

Tax Base for Sefton Council		Band D Equivalents		
		2016/17	2017/18	Change
H	Dwellings on the Banding List	109,503.7	109,899.0	395.3
Q	<u>Exemptions and Discounts</u>			
	Exempt Dwellings	-1,856.1	-1,895.8	-39.7
	Disabled Persons Reductions	-151.1	-151.9	-0.8
	Sole Occupier & Status Discounts	-10,248.4	-9,919.3	329.1
	Empty Property – Discounts	-284.7	-283.4	1.3
	Total	-12,540.3	-12,250.4	289.9
E	Empty Homes Premium	253.3	260.5	7.2
J	Adjustments	-644.6	-658.8	-14.2
Z	Council Tax Support Scheme	-14,123.6	-13,891.7	231.9
B	Collection Rate Adjustment	-1,649.0	-1,458.8	190.2
	MOD Properties	7.0	7.0	0.0
	Council Tax Base	80,806.5	81,906.8	1,100.3

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2.2 The main reason for the changes in the tax base are:

Dwellings on the Banding List: The number of properties on Banding List has increased by 434 (0.3%) in the year.

Exempt Dwellings: The number of dwellings subject to a specific exemption (Codes A to W) has increased by 63 (2.7%). This includes dwellings left empty by a deceased person (Class F), dwellings occupied by students (Class N), and dwellings occupied by persons who are severely mentally impaired (Class U).

Sole Occupier & Status Discounts: The number of sole occupier discounts was overstated in 2016/17. This has been corrected in the 2017/18.

Empty Homes Premium: The number of homes that have remained unoccupied for more than 2 years has increased by 22 (3.4%) during the year.

Adjustments: The number of dwellings expected to be built in the year has reduced by 35 (-9.4%).

Council Tax Support Scheme: The number of council tax support claimants has continued to reduce in 2016/17. The tax base forecast is based on the cost of council tax support discounts recorded on 2 December 2016, uplifted by £300,000 to allow for the impact of welfare reforms announced by the DWP.

Collection Rate Adjustment: The collection rate assumed in the tax base calculation has been increased from 98.0% in 2016/17 to 98.25% in 2017/18. This reflects long-term collection rates.

3. Council Tax Base in Parish Areas for 2016/17

3.1 There are also new tax base figures for each parish area in 2017/18. The following table provides details of the new tax base for each parish compared to 2016/17:

Tax Base for Parish Areas	Band D Equivalents		
	2016/17	2017/18	Change
Parish of Aintree Village	1,995.69	2,019.17	23.48
Parish of Formby	8,985.26	9,054.19	68.93
Parish of Hightown	849.17	846.60	-2.57
Parish of Ince Blundell	157.28	163.57	6.29
Parish of Little Altcar	304.75	322.86	18.11
Parish of Lydiate	2,013.34	2,037.31	23.97
Parish of Maghull	6,477.75	6,492.19	14.44
Parish of Melling	967.26	980.64	13.38
Parish of Sefton	232.02	231.19	-0.83
Parish of Thornton	759.30	762.65	3.35

3.2 The tax base calculation for each of the parish areas is based on the same assumptions made in the calculation for Sefton Metropolitan Borough Council.

Report to: Cabinet **Date of Meeting:** 12 January 2017

Subject: The Future Commissioning of Transactional Finance, HR and Information Technology Services

Report of: Head of Corporate Resources **Wards Affected:** All

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

Exempt/Confidential No

Purpose/Summary

This report outlines the work undertaken to determine the future business requirements for transactional finance, HR and Information Technology Services for the Council from October 2018. Having identified these business requirements, the report sets out the recommended delivery model for each service based on agreed evaluation criteria and the supporting transition plan that will be required.

Recommendation(s)

Cabinet is recommended to:-

1. Note and approve the Target Operating Models for the Council Services as set out within the report;
2. Note the evaluation criteria that has been applied to determine the appropriate delivery models for each service;
3. Approve that the following Councils services, namely, Transactional HR and Payroll, Revenues, Benefits, Customer Services and Accounts Payable be delivered 'in-house' by the Council from October 2018;
4. Approve that the Councils ICT service be delivered by an external prime contractor;
5. Approve the commencement of an OJEU compliant process for the procurement of an external prime ICT contractor;
6. Approve that in order to deliver the transition plans for each service, additional capacity and skills will be required to supplement current Council staff and that this cost which is estimated to be £0.4m will be met from the Councils earmarked transformation reserve;

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			

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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 recommendations will support the provision of services that reflect the business requirements of the Council from October 2018. The delivery options selected reflect the outcome from a transparent evaluation process in order to obtain the most appropriate solution for the Council.

What will it cost and how will it be financed?

(A) Revenue Costs

The cost of the current services is in excess of £15m and as part of the Councils requirement to deliver significant savings over the course of the next 3 years, it is anticipated that this cost will reduce. There is however a cost to deliver the new delivery models and this is reflected in the report

(B) Capital Costs

In order to deliver the target operating models and support the Councils transformation agenda, capital investment in these services maybe required. This will be reflected in the Budget report that is to be presented in March 2017.

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 impact on service delivery has been considered and is reflected within the report

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD 4435/16.) is the author of the report.

Head of Corporate Legal Services (LD3718/16.) has been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

All available options have been considered and are reflected within the report

Implementation Date for the Decision

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

Contact Officer: Stephan Van Arendsen

Tel: 0151 934 4081

Email: stephan.vanarendsen@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

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1. Introduction/Background

1.1 The council entered into a Partnership Agreement in 2008 with Avarto in order to receive transactional finance, HR and Information and Communications Technology Services.

1.2 At the meeting of 26 May 2016, Cabinet :-

- Noted that the contract period ends on 30th September 2018 and that the Council needs to determine its new requirements from that date;
- Approved the procurement of consultancy support to prepare the sourcing strategy in preparation for the provisioning of these services;
- Noted that the partnership agreement with avarto will continue until 30 September 2018 and that staff engagements will take place accordingly;
- Authorised the Head of Corporate Resources in consultation with the Cabinet Member (Regulatory, Compliance and Corporate Services) to negotiate any interim arrangements to safeguard the continuity of services in the best interests of the Council as required; and
- Noted that the sourcing strategy, along with a detailed procurement and implementation plan will be reported to Cabinet for appropriate decision making.

1.3 As stated, the services within scope of this review are:-

- Customer Services including the contact centre and One Stop Shops;
- Revenues and Benefits Services;
- Payroll, Transactional HR and pensions;
- Accounts Payable; and
- Information and Communications Technology.

1.4 In addition to the current contract, Avarto is also in contract with a large number of schools in order to provide transactional HR and ICT.

2.0 Identification of the Councils Business Requirements

2.1 Following the Cabinet meeting of May 2016, the Council undertook a procurement process in order to obtain external support that would help Officers and Members develop the target operating models for each service and the detailed business requirements.

2.2 With advice and support from the Procurement service and following a full evaluation process, Agilisys Transformation were appointed. This service was procured within the approved budget.

2.3 In order to develop proposed operating models for each of the services within the scope of the review, a detailed analytical and investigatory piece of work was undertaken. As the Council embarks upon its transformation programme that reflects the aspirations of the Sefton 2030 vision, the following activities were undertaken:-

- Interviews with Lead Cabinet Members;
- Stakeholder meetings with each member of the Councils Senior Leadership Board;

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- Assessment of the requirements for Schools through the Head of Service for Schools and Families;
- Review of all work programmes associated with the Councils Framework for Change;
- A desktop review of industry best practice in each of the service areas; and
- The engagement of service specialists within Agilisys transformation.

2.4 This detailed work allowed Council officers to develop a clear understanding of the direction that each operating model should follow. The proposed target operating models are shown at Appendix 1 and a summary of the key characteristics of each is provided in the following table

ICT	<ul style="list-style-type: none"> • Strong ICT strategy and architecture focussing on the Councils medium term corporate objectives • Enable improvement, transformation and savings across the Council through more mobile and collaborative working • Support the Councils overarching 'Digital' ambitions through the delivery of enabling technologies and integration with Council business systems • Develop information architecture and governance that supports data sharing and the systematic use of business intelligence to improve service delivery
Customer Services	<ul style="list-style-type: none"> • Develop a mature digital offer focussing on digital inclusion • Develop an improved 'face to face' service which enables integration with partners and other Council services • Maintain and develop the relationship between Revenues and Benefits and Customer services • Improve the relationship between the councils back office and front line services
Revenues and Benefits	<ul style="list-style-type: none"> • Implement a mature approach to channel shift and continue to improve the customer service • Improve efficiency and quality through greater automation where appropriate • Utilise business intelligence to support service delivery planning • Maximise the income derived from Council Tax, Business Rates and debt collection • Develop the flexibility and agility of the team to meet future demands particularly in respect of business rates retention and Universal Credit
Transactional HR and Payroll	<ul style="list-style-type: none"> • Improve 'self service' within the HR system to allow improved management information to be developed • Develop streamlined and standardised processes, improve automation and workflow in order to reduce processing time and errors • Develop a 'single version of the truth' for all transactional data stored in order to enhance management information

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Accounts Payable	<ul style="list-style-type: none"> • Develop a strategic and streamlined procure to pay process • Enable greater collaboration between procurement and Accounts Payable • Develop a single data set to provide a consistent and real time view of procurement and expenditure; and • Ensure requests, approvals and receipting is undertaken within the core system by default.
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2.5 In developing these operating models, it is acknowledged that due to the current structure of each service and approach it will take different time periods in order to reach the Councils aspirations and this will be reflected in the project plans for each following Member agreement.

3.0 Development of Delivery Options

3.1 Having identified the target operating model for each of the services within the scope of this review, work has been undertaken in order to identify the most appropriate delivery option that would provide the Council with the best opportunity of meeting its objectives.

3.2 The delivery options that were evaluated were:-

1. Provide the service through a council 'in-house' team;
2. Procure a new prime contractor;
3. Explore the opportunity to share the service with another partner; and
4. Develop a joint venture;

3.3 It should be noted that due to the nature of some services, current performance and maturity of the market not all delivery options could be considered for each service.

3.4 In order to facilitate the evaluation of each option and ensure that this was undertaken in an open and transparent manner, the following evaluation criteria were used with appropriate weightings:-

- The ability to deliver the proposed operating model;
- The ability to deliver cost savings and cashable benefits
- Flexibility; and
- Complexity and Cost to Implement

3.5 Based on this evaluation criteria and the application of appropriate weightings for each service, the following delivery options scored highest and are recommended for approval

Service	Recommended Option
Customer Service	Provide a Council operated 'in-house' service
Revenues and Benefits	Provide a Council operated 'in-house' service
Transaction HR and Payroll	Provide a Council operated 'in-house' service
Accounts Payable	Provide a Council operated 'in-house' service
ICT	Procure a new prime contractor

3.6 It can be seen from the table above that it is proposed that 4 of the services within the scope of the review should be delivered from within the Council with the remaining service, ICT being delivered in conjunction with a prime contractor.

4.0 Key Issues arising from the review

4.1 Within this project, the development of new target operating models and the provision of alternative delivery vehicles to that currently in operation, will mean that the Council will need to address a number of issues to ensure a successful transition.

4.2 Due to the importance of these services and the role that they play within the Councils core activities it will be critical that during this period, every effort is made to ensure that service levels are maintained and key performance indicators are met.

4.3 Whilst these operating models and delivery options are recommended, the scale of the change proposed as services move from the incumbent provider should not be underestimated.

4.4 In order to support this, strong project governance that ensures effective delivery will be established and this will include Member engagement.

4.5 As a result, in approaching this programme of activity between now and October 2018, each service will require a transition plan. These plans will require the right skills and experience to be part of a project team and internal Council resources will need to be supplemented where appropriate by external expertise. Due to the significance of the staffing implications, dedicated HR support will be a key part of this team.

4.6 This approach will apply to both the services that are due to be delivered by the Council and for the procurement of an ICT supplier. Based upon advice from Agilisys and the Councils internal procurement team, it is recommended that a 5 year contract be presented to the market for the ICT service with the evaluation being undertaken on a quality and price basis. It is proposed that this procurement be undertaken in full consultation with the Cabinet Member with a final decision being presented to Cabinet for approval.

4.7 In addition to the development of robust governance and project management structures the Council will also need to consider:-

- Ensuring that transformational activity that the Council is engaged in, is not impacted by the outcome of this process;
- Assessing the senior management and strategic leadership that will be required to support 'in-house' delivery and resourcing this appropriately;
- Ensuring that the procurement of the new ICT partner is developed with the full engagement of all Council areas inc procurement, legal and HR;
- Ensuring that the retained ICT 'client' function is appropriately resourced in order to ensure that the Councils aspirations are met;
- Engaging with Schools to ensure that provision of ICT and HR services are aligned to their objectives. It is understood a number of these contracts end

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in 2017 and there will need to be consultation with schools and Avarto on how to ensure that services are maintained and improved. It is evident that the Council must be able to make a clear and compelling offer to schools;

- Where possible, starting the transformation activity at the earliest opportunity and in advance of October 2018; and
- The impact of any major central government legislative changes particularly in respect of Benefits.

4.8 As stated in paragraph 4.5 this project will require the commitment of significant internal resources, skills and capacity and due to the scale and complexity of the project this will need to be supplemented by some external resources. From initial discussions it is estimated that additional support will be required in respect of programme and project management, technical ICT support, Business analysis, HR and Legal. An initial estimate of this cost is £0.4m

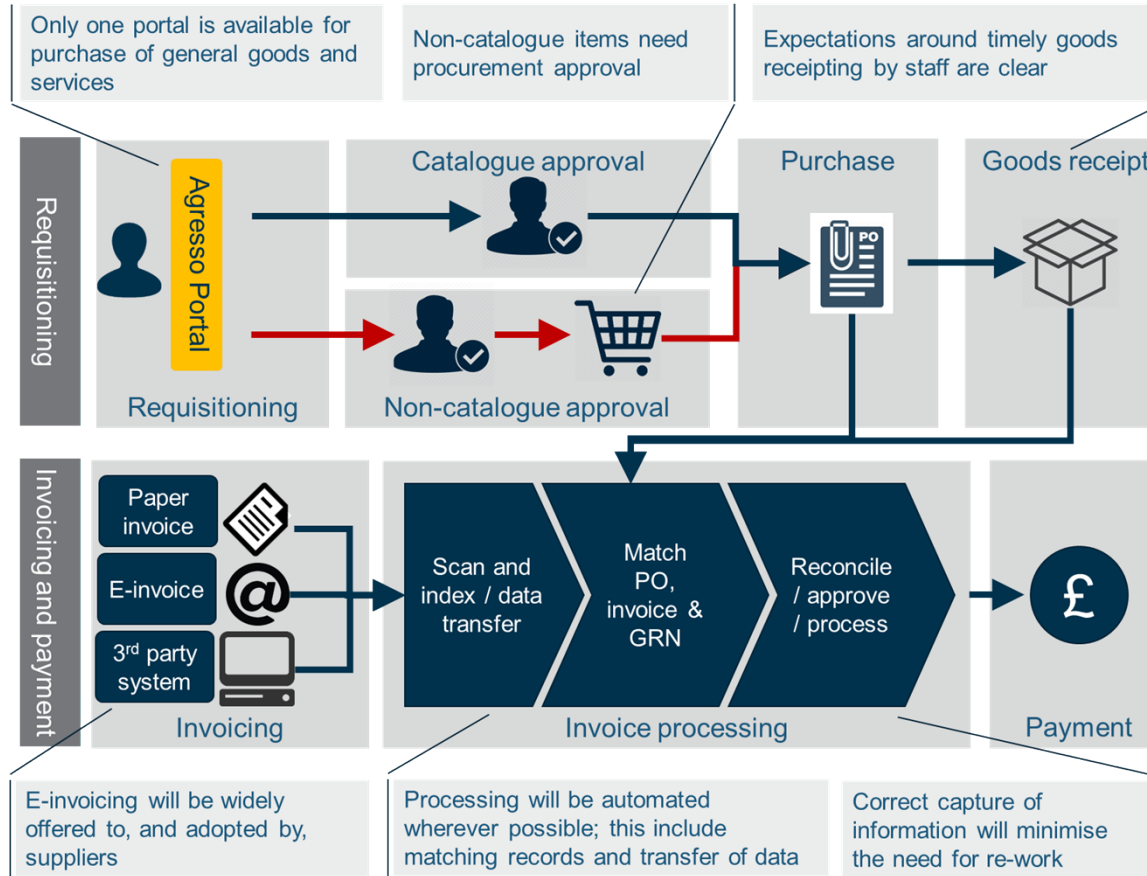
4.9 In addition to these resourcing costs, in order to deliver the target operating models as set out, investment will be required in the relative systems and infrastructure. This will include an enhanced digital platform to improve customer services, investment in ICT infrastructure in order to take advantage of integrated cloud technologies and to support Council transformation and the development of the current HR systems. These requirements and the associated costs will be developed and where appropriate will be included as part of the cost of delivering the Councils transformation programme that will be reflected in the forthcoming Budget Report.

5 Personnel Implications

5.1 The move to the target operating models will need to be the subject considerable trade union consultation and it is proposed that the existing frameworks are utilised in this respect.

Appendix 1: Target Operating Models

Accounts Payable



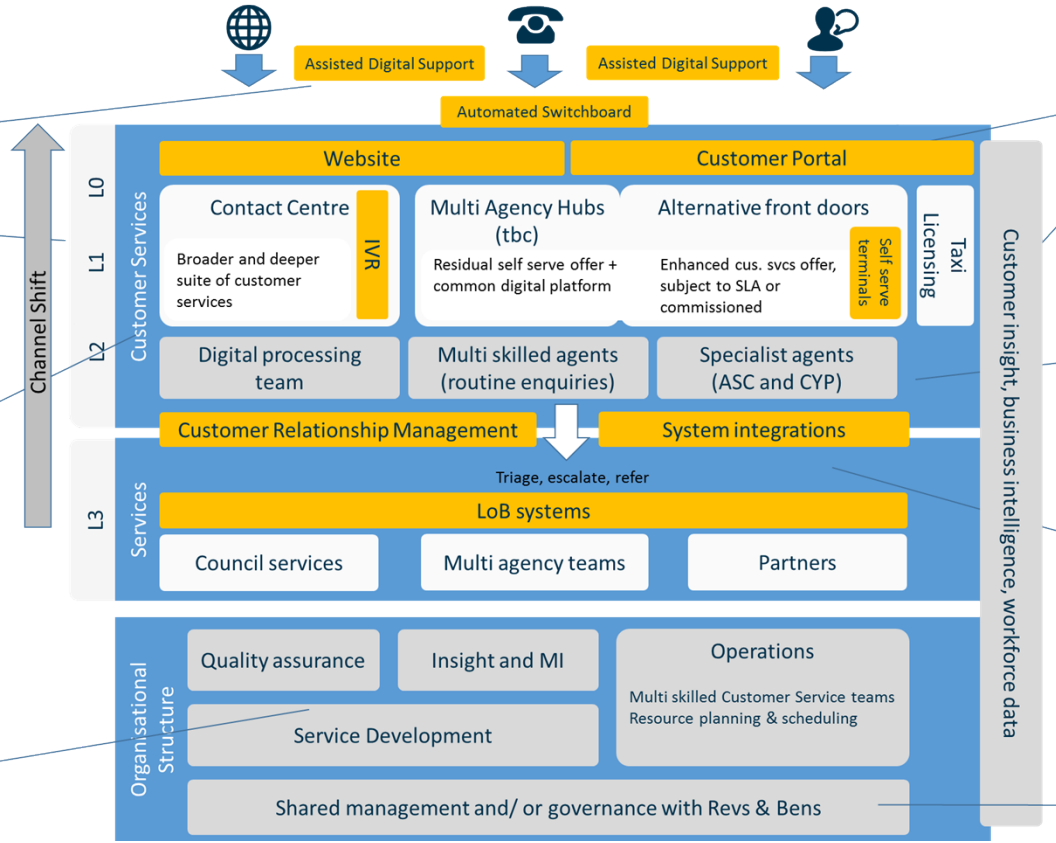
Customer Services

An 'omni channel' Assisted Digital Support offer will include publically accessible online facilities and webchat.

A Channel Shift strategy will be developed in line with a new Customer Access vision for Sefton. Web content, structure and journeys will be optimised to support channel shift. Digital processes will be developed between the front and back offices.

The Contact Centre offer will be broadened and deepened, whilst the F2F offer will be revised in line with the replacement of the OSSs – with customer services provided in alternative community venues. Commercial and shared service opportunities for the expansion of the Taxi Licensing service will be explored.

The Service Development team will be tasked with implementing the new operational model and driving the Channel Shift strategy. The team will also be responsible for quality assurance and insight.



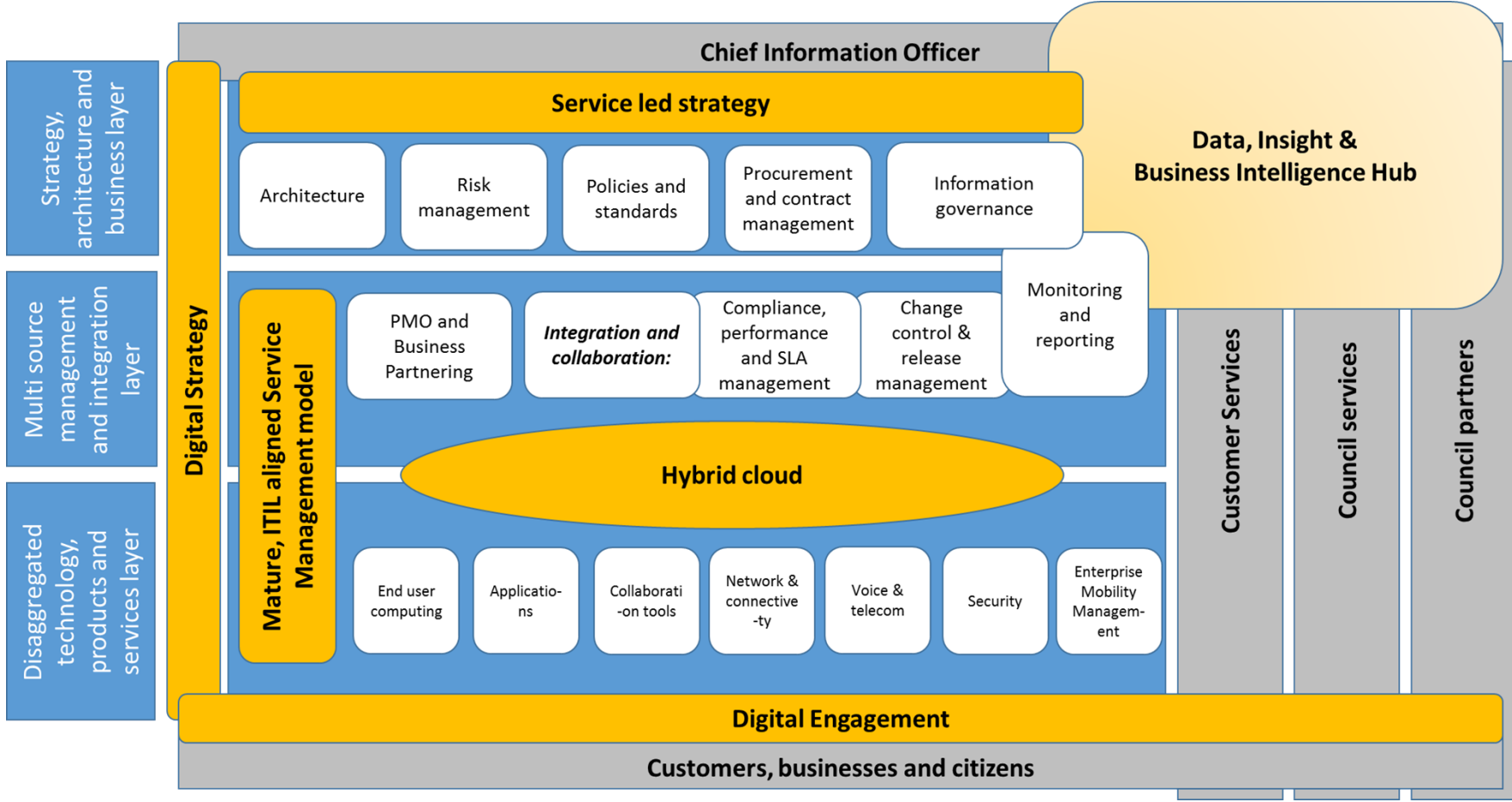
A local, digital platform will provide a common front door, regardless of whether that door is offered by the Council or other organisations.

Service development will be data driven - intelligence and insight will direct digital development and drive channel shift, demand reduction and continuous improvement.

Multi skilled agents will be able to handle a wider range of contacts. Some agents will maintain specialist knowledge to handle ASC and CYP contacts and refer to those services where necessary. Digital transactions will be prioritised and handled by a specific digital processing team

Investment will need to be made in end-to-end, integrated transactions in order to achieve digital, self serve savings. Whilst a full CRM system will not necessarily be required, customer relationship management principles and customer insight will be used to drive the development of Customer Services.

In recognition of the importance of the relationship between Customer Services and Revs & Bens, joint arrangements will be established



Revenues & Benefits

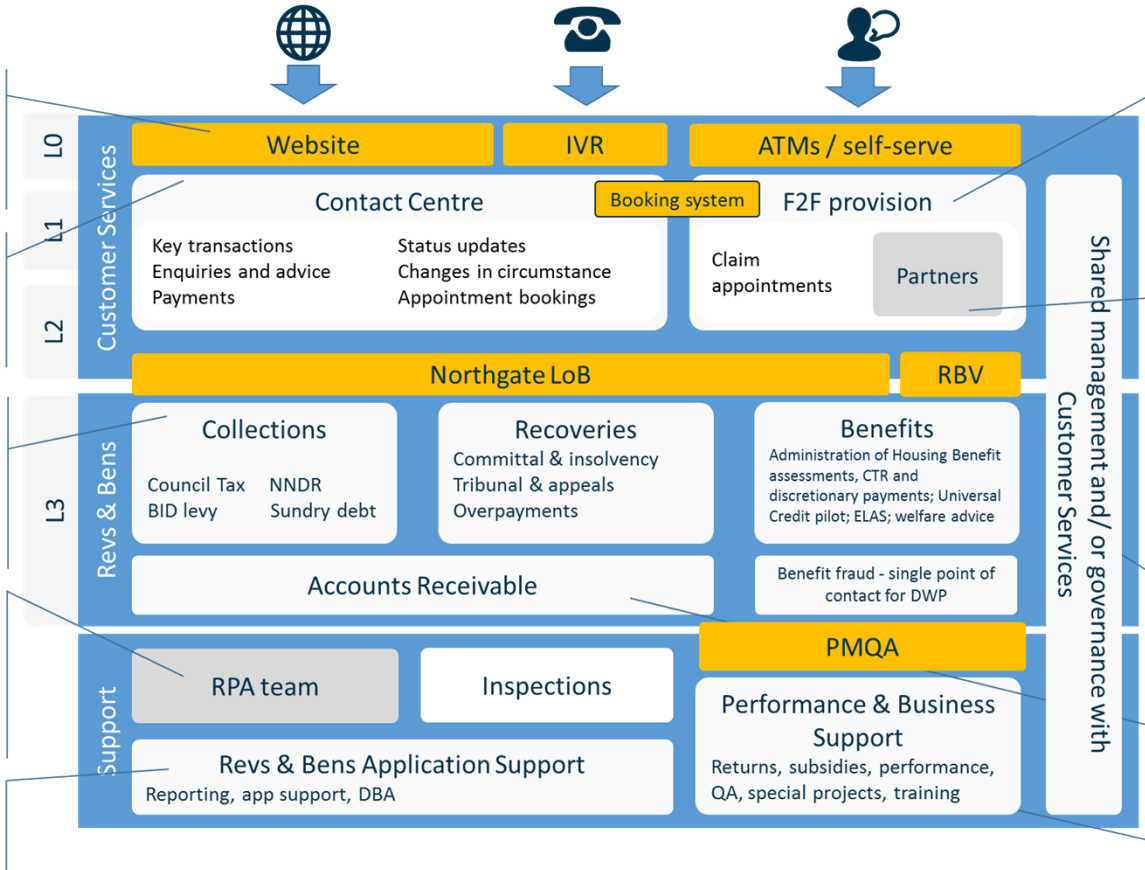
A more mature digital self serve offer will enable customers to serve themselves and view their own account/claim details

A deeper Customer Services offer within the Contact Centre will reduce the workload on the back office

The success of the NNDR team will be celebrated and recognised – leading to opportunities for shared service provision and potential commercial opportunities.

Independent governance arrangements could drive RPA implementation, investment, application across the Council and potential commercialisation

Revs & Bens will maintain its own application support team, independent of central ICT



F2F services provided by Council Officers will be limited eg Benefit Claim appointments only. Transactions will be directed online and enquiries directed to the website, Contact Centre or the Council's partners.

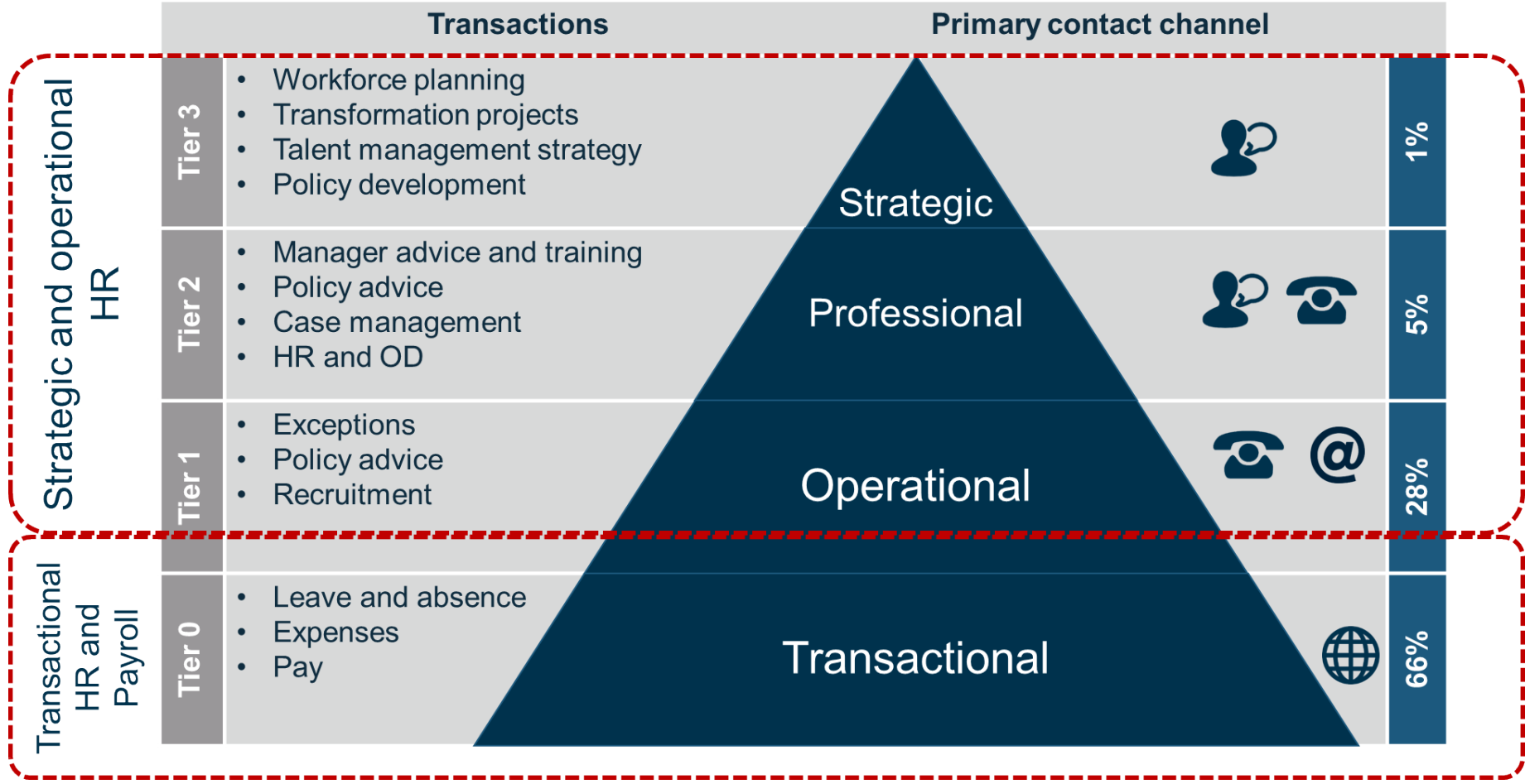
In line with the Overview & Scrutiny Committee recommendations - joint working/ customer centric processes (and co location where appropriate) with partners such as OVH, DWP, CAB and across Council services, incl. ELAS – so that IAG, signposting and additional support, including emergency support, may be made available or facilitated by the Council without the need for multiple visits/claims

In recognition of the importance of the relationship between Cus. Svcs and Revs & Bens, joint arrangements will be established. Opportunity to reduce the tier 3 management layer.

The co-terminus relationship with Accounts Receivable will drive forward the development of a 'single view of debt'.

As well as providing general performance and business support, the team will lead on special projects, such as changes in line with welfare reforms

Transactional HR & Payroll



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Report to:	Cabinet	Date of Meeting:	12 th January 2017
Subject:	Sefton Coast Plan	Wards Affected:	All
Report of:	Executive Director Sarah Kemp		
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 seek approval to proceed to public consultation with the draft Sefton Coast Plan.

Recommendation(s)

That the draft Sefton Coast Plan be agreed for the purposes of public consultation and the results reported back to Cabinet with any suggested amendments presented in the context of a final draft version of the Sefton coast Plan.

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		
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		

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Reasons for the Recommendation:

The development of the Sefton Coast Plan is a requirement of the Local Plan and will also support the aspirations developed as a result of the Sefton Vision 2030.

Alternative Options Considered and Rejected:

If we wish to deliver the Local Plan there are no alternative options.

What will it cost and how will it be financed?

(A) Revenue Costs

The consultation will be supported by all Partners within the Sefton Coast Landscape Partnership of which the Council is one partner. Our role will be delivered within existing revenue resources.

(B) Capital Costs

There are no capital costs associated with this consultation process.

Implications:

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

Financial		
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 of the Proposals on Service Delivery:

The plan clearly identifies the key actions that are required to support the sustainable management of the coast and to support the delivery of Sefton Vision 2030.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD 4443/16) and Head of Corporate Legal Services (LD 3726/16) have been consulted and have no comments on the report

Implementation Date for the Decision

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

Contact Officer: Sarah Kemp – Executive Director

Tel: 0151 9344770

Email: Sarah.kemp@sefton.gov.uk

Appendix;

Sefton Coast Plan

Background Papers:

Topic Papers that inform the Sefton Coast Plan

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1. Introduction/Background

- 1.1 In 2016, Sefton Council led a visioning exercise for the communities of Sefton to imagine the Borough they wished to live and work in - *Sefton Vision 2030*. The coast was identified as an important asset to be valued and cared for. The Sefton Coast Plan sets a course to deliver to the same time frame as Vision 2030, a life-span of 15 years from publication.

The Sefton Coast Plan is a non-statutory document prepared by the Sefton Coast Landscape Partnership (SCLP), comprised of Sefton Council, Natural England, the National Trust, the RSPB, the Mersey Forest, and Lancashire Wildlife Trust, which serves to deliver the Vision for the Sefton Coast as set out by SCLP:

Our vision is for the importance of the wonderful natural assets of the Sefton coast to be universally recognised and celebrated, and for the coast to be managed in a way which:

- **Conserves and enhances the important international, national and local network of natural and cultural sites, habitats and species,**
(Ecology)
- **Enables local communities to benefit from sustainable economic growth and successfully adapt to coastal and climate change and**
(Economy)
- **Provides long term benefits for the health and wellbeing of local communities, businesses and visitors to our coast.**
(People)

- 1.2 The Plan has been prepared by Sefton Council on behalf of the SCLP and with their participation and input. The Sefton Coast Plan sets out by theme, the challenges for delivery, and the determination of priorities for action across a broad range of partners and communities, seascapes and landscapes. It takes an integrated approach to the management of the coast as many of the issues need to be addressed at a coastal scale, or on a thematic basis. The Sefton Coast Plan area is the whole of Sefton as it is widely used and valued by all the communities of Sefton, most of whom live within a short distance of the shoreline.
- 1.3 It clearly sets out that we have a coast that is under pressure from visitors, coastal change, climate change and development. There are key pressure points such as maintaining the extent and connectivity of the sand dune system that will require the removal of woodland; the proposed expansion of the Port which would require compensatory habitat to be successfully created; sustainable access to the coast which will need managing through visitor gateways and suitable infrastructure; sustainable development of housing and businesses as set out in the Local Plan. To be considered successful this Plan will have to address these issues and ensure that we have a strong partnership and resources to deliver it.
- 1.4 For the first time, this Coast Plan sets a new ambition to fully realise the opportunities that the Sefton Coast presents by balancing the needs of people and economic growth with those of the environment and ecology of the Coast. The

Plan sets out a route-map to both resolution of points of tension and full realisation of the opportunities.

- 1.5 This plan will be taken to the SCLP Board on the 6th of January to seek partners approval for the document to go out to public consultation.

2.0 **Proposed Consultation**

- 2.1 An approach to the consultation process is currently being developed and agreed with Partners from the SCLP. This approach will then be taken to the Consultation and Engagement Panel for their advice on the 20th of January 2017 prior to going out for consultation at the end of January for a 6 week period. The main purpose of the Public Engagement and Consultation Panel is to coordinate and ensure the quality of public engagement and consultation, in accordance with the standards for engagement and consultation.
- 2.2 It is recognised that it can be difficult to consult on a plan dealing with strategic issues as this tends to be of more relevance to professional partners rather than our communities. To address this we will structure the questions to allow our communities to express why they value the coast, how they use it and the changes that they would like to see as well as to comment on the strategic issues. This can then be used to provide context for the plan both in understanding the use and value of the coast but also informing delivery as we move forward.
- 2.3 Following on from the consultation the responses will be collated and any proposed changes to the draft Sefton Coast Plan identified. These will then be checked to see if they have any impact on our legal duties under the Conservation of Habitats and Species Regulations 2010. Following on from this the final draft will be reported back to Cabinet along with details of the comments and any changes with a view to Cabinet approving it for adoption, this is likely to be in May or June 2017.

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Sefton 2030

A confident and connected borough

SEFTON COAST PLAN

Agenda Item 8

[DRAFT CONSULTATION]

2030 and beyond



Agenda Item 8

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Welcome to the draft Sefton Coast Plan



Welcome to the Sefton Coast Plan. This is a non-statutory document prepared by the Sefton Coast Landscape Partnership to deliver a new vision for the Sefton Coast to 2030 and beyond.

For the first time, the Sefton Coast Plan recognises all that is special and treasured about this beautiful natural coastline, including the largest sand dune system in England. It addresses the need to conserve and enhance the coastline and the habitats it provides, for many species of flora and fauna, some of which are rare and need protection. At the same time, the Sefton Coast Plan also recognises that this coastal environment is a place where people live and work and where there are many opportunities to enjoy, discover and celebrate the coast.

In 2016, Sefton Council led a visioning exercise for the communities of Sefton to imagine the Borough they wished to live and work in - Sefton Vision 2030. The coast was identified as an important asset to be valued and cared for. The Sefton Coast Landscape Partnership shares this desire. The Sefton Coast Plan sets a course to deliver to the

same time frame as Vision 2030, a life-span of at least 15 years from publication.

The Sefton Coast Plan area is the whole of Sefton as it is widely used and valued by all the communities of Sefton, most of whom live within a short distance of the shoreline.

The coast here is an ever-changing coast both in terms of accretion and erosion of the coastline but also in terms of human influence on the coast. This change can happen over short timescales, such as movements of the tides or wind-blown sand, and over longer timescales such as land reclamation or coastal erosion. People have used the coast for leisure and recreational purposes, agriculture, tree planting, aggregate extraction, dumping of waste as well as developing on it for housing and employment.

Most of these changes are not in themselves positive or negative, but tensions may arise as a consequence of coastal change. These may be particularly evident where human activity and influence, the ecology and geology of the landscape and climatic conditions, pose competing priorities, for example where natural coastal erosion threatens urban development. Equally, within these same integrated spaces there are many

opportunities for leisure and recreation and enjoying all the health and wellbeing benefits that arise from access to the coast.

The Sefton Coast Plan sets out by theme, the challenges that need to be addressed, and the determination of priorities for action across a broad range of partners and communities, seascapes and landscapes. It takes an integrated approach to the management of the coast as many of the issues need to be addressed at a coastal scale, or on a thematic basis. It presents and determines the route-map to resolution of points of tension. These points of tension have been identified and discussed in a number of Topic Papers that provide the facts, evidence and explanatory context. The Sefton Coast Plan identifies “six big challenges” that the Sefton Coast Landscape Partnership and other partners should work together to resolve.

We will address them in an integrated way using the principles of Integrated Coastal Zone Management to identify the Strategic Priorities and by building the necessary resilience needed to drive long-term sustainability.

The Sefton Coast Plan will be implemented



by a range of organisations including those currently forming the Sefton Coast Landscape Partnership, who will work together, in accordance with the principles we have agreed which are set out in this Plan to support the delivery of our shared vision.

Paul Nolan

Chair of the Sefton Coast Landscape Partnership

January 2017



Why the Coast is Special



The Sefton Coast has so much to offer, both to residents and visitors. The largest dynamic sand dune system in England, it offers miles of beaches and sand-dunes which connect woodlands and estuaries.

These natural habitats play host to a staggering amount of wildlife, including some of the rarest plants such as Isle of Man Cabbage and animals such as the Sand Lizard and Natterjack Toad, which continue to find refuge in this landscape despite its ever-increasing popularity with visitors.



Fascinating ship-wrecks and pre-historic footprints, trapped for thousands of years in sediment beds, can be found with a bit of luck and effort, and at Anthony Gormley's "Another Place" at Crosby, Sefton boasts the biggest coastal open air art gallery in the country.

The significance of the coast extends beyond its stunning natural beauty and its landscapes and seascapes. The important maritime history of Liverpool Bay towards the South of Sefton means we overlook some of the greatest trade routes in the world, which continue to bring new ideas, business and diversity to our doorstep, just as they have done for hundreds of years. At the northern end of Sefton, is a second major economic driver within the Borough, the classic seaside resort of Southport, a popular visitor destination for many decades.

We strive to increase tourism, support business growth and provide accessibility for all residents; the coastline is central to achieving these goals – the geographical outline of the Borough means you are never very far away from the dunes, sand and sea, which all promise an almost infinite universe of discovery. Connectivity to the coast from north to south is amply provided for, by road and rail, and the natural resources of Sefton, provide many new opportunities to contribute



to a clean, green and more environmentally friendly place.

Sefton Coast is a source of inspiration for an active, inquiring and fun-loving population. The coastline is a key element in the character of the borough – exciting and dynamic, always changing as the winds and tides constantly influence the outline of the coast.

The landscape appeals to visitors, young and old, amateur or professional, whether they are day-trippers, anglers, naturalists, kites, cyclists, golfers, dog owners, horse-riders, walkers, artists, archaeologists or historians.

Sefton is a coastal community striving to forge an identity based on innovation and adaptability – and these are traits that can be found in abundance in the culture and natural heritage of this wonderful coastline.

The nature, land-scape and sea-scapes of the coastal and marine environment are an extremely important asset to Sefton, the Liverpool City Region (LCR) and the nation. The Sefton Coast is an incredibly beautiful and biodiverse area, due to the range and

rarity of species and habitats that it supports. The variety and complexity of coastal wildlife habitats in Sefton, owe their existence to a rich and constantly changing coastal setting. Climate and weather combine to influence the extent and quality of those land- and sea-scapes, wildlife habitats and the species that depend on them.

The people of Sefton enjoy a wonderful and diverse range of open landscapes and views, with many and various opportunities for leisure and recreation, to reap all the health and wellbeing opportunities the Coast has to offer. The quality of life is highly prized by the people of Sefton, a wonderful place to live, work and play, a wonderful natural resource to discover and explore and celebrate in every way possible.

We are fortunate to be able to draw on many decades of partnership working on the dynamic and ever-changing Sefton Coast. By working together we can implement the Sefton Coast Plan and build the resilience of this special place for future generations to nurture and enjoy.





The sands turn white, then brown, then grey, then bleach out again as the cloud formation races through and casts its huge shadow over the beach, sailing as purposefully up the coast as the Gannets first began to patrol the Irish Sea in search of food for youngsters in colonies off South Wales and Aisla Craig off Scotland.

But the way we see Sefton Coast is constantly changing, its' worth reviewed and re-valued through the eyes of fisherman, hunters and farmers, naturalists, pilots, day-trippers, kite surfers and soldiers over thousands of years.

The “Sandscape” we enjoy today in this unique coastal area, boasts a history as fascinating and as varied as the plant life in its flower-rich dune slacks.

From Marshside in the north to Seaforth in the south, the coastline has provided food, employment, recreation and inspiration to generations.

The conservation bodies and landowners, try to share the riches of the area with many visitors as they can. A 22 mile long strip of estuary, shore, dune and woodland, it has more than its fair share of treasures.

Rare plants, amphibians, insects and reptiles; waves of migrating birds, pre-historic footprints, ship-wrecks and record-breakers – their stories all shelter under vast skies, preserved and protected by experts and enthusiasts, amateurs and professionals, who see the worth of this incredible heritage and history and want to share it with as many people as possible.



John Dempsey

March 2016



Sefton Vision for 2030



In 2016, Sefton Council led a consultation process with the communities and businesses of Sefton, in which they were asked to imagine, the future they wished for, in Sefton, in 2030.

The Council worked closely with partners, businesses, private sector organisations, the voluntary, community and faith sector and the community to help us focus on what's important and to be ambitious for the Borough and its communities in the future

The Sefton Coast featured very strongly in that imagination, as a place they cherished and respected and wished to conserve and enhance, discover and celebrate and which would contribute to their health and wellbeing.

They especially identified our wonderful coast and the need to make the most of it:

"I love the coastal setting of Sefton as it offers access to beaches/ coastal walks and promotes healthy lifestyle options. The beaches are looking much cleaner than they did back in the 70's and 80's and we can now be proud that more people want to visit our beaches."

"The Sefton coast and Rimrose Valley Park because they are green lungs in a densely populated area."

"The beach, the thriving independent businesses, the close-knit community, the wildlife, the housing, the array of activities available and the education."

"Lovely beach countryside walks and food."

"The beach, Pinewoods and Formby Village street scene."

"Amazing beach, lovely parks, local shops and restaurants, good links to the city centre and motorways."

"Its people and the beautiful coast."

"I love its coast, the walks, the sea, Crosby, Waterloo and the Iron Men. I also love Sefton's history and culture, and its deep links with the historic port of Liverpool."

We have taken the important messages about the coast from Sefton Vision 2030 and integrated them into our ambition and aspiration that we are setting for the Sefton Coast Plan.

Agenda Item 8



A clean, green and beautiful borough

In 2030, Sefton is internationally recognised for its outstanding natural beauty and commitment to sustainability.

We are a borough celebrated for its fantastic coast line and respected green spaces. Together, we work hard to preserve our assets, such as the marina, woodlands, parks and canals and ensure that all future generations can enjoy them.

Through eco-friendly and green solutions, we have set the bar in sustainability. Everybody works together to keep Sefton clean and green, with a commitment to recycling, low pollution and better air quality.



On the move

In 2030, Sefton is easy to move around and well linked with the wider city region and beyond.

Night buses, better train links and affordability mean that public transport is safe and available to everyone. We can also enjoy the use of the many bicycle and walking friendly routes, meaning we can keep active.

Investment into the borough's public transport system and road networks have helped reduce congestion and have made it even easier for residents and visitors to reach homes, businesses and attractions.



Open for business

In 2030, Sefton is home to businesses of all sizes, from international organisations and small start-ups to social enterprises and community organisations.

We are a borough with a global outlook, exporting many of our services and goods via the port.

Sefton is also a leading coastal tourist destination, with businesses flourishing thanks to our strong visitor economy. While strong support for SME's and Start-ups, coupled with the creative use of commercial space, has resulted in vibrant high streets.

With strong public sector partnerships, an entrepreneurial culture and a strong work force, Sefton is the perfect home for any business and we are flourishing.



A borough for everyone

In 2030, Sefton is a borough that has everything we need to live, learn and age well.

From the moment we are born we are part of the community, with parent and baby groups & outstanding nurseries and schools. Quality apprenticeships, vocational training and university access mean we can follow our dream career path.

We live happy, healthy lives in Sefton. The borough is accessible for everyone and positive approaches are in place for those living with mental health issues and disabilities.

When it comes to enjoying our free time and living socially, there are clubs and groups for everyone.

Sefton 2030

A confident and connected borough

Sefton Council



Ready for the future

In 2030, Sefton is at the forefront of technology and research.

Investment in technology means that the borough is covered by comprehensive free Wi-Fi and strong, fast connection speeds. By embracing change, we are ready to seize any opportunity and Sefton is now known across the world as a centre for advancement and research.

We are well connected to the rest of the world and we are always looking to the future. Sefton is a borough connected by people, supported by technology.



Together a stronger community

In 2030, Sefton residents look out for each other. We focus on our similarities and diversities but never on our differences, working together to live a fruitful life.

We are supportive communities, aided by a vibrant voluntary sector, where everyone has the opportunity to live an independent and proactive life. We know our neighbours and we help each other out in any way we can, from sparing a drop of milk to lending a caring ear.

Our communities are strong, knowledgeable and informed.



Living, working and having fun

In 2030, Sefton is the perfect place to enjoy your life.

With a variety of jobs and professions, Sefton has fantastic opportunities for everyone, from full time workers to part time workers. While a range of housing, including affordable and luxury, has made the borough one of the most desirable places to live in the country.

Our children and young people enjoy access to some fantastic schools, colleges and universities, meaning they can go on to fulfill their dreams and follow their chosen career paths.

We enjoy shopping on Sefton and being social at one of the many bars and restaurants, plus a wide variety of sports facilities, clubs and events help inspire residents to keep active and enjoy sport.

We are a borough that offers it all with many people moving to the area and students returning to lay down their roots following graduation.



Visit, explore and enjoy

In 2030, Sefton has something to offer residents and visitors of all ages.

We enjoy activities on our beaches and floral greenspaces, while the rush of adrenaline at Southport Air Show brings visitors from far and wide. Sefton is home to a number of great events and festivals, while international sporting events return year after year.

Known for its cultural scene, Sefton has something for everyone.

The Sefton Coast Landscape Partnership

The Sefton Coast Landscape Partnership has existed as a partnership on the Coast since 1978. We came together in recognition of the need to address some of the pressures facing the coast during the sixties and seventies such as development, coastal erosion and damage to the coastal habitats. By working together, as partners, we have achieved great things for the Sefton Coast and have been recognised for our work. Looking to the future the Sefton Coast Landscape Partnership can continue to better co-ordinate our actions and resources to achieve outcomes that alone, no single approach or organisation could achieve.

The Sefton Coast Landscape Partnership continues to work towards our vision for Sefton Coast (shown below) but recognise

the need to regularly review our strategic priorities and engage with our communities and visitors on issues that relate to the coast. We have set out a new direction within the Sefton Coast Plan that reflects the identity of the Sefton Coast as presented in the Vision for Sefton 2030, by the people and communities of Sefton and which serves to contribute to the desired outcomes of the wider Vision 2030 for the Borough.

The Sefton Coast Plan provides a new and ambitious level of delivery for the Sefton Coast Landscape Partnership by addressing some of the more complex points of tension and by committing to co-operate, combine resources and work together to resolve long-standing issues at a strategic level to fully realise the opportunities the coast presents.

Our long-term ambition is for the importance of the wonderful natural assets of the Sefton coast to be universally recognised and celebrated, and for the coast to be managed in a way which:

- Conserves and enhances the important international, national and local network of natural and cultural sites, habitats and species;
- Enables local communities to benefit from sustainable economic growth and successfully adapt to coastal and climate change; and
- Provides long term benefits for the health and wellbeing of local communities, businesses and visitors to our coast.

How we will Work to Deliver Our Strategic Priorities

We seek to work in partnership, at a strategic level whilst maintaining individual organisational operational activities. We will avoid duplication of existing regulatory processes (e.g. planning policy and marine consents). Therefore, to be included in the Sefton Coast Plan, strategic challenges and opportunities are defined as being:

- Relevant across the Sefton Coast Plan area;
- Have a significant likely effect across the Plan area; and
- Require a co-ordinated response or action to maximise positive outcomes.

The Sefton Coast Plan will be governed by the Sefton Coast Landscape Partnership Board who will be accountable for measuring, monitoring and reviewing performance as we implement the Plan. These challenges and opportunities lead to Strategic Actions which will be supported by a Delivery Plan. The Delivery Plan will set out how the overall Plan will be implemented and may identify which partner organisation(s) are responsible for or contribute to delivery, its respective timescale and measures of success (how the action will be monitored).

The Principles that we will Work to

The principles set out below, will guide how we work together.

Integrated Coastal Zone Management (ICZM)

is a management technique for coastal areas with the objective of establishing sustainable levels of economic and social activity in coastal areas, while at the same time, protecting the coastal environment. The principles of ICZM are:

■ **Working with nature**

We will seek to work with, and not against, natural processes. This is often more cost effective and sustainable.

■ **Taking a long term view**

Whilst we will take account of any short term issues we will take a long term view and plan for up to a hundred years into the future. This is because actions such as construction of coastal defences or development on the coast can have long life expectancies in excess of 60 years and we don't want to create problems for future generations through short-term approaches

■ **Considering the bigger picture**

When undertaking actions we will consider the wider context. This is because so many of our actions can have an impact on other areas both positive and negative. By considering the bigger picture we can avoid the negative impacts and maximise the positive impacts.

■ Using an appropriate mix of tools (for example plans, policies, strategies)

We will use the most appropriate mechanism available to us to support the delivery of our vision. This is because there are a wide range of plans and strategies already in place where we have already influenced how they approach the management of the coast. This can be a far more effective way of supporting our vision than trying to consolidate everything into a single document.

■ Getting the right organisations to work together

We will seek to work in partnership with other organisations on the coast to support the delivery of our vision. No one organisation can deliver our vision because there are so many different organisations responsible for different areas and actions. Working in partnership will allow us to co-ordinate our actions and make the best use of our resources.

■ Ensuring the wide involvement of people

We will seek to involve local communities and visitors in the management of the coast as they have an interest in how this unique asset is managed.

■ Ensuring we are able to change our approach as our understanding improves

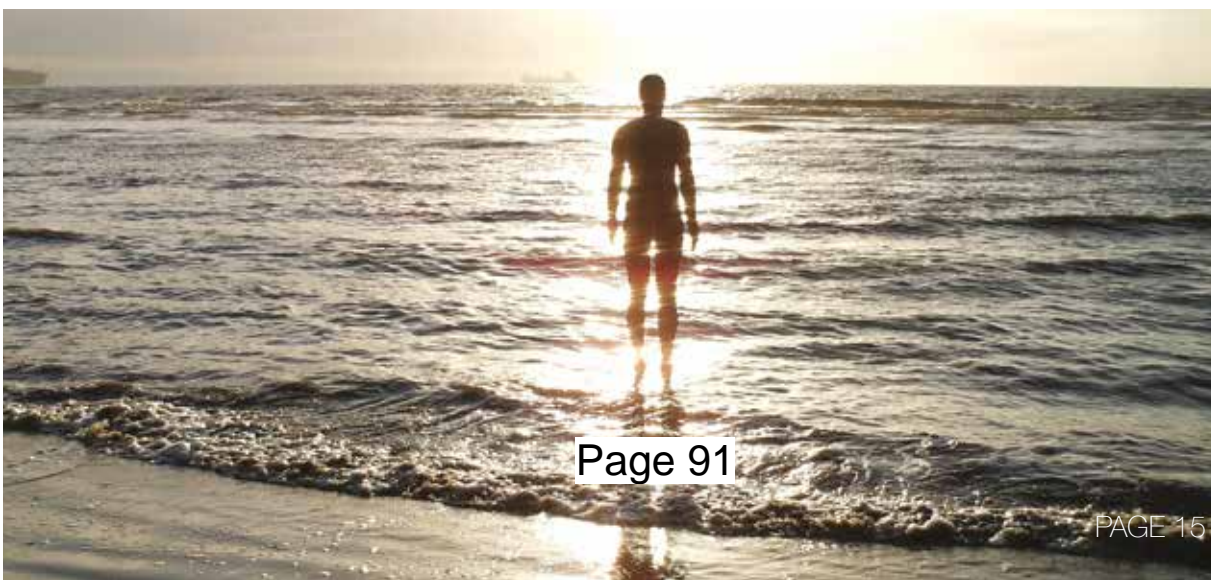
We will take an evidence based approach to our decision making and actively review our priorities and actions as our understanding continuously improves.

■ Reflecting local character and need

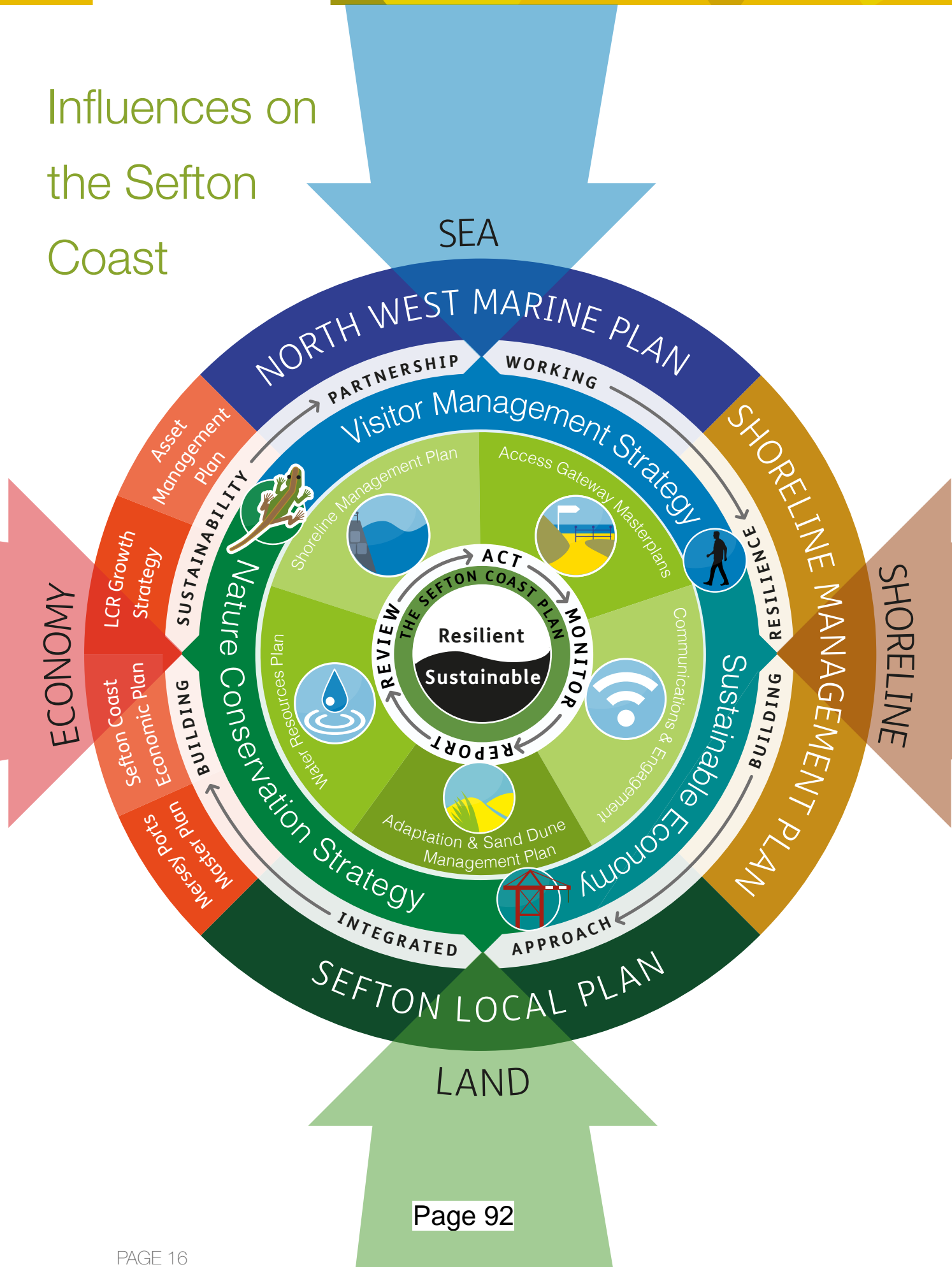
The approach that we take in managing the Sefton Coast will reflect its unique and special nature.

Guided by these principles and working across the Sefton Coast Plan area, the Sefton Coast Plan will therefore:

- Take a strategic approach;
- Seek to inform management, policy, projects and decision making;
- Complement the existing legislative and regulatory systems that operate on-land, at sea and across the intertidal zone;
- Build resilience and take a sustainable approach; and
- Achieve outcomes and impact that could not be achieved by any Partner alone.



Influences on the Sefton Coast



The Operating Model for the Sefton Coast Plan

The operating model of the Sefton Coast Plan is predicated on building resilience at the coast, as the main driver to achieving long-term sustainability for people, the economy and the environment. In the context of the Sefton Coast Plan, we mean:

- **Resilience** is the capacity of a system to absorb disturbance and still retain its basic structure and viability. In the context of the Sefton Coast this can apply to the economy, environment and our communities. The disturbance can be anything from flooding through to coastal change but the key aspect is about being able to recover from, or adapt to this disturbance.
- **Sustainability**, in basic terms, is the ability to continue a defined behaviour indefinitely. It is also often referred to as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. In the context of the Sefton Coast this means that we need to consider our actions in the context both of their impact on future generations and on the impact of the environment.

The operating model is designed to operate with and complement the existing statutory framework. The Sefton Local Plan, prepared by the Local Authority, for example is the main local policy framework to inform decisions over land-use and development. Whilst at sea, the emerging North West Marine Plan, prepared by Marine Management Organisation will act as

the main policy framework for sea-use. These two systems overlap across the intertidal zone and the Coast Plan seeks to ensure maximum integration of the two statutory frameworks.

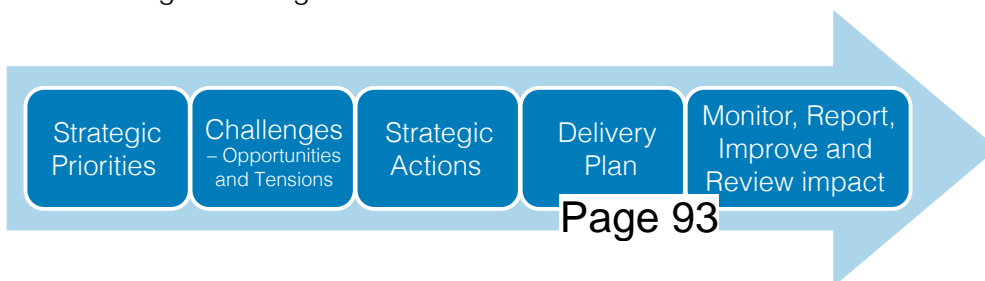
The Sefton Coast Plan compliments and enhances these and identifies opportunities to deliver improved outcomes through partnership action, especially where the existing system, or control and regulation is not well integrated.

The Coast Plan identifies three overarching **Strategic Priorities** that will be addressed through a set of **Strategic Actions**.

The Strategic Priorities are:

- conservation and enhancement of nature and the environment;
- management of visitors to avoid damage to the environment whilst optimising the value of the coast; and
- development of a sustainable and competitive coastal economy.

The challenges of the coast are described from a thematic perspective and are set out in the Sefton Coast Plan. The themes are expressed in a series of **Topic Papers** which set out the importance of the coast to each theme, the opportunities that might be realised and any significant points of tension that must be addressed, in order to fully realise those opportunities.



The **Delivery Plan** will capture the Strategic Actions and delivery mechanisms which seek to resolve the challenges. It sets out which Partner(s) will be accountable for delivering the action, critical milestones to reach, timescale for delivery and the resources required to achieve this.

The Sefton Coast Landscape Partnership Board will continue to monitor and review the delivery of the Plan and its consequent impact and outcomes. As and when required, any new opportunities and related challenges identified, and any remedial action or enhancing activity to the Plan will be expressed through updated Topic Papers and a refreshed Delivery Plan.

Challenges and Strategic Actions for the Sefton Coast 2030

The Sefton Coast Plan guides what is intended for the Sefton Coast for the future, the challenges to be addressed and how this will be delivered. We are drawing on the challenges raised by partners, consultees and the communities of Sefton through a wide process of engagement. Implementation of the Sefton Coast Plan will lead to a more resilient and sustainable coast.

There are six big challenges for the Sefton Coast Plan. These are a combination of the challenges identified within the Topic Papers because the big challenges affect and influence several themes, topics and sectors. For the Vision to be realised and our aspiration for the Sefton Coast Plan to become reality the big challenges must

be resolved. Our joint commitment to work together, prepare and implement the Delivery Plan is the route map to resolve the challenges. **The six big challenges are:**

Sand Dune and Woodland

The integrity and connectivity of the Sefton Coast sand dune system is restricted by coastal woodland. Review of the Nature Conservation Strategy is our route map to resolve this tension by leading to actions including removal of coastal woodland.

Sustainable Access

Current Access arrangements to the Sefton Coast are not sustainable because it is damaging sensitive coastal habitats and affecting local communities. Preparation of a Visitor Management Strategy is our route map to resolve these tensions by leading to actions that provide a sustainable approach to provide visitor facilities, including car parking and amenities, avoiding damage to sensitive habitats and local communities.

Not Resilient due to Increasing Pressure

The Sefton Coast is under increasing pressures from people, climate and coastal change and does not have the resilience to meet the increasing demands placed upon it. The strategies and plans that will be prepared and implemented (for example Visitor Management Strategy and Nature Conservation Strategy) will put in place integrated solutions to build the resilience of the coast for the future.

Investment in Infrastructure and Management

The Sefton Coast is already at risk from an increasing lack of resources to manage its special places. We will prepare and

implement a Sustainable Resourcing Plan as our route map to resolve this tension that leads to new investment in improved management of the Sefton Coast through better sharing of resources, knowledge and capacity.

Sustainable Economic Growth of the Port of Liverpool

Expansion of the Port of Liverpool is required to harness the full potential of this transformational economic driver but its development will lead to partial or complete loss of internationally designated sites. Working together with the Regulatory processes habitat compensation for loss of designated sites in the Port is required and the preparation and implementation of the Access Gateway Masterplan for the Crosby Coastal Park, is the route map to our contribution to help resolve this challenge.

Housing and Employment Growth

Sefton offers a highly valued residential and living offer for its citizens, but needs to build more houses to accommodate its growth in demand which will inevitably lead to increased visitor pressure. Sefton also seeks growth in employment opportunities for its residents but needs to create the places where businesses can grow and thrive, even those employment sites set away from the coast, create additional pressures on our natural environment. The Visitor Management Strategy is our route map to resolve this tension.

In addition to the six big challenges, other challenges that more specifically relate to individual themes are addressed within the Topic papers.

The Plan identifies a number of strategic actions, which together, comprise the Delivery Plan.

The actions themselves are interconnected and interdependent and mutually inform and support each other. The **Nature Conservation Strategy** and **Visitor Management Strategy** will be key amongst these in supporting the emerging Sefton Local Plan and ensuring compliance with the Habitats Regulations.

To help statutory organisations work together more efficiently for economic development projects on the coast, joint working practices have been prepared by the Marine Management Organisation. We have the opportunity to implement this approach in the Sefton Coast Plan area by signing up to the Coastal Concordat.

The plans are symbolised to easily identify their integrated role across the Delivery Plan. They are:

- Nature Conservation Strategy
- Visitor Management Strategy
 - » Communications and Engagement Plan
 - » Adaptation and Sand Dune Management Plan
 - » Water Resource Plan
 - » Access Gateway Masterplans e.g. Crosby Coastal Park

Other strategic actions include:

- Developing and implementing resourcing mechanisms to deliver resilience and sustainability of the Sefton Coast Plan;

- Monitoring any changes in law particularly in relation to Brexit;
- Partners to sign up to the Coastal Concordat; and
- Undertake a review of the governance and operation of the Sefton Coast Landscape Partnership and its Groups.

Further to the development and implementation of the plans and strategies above there are a number of areas where we would seek to add value by:

- Supporting opportunities to develop skills and lifelong learning, employment, health and wellbeing, renewable energy and low carbon technology, port expansion, sustainable and inclusive growth; and supporting infrastructure; and
- Supporting the development of the Sefton Coast as a centre of excellence for monitoring and research.

Plan on a Page



Topic Papers



Topic Papers will be updated individually as and when appropriate, for example, when new legislation is passed or new evidence emerges. The Topic Papers are:

- Landscape and Nature
- Access and Recreation
- Health and Wellbeing
- Economy
- Regulation and Control
- Skills and Lifelong Learning and Employment
- Water Resources
- The Historic Environment
- Energy
- Flood and Coastal Erosion Risk Management
- Coastal Change, Climate Change and Adaptation
- Delivery through Partnership Working

The focus of the Sefton Coast Plan is on challenges relating specifically to the Topics, where working together, across the Plan area and Partnership, we can deliver better outcomes in the long-term for the benefit of our communities, our economy and our natural environment.

Each topic paper sets out why the Sefton Coast is important to that particular topic. It identifies the relevant strategic issues - the opportunities that are evident and challenges that must be resolved to fully realise that opportunity. By applying the principles of ICZM the challenges are taken forward in the Sefton Coast Plan, in a way that allows

for them to be considered together, with integrated actions set out in the Delivery Plan, to address them.

The following sections present a brief summary of the Topic Papers and the main challenges that have identified, when considered together have led to the six big challenges.



Landscape and Nature

The nature, land- and sea-scape of the coastal and marine environment is an extremely important asset to Sefton, the Liverpool City Region, Lancashire and the nation. The Sefton Coast is an incredibly beautiful and biodiverse area, due to the range and rarity of species and habitats that it supports. The range and complexity of coastal wildlife habitats in Sefton owe their existence to a rich and constantly changing coastal setting. Climate and weather combine to influence the extent and quality of those land- and sea-scapes, wildlife habitats and the species that depend on them.

Challenges - These coastal habitats are under pressure. Coastal change is impacting on the physical shape of the coast through erosion, accretion and sedimentation; significant erosion in particular, occurs at Formby destroying habitat leading to fragmentation and reduced viability. Coastal

change will increase with climate change which will also change the patterns of weather that we experience, putting even more pressure on the habitats. Addressing issues such as the extent and connectivity of sand dune habitats will require the removal of woodland.


Our use of the coast as humans, puts pressure on the coast and this will increase as more houses are built and businesses developed. This creates a tension between the desire for access and access infrastructure and the need to maintain these important habitats. Coastal change in itself also creates stress on access infrastructure, heightening the tension at certain points along the coast e.g. erosion of car parks and caravan sites.

Working with natural processes, generates opportunities to improve the resilience of the coastal habitats, better link them along and across the coast and make space for nature to enable residents, visitors and businesses to cherish the specialness of the coast. As we improve the quality of this habitat through positive management and reduce the impact of visitors by directing them to less vulnerable areas we will increase coastal resilience.

Preparing and implementing both an integrated **Nature Conservation Strategy** and a **Visitor Management Strategy** will help to address these tensions. Securing sustainable resources to prepare and implement these strategies is essential to retain and improve the specialness of the Sefton Coast and the Sefton Coast Plan area. The preparation and delivery of these strategies will be based on the evidence that we have available and supporting plans

and actions such as a communications and engagement plan, adaptation and sand dune management plan and a water resources plan.

Access and Recreation



The Sefton Coast has a history of recreational use of the beaches and sand dunes, for bathing from the 19th century and aviation from the early 20th century, to more recent activities such as kite surfing and sand yachting. Sefton has good and excellent bathing beaches at Ainsdale, Formby and Southport which are assets to be protected.

More formal recreation and tourism events include the hugely popular Southport Air Show, National Musical Fireworks Championships, Anthony Gormley's "Another Place" iron men statues, Southport Pier, various triathlons, the Royal and Ancient 'Open' golf championship and other golfing tournaments which tend to be concentrated in specific locations.

Informal recreation such as walking and running, playing on the beach, cycling, and horse-riding tend to be spread more widely across the coast. Both formal and informal recreation activities are supported by a range of paths and trails, roads and public transport facilities and generate income and visitor spend. In some locations, facilities are limited and investment is required to enhance the quality of visitor and recreation experience and at the same time, respect the wishes of local residents. Beach car parking creates challenges within the biodiversity duties

and legislation, but the Visitor Management Strategy is an opportunity to provide a route map for resolution.

Challenges - All visitor access and recreation add to the pressure and if not properly managed, will cause damage to coastal habitats. We will need to direct this activity to less vulnerable areas where it can be more easily managed, thereby creating a series of gateway sites for access and recreation along the coast. Proposed sites for housing and employment developments will be required to demonstrate that there would be no significant increase in recreational or visitor pressure on the Sefton Coast as a result of the development plans or provide appropriate mitigation or compensatory habitats.

Access to and enjoyment of all coast related activities can make a big contribution to improving the health and wellbeing of people and communities and also support economic growth within the tourism economy. The coastal location is also an important amenity for residents, both existing and those looking to move here.

Preparing and implementing a **Visitor Management Strategy** will help to address these challenges. Securing sustainable resources to prepare and implement this strategy is essential to retain and improve the specialness of the Sefton Coast and the Sefton Coast Plan area. Preparation and delivery of the Visitor Management Strategy will be based on the evidence that we have available and supporting plans and strategies, especially the Nature Conservation Strategy.



Health and Wellbeing

The Sefton Coast provides a beautiful and inspiring outdoor environment for communities and visitors to enjoy, with associated benefits to physical and mental health and wellbeing, for the local community and visitors by providing:

- Clean, safe outdoor space for land and water-based exercise, play, and other activities
- Opportunities to get close to and enjoy nature and local culture and take time out from the hustle and bustle of busy lives
- Opportunities to enhance learning and skills, contributing to community wellbeing
- An inspiring landscape and seascape and a sense of place and belonging which is valued by many; and
- By providing resilience to the impacts of climate change and other coastal change for Sefton's coastal communities.

The natural environment of the Sefton Coast Plan area provides important ecosystem services for the *benefit of health and wellbeing*. Enjoyment of the coast directly contributes to achieving the objectives set out in Living Well¹, Sefton's Health & Wellbeing Strategy, led by the Health and Wellbeing Board. It is important that the Sefton Coast Plan and the Borough-wide Health and Wellbeing Strategy are aligned to deliver

¹ Sefton Health and Wellbeing Strategy, 2014-2020, NHS England, Healthwatch, South Sefton Clinical Commissioning Group and Southport and Formby Clinical Commissioning Group, 2014,

positive health and wellbeing outcomes and that increased use of the coast to deliver such outcomes will need to avoid damage to sensitive habitats.

Addressing these challenges as the coast and needs of our communities change will help us realise the coast's potential to improve health and wellbeing. The **Nature Conservation Strategy** and **Visitor Management Strategy** will support our objectives for improved health and wellbeing.



Economy

The significance of the Sefton Coast is recognised as an important contributing asset at the level of the Liverpool City Region and its City Region Growth Strategy and Destination Management Plan. Locally, the draft Sefton Coast Economic Plan, emerging Sefton Economic Strategy and the Coastal Communities Teams all identify important economic opportunities and challenges. Unique and distinctive coastal assets, including the natural coast, the resort town of Southport and features such as 'Another Place', present a significant opportunity to attract more visitors to Sefton, increase their stay time and spend within the visitor economy. The visitor economy of the City Region is growing strongly, with many accessing Sefton from the City of Liverpool, often arriving on cruise-ships at the Pier Head in the Port of Liverpool.

The Port of Liverpool, located in the south of Sefton, is one of the UK's major ports, with state of the art facilities, the most strategically important Port for trans-Atlantic shipping, capable of receiving the largest

shipping vessels in the world. Together with the Manchester Ship Canal and docks at Birkenhead, it forms an integral part of the Mersey Ports and Atlantic Gateway with a combined capacity of 40million tonnes of cargo. The capacity of the Port has doubled with the development of Liverpool 2 to create the most centrally, located deep water terminal in the UK which will allow global services to connect with the City Region as one of the most operationally efficient and modern terminals in northern Europe.

Challenges - In order to harness the full potential of the Port of Liverpool as an important transformational economic driver the Port will need to expand to handle more cargo. This would also facilitate the transfer of as much container freight as possible from road to rail and water, relieving road congestion and noise and air pollution. However the positive impacts of sustainable economic growth and job creation also create environmental and ecological pressure, such as accidental pollutant spillages from ships to the impact of dredging on coastal processes. Port expansion will require the relocation of a designated nature reserve to compensatory habitat, directed by regulatory frameworks and processes. A long term **Master Plan for Crosby Coastal Park** will reflect proposed Port expansion and other requirements, such as the replacement of the seawall in the next decade.

Fishing, whilst not as important economically, has a long history on the coast and can contribute to the local economy. There are challenges regarding safety that need to be managed whether it is the low key activity of the shrimpers or the more significant

but less frequent, cockling activities. There are opportunities to work with other partners such as the Inshore Fisheries and Conservation Authority (IFCA) to coordinate activities in relation to fishing.

There are also opportunities to work with other businesses such as farming to influence how they work so as to minimise their impact on this special coastal environment.

of those plans. Where needed, the Coast Plan will provide a mechanism to address unresolved coastal challenge and tensions.

Sefton's Local Plan is the main local policy framework on land, to inform decisions over land-use and development projects. The Marine Management Organisation is the main regulator at sea and is in the process of preparing the North West Marine Plan. These two systems overlap across the intertidal zone where better integration is needed. Therefore, the Sefton Coast Plan compliments these but also identifies opportunities to deliver better outcomes through partnership action, especially where the existing system or control and regulation is not well integrated. Regulators, such as Environment Agency, and advisors, such as Natural England, have both signalled their willingness to continue to work positively and pro-actively to help resolve the challenges including implementation of the Sefton Coast Plan.

Challenges - Increased recreational and visitor pressure on designated coastal habitats and communities will occur as a consequence of the development of new housing and employment sites, allocated in the Sefton Local Plan. Preparation and implementation of a **Visitor Management Strategy** is necessary to comply with the requirements of the Habitats Regulations because it will provide a mechanism for developers to demonstrate how damage to designated habitats in the Sefton Coast Plan area will be avoided.

With the pending exit from the European Union (Brexit), we will need to keep the regulatory framework under review as much



Regulation and Control

Legislation and policy has developed in response to an increasing awareness of the value of our environments and the need to protect them. In recognition of the very special value of the Sefton Coast, National Trust and Sefton Council bought land in the sixties at Formby Point to protect it from development and waste. Up until this time the coast was often exploited economically through the extraction of sand, growing of crops and dumping of waste such as tobacco waste.

The Sefton Coast Plan does not duplicate existing legislative and regulatory mechanisms of control and follows the established principle that it should be assumed that these mechanisms of control will operate effectively and, where necessary, in an integrated way. For existing statutory plans such as the Sefton Local Plan (including Neighbourhood Plans), the Sefton Coast Plan will act in conformity with the Local Plan and other relevant plans and avoid conflict with the policies and directions

of the legislation developed by Europe is transposed into UK law. It is unclear if the UK law will be changed as a result of leaving the European Union.

A further tension and challenge that the Sefton Coast Plan will address is to improve integration between regulatory processes and working between organisations responsible for regulation on land and at sea. There is an opportunity to improve the working of the regulatory system and a Strategic Action is included for partners to sign up to the Coastal Concordat as a framework to achieve this.

Skills, Lifelong Learning and Employment

Sefton's coast and wider green infrastructure across the Borough provides a wealth of opportunities, both formal and informal, for developing skills and knowledge, improving employability and quality of life. It also provides a range of opportunities for volunteering and community engagement. The coast is significant for these reasons as a major contributor to achieve key aspirations of 'Living Well in Sefton: Sefton's Health and Wellbeing Strategy 2014-2020 '(2014) as well as Sefton's Vision for 2030, to:

- Create a place where all members of our community can live, work and enjoy life as valued members of the community.
- Promote independence and help build personal and community resilience.
- Improve opportunities and support

residents to make choices so that people are able to live, work and spend their time in a safe and healthy environment.

Of particular note is the prediction of an increasing proportion of older residents in Sefton who may require more sufficiency of support, but who will also have more time to make voluntary contributions, an important resource by scale and experience to be harnessed through the delivery programmes of the Coast Plan and the Sefton Coast Landscape Partners.

It is important that the Sefton Coast Plan recognises these opportunities and seeks to support skills, lifelong learning and employment.

Water Resources

Access to clean, safe water is fundamental to the health and well-being of our entire planet or biosphere. The natural environment of the Sefton Coast is dependent on healthy water resources. This includes, for example, biodiverse coastal waters, healthy dune slacks, wetlands with hundreds of thousands of birds or thriving water vole populations on the many ditches and drains that intersect the farmland.

The Sefton Coast Plan area is hydrologically complex with much of the land below sea level. The interconnected nature of water resources places a wider responsibility on the citizens and businesses of Sefton to use water wisely, avoid pollution and support the processes that sustain clean and healthy water. The management of this water can cause problems ranging from the shrinkage

of peat in the low-lying agricultural areas as a result of extensive pumped drainage through to problems discharging water across beaches where beach levels have increased as a result of coastal change. The watercourses within the pumped catchment of Sefton are currently failing to achieve good ecological status largely as a consequence of water quality issues and lack of habitat provided by modified channels.

Challenges - There are opportunities to better coordinate the management of water and recognise both the interconnected nature of the hydrological system and the long term change that will impact on it. This could include approaches such as Natural Flood Management where a whole system approach is taken to flood risk management, seeking to slow the flow of water and returning the systems to a more natural way of working.

Preparing and implementing an integrated **Water Resources Plan** will help to address these issues. This would also provide an opportunity to better coordinate the delivery of works and outcomes, such as improving water quality at the same time as we reduce flood risk. Before starting the water resources plan it would be sensible to check that we have the right partners to deliver this coordinated approach.

exposed sites, features and structures, with increasing visibility and examples with more recent periods of history up to the recent past. The area remains a dynamic landscape with coastal erosion and new developments exposing new sites.

Features such as ship wrecks may last decades before they are lost to the natural processes of decay but others, such as the pre-historic footprints at Formby, may be exposed and lost within days after having remained buried for several thousand years. The challenge in relation to these historic environments is to sufficiently record new discoveries to permit preservation by record and dissemination of the information to specialist and general interest groups.

There is a massive interest in the historic environment both from people visiting the coast to the documentary coverage on television. There is an opportunity to enhance people's enjoyment and understanding of the coast through raising awareness and interpretation of this prehistoric and historic evidence.

Preparing and implementing a **Communication and Engagement Plan** will help to identify and act upon a number of opportunities around raising of awareness and understanding of the coast, how to avoid damaging it and helping visitors to enjoy it. Such a plan would look across all the issues identified in the Sefton Coast Plan and develop a coordinated approach to communication and engagement. This can include encouraging land owners to report the discovery of any historic features and help, where possible, in their recording.



The Historic Environment

The Sefton Coast has been utilised and occupied by humans for over 8000 years. Traces of this activity survive as buried and

The Sefton Coast Landscape Partnership will continue to support the history and archaeology task group and the volunteers who have an interest in this area.



Energy

The Sefton Coast offers opportunities for the development of low carbon and renewable energy technologies. These technologies can make a significant contribution to the overall energy security and resilience of the area and wider Liverpool City Region. There is already significant wind energy development on the coast, both onshore and more significantly offshore. Tidal power has regularly been proposed within the Mersey and Ribble estuaries and recently on the Sefton Coast.

There is no specific benefit of locating solar power at the coast but it is often implemented as part of new industrial developments and may also offer some benefits through the development of visitor facilities for example. Biomass is significant as it is a major import into the Port of Liverpool for use in power stations. There is also fossil-based energy on the coast the evidence of which can be seen when looking at the offshore rig extracting gas to the west of Formby. Energy projects, such as investment in modern energy infrastructure, whilst strictly regulated, have the potential to impact upon habitats, designated sites, coastal processes and coast defences.

Challenges – The resilience and financial viability of new coastal visitor developments could be increased through installation of low carbon and renewable energy technology. This is also an opportunity as a powerful communication and education

message regarding our commitment to reducing emissions.

Challenges - The Sefton Coast Plan area offers significant opportunity for large-scale renewable energy generation, especially from tidal technology in estuaries such as the Mersey. Each project will need to be assessed on its merits through the regulatory frameworks, taking into account the special environmental value and character of the Sefton Coast Plan area, the landscape and seascape, and also the significant economic benefits that could accrue from a more resilient energy generation infrastructure.

The Sefton Coast Landscape Partnership will seek to work positively and pro-actively with energy scheme promoters to avoid impacts to the Sefton Coast. They will also seek to raise awareness of the impacts of climate change and the potential to avoid damaging emissions through use and investment in low carbon and renewable energy.

Flood and Coastal Erosion Risk Management



The coast is an important asset for flood and coastal erosion risk management. Saltmarsh and beaches reduce the energy of the waves before they reach shore which in turn, reduces the scale of defences we need at locations such as Southport and Crosby. The sand dunes provide a buffer for coastal erosion, allowing us to work with natural processes rather than introducing artificial

and expensive defences. Sediment is brought in by the tides and storms from beneath the sea to replenish our beaches. Flood risk and coastal erosion are both significant issues for Sefton. Details of this risk and the policies for its management are set out in the **Flood and Coastal Erosion Risk Management Strategy (FCERMS) for Sefton** and the **Shoreline Management Plan** for the North West of England and North Wales.

The development of coastal defences can have a significant impact on the coast both during construction and after as their presence influences coastal processes. This has to be considered carefully during the development of any proposal to ensure that we don't damage the coast and to ensure that any proposal, delivers impact and outcomes as intended. This requires a good understanding of the coastal processes based on robust record-keeping and evidence analysis. We also have to consider such schemes over the long term, as a typical coastal defence will last 60 years. It is not possible to remove all risk, so we have to plan for the times when there is flooding, erosion or damage to defences and help our communities to be more resilient.

Challenges - Coastal defences, significant by scale, present opportunities to achieve multiple benefits for both people and our natural environment. This could be putting in place infrastructure for visitors or designing schemes in such a way as to enhance the local habitat. Sharing our understanding of coastal processes, can help to form the evidence base for decisions at the coast and to be able to suggest how the coast might develop in the future. This is especially important in relation to the impacts of

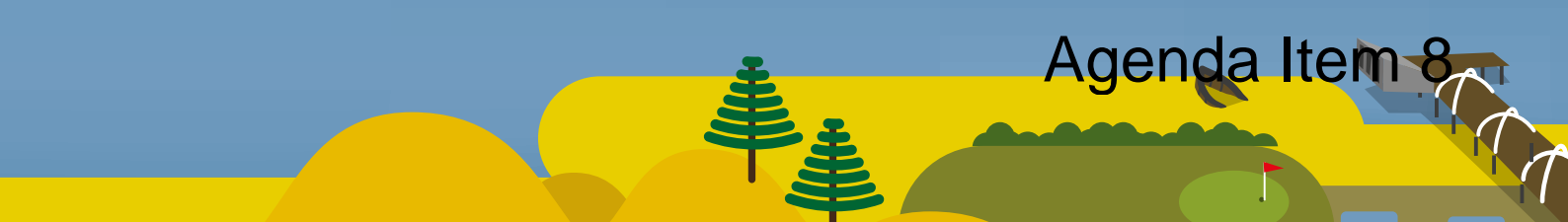
coastal and climate change which will lead to changes in both the long and short term.

Preparing and implementing a masterplan for Crosby Coastal Park will help to identify and secure multiple benefits for the area, as the proposals to replace the coastal defences are developed. Preparing and implementing an **Adaptation and Sand Dune Management Plan** will inform our response to coastal change over the long term and also develop our approach, working with the sand dune system as a natural defence. The development of a Water Resources Plan has already been mentioned. Undertaking to coordinate and share monitoring and research and aspiring to be a centre of excellence for this will support the development of our evidence base. Communicating this understanding and the implications associated with it, such as the residual flood risk, will support our communities to be more resilient.

Coastal Change, Climate Change and Adaptation



The coast is changing, it always has done and always will. There is a history of change at the coast both in terms of the features on the coast and the way that humans use and live on the coast. As an example, Formby Point has been eroding around its central section since around 1900 at a rate of 3-4 metres per year. Over the same period of time, our use of the coast has changed from one of exploiting it for minerals, agriculture and dumping of waste products, to



Climate change arises because of increased greenhouse gas emissions since the start of the industrial revolution. The impacts of climate change on the Sefton Coast will include sea level rise, warmer wetter winters, hotter drier summers and more frequent extreme and intense storms.

The natural response to coastal and climate change would be for the coast to adapt by rolling back and habitats to change to ones more suited to the new climate. However, humans have built on the coast and constrained the space for the coast to roll back. We are also home to a number of rare and important species and we need to maintain a viable habitat for them. We have a general idea of how the coast will evolve but there are significant gaps in our understanding that need addressing.

Challenges - There is an opportunity to reduce the impact of coastal and climate change by adapting to it in a timely manner, avoiding short term and potentially expensive decisions. Recognising what the coast might look like in the coming decades and planning now, for how we will adapt to this change such as relocation of infrastructure, creating space for the sand dunes to roll back is an important focus of the Sefton Coast Plan.

The **Adaptation and Sand Dune Management Plan** will guide future adaptation and development supported by the Partners' undertaking to coordinate and share monitoring and research. Preparing suitable plans for extreme weather events will mitigate some of the consequences of the increase in frequency and intensity of storms. Communicating an understanding of coastal and climate change and the implications

associated with it will help our communities to be more resilient.

Delivery through Partnership Working



Partnership working is an effective approach which brings together a range of organisations that can't alone, deliver their desired outcomes, an approach that forms the foundations of the Sefton Coast Plan. Partnership working requires strong leadership and organisational commitment of time and resource.

There are a range of landowners, regulators and advisors who share a common vision for the coast some of whom are members of the Sefton Coast Landscape Partnership. The Partnership is supported by a number of Task Groups who collectively will take responsibility for the actual delivery of the Plan along with other partners. For strategic action to be truly effective many individuals and organisations, including our communities, including but not restricted to the Sefton Coast Landscape Partners, will all have a role to play and by working together, the benefits of the coast can be fully realised.

The Sefton Coast Landscape Partnership is similar to other partnerships in that its activity tends to increase or decrease in response to the issues and opportunities at any point in time. The Partnership has changed and evolved over time and recognised the benefits of regular review to ensure that governance is strong and the partner representation is

balanced and committed to the strategic agenda of the Sefton Coast Plan.

Challenges - The new Sefton Coast Plan presents a timely opportunity to review partnership governance and membership, to align with the broader strategic agenda and ensure delivery and implementation. The following chart sets out the main roles and activities of Sefton Coast Landscape Partnership, including the Task Groups, for delivery and implementation of the Sefton Coast Plan.

Resources are essential for effective implementation and many partners have important roles and contributions to make. When agreed, the Sefton Coast Plan is intended to be used by partners to support bids and applications for new funding and resources for implementation and action. A Strategic Action is included to develop a sustainable approach to resourcing delivery and we are committed to prepare and implement a **Resourcing Plan**.



Delivery Plan

A mechanism to identify how the Sefton Coast Plan will be implemented is needed and this is a strategic issue. As a partnership we are committed to the Strategic Action of preparing and implementing a Delivery Plan in close consultation with other partners **ready for adoption** of the Sefton Coast Plan.

The Delivery Plan is our “Route Map to Resolution”. It will set out how the challenges and tensions identified within the Sefton Coast Plan will be resolved. It will also help use realise the opportunities and full

potential of the Sefton Coast. A challenge for the partners is to work together to identify, agree and implement those solutions. For each strategic action it is very important that the right people and organisations are involved and have the opportunity to contribute – where there are gaps within the existing partnership arrangements these will be addressed as an early priority within the Activity Plan.

The Delivery Plan will include for each of the Strategic Actions, the following:

- A description of the Strategic Action;
- An Activity Plan including actions, governance arrangements, milestones and target dates for completion of each activity;
- Lead partner(s) and their role;
- Other partner(s) and their role;
- Estimate of cost and resources;
- A Risk Management Assessment based on the likelihood and severity of impact of risks;
- Outcomes and measures of success; and
- A mechanism for reporting progress to and being held accountable by the Sefton Coast Landscape Partnership.

As our Route Map to Resolution the Delivery Plan will be a live document, regularly updated and reported to the

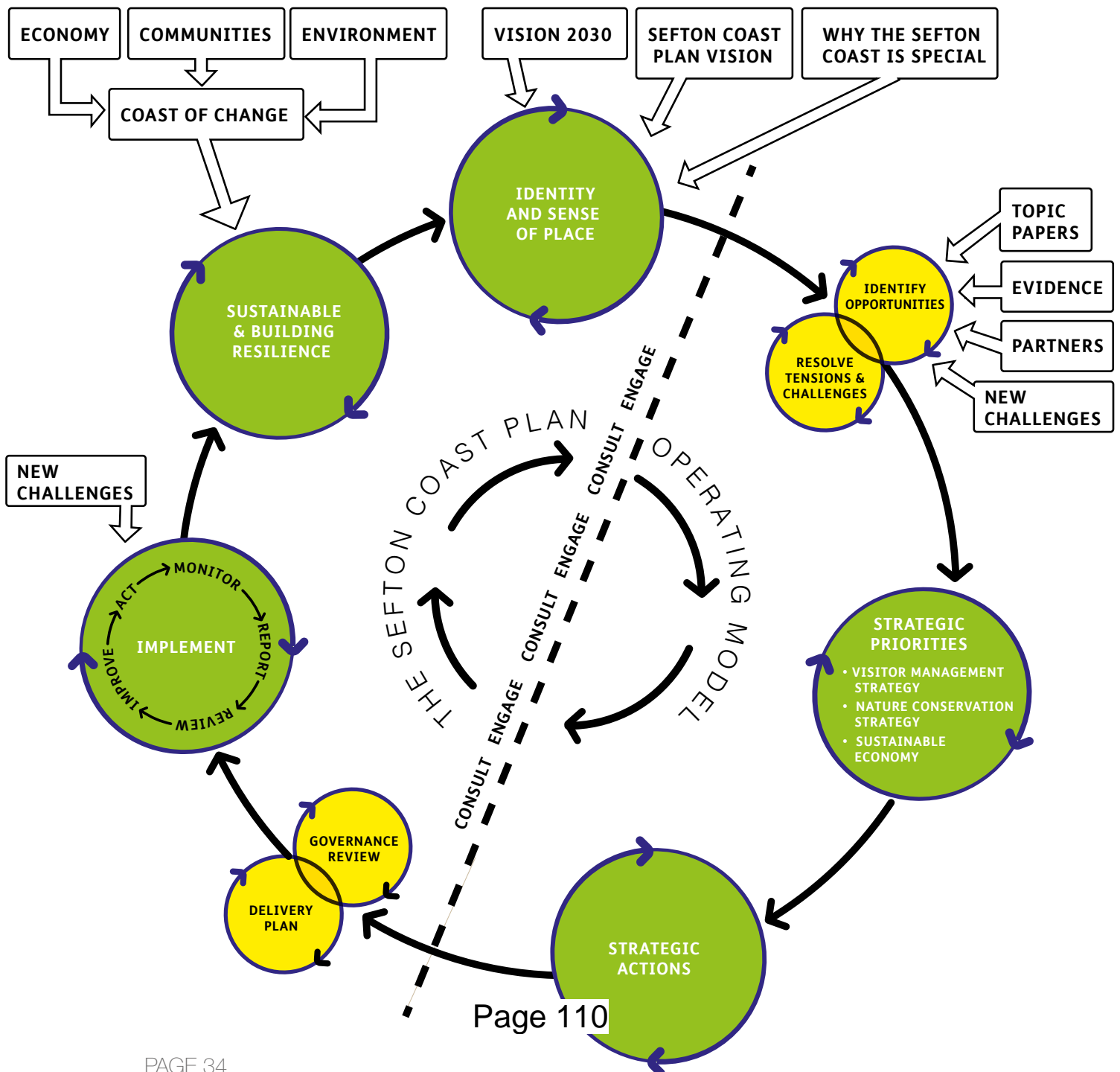
Sefton Coast Landscape Partnership Board and will need to be supported by strong partnership arrangements.



Monitoring, Reporting and Review of the Sefton Coast Plan

Regular monitoring and review of the Plan is essential to ensure that the Sefton Coast Plan achieves its desired impact and outcomes, with a consistent approach to policy and

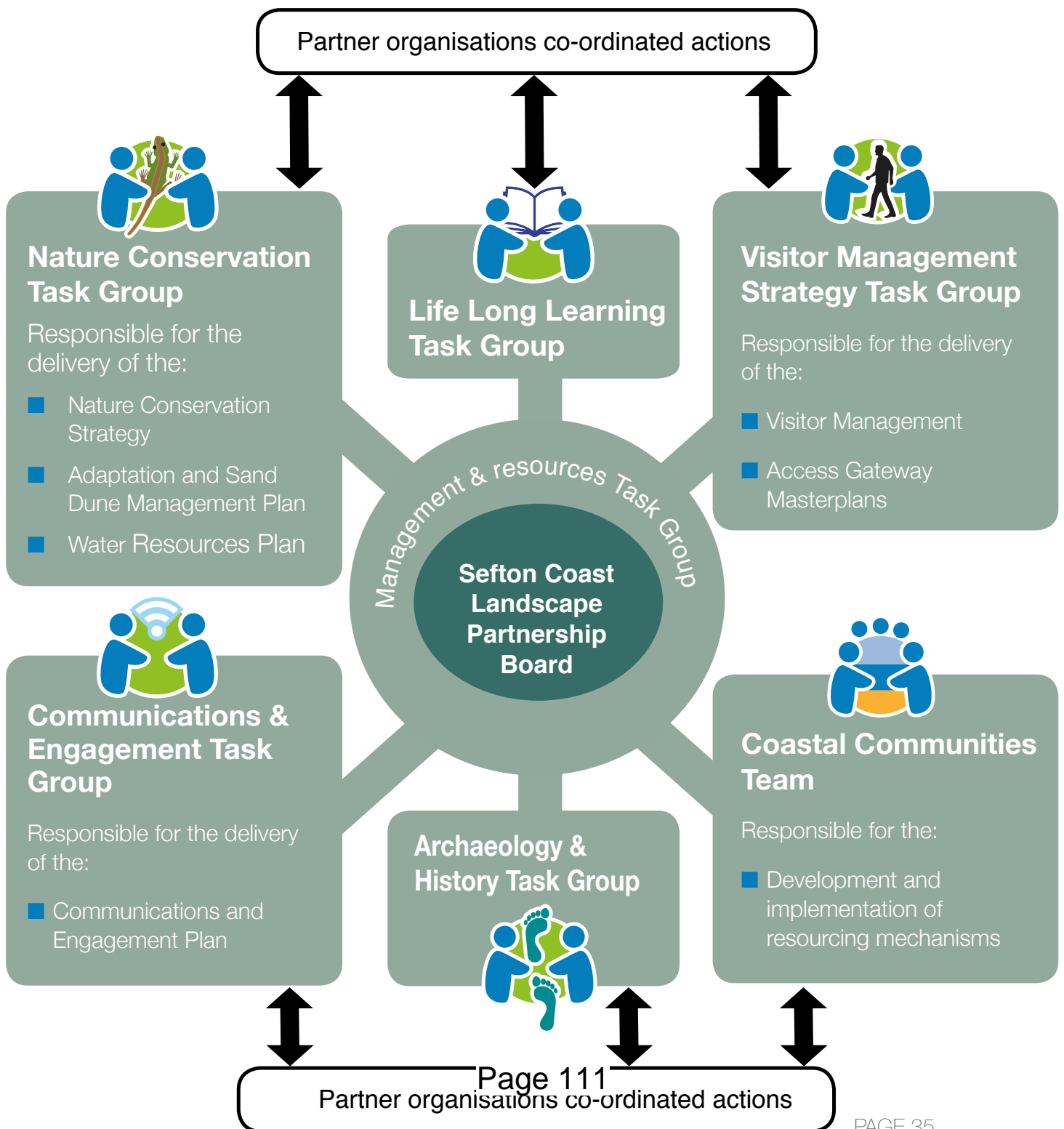
legislation compliance. This especially includes the monitoring of visitors to the coast and monitoring of the internationally important nature sites.



To ensure progress, the strategic actions set out in the Delivery Plan will include key milestone dates and detailed activity plans.

The Topic Papers will be updated as and when required due to such things as changes in our evidence and understanding

or changes in legislation. The Delivery Plan will be reviewed on an annual basis and the entire Coast Plan will be reviewed every five years or more often where additional strategic issues are identified or changes in legislation occur.



Glossary

Abstraction - the process by which water in its natural environment may be artificially removed through a manmade structure or by changing the flow of the water from its usual course to alternative other course.

Accretion - growth or increase by the gradual accumulation of additional layers of matter.

Aggregate extraction – the extraction of material or structures formed from a mass of fragments or particles loosely compacted together.

Aquifer - an underground layer of water-bearing permeable rock, rock fractures or unconsolidated materials from which groundwater can be extracted.

Artificial water body – a body of water that is not naturally occurring such as a man-made lake, as opposed to naturally occurring bodies of water, such as rivers or the sea.

Bathing Water Directive

Bridleway - a path or track along which horse riders have right of way.

Built heritage - the part of an area’s heritage that consists of buildings and structures, as opposed to natural or aesthetic assets.

Business continuity – planning and preparation to ensure that an organisation can continue to operate in case of new challenges or adversity.

Coastal Change Management Area

Coastal defences – measures taken to protect the coast against erosion and flooding by the sea.

Contaminated land - land where substances in or under the land make it actually or potentially hazardous to people’s health, or hazardous to the environment.

Conurbation - an extended urban area, typically consisting of several towns merging with the suburbs of a central city.

Dredging – the process of clearing the bed of a harbour, river, or other area of water by scooping out mud, weeds, and rubbish with a dredge.

Dynamic coast – a coast characterized by constant change or activity.

Ecology – the scientific analysis and study of interactions among organisms and their environment.

Erosion - the action of surface processes that remove soil, rock, or dissolved material from one location on the Earth’s crust, then transport it away to another location.

European Marine Site

Fauna - the animal life of any particular region or time.

Flora - plant life occurring in a particular region or time, generally the naturally occurring or indigenous— native plant life.

Fossil fuels - a natural fuel such as coal, gas or oil, formed in the geological past from the remains of living organisms.

Fragmentation of habitat – where habitats are not connected resulting in smaller, less resilient habitats.

Geomorphology - the study of the evolution and configuration of landforms.

Good Environmental Status

Green Belt - an area of open land, on which building is restricted.

Groundwater - water held underground in the soil or in pores and crevices in rock.

Habitat - the natural home or environment of an animal, plant, or other organism.

Hard coastal defences – measures to protect the coast against erosion and flooding by the sea, by the introduction of man-made structures such as sea walls.

Hinterland - land lying behind something, especially a coast or the shore of a river.

Hydrography - the science of surveying and charting bodies of water, such as seas, lakes, and rivers.

Intertidal area- the area of seashore which is covered at high tide and uncovered at low tide.

Isle of Man Cabbage - is a species of cabbage plant that is found in coastal habitats on the west of Great Britain and around the coasts of the Isle of Man. It is listed as a nationally scarce British species and is in serious risk of extinction.

Kite surfing - the sport or pastime of riding on a modified surfboard while holding on to a specially designed kite, using the wind for propulsion.



Appendices

[DRAFT CONSULTATION]

WELCOME TO SEFTON'S COAST



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Report to: Cabinet **Date of Meeting:** 12 January 2017

Subject: Re-procurement of a new Careers Information Advice and Guidance For young people **Wards Affected:** (All Wards);

Report of: Head of Inward Investment and Employment

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

Exempt/Confidential No

Purpose

A contract was let by the Council for the delivery of an Information, Advice & Guidance service for young people in 2014. The main objective of the Service was expressed as the reduction of young people Not in Education, Employment or Training (NEET) in the area. The current provider is Career Connect Ltd. The purpose of the report is to present the business case for a review of the contract, which will ensure both a cost saving and a better alignment with the Council's Public Sector Reform programme and the Liverpool City Region plans for a Careers Hub under the Devolution Deal.

Recommendation(s)

The Cabinet are asked to:

- a) Approve a re-procurement enabling cost savings to be achieved and potential match funding through ESF secured
- b) Agree a short term contract extension with the current contractor of 2 months to allow relevant procurement rules to be followed, including ensuring they are EU compliant in order to be used as match funding with ESF
- c) Give delegated authority for the Cabinet Member Regeneration and Skills to award the contract following procurement.

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		
3	Environmental Sustainability		x	
4	Health and Well-Being	x		
5	Children and Young People	x		
6	Creating Safe Communities		x	

Agenda Item 9

7	Creating Inclusive Communities	x		
8	Improving the Quality of Council Services and Strengthening Local Democracy		x	

Reasons for the Recommendation:

Re-procurement of the contract offers a number of advantages, primarily to review the budget allocation in light of further budget reductions and changes in the volumes and cohort eligible for support. It also allows an update of the service specification in light of a number of changes since the contract was last let, including changes to statutory requirements. It will allow for a closer alignment and delivery with other internal priorities such as troubled families and looked after children. It offers an additional opportunity to potentially draw down match funding from European Social Fund (ESF) which may never again be offered due to Brexit.

In order to be EU compliant and potentially draw down match funding from ESF, it is necessary to follow the appropriate procurement process. In order to do this, a short term extension is requested with the current contractor to avoid a hiatus in delivery.

The procurement process will follow appropriate rules and procedures. In order to enable a new contract to be issued in a timely manner, delegated authority is requested for the Cabinet Member for Regeneration and Skills to award the contract.

Alternative Options Considered and Rejected:

Other options have been considered in detail for this service through an options analysis which has been shared with Cabinet Member, Regeneration and Skills.

The main option which has been investigated is the extension of the current contract on existing terms for two years, which would be permissible under the existing agreement. This has been rejected on the grounds that better value for money can be gained from re-procurement.

What will it cost and how will it be financed?

(A) Revenue Costs

In 2016/17, the third year of the contract, the contractor will be paid £729,154. It is anticipated that the annual budget for this activity once re-procured will be in the region of £493,000 per annum. The preferred option is for re-procurement to secure a new two year contract with a value of £986,000, plus an option to extend for a further 1 year if necessary (therefore three year maximum value of £1.479m). This option preserves Sefton's ability to align its IAG services with the Public Sector Reform programme and the development of an LCR Careers Hub, part of the Devolution Deal and a priority for the Combined Authority. Funding is from Council Core Budget 16-19 provision.

(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:

Financial	
New contract value likely to be £493,000p.a. enabling an adjusted saving to be achieved over 3 years. This takes into account the costs of a two month contract extension paid on existing rates to the current contractor.	
Legal	
The new contract is likely to mirror the existing arrangement which currently contains options to extend for additional years	
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 of the Proposals on Service Delivery:

Service delivery would continue at current levels for the proposed additional 2 month extension period. Following this, the specification will be updated to reflect legislative changes to tracking requirements, and to better fit with Sefton priorities for the 2030 Vision and to reflect other policy changes relevant to this environment, such as the LCR devolution deal with government.

Re-procurement of the contract will enable this to be used as match for ESF. This will draw down grant at an intervention rate of 75% to be used to provide support and opportunities for young people to enter the workforce through the Intermediate Labour Market and other supported work placements under the Ways to Work scheme. This is an opportunity that may not be available to the Council post-Brexit.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD.4437/16) has been consulted and has no comments on the report

Head of Regulation and Compliance (LD.3720/16) have been consulted and any comments have been incorporated into the report.

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 Officer: Claire Maguire (Service Manager – Employment)

Tel: 0151 934 2684

Email: claire.maguire@sefton.gov.uk

Background Papers:

Annex 1 - IAG for Young People Re-Contracting

1. Introduction/Background

- 1.1 The provision of independent Information Advice and Guidance (IAG) is an integral part of the broader education, skills and employment system. Timely, relevant and good quality IAG reduces the possibility of mismatches between supply and demand, generates feedback on performance of the system, and maximises young people's potential.
- 1.2 Since the 2008 Education & Skills Act, schools are under a statutory duty to provide a universal Careers Education and Information Advice & Guidance (CEIAG) service to all students. It has to be both impartial and independent i.e. not delivered by school staff, though a teacher may co-ordinate activities. There is a large supplier market.
- 1.3 However, local authorities continue to have a statutory duty to ensure comparable CEIAG support is available to a targeted set of students: young people aged 16-19 (16-25 with Special Educational Needs & Disabilities) who are Not in Education Employment or Training (NEET) at September.
- 1.4 In addition the local authority is responsible for post-16 tracking of all students (including NEET and "not known") to update activity and destination data on the national Client Caseload Information System (CCIS).
- 1.5 Current data shows the total Sefton cohort in scope for this duty is approximately 980 young people, of whom: NEET 500, not known 300 and SEND 180.
- 1.6 The Council procured a full-service contract from the market in 2014 and Career Connect was appointed to support the statutory "September offer" of education, training or employment (with training) to every 16 and 17 year old through provision of:
 - IAG for 14-19 year olds considered at risk of NEET
 - Tracking of the NEET cohort and making statutory NEET/Not Known returns to government
 - IAG for young people with Special Educational Needs (to age 25).
- 1.7 The contract was let for three years with the option of two one year extensions. In 2016/17, the third year of the contract, the contractor will be paid £729,154. Provision for this service has been found from within the Council's approved revenue budget.
- 1.8 Since 2011, there has been a significant improvement in the rate of NEET in Sefton, dropping to 4.9% in 2015/16, its best ever performance. Levels of "Not Known" young people are also far and away the best in Liverpool City Region (2.9% in Sefton compared with 15% in Liverpool).

2. The business case for a review of IAG in Sefton

- 2.1 A strategic review of IAG in Sefton has not been triggered by any specific concern about NEET performance, but rather by the changing needs of the Council:

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- The principle reason for reviewing the contract is that the Council's Medium Term Financial Plan requires all major contracts to be examined for **value for money and affordability**. At current rates, the total value of the IAG contract over the five year period 2014-20 is £3.64 million, which is large enough to trigger a Major Contract Review. The IAG contract allows for a break at three years (March 2017) with two optional one year extensions, providing an opportunity to act on the outcome of this review.
- An important additional reason for reviewing the contract is that the **context** for Information Advice and Guidance has changed significantly in recent years: proposals for academization, introduction of grammar schools, new learning pathways associated with the Area Review of Further Education, the introduction of a common NEET tracking system across the rest of the city region, reform of Higher Education, changes in the apprenticeship system, the risks posed to young people by the emergence of the low pay/no pay cycle, stagnant economic recovery, reform of SEN provision, and the 2016 Liverpool City Region Growth Strategy. None of this is reflected in the current specification, which is therefore out of date.
- Finally, the specification needs to be reviewed to ensure that it enables and supports the new model of **Early Intervention & Prevention (EIP)** to which we are committed through Sefton 2030 and the Public Sector Reform programme. IAG is relevant to both Multi-Agency Teams, and to a New Deal for Citizens. It also underpins the objective of "Inclusive Growth" within the Growth programme.

2.2 To protect the position of the Council, therefore, formal notice of termination was issued to the incumbent provider (Career Connect) on 12th July 2016, with effect from 1st April 2017.

3. Options Review

3.1 The formal evaluation of options was based on a series of key tasks:

- A review of the costs, outputs and performance of the existing contract (2014-16)
- A comparative review of Liverpool City Region local authorities commissioning equivalent IAG services for young people
- A desktop review of other UK local authority commissioning and best practice
- Collection of feedback from service users, and the service's partners elsewhere within the Council
- Labour Market Intelligence and cohort forecasts to 2020, to understand the scale of future challenge for young people entering the world of work
- Analysis of the scope and content of the current service specification
- Review of engagement, tracking and IAG as work packages that might be delivered together or independently
- Alignment of the revised specification with concurrent reviews of SEND provision, and the establishment of Multi-Agency Teams/Community Hubs
- Consideration of payment methods and performance measures, to incentivise achievement and ensure sound contract management
- Identifying a comprehensive set of options for alternative delivery of the IAG service

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- Formal evaluation of service specifications and delivery options against core criteria (VfM, affordability, performance standards, fit with EIP etc).

3.2 The following options for commissioning and delivery were considered:

1		Cessation	Not acceptable – statutory duty
2	a	In-house trading company including IAG	Dependent on decision made in PSR 7 – 18/19 at the earliest
2	b	In-house standalone all-ages IAG service	Initial financial modelling indicates unlikely to be a viable option
3	a	Procurement in the open marketplace by Sefton MBC	Acceptable option – reprocurement to 2020 (earlier break clause retains ability to respond to new opportunities)
3	b	Procurement in the open marketplace by LCR consortium of local authorities	Not an option until 18/19 at the earliest, as LA procurement cycles out of synch
4	a	Partnership with Multi-Academy Trust	Cannot meet IAG impartiality standard in statutory guidance
4	b	Partnership with Further Education consortium	Cannot meet IAG impartiality standard in statutory guidance
5		Procurement from a schools-owned company	Dependent on decision made in PSR 7 – 18/19 at the earliest
6		Shared service commissioned by a consortium of LCR local authorities	Not an option until 18/19 at the earliest, as LA procurement cycles out of synch

4. Evaluation

- 4.1 Taking all of the above into account, the current preference is for a staged approach in which the IAG service (as re-specified) is re-procured from the marketplace for a three year period with a break option at two years and that the new contract is used as a learning period to introduce innovations and improvements that warrant a reduced total contract value and lower unit costs. (Further details of the business case can be found in a working paper attached as Annex 1.)
- 4.2 The preferred long-term option is to seek transformational methods of delivery by means of co-operation with the other LCR local authorities. However, LA procurement cycles are currently out of alignment. They will re-align by 2019, so during the first two years of the new contract, we will continue to evaluate alternative delivery options and report back to Cabinet.
- 4.3 To deliver savings with confidence, the new contract requires more active management of the IAG contract, of provider markets, and development of an LCR approach to the proposed “Careers Hub”. These delivery costs are estimated at £80,000 over the three years 2017-20.
- 4.4 A further attractive feature of a re-procured service is that it can be readily directed to align its services with the emerging architecture of Locality Teams and

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Promoting Resilience projects under the Council's Public Sector Reform programme.

- 4.5 There is the associated advantage that an OJEU-compliant procurement will create a pool of match to attract EU funding – particularly significant in the run-up to Brexit in March 2019 when the lack of match is the main constraint on maximising the draw-down of unused EU Structural Funds.

5. Next steps

- 5.1 The IAG contract has recently been released from the Public Sector Reform programme and is now being pursued as a standard service option. Therefore it is not possible to meet the 1st April 2017 target date for a new contract because an OJEU –compliant procurement process has to have been completed.
- 5.2 Cabinet is therefore asked to approve a two month extension to the existing contract to allow the Council's Contract Procurement Regulations to be complied with. The incumbent provider has indicated this is acceptable.
- 5.3 Cabinet is requested to approve a re-procurement enabling cost savings to be achieved and to secure potential match funding through ESF.
- 5.4 Cabinet is requested to delegate authority for contract acceptance to the Cabinet Member Regeneration and Skills following procurement, to ensure timely delivery and continuity of service.

Report to: Cabinet **Date of Meeting:** 12th January 2017

Subject: Review of Procurement Processes **Wards Affected:** All Wards

Report of: Head of Commissioning Support and Business Intelligence

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

Purpose/Summary

To report to Cabinet the outcome of recent procurement processes and subsequent audit work, including revision of the Council's Contract Procedure Rules.

Recommendation(s)

That Cabinet:

1. Endorse the work being undertaken to review the Council's procurement processes, rules and guidance.
2. Note and endorse the revised Contract Procedure Rules and the changes made.
3. Note that progress in delivering the Procurement Action Plan and a summary of all OJEU compliant processes that are undertaken for a period of 12 months will be reported by the Head of Commissioning Support and Business Intelligence to each subsequent meeting of the Audit and Governance Committee.

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:

Procurement is an Executive function. In light of the importance of good procurement practice for the achievement of value for money, it is necessary to provide assurance to Cabinet as to action taken in respect of recent issues that have arisen in this regard.

Alternative Options Considered and Rejected:

In light of the importance of correct procurement practice to the achievement of value for money and the decision of Audit and Governance Committee to refer the revised Contract Procedure Rules to Cabinet for them to receive assurance as to action taken and to note the changes made to the Contract Procedure Rules, no alternative options were considered.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional costs as a result of this report.

(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:

Financial	
Legal The revised contract procedure rules fully reflect the Public Contract Regulations 2015//102. Production of this report has also been considered in line with Sections 5 and 5A of the Local Government and Housing Act 1989 and Sections 114, 114A 115 and 115B of the Local Government Finance Act 1988.	
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 of the Proposals on Service Delivery:

There will be no impact upon service delivery as a result of the proposals within this report. The decision by Audit and Governance Committee to adopt the revised Contract Procedure Rules should improve the Council's procurement processes and practice and ensure ongoing compliance with legal requirements relating to procurement and contract related matters.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD 4459/16) and the Head of Regulation and Compliance (LD 3742/16) have been consulted and any comments have been incorporated into the report.

Implementation Date for the Decision

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

Contact Officer: Peter Moore
Tel: 0151 934 3730
Email: peter.moore@sefton.gov.uk

Background Papers:

The following background papers are available for inspection:

Report to Audit and Governance Committee, 7th December 2016, *Review of Procurement Processes, Rules & Guidance*:
http://modgov.sefton.gov.uk/moderngov/documents/s70186/0013b-FD%204414%20-%20Review%20of%20Procurement%20Process_03.pdf

Revised Contract Procedure Rules:
<http://modgov.sefton.gov.uk/moderngov/documents/s70710/Contract%20Procedure%20Rules%202016.pdf>

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Introduction/Background

1. In June 2016, having identified some issues with a large contract procurement exercise undertaken in 2015/16, the Council commissioned an external independent review of that particular procurement process. This independent review identified a number of control weaknesses within the process and made a series of recommendations, which were subsequently agreed by Senior Officers and a Procurement Improvement Action Plan developed. In addition a thorough investigation was also undertaken by the Council's Internal Audit Team.
2. In his *Statement of Accounts 2015/16* report to Audit and Governance Committee, on 21st September 2016, the Head of Corporate Resources advised Members that the External Auditors had substantially completed planned work in relation to their audit of the financial statements and value for money but needed to undertake some additional work on the Council's procurement processes in order to reach a conclusion. He also reported that an update would be provided to the Audit and Governance Committee upon completion of that work.
3. In his subsequent report to Audit and Governance Committee, on 7th December 2016, the Head of Corporate Resources advised Members that the additional work undertaken had identified that in respect of the Council's procurement processes "*these control weaknesses were not isolated to one area*" and consequently the Council's External Auditors had issued a "qualified 'except' for Value for Money conclusion", due to weaknesses in arrangements for procuring goods and services across the Council.
4. The Annual Audit Letter from the Councils External Auditor, presented to Audit and Governance Committee on 7th December 2016, acknowledges that the Council "*responded quickly to the findings of the review and established an action plan for improvement*" but also states that the independent review referred to in paragraph 1 identified "*an environment that lacks clearly defined responsibilities and accountability*" and reflects the weaknesses identified by the review as:
 - The roles of the Procurement team and the responsibilities of the Service are not clearly documented.
 - There is no formal approval process for agreeing the final versions of the PQQ or ITT or any subsequent changes to documentation.
 - Issues identified with the procurement guidance include:
 - The procedure was last updated in April 2014 prior to the Public Sector Contract Regulations 2015;
 - The contract procedure rules do not refer specifically to the use of Chest or include procedural guidance about how to use the 'electronic tendering method';
 - The rules do not clearly allocate the responsibility for managing the procurement including the split between procurement and the service line;
 - The rules do not clarify the conditions for communication with suppliers during a tender process;
 - The rules do not clarify the process for approving an ITT; and
 - The rules do not clarify the process for managing ITT variations.

5. As a result of the independent review referred to in paragraph 1 above, a Procurement Improvement Action Plan was developed and a full review of the Council's procurement processes, rules (including the published Contract Procedure Rules) and Guidance was initiated to:
 - Ensure full compliance with Public Sector Contract Regulations 2015;
 - Address the issues identified by audit of recent procurement exercises;
 - Address any other gaps separately identified; and
 - Generally improve the effectiveness of procurement by Sefton Council.
6. The work plan for the review consists of four main phases of activity:
 - Immediate interim action in respect information management and governance and assignment of roles and responsibilities for current live procurement exercises (September 2016 – December 2016);
 - review and revision of the existing processes, rules (including CPR) and guidance (September 2016 – December 2016);
 - implementation of new processes, rules and guidance (including staff training) December 2016 – March 2017); and
 - Post-implementation Audit Programme (January 2017 – December 2017)

This work plan is being managed by a multi-disciplinary team led by the Head of Commissioning Support and Business Intelligence, reporting periodically to Strategic Leadership Board and Cabinet Member Regulatory, Compliance and Corporate Services and to reporting to each meeting of Audit and Governance Committee.

7. A first report of progress in delivering this review, together with the revised CPR, was reported by the Head of Commissioning Support and Business Intelligence to Audit and Governance Committee on 7th December 2016. Audit and Governance Committee approved the revised CPR and they have now been published and shared with all members of Strategic Leadership Board.
8. Procurement is an Executive function and In light of the importance of good procurement practice for the achievement of value for money, in agreeing the revised CPR, Audit and Governance Committee also agreed to refer the revised CPR to Cabinet for them to receive assurance as to action taken and to note the changes made. The relevant Minute from Audit and Governance Committee is included in full at Annex 1 to this report. The full report to Audit and Governance Committee can be viewed at: http://modgov.sefton.gov.uk/moderngov/documents/s70186/0013b-FD%204414%20-%20Review%20of%20Procurement%20Process_03.pdf and the CPR, which have now been published, can be viewed at: <http://modgov.sefton.gov.uk/moderngov/documents/s70710/Contract%20Procedure%20Rules%202016.pdf>.
9. As identified within the report to Audit and Governance Committee, the recommendations of the independent review are all directly addressed within the changes to the revised CPR and wider work being undertaken to improve procurement processes and practice within Sefton.
10. In addition to the execution of the Procurement Action Plan the Council will also engage with Ernst & Young's procurement specialists to independently assess the improvement actions being undertaken by the Council and the scope of a further

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review of current arrangements; and reflect within future Internal Audit planning the increased risk arising from recent findings.

11. The Council has recognised and acted expediently to correct the identified control weaknesses within the procurement processes referred to above. Officers have also assessed whether there is any need for further action in respect of the particular procurement decisions taken and are satisfied that the decisions remain sound and that no further action is required in that regard.

Annex 1 – Minute from Audit and Governance Committee 7th December 2016

31. Review of Procurement Processes, Rules and Guidance

Report of the Head of Commissioning Support and Business Intelligence.

Additional documents:

- 2016 Contracts Procedure Rules FINAL_02

Minutes:

Further to Minute No. 30 a above, the Committee considered the report of the Head of Commissioning Support and Business Intelligence advising the Committee of work being undertaken to review the Council's procurement processes, rules and guidance and seeking approval for revised Contract Procedure Rules produced as part of that review. The report set out the background to the matter, indicating that Procurement was an Executive function, and a summary of the key changes to Contract Procedure Rules were attached to the report at Annex 1. The revised Contract Procedure Rules were set out at Annex 2 to the report.

In relation to Annex 2 attached to the report, and the revised Contract Procedure Rules, a subsequent amendment to the rules that applied to schools that had opted to purchase the Council's Procurement service, was reported.

Members of the Committee asked about processes involved in awarding contracts and the balance between qualitative and quantitative standards. It was reported that individual tender documents and specifications set out criteria for evaluation and scoring.

RESOLVED: That

- (1) the work being undertaken to review the Council's procurement processes, rules and guidance, be noted;
- (2) subject to the following amendment, the revised Contract Procedure Rules, as set out in Annex 2 to the report, be approved:-

Section 1.1.1 of the Contract Procedure Rules – Link to the Constitution, the deletion of the 3rd paragraph, to be replaced with the following:-

“These rules will apply to all Sefton Council maintained schools, in accordance with “Fair Funding Guidance: Scheme for Financing Schools” and

- (3) as Procurement is an Executive function and in light of the importance of good procurement practice both for the achievement of value for money, and to provide assurance to the Cabinet, the revised Contract Procedure Rules be referred to the Cabinet for it to receive that assurance as to action taken and to note the changes made to the Contract Procedure Rules.

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Report to: Cabinet

Date of Meeting: 12th January 2017

Subject: Parking Enforcement Contract / Community Wardens

Report of: Head of Regulation & Compliance

Wards Affected: All

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

Exempt/Confidential No.

Purpose/Summary.

To seek an extension to the existing contract for Parking and Environmental Enforcement and to seek permission to negotiate with the one tenderer on their submission.

Recommendation(s)

1. That Cabinet agree to extend the current contract for parking enforcement and environmental enforcement until the 31st March 2018.
2. That Cabinet agree that officers enter into a negotiated process with tender No 1 in relation to the proposed new contract, due to competition being absent for Technical Reasons.
3. That Officers report on the outcome of the negotiated process to the Cabinet Member for Regulation, Compliance and Corporate Services.
4. Following on from the negotiated process and subject to it being successful, the Cabinet Member request the Head of Regulation and Compliance to draw up an appropriate contract with tenderer No 1.
5. 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 (Regulatory, Compliance and Corporate Services) had been consulted under Rule 27 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 there is a need to ensure that an enforcement provision is in place for 1 April 2017 and agreement will need to be reached by early January 2017 with the existing provider and sole tenderer.

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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 ensure that the service of parking and environmental enforcement is provided to the Council at the most advantageous rate.

When this service was originally procured, it was procured on the basis of a core contract period of 5 years with no optional extension periods. The value of this contract is above the current EU Spend Threshold. Where an extension period was not provided for within the original OJEU Contract Notice and the value of the contract is above the current EU Spend Threshold, the Council's Contract Procedure Rules allow the Council to grant an extension, on a short term basis, in exceptional circumstances. Officers consider that the combination of factors in this case (i.e. single tenderer; submitted tender price beyond current budgetary provision; uncertain future budgetary position; statutory duty to provide enforcement service; and the Council's desire to develop an enhanced service to that currently provided) represent exceptional circumstances and are therefore proposing a contract extension as the most appropriate immediate course of action. The value of the proposed contract extension requires authorisation by Cabinet.

What will it cost and how will it be financed?

(A) **Revenue Costs.** The extension will be delivered within the current budget provision. The contract will only be let if it can be delivered within the current budget provision (note current replaces proposed)

(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. As determined by the Council's Contract Procedures Rules, the contract will need to be sealed as its total value will be in excess of £100,000. Cabinet's authority is sought to extend the contract due to the value of the arrangement for the 12 month extension period.	
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: The extension will allow for continued service delivery whilst the Council gives further consideration to the future delivery of this service and an enhanced service to deliver a more holistic approach to enforcement and the ambassadorial role.

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD4457/16) has been consulted and notes from the report any costs (taking into account anticipated enforcement revenue), can be met from existing budgets in 2017/18. Budgets for 2018/19 onwards would need to be revised subject to contract renegotiation. Members would be appropriately advised as this work progresses.

The Head of Regulation and Compliance (LD 3740/16) has also been consulted and has no comments on the report

Implementation Date for the Decision:

Following the expiry of the "call-in" period for the Cabinet minutes.

Contact Officer: Dave Marrin
Tel: 0151 934 4295
Email: dave.marrin@sefton.gov.uk

Background Papers:

None

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1.0 BACKGROUND

1.1 The current contract for the provision of parking enforcement services (including environmental enforcement services) expires on 31st March 2017.

1.2 It was proposed that the new contract would commence on the 1st April 2017 and would also include enforcement of environmental offences such as littering and dog fouling as well as an increased focus on the ambassadorial role of the officers as a point of information. The ambition is for this contract in particular to support an improved environmental experience for those living, working and visiting Sefton

1.3 This approach has been endorsed by the Senior Leadership Board borne of a desire to enhance the 'Place' in which people work, rest and play. The emphasis for the Council continues to be to find smarter ways to improve productivity and deliver more within existing resources. This will result in Council officers and/or contractors taking an increased responsibility for the quality of environment they are working in on a day to day basis

The contract would include the following:

- Enforcement of parking contraventions and environmental offences including littering & dog fouling
- Community Support by assisting with directions, public transport information, etc
- Providing intelligence for the Council to act upon including pavement hazards (A boards/café overspill), broken street furniture, broken street lighting, exposed utility works, fly posting, potholes, overhanging trees, skips/scaffolding, etc
- Reporting 'Fresh Issues' (where quick action required) such as fly tipping
- Acting as a signpost for Council services and activities and encouraging participation. This could include health promotions, the leisure and cultural offer, events, etc

2.0 PROCUREMENT PROCESS

2.1 The process which has been followed is an open competition through the North West Opportunities Portal 'The Chest'.

2.2 An Invitation To Tender (ITT) document was created and posted on the Chest for all potential providers to access. A number of assessment criteria were developed in order to determine Contractors' ability to deliver a contract of this nature. These included:

- Working Relationships
- Customer Care Practices and Policies
- The Ambassadorial Role
- Implementation Proposals
- Operational Management
- Use of Operational Policy and Procedures
- Contract Commencement and TUPE

- Performance Indicators and Monitoring
- Future Developments
- Cash Collection, Counting and Banking

- 2.3 Tenders were invited and assessed using a 'cost/quality' methodology. Officers considered that the quality element of the tender was of greater importance due to the ambassadorial role that the contractor is being asked to undertake. Consequently, the tender responses have been assessed on a 40% cost / 60% quality split.
- 2.4 The tendering opportunity, managed via the Council's Procurement Unit, was publicised and managed electronically within The Chest.
- 2.5 Only one provider (the current incumbent) submitted a formal tender bid. The low response demonstrates how narrow the marketplace is for this new and innovative combined service.
- 2.6 The cost of the tender would be in excess of the available budget.
- 2.7 On the 1st September 2016 Cabinet Authorised the Head of Regulation & Compliance to accept the Highest Scoring Tender in accordance with the approved basis of evaluation in consultation with the Cabinet Member.

3.0 **CURRENT POSITION**

- 3.1 The current position is complicated by the on-going consideration of the budget/Medium Term Financial Plan for 2017-2020 and the Council's Public Sector reform agenda.
- 3.2 Because only one tender was submitted in response to the open procurement process for the new service referred to above and with the price of that tender being above the current and anticipated budgetary provision, officers are seeking authorisation to enter into a negotiated procedure (under Regulation 32 of the 2015 Public Contract Regulations) with the tenderer in relation to their tender submission.
- 3.3 In light of the fact that the only tenderer for the new service is also the incumbent contractor, it is recommended that the existing contract for the provision of parking and environmental enforcement is extended until 31st March 2018. If the extension is granted then officers will negotiate with the current provider for the continuation of the existing contract to provide the service until 31st March 2018 within the budget to be agreed for 2017/18 (currently assumed to be the existing 2016/17 budget). It will be necessary to reach agreement with the existing provider by early January 2017 in respect of the proposed contract extension.
- 3.4 This extension will secure an enforcement service for 2017/18; allow time to undertake a negotiated procedure in respect of the submitted tender; and, if that procedure is unsuccessful, to identify and pursue other options for future provision.

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Report to: Leader of the Council **Date of Decision:** 21 December 2106
Cabinet **Date of Meeting:** 12 January 2017

Subject: Approval to Serve a S220 Highways Act 1980 Notice on Persimmon Homes NW Ltd in relation to their development at School Lane, Maghull

Report of: Head of Locality Services – **Ward affected:** Sudell
Commissioned

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

Exempt/Confidential No

Purpose/Summary

To seek approval to serve a s220 Notice on Persimmon Homes North West Ltd, relating to their proposed development at School Lane, Maghull pursuant to s219-225 of the Highways Act 1980 and to waive the call in period due to the time constraints of the Christmas period and serving of the statutory Notice within 6 weeks of the Building Commencement Notice.

Recommendation(s)

Leader of the Council:

Approve the service of a Notice with the value of £1,599,020 pursuant to s220 of the Highways Act 1980 on Persimmon Homes NW Ltd, relating to their proposed development at School Lane, Maghull;

Cabinet:

- (1) Note the urgent decision made by the Leader of the Council; and
- (2) It be noted that the Leader of the Council and the Chair of the Overview and Scrutiny Committee Regeneration and Skills had given their consent under Rule 46 of the Overview and Scrutiny Procedure Rules for this/these decision(s) to be treated as urgent and not subject to "call in" on the basis that it/they cannot be reasonably deferred because the statutory period for issuing this Notice will expire during the seasonal bank holiday and shut down period.

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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:

Only the Council acting in its capacity as the Highway Authority can serve a Notice under these provisions on a landowner.

What will it cost and how will it be financed?

(A) Revenue Costs

None

(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		
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 Regulation and Compliance (LD 3730/16) has been consulted and has no comments on the report.

The Head of Corporate Resources has been consulted and has no comments on this report. (FD 4447/16)

Are there any other options available for consideration?

No

Implementation Date for the Decision

Immediately

Contact Officer: Brian Mason - Highways Development & Design Team Leader
Investment Programmes & Infrastructure
Tel: 0151 934 4175
Email: brian.mason@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

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1.0 Introduction

- 1.1 The Advanced Payments Code (APC) provides a legal mechanism for Highway Authorities to secure a bond from developers who have not entered into an agreement under Section 38 of the Highways Act 1980 to have new roads that they are constructing adopted as highways maintainable at public expense.
- 1.2 Cabinet Member will recall the recent report of the introduction of the APC procedure and for this to be applied to all future housing developments with newly proposed road infrastructure.
- 1.3 The APC procedure is contained in Sections 219 – 225 of the Highways Act 1980. The purpose of the APC procedure is to ensure that before work begins on erecting new buildings in private streets, sums of money equivalent to that needed to construct the roads serving the buildings are deposited, or secured via a surety by developers. This is to ensure that roads serving the development can be completed to a suitably adoptable standard.
- 1.4 When developers gain planning consent to build new roads and infrastructure, they have the option to offer those roads for adoption as public highway through a Section 38 Highways Act 1980 agreement. However, in some circumstances developers choose to keep the roads private. Where a Section 38 Agreement has not been entered into by a developer, legislation enables the Council, through the APC procedure to secure a bond equivalent to the cost of constructing the road infrastructure.
- 1.5 The proposed housing development at School Lane by Persimmon Homes has been granted planning approval and is also the subject of a Building Control Commencement Notice.
- 1.6 The value of the infrastructure is estimated to be £1,599,020.
- 1.7 The report therefore seeks approval to serve the s220 Highways Act 1980 Notice on Persimmon Homes NW Ltd, to secure those funds which are estimated as the cost to bring the roadways up to an adoptable standard.
- 1.8 The Council Constitution provides for the Cabinet Member Locality Services to make such decisions regarding transport infrastructure.

2.0 Conclusion

- 2.1 A Section 220 Highways Act 1980 Notice can be served on a landowner to secure sufficient funds to be retained by the Council, to enable the road infrastructure to be built to adoptable standards. Following receipt of a building control commencement notice, a Council has up to 6 weeks to serve a Notice under s220 of the Highways Act 1980 which in turn, would secure those funds from a landowner. This is a new policy being adopted by the Council in line with other Council's in the area. If approved, Persimmon Homes NW will be the first developer to benefit from this new policy which will add certainty to both the developer and to the Council.

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- 2.1 Persimmon Homes NW Ltd have served the building control commencement notice for their development at School Lane, Maghull and the value of the bond required for the s220 Highways Act 1980 Notice is £1,599,020.
- 2.2 The Council constitution currently provides for such decisions to be made by the Cabinet Member – Locality Services – Commissioned however, due to limited time to serve the Notice within 6 weeks as a consequence of the Christmas period, the Leader has been asked to make this decision as a matter of urgency and approval is sought to waive the call in period in accordance with Rule 46 of the Overview and Scrutiny Procedure Rules.

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