

# Public Document Pack

Sefton Council 

MEETING: CABINET  
DATE: Thursday 1st November, 2018  
TIME: 10.00 am  
VENUE: \* Assembly Hall, Town Hall, Bootle \*

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

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

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

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

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.

**\* PLEASE NOTE THE VENUE FOR THE MEETING \***

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# AGENDA

Items marked with an \* involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>
1	<b>Apologies for Absence</b>	
2	<b>Declarations of Interest</b>  Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda.  Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation.  Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.	
3	<b>Minutes of the Previous Meeting</b>  Minutes of the meeting held on 4 October 2018	(Pages 7 - 10)
* 4	<b>Sand Dunes Nursery School – Outcome of the Consultation on the Proposal to Close the School Because it is not Financially Viable.</b>  a) <b>Sand Dunes Nursery School – Public Petition</b>  In accordance with the Council's Constitution, the Head Teacher has submitted a petition, containing the signatures of at least 25 residents of the	Linacre  (Pages 11 - 36)

Borough, which opposes the closure of the above Nursery. Michelle Hoang, a parent, will be permitted to address the Cabinet on the content of the petition for a period of up to 5 minutes.

The petition states that:-

“Sand Dunes Nursery School in Seaforth is facing possible closure in July 2019. The school is well-established within the area and has been part of the immediate community for over 80 years. Sand Dunes provides a very strong support network for all their families, not only providing high quality education and care for children in the critical early stages of their development but supporting parents in numerous ways which include educational advice, support and general guidance which our families need and rely upon. The families that access Sand Dunes are very concerned that there will not be spaces available to cater for their children if this setting was to close and they are keen to make sure their children continue to receive the same high quality education and support.

Independent research has shown that Maintained Nursery Schools provide the highest quality Early Years Education, meeting higher standards and employing the most qualified staff. They provide a different service to other early years providers, closing the achievement gap for some of the most disadvantaged children in the country.”

**b) Sand Dunes Nursery School – Outcome of the Consultation on the Proposal to Close the School Because it is not Financially Viable.**

Report of the Head of Schools and Families

* 5	<b>Liverpool City Region Care and Support</b>	All Wards	(Pages 37 - 44)
	Report of the Head of Adult Social Care		
* 6	<b>Sefton Community Infection Control Service</b>	All Wards	(Pages 45 - 50)

Report of the Head of Health and Wellbeing

- |     |  |           |                   |
|-----|--|-----------|-------------------|
| * 7 | <b>Permit Scheme for Road and Street Works</b>   | All Wards | (Pages 51 - 56)   |
|     | Report of the Head of Locality Services - Commissioned   |           |                   |
| * 8 | <b>Housing DevCo – Updates to Company Articles</b>   | All Wards | (Pages 57 - 164)  |
|     | Report of the Head of Commercial Development   |           |                   |
| * 9 | <b>Revenue and Capital Budget Plan 2018/19 – 2019/20</b>   | All Wards | (Pages 165 - 178) |
|     | Report of the Head of Corporate Resources  |           |                   |
| 10  | <b>Appointment to Outside Bodies 2018/19 - Veterans in Sefton and North West Boroughs Healthcare NHS Foundation Trust - Council of Governors</b> | All Wards | (Pages 179 - 182) |
|     | Report of the Chief Legal and Democratic Officer   |           |                   |
| 11  | <b>The Cottages, 1-3 Chapel Lane, Netherton</b>  |           | (Pages 183 - 194) |
|     | Report of the Chief Planning Officer   |           |                   |

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**THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON THURSDAY, 18 OCTOBER 2018.**

## **CABINET**

### **MEETING HELD AT THE COMMITTEE ROOM, TOWN HALL, BOOTLE ON THURSDAY 4TH OCTOBER, 2018**

**PRESENT:** Councillor Hardy (in the Chair)  
Councillors Cummins, John Joseph Kelly, Lappin, Moncur and Veidman

#### **46. APPOINTMENT OF CHAIR**

In the absence of the Chair and Vice-Chair Councillor Hardy was appointed Chair for this meeting of the Cabinet.

#### **47. APOLOGIES FOR ABSENCE**

Apologies for absence were received from the Chair, Councillor Maher and Councillors Atkinson and Fairclough.

#### **48. DECLARATIONS OF INTEREST**

No declarations of any disclosable pecuniary interests or personal interests were received.

#### **49. MINUTES OF THE PREVIOUS MEETING**

##### **Decision Made:**

That the Minutes of the Cabinet Meeting held on 6 September 2018 be confirmed as a correct record.

#### **50. INFORMATION, ADVICE AND GUIDANCE SERVICE FOR NOT IN EDUCATION, EMPLOYMENT OR TRAINING (NEET) YOUNG PEOPLE**

Further to Minute No. 80 of the meeting held on 2 November 2017 the Cabinet considered the report of the Head of Commissioning Support and Business Intelligence that sought authorisation to procure a new Information, Advice and Guidance (IAG) service for a period of up to four years to deliver the Council's statutory duties in relation to Not in Education, Employment or Training (NEET) young people, with an additional range of preventative actions for those at risk of becoming NEET.

##### **Decision Made:**

That:-

- (1) a procurement exercise be authorised, subject to a satisfactory and compliant tender process, to vary an earlier decision to enter into a contract for two years and to enter into a longer contract of up to

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four years' duration from April 2019 in relation to a new Information, Advice and Guidance service to deliver the Council's statutory duties in relation to Not in Education, Employment or Training young people: and

- (2) authority be delegated to the Cabinet Member - Regeneration and Skills, in conjunction with the Head of Corporate Resources and the Head of Commissioning Support and Business Intelligence, to finalise the structure of the contract to be procured before publication on the Chest and to award the Contract following completion of a satisfactory and compliant tender process.

## **Reasons for the Decisions:**

The Council made an application to the Government's Life Chances Fund earlier this year which has unfortunately not been supported. The intention had been to incorporate top-up funding from this source together with other funding from social investors to create a new IAG service offer with a Social Impact Bond at its core. The decision on Life Chances Fund was taken at HM Government Cabinet level via Department for Culture Media and Sport and was made public in September 2018. Advice has been sought from social investment specialists and this has indicated that a longer contract duration, given the absence of Life Chances Fund finance, would make Sefton's scheme more viable for other social investors.

## **Alternative Options Considered and Rejected**

1. Procure a contract until March 2020 in line with the decision taken by Cabinet in November 2017

There has been significant delay in the time taken to assess the Life Chances Fund which has impacted upon the Cabinet's previous decision, reducing the amount of time available for the introduction of a new service. Advice has indicated that, in the absence of government funding through Life Chances Fund, a longer contract period would increase the commercial attractiveness of our procurement opportunity and provide greater scope for suppliers to deliver innovative approaches.

2. Procure a jointly commissioned service alongside the Liverpool City Region Local Authority partners.

This option has been considered as at least four of the Merseyside LAs have been working together on IAG commissioning for some years and their approach has led to changes in the pattern of service delivery across the sub-region. In particular, NEET data tracking/reporting and engagement /support activities have been undertaken elsewhere by in-house LA staff while careers guidance has been sourced externally. In Sefton, however we have not operated these services in-house. This option has been rejected as it would require a TUPE transfer of staff from



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the existing supplier into the Council, which is not deemed appropriate from a financial perspective.

## 51. REVENUE AND CAPITAL BUDGET PLAN 2018/19

The Cabinet considered the report of the Head of Corporate Resources:-

- (1) seeking a review and consideration of the current forecast revenue outturn position for the Council for 2018/19 and the potential impact on the 2019/20 budget (including the achievement of approved Public Sector Reform savings);
- (2) advising of the current forecast on Council Tax and Business Rates collection for 2018/19; and
- (3) advising of the current position of the 2018/19 Capital Programme.

The Head of Corporate Resources referred to the current outturn forecast and the additional pressure that would be placed upon the 2019/20 budget (in addition to the current best estimate of £15m in respect of 2020/21; the close monitoring of services under significant budget pressure, in particular Children's and Adults Services; and that the outturn forecast could change by the end of the financial year.

### **Decision Made:**

That:-

- (1) the forecast deficit revenue outturn position for 2018/19 and the potential impact on the budget for 2019/20, (including the achievement of approved Public Sector Reform savings) be noted;
- (2) the significant budget pressure and the urgency for service areas to bring forward new budget saving proposals for Member consideration in time to deliver a balanced budget position in 2018/19 and 2019/20 be noted;
- (3) the forecast position on the collection of Council Tax and Business Rates for 2018/19 be noted; and
- (4) the current progress in the delivery of the 2018/19 Capital Programme be noted.

### **Reasons for the Decisions:**

To ensure Cabinet are informed of the forecast outturn position for the 2018/19 revenue and capital budgets as at the end of August 2018 and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the

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process of setting the 2018/19 budget. As the Council is nearly half way through the second year of this budget plan it remains confident, that its continued strategic approach to budget planning alongside good financial management and extensive community engagement, means that the plan continues to develop on solid foundations, remains flexible and will secure the future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services exceeding the budget. Corrective action will be required to bring the overall budget into balance before the end of the financial year.

## **Alternative Options Considered and Rejected**

Not applicable

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Report to:	Cabinet	Date of meeting:	1 November 2018
Subject:	Sand Dunes Nursery School – outcome of the consultation on the proposal to close the school because it is not financially viable.		
Report of:	Head of Schools & Families	Wards Affected:	Linacre and neighbouring wards where pupils reside
Is this a Key Decision	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

## Summary

The Governing body of Sand Dunes Nursery School have written to the local authority stating that they are unable to set a budget and are unable to produce a plan which will bring the school back into budget. They are no longer financially viable and have, therefore, requested that the local authority commence a statutory consultation on a proposal to close the school.

The current financial position indicates that the school is currently overspending by approximately £140,000 a year and has now exhausted its available balances. The projected financial position for 2018/19 is a deficit of £275,000. Should the school close in July 2019 the closing school deficit budget is predicted to be -£360,000 and this will need to be picked up by the local authority. There will also be closure costs that will need to be factored into the final deficit position but these are unknown at this time and so cannot be quantified.

Cabinet on 26 July agreed to undertake a statutory consultation and the purpose of this report is for Cabinet to consider, the outcome of the consultation on the proposed closure of Sand Dunes Nursery School, the current financial position of the school and seek approval to publish a Statutory Notice relating to the proposal. All consultation responses are available and the issues raised are detailed in the body of the report.

## Recommendation(s):

Cabinet are recommended to:

- 1) Consider the responses to the statutory consultation process;
- 2) Consider the other information regarding the quality and availability of other providers in the local area;
- 3) Consider the financial position of the school in terms of its significant

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deficit and the fact there are no viable proposals to address this;

- 4) With deep regret approve the publication of the Statutory Notice on the closure of Sand Dunes Nursery School.
- 5) Request officers continue to explore suggestions put forward by the School, in the meeting with Councillors, for alternatives and include the outcome in the determination report.

## **Reasons for the Recommendation(s):**

The local authority has the statutory power to close a maintained school following the statutory process detailed in the report.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

All alternative options have been explored by the governing body with support from Officers prior to the governing body making their request. No viable alternative options to address the financial viability of the school have come from the consultation process.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

The current financial position indicates that the school is currently overspending by approximately £140,000 a year and has now exhausted its available balances. The projected financial position for 2018/19 is a deficit of £275,000. Should the school close in July 2019 the closing school deficit budget is predicted to be -£360,000 and this will need to be picked up by the local authority. There will also be closure costs that will need to be factored into the final deficit position but these are unknown at this time and so cannot be quantified.

Any budget shortfall by the end of the closure period is the responsibility of the Council and cannot be charged to the Dedicated Schools Grant (DSG). Therefore, the Council will need to identify additional resources from its reserves and balances to support the final closing deficit position. Any budget shortfall by the end of the closure period is the responsibility of the Council and cannot be charged to the Dedicated Schools Grant (DSG). Therefore, the Council will need to identify additional resources from its reserves and balances to support the final closing deficit position. The funding implications of this are detailed in the body of the report.

Any mothballing costs related to the building may be met from specific funding within the DSG which is held centrally for this purpose. However, this funding is under review by the DfE as part of the national review of school funding and may not be available after 31<sup>st</sup> March 2020.

**(B) Capital Costs**

N/A

**Implications of the Proposals:**

<p><b>Resource Implications (Financial, IT, Staffing and Assets):</b></p> <p>Capacity exists to take forward the proposed closure</p>
<p><b>Legal Implications:</b></p> <p>The proposal to close the school will follow the requirements of the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013.</p>
<p><b>Equality Implications:</b></p> <p>There are no equality implications.</p>

**Contribution to the Council’s Core Purpose:**

Protect the most vulnerable:
Facilitate confident and resilient communities:
Commission, broker and provide core services:
Place – leadership and influencer:
Drivers of change and reform:
Facilitate sustainable economic prosperity
Greater income for social investment:
Cleaner Greener:

**What consultations have taken place on the proposals and when?**

**(A) Internal Consultations**

The Head of Corporate Resources (FD5325 /18) and Chief Legal and Democratic Officer (LD4550 /18) have been consulted and any comments have been incorporated into the report.

**(B) External Consultations**

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Public consultation on the proposal has taken place in accordance with statutory requirements. As part of the consultation process meetings were held with staff in the school and their trade union representatives.

## **Implementation Date for the Decision**

Immediately following the expiry of the “call-in” period for the Minutes of the Cabinet meeting

<b>Contact Officer:</b>	Mike McSorley
Telephone Number:	0151 934 3428
Email Address:	<a href="mailto:mike.mcsorley@sefton.gov.uk">mike.mcsorley@sefton.gov.uk</a>

## **Appendices:**

Appendix 1 – Consultation leaflet  
Appendix 2 – Draft Statutory Notice

## **Background Papers:**

Consultation responses.

## **1. Background**

- 1.1 Sand Dunes Nursery has had financial challenges for a number of years but the head teacher and governing body have been able to restructure and reorganise the school to ensure that the school's budget was balanced. Unfortunately, because of increasing costs and static pupil numbers they are no longer able to set a balanced budget. The school is currently only half full and numbers are unlikely to increase.
- 1.2 During the consultation on children and family centres a number of issues were raised about the current numbers of children attending Sand Dunes Nursery School and its consequential impact on the Centre.
- 1.3 Governing Bodies have a duty to set a balanced budget each year and the Governing Body of Sand Dunes Nursery School has worked very hard over the last few years to reduce costs and set a balanced budget. This has been against a backdrop of a funding freeze, falling pupil numbers and increasing cost.
- 1.4 The Governing Body of Sand Dunes Nursery School met on 26 June 2018 to consider the financial position of the school going forward in the light of no foreseeable increase in pupil numbers and increasing cost. The Governing Body consider that they could not reduce costs to the level required to set a balanced budget due to statutory requirements around staff/pupil ratios. Following this meeting the Chair of Governors wrote to the Head of Schools and Families on 27 June saying, "as a Governing body we cannot by law set a deficit budget and at a full Governors' meeting on 26<sup>th</sup> June it was agreed that there was no alternative but write to yourself stating that the school is no longer financially viable and asking you to consider undertaking a consultation on proposed closure."
- 1.5 The above was considered by Cabinet on 26 June 2018. Cabinet agreed to commence a statutory consultation on a proposal to close Sand Dunes Nursery School at the end of the 2018/19 academic year because it is no longer financially viable.

## **2. Consultation Process**

- 2.1 In accordance with section 16(3) of the Education and Inspections Act 2006 a proposer of a school closure must have regard to any guidance issued by the Secretary of State. The following bodies and individuals were consulted –
  - Parents/carers of pupils at the Sand Dunes Nursery
  - Staff at Sand Dunes Nursery
  - Governors of Sand Dunes Nursery
  - Trade Union Reps
  - Ward Councillors
  - Directors of Neighbouring LAs
  - Local MPs
  - General consultation invites on Sefton Council's Website.

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- 2.2 The consultation process was presented to the Public Engagement and Consultation Panel on 16 August 2018.
- 2.3 All parents received a letter and a copy of the consultation leaflet. The consultation leaflet is attached to this report for information at Annex A. The consultation also consisted of meetings with staff, governors and families, and provided the opportunity for discussion and written representation.

### **3. Outcome of the Consultation**

- 3.1 During the consultation period meetings have been held with interested parties, the following is a synopsis of the outcomes as a result of those meetings. The consultation period ran from 25 August until 19 October (the end date was extended at the request of consultees because there was a delay setting up the online form).

#### **3.2 Consultation Meetings with Parents and Carers 18 September 2018**

Two meetings were held to provide as much opportunity for parents to attend although only a small number of parents/carers were present (11 in total).

At the meetings, the background to the proposal was explained. Reference was made to the informal pre-consultation meetings that had been held with parents in July. Some of the parents/carers who were present had attended this. The reason for the proposal was due to the school being in financial difficulties and it was explained that in the past the school has restructured and made savings, but they are no longer able to do this. At the end of 2017/18 the school had a deficit of -£136,500 and by the end of 2018/19 this is predicted to be -£275,150. Schools must be able to set a balanced budget.

Following receipt of a letter from the governing body, a report was submitted to Cabinet on 26<sup>th</sup> July 2018 and a consultation on a proposal to close the schools was approved. The Council must follow a legal process which has several stages and the meeting was part of the consultation stage. Once the consultation period ends a report will go back to Cabinet on 1<sup>st</sup> November to decide whether to proceed to the next stage. The report will be in the public domain and will be available a week before the meeting. If this is agreed the proposal will be published and there is a 4-week representation period to allow people to submit their written responses. The final report will be submitted to Cabinet in January for them to make the final decision to close or not.

Responses to the consultation can be in any format. There is a form attached to the consultation document and the forms can be handed in to the school to be collected. Comments can also be submitted by email, via the webform on the Sefton website, by letter or via the Sand Dunes Facebook page.



If the decision is made to close, parents were informed that the local authority will arrange to have more detailed conversations with parents/carers about places. This will be arranged via the school and Early Years Team.

If the school does close it will happen at the end of the summer term so there is no need for parents/carers to move their child especially those who are moving to Reception in September.

It was explained that the Children's Centre is not part of the school and will not be affected by a closure.

### **3.3 Consultation Meeting with Staff and Governors on 18 September 2018**

At the meeting, the background to the proposal was explained. Reference was made to the informal pre-consultation meetings that had been held with staff in July which most staff had attended. The reason for the proposal was due to the school being in financial difficulties and it was explained that in the past the school has restructured and made savings, but they are no longer able to do this. At the end of 2017/18 the school had a deficit of- £136,500 and by the end of 2018/19 this is predicted to be - £275,150. Schools must be able to set a balanced budget.

Following receipt of a letter from the governing body, a report was submitted to Cabinet on 26<sup>th</sup> July 2018 and a consultation on a proposal to close the schools was approved. The Council must follow a legal process which has several stages and the meeting was part of the consultation stage. Once the consultation period ends a report will go back to Cabinet on 1<sup>st</sup> November to decide whether to proceed to the next stage. The report will be in the public domain and will be available a week before the meeting. If this is agreed the proposal will be published and there is a 4-week representation period to allow people to submit their written responses. The final report will be submitted to Cabinet in January for them to make the final decision to close or not.

It was explained that if the decision was to close the schools formal staffing consultation would take place.

### **3.4 Online and written responses to consultation**

A total of 174 responses were received; 31 of these were from Sefton webforms, 6 from emails, 40 were written responses submitted on the form attached to the consultation document and 97 responses made as part of the online petition (Reason for Signing/Supporter Comment) were submitted by the school. The webforms captured who has responded and the postcode.

Who responded?

- Parent/Carer 16
- Ex parent/carer 5

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- Resident living nearby 6
- Ex-Employee 1
- Student 1
- Grandparent 1
- Member of staff 1

## Postcode of respondents

L21	13
L20	5
L23	3
L22	5
L30	2
PR8	1
No postcode	2

## Key themes from all responses:

- All respondents supported the school and were against the closure
- Concern that a school in an area of deprivation that caters for vulnerable children is closing and the effects this may have on the child through the education system and later life
- Concern for vulnerable parents and families who receive support from the school which they feel will not be available from anywhere else
- Concern about lack of nursery places in the Seaforth area and the impact of the proposed closure on the local community
- Concern that closure of the nursery will have a knock-on effect on primary schools in the area as without this support pupils may not be “school ready”. Sand Dunes also provides advice and support for other schools in Sefton and respondents were of the opinion that that this level of early years expertise will be lost if the school closes
- A high proportion of children with SEN/additional needs attend the school, some children struggle with change and making friends and there is concern that there will not be a local nursery school that can cater, or will accept their child/children and provide the wrap-a-round provision for families in full-time employment
- If an alternative school is found, there is concern that families on low incomes will not be able to find the travel/transport costs to be able to get to the school
- The children like attending Sand Dunes Nursery School and the respondents praised the quality of teaching staff/practitioners and the specialist support they provide to both children and families and feel the staff have built up relationships with the children and given them the best start in life. Parents view Sand Dunes as part of the family and

described how their children were now thriving there after being given support for their specific needs. Others said their children were well prepared and confident to move on to Reception. Former parents described, after an excellent start at the nursery school, how their children had gone on to do well at primary school and beyond

- Concern about the staff and the loss of jobs and whether there is the possibility of joining up/merging with other schools, creating an Early Years Hub or using the tailor-made facilities at Sand Dunes as an Early Years SEN specialist provision, that may free up space in other local SEN schools
- Concern about what will happen to the building if the nursery does close

### **3.5 Petition**

An online petition entitled 'Keep Sand Dunes Nursery School Open' had over 900 signatures and this was supplemented by a written petition with just over 500 signatures, giving a total of over 1,400 signatures. The online petition can be viewed at <https://www.change.org/p/sefton-mbc-keep-sand-dunes-nursery-school-open>

### **3.6 Responses from other statutory consultees**

During the consultation period, no responses were received from other statutory consultees.

### **3.7 Summary of Issues Raised during the consultation**

#### **3.7.1 Main issues raised by staff**

Staff were concerned about being made redundant and finding an alternative job if the school closed. It was explained that there was no redeployment agreement with schools but the local authority would ask primary schools to give an interview to staff from Sand Dunes who met the essential criteria for jobs they applied for. The Head of Schools and Families raised this at a recent meeting of Primary Heads and this suggestion was agreed.

It was explained to staff that a range of additional support would be put in place to help with writing CVs and job applications, and with interview techniques.

Concern was expressed that private providers do not have the same terms and conditions as the local authority.

It was agreed that HR would meet with the staff group to discuss detailed individual personal issues.

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It was agreed that the funding deficit was the reason for the school being in the situation it was in but no one could come up with viable ideas to resolve this issue. It was explained that there were no alternative sources of funding which could be identified. There was some frustration with the process as staff felt there were no alternatives to be put forward because of the budget issue.

Trade Unions encouraged staff to lobby through local councillors and MPs.

An Ofsted inspection is due for the school and staff were concerned about the stress this would cause. The local authority has written to Ofsted to notify them about what is happening at the school and Ofsted have acknowledged this and said they will take this into consideration but won't commit to say whether they will inspect or not.

Staff were concerned that other settings would not be able to support children to the same levels particularly those with additional needs. It was explained that other nurseries in the area are rated good or outstanding, and the Council's School Readiness Team have confirmed that other settings have the expertise to support children with additional needs.

It was explained that if the decision was to close the school some parents will make their own arrangements to find alternative provision with many of the current cohort of children due to move to Reception in September 2019. The SEN team and School Readiness Team will work with parents to help them access a place if necessary.

Staff were concerned about what might happen to the building but it was explained that no discussions would take place until after the decision on the closure proposal. It was explained that the children's centre would be unaffected by the proposal.

Staff suggested using Sand Dunes as a specialist Early Education provision for SEND where existing staff can use their expertise to support Nursery and Reception age children who require specialist support. It was requested that this be included in the SEND review later this term as staff feel there will be a gap if other settings are not able or willing to take children with additional needs. It is suggested that this will free up space in Rowan Park. It had been agreed that this suggestion can be fed into the SEND Review.

## 3.7.2 Main issues raised by parents/carers

Support for children with SEND appears to be the main issue of concern for parents contacting the Head teacher. It was explained that the SEN team will work individually with parents to ensure that their needs are met in moving to a new setting if the decision was to close the school.

Parents were concerned that other settings would not be able to support children to the same levels particularly those with additional needs. It was explained that other nurseries in the area are rated good or outstanding, and

the Council's School Readiness Team have confirmed that other settings have the expertise to support children with additional needs.

It was explained that if the decision was to close the school some parents will make their own arrangements to find alternative provision with many of the current cohort of children due to move to Reception in September 2019. The SEN team and School Readiness Team will work with parents to help them access a place if necessary.

Parents seemed to think that there was not much they could do to keep the nursery viable because of the scale of the funding issues. There are not many nurseries that are separate from a school. This nursery is completely different from a school nursery and if it closes it will be very sad. If the school is going to be closed Parents wanted to be told now and felt the process was being dragged out for month and months.

It was explained that the Council had to follow the statutory process. It was also explained that the local authority and the school had explored every available option before proposing closure. The Headteacher explained the options they had explored and previous restructure to reduce costs but stated there were no further budget reductions which could make the school viable.

Parents/carers were urged to complete the consultation forms so that local authority know what their concerns are. It was explained that meetings of the Council are public and anyone can go along to observe.

Parents spent a lot of time explaining how the school had helped their children to progress and were concerned about how they would tell them if the school closed.

Parents asked if the school could become a resourced nursery but it was explained that there was no funding available for this. Children who have complex SEND would have an EHCP which would name the provision for that child in the plan. An EHCP is needed to access a resourced nursery place.

Parents asked that if the nursery was full would it make a difference. The headteacher explained that the school was already in significant deficit and even if it was full this would not wipe out the deficit and ensure the school had a balanced budget going forward. There are further funding changes proposed by central government which will make the funding position even worse in future.

Parents were concerned about having to move to another nursery and how their child would cope with this. It was explained that if the decision was to close then the school and the local authority would work closely will parents and children to support them with the transition to an alternative setting.

Parents wanted to know the number of special needs places available and it was explained that the SEN team will be able to provide this. It was reiterated that the Council will work individually with parents who have children with additional needs.

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Parents were sceptical that their views would be considered and that the closure was not a forgone conclusion. The statutory process was explained as well as the financial challenges set out in the consultation document. Because Sand Dunes is a school they have costs other settings don't have. Parents asked about alternative sources of funding and it was explained that the local authority were not aware of any alternative funding which could support the school.

Parents felt that some parents could not attend the meetings because of work. It was explained that the meetings were set up following consultation with the school on the best times for parents and that parents who could not attend should be encouraged to submit a consultation response so their views would be captured.

Parents asked questions about alternative provision and they were referred to the information in the consultation document about how to find nursery places in Sefton. Staff from Sefton's Early Years team will also work with parents to help them find an alternative place if required. It was stressed that if the decision was eventually to close the nursery it would not be before the end of the current school year and there was, therefore, no need to move at the moment.

## **3.8 Meeting with Ward Councillor, Lead Member of Children's Services and Director of Children's Services**

3.8.1 Representatives from the Parents and the School at the request of Ward Councillors met with the Cabinet Member, Director of Children's Services and head of Schools and Families to discuss first had their concerns around the closure proposal.

3.8.2 The issues discussed are captured above and Councillors felt it was very helpful to be able to hear the concerns directly from parents and have a discussion on the issues raised.

3.8.3 The school raised a number of potential options for the nursery including: specialist early years SEN provision; hub for early excellence education; combining maintained nursery provision under one roof; further exploring other sources of funding. These proposals had not been costed or worked up in detail and, subject to approval by Cabinet, it was agreed that officers would work with the school to do this and report the outcome to the determination meeting in January.

## **4. Financial Position**

4.1 Sand Dunes Nursery School has been struggling financially for a number of years and the Governing Body has worked hard to reduce costs and set a balanced budget.

4.2 The table below summarises the latest financial position of the school over the last two years and the projected financial position for 2018/19 to 2019/2.

Year	2016/17	2017/18	2018/19	2019/20
		**		
Total Expenditure	230,039	403,508	391,077	434,779
Total Funding	203,079	239,341	252,449	232,794
Budget surplus / deficit	- 26,960	-164,167	-138,628	-201,985
Balances / deficit B'fwd	54,620	27,660	-136,507	-275,135
Est. Balances / deficit C'fwd	27,660	-136,507	-275,135	-477,120

\*\* includes provision of the 2 year old offer from 1<sup>st</sup> April 2017 following staffing restructure and the closing of the child care provision in the Nursery School in March 2017

- 4.3 As stated above the Governing Body has worked hard to reduce costs each year. However, even with savings in expenditure, the school has had to use all of the its' balances and still closed last financial year with a deficit.
- 4.4 The current financial position indicates that the school is currently overspending by approximately £139,000 in the year and is carrying forward a financial deficit from 2017/18. The projected financial position for 2018/19 is a deficit of -£275,135.
- 4.5 As part of the consultation parents and staff asked if funding could be found to keep the school open. However, there is no funding available within the DSG to do this. There is also no unallocated funding within the Council's core budget to bridge the funding detailed above.
- 4.6 Should the school close in July 2019 the closing school deficit budget is predicted to be -£360,000 and this will need to be picked up by the local authority. There will also be closure costs that will need to be factored into the final deficit position but these are unknown at this time and so cannot be quantified

## **5. Standards**

- 5.1 Sand Dunes Nursery School was rated as good at its last Ofsted inspection. The majority of other settings in the area are also rated good or outstanding (100% of maintained nursery places and 97% of PVI Daycare).

## **6. Pupil Places**

- 6.1 Sand Dunes Nursery School is approximately 50% full (at the time of writing, 35 children against a capacity of 78 places). There is capacity in other settings in the local area (Based on the January 2018 sufficiency survey there are 29% vacant places in maintained nurseries and 31% in PVI Daycare).

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## 7. **Statutory Notice**

- 7.1 A copy of the statutory notice and detailed proposal are attached to this report for information
- 7.2 Following publication of the notice, subject to Cabinet approval, there will be a 4 week statutory period for representations to be made.
- 7.3 Any representations regarding the proposal will be considered by Cabinet in January when a final decision on closure will be made.

## 8. **Summary and Conclusion**

- 8.1 Following the proposal from the Governing Body to consult on the closure of Sand Dunes Nursery School consultation ran for 8 weeks from 24 August to 19 October. A range of stakeholders were directly engaged and public meetings were held with staff and parents.
- 8.2 A range of comments were made during the consultation process on the perceived impact of closing the school and a petition was received opposing the closure with over 1,400 signatories as well as over 170 other responses opposing the proposed closure.
- 8.3 During the consultation process there was a great deal of passion from parents and staff for the school to remain open and concern about what would happen to their children and the local community if the school closed. However, no viable and sustainable proposals to address the budget deficit and keep the school open were received.
- 8.4 The current financial position indicates that the school is currently overspending by approximately £140,000 a year and has now exhausted its available balances. The projected financial position for 2018/19 is a deficit of £275,000. By August 2019 the projected financial deficit of the school is £360,000 which will need to be picked up by the local authority along with the costs of closing the school in terms of redundancy costs etc. Any delay in closing the school will result in a significant increase in the deficit the Council would be responsible for.
- 8.5 There are sufficient places in other high quality local settings to accommodate all of the children pupils from Sand Dunes Nursery if the school closes.
- 8.6 The school suggested some options for the nursery but had not been able to provide costings or a business plan as to how these might work. It is suggested that, subject to approval, officers could work with the school to explore the viability of these options and report back as part of the determination report.
- 8.7 In conclusion the only realistic way forward is to proceed with the request from the Governing Body to close the school at the end of this academic year and proceed with the publication of the statutory notice. Any representations or

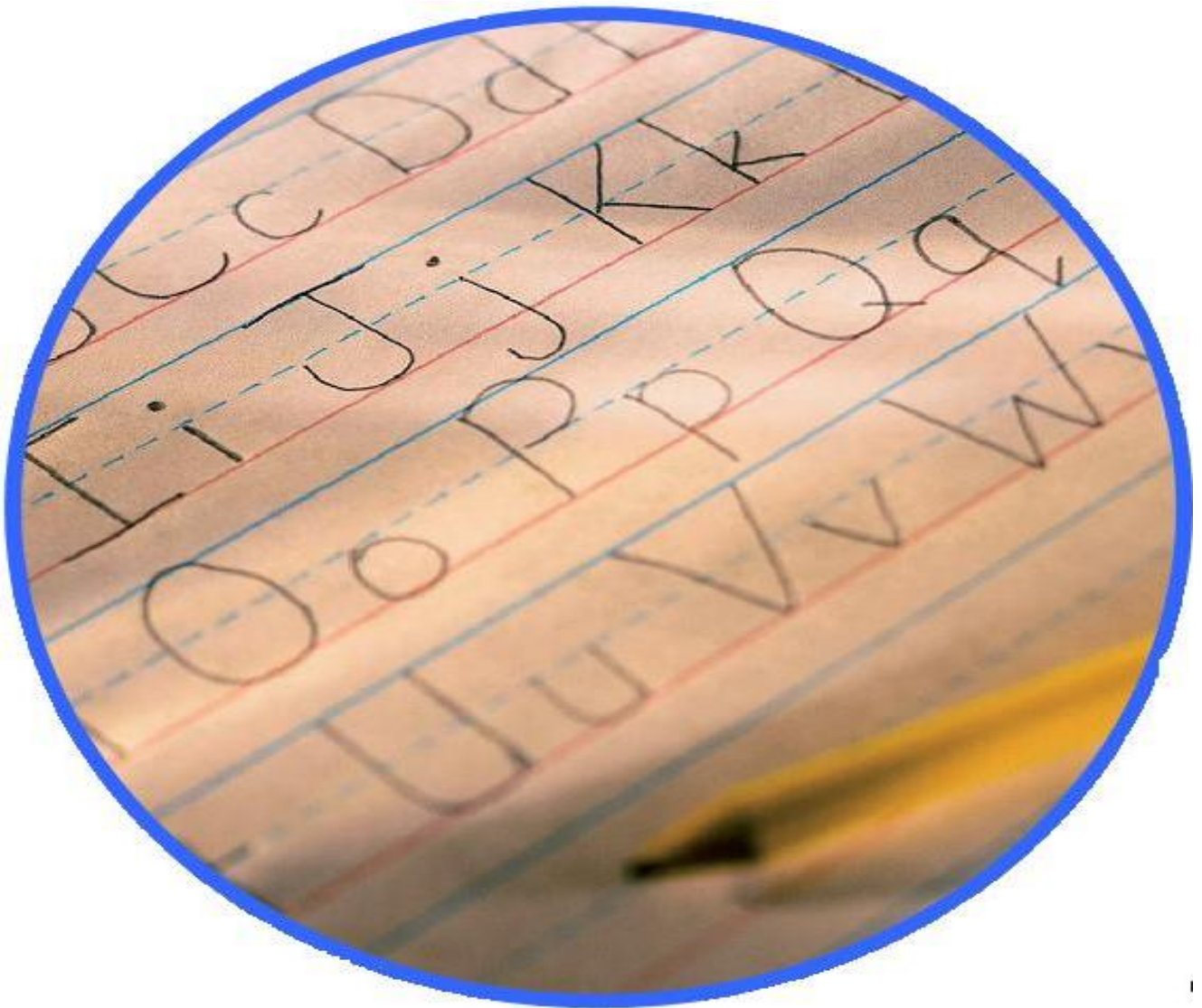


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new options will be presented to the meeting in January which will determine the proposal.

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Annex A – Consultation leaflet



## Proposal for the closure of Sand Dunes Nursery School

This leaflet provides background information about the proposal for closure of Sand Dunes Nursery School. It also answers some of the questions that parents, carers, pupils and members of the wider community might want to know.

## Background

At a meeting on the 26th July 2018 the Council's Cabinet agreed to proceed with the request from the Governing Body of Sand Dunes Nursery School to commence the statutory consultation process with regards to the proposal for the closure of Sand Dunes Nursery School, with effect from 31<sup>st</sup> August 2019. A copy of the report can be found via the following link:

<http://modgov.sefton.gov.uk/moderngov/documents/s84381/Sand%20Dunes%20Nursery%20School%20proposal%20to%20commence%20statutory%20consultation.pdf>

**It is extremely important to note that at this point in time no definitive decision has been made about the future of the school.**

There will be a consultation period which will run from August 2018 – 12<sup>th</sup> October 2018.

As part of the consultation process for the proposal, we will be holding meetings with staff, governors, and parents/carers of pupils at the school. It is important that we hear the views and opinions of as many people as possible.

## Date and Time of Meetings:

Meetings for parents will be held at the Children's Centre, Caradoc Road, Seaforth on **Tuesday 18<sup>th</sup> September 2018 at 10.15am to 11.45am and again at 2pm to 3.30pm** to enable as many parents to attend as possible.

A meeting for staff and governors will be held on **Tuesday 18<sup>th</sup> September 2018 at 4pm to 5.30pm** at Sand Dunes Nursery School.

This is your opportunity to make your views known so it is important that you attend if you can.

If you are unable to attend the meeting, you may wish to comment on the proposal via an online comment form at

[www.sefton.gov.uk/sanddunes](http://www.sefton.gov.uk/sanddunes)

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This area of Sefton Council's website, where comments can be submitted, will also be used as a dedicated web page to provide details about the proposal and will be used to keep members of the public fully informed about the consultation process.

Subject to the outcome of the consultation process, the Local Authority intends to publish a statutory notice setting out the proposals for Sand Dunes Nursery. It is the Local Authority's intention to publish this notice in the local newspapers during November 2018, and this will be followed by a four-week representation period - during the period all interested parties will be invited to make their representations and comments in writing. At the end of the four-week period, the matter will be considered by the Council's Cabinet, who will make the final decision on the proposal.

<b>Stage 1</b>	<b>Consultation August 2018 – 12<sup>th</sup> October 2018</b>	This is the start of the process when the Local Authority provides information about what is being proposed and gathers the views of interested parties to help them develop the proposals. This period usually lasts for a minimum of six weeks.
<b>Stage 2</b>	<b>Publication - November 2018</b>	A legal notice is published in the local paper (usually the Champion) and on the Council website which sets out brief details of the proposal for closure and where more information can be found. It also gives details of where objections and comments can be sent and the closing date for these. It marks the start of the representation period or formal consultation.
<b>Stage 3</b>	<b>Representation November – December 2018</b>	This is a four-week period from the date the notice is published to allow interested parties the final opportunity to send objections and comments to be taken into consideration by the decision maker. It is classed as the formal part of the consultation process.
<b>Stage 4</b>	<b>Decision Cabinet to make final decision –</b>	All the objections and comments gathered during the representation

	<b>January 2019</b>	period are provided to the decision maker to enable them to make the final decision to close or not.
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## Parents and Staff Voice

Initial informal meetings have been held with parents and staff to make them aware of the consultation proposal. The formal consultation process will provide parents and staff with the opportunity to respond to the proposal.

All parents and staff are actively encouraged to give their views during the consultation period.

## Other Consultees

Other organisations who must be consulted will be written to as part of the process and be invited to submit their views.

## Reasons for the Proposal

### Pupil Numbers

- Pupil numbers have been falling over a number of years and this trend is likely to continue for the foreseeable future.

### School Finances

- School finances are highly dependent on pupil numbers for their funding and as pupil numbers fall schools are unable to maintain staffing levels and the funding available to support each pupil is reduced.
- There is a projected financial deficit of £293,000 for 2018/19.
- The school governing body and leadership have worked extremely hard to reduce costs and find savings, but are now at a stage where they are unable to address the increasing deficit. As a result, the school is not financially viable for the longer term.
- Schools are not legally allowed to set a deficit budget and the Governing Body had to write to the local authority asking us to commence a consultation on proposed closure of the school

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due to not being able to set a balanced budget or put measures in place to be able to do so.

**The following questions are based on previous school closure proposals and the type of information and support that parents/carers, pupils, governors, staff, unions and the wider community might want to know.**

## **Frequently Asked Questions (FAQs)**

### **Q1**

#### **When will the school close?**

At the moment, the Local Authority is only consulting on a proposal to close the school. If the proposal is agreed the school would close with effect from 31 August 2019. The closure of schools is governed by the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013 and following the statutory consultation which will end on 12<sup>th</sup> October 2018 the Local Authority will publish a statutory notice setting out the proposals for the school. The notice will be published during November 2018 and there is then a four-week representation period where all interested parties are invited to make representations and comments in writing to the Local Authority. At the end of the representation period the matter will be considered by the Council's Cabinet who will make the final decision on the proposal. This is likely to be in January 2019.

### **Q2**

#### **If the school does close, what are the alternative nursery schools in the area?**

There are other nursery providers in the area, which have available places. More information is available at:

[www.seftondirectory.com/childcare](http://www.seftondirectory.com/childcare) where there is a full list of all nursery providers in Sefton. You can also contact the information service by email at [fis@sefton.gov.uk](mailto:fis@sefton.gov.uk) or via the Sefton Council Contact Centre on **0345 100 0845**.

### **Q3**

#### **If the school closes, how do I get help and support in finding an alternative school?**

If the decision is to close the school Sefton will arrange for someone to be available at the school to provide details of alternative provision, provide support and answer any questions that you may have.

## **Q4**

### **How will you ensure the continuance of a good quality education for all pupils?**

The governing body and the leadership in the school have a duty to ensure the standards of education in the school are maintained whilst it is open. Although this is also a very difficult time for school staff, they are totally committed to ensuring that all pupils receive a good quality education.

## **Q5**

### **Why doesn't the school have enough money?**

Funding for all schools in Sefton comes from central government and must be allocated mainly on the basis of pupil numbers. Pupil numbers at Sand Dunes Nursery School have been relatively static over the last few years and this has meant that the funding the school receives has not increased. In addition to this costs have been increasing and the funding the school receives is no longer sufficient to cover its cost.

## **Q6**

### **Can any more money be found for the school?**

The level of funding provided for nurseries is set by central government and will not increase.

## **Q7**

### **Will there be an increase in pupil numbers?**

The school have been trying to increase numbers over a number of years but have not been able to increase beyond the current number.

## **Q8**

### **Are there any alternatives to closure?**

The Governing Body has explored all the ways they can think of to reduce cost but have now come to the conclusion that it is not

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possible to reduce cost further and still provide the good quality education they are required to deliver.

## **Q9**

### **Can a plan be proposed to prevent the school from closing?**

Yes – we are currently in consultation and any proposals can be considered. If there is a proposal that would prevent the school from closing it should be presented to the Governing Body for them to consider in the first instance. For any plan to be seriously considered it would need to establish, in a sustainable way, an approach to setting a balanced budget.

## **Q10**

### **What will happen to the staff?**

All staff will continue to deliver quality teaching and support to pupils. But if the decision is taken to close the school, the Local Authority will provide dedicated support and guidance to help them find alternative employment.

## **Q11**

### **What will happen to the governing body?**

The governing body will remain in place and will continue to carry out their statutory duties and responsibilities. The governing body will continue to run the school as long as it is open. If the decision is made to close the school the governing body will be disbanded on the day the school closes.

## **Q12**

### **What will happen to the school site and premises if the school closes?**

No decision can be made until the process has been concluded.

## **Q13**

### **Will this affect the Children's Centre?**

No. The Children's Centre is run by the local authority and will not be affected by the proposal to close the school.

## **Q14**



## **Do I need to move my child now?**

No. There is no need to move to another nursery now. No decision has been taken to close the school and if this is the eventual outcome there will be plenty of time to move to another setting before September 2019 and there will be support available to help with this if required. We would particularly recommend children who are going to move into reception in September 2019 to remain at Sand Dunes.

## **Q15**

### **No other nurseries are as good as Sand Dunes?**

All settings are different and have their own culture, feel and ethos, however, the majority of nursery provision in the area has been judged good or outstanding by Ofsted.

## **Q16**

### **My child has Special Education Needs, (SEN) and the school is receiving extra funding from the Local Authority to support their needs. Will my child continue to receive this support if we move to another school?**

Yes. Any additional funding received by the school to meet the SEN of a pupil will transfer to their new setting to support their transition and help them settle into their new environment. This funding will then continue to be monitored and reviewed in the usual way.

The staff at Sand Dunes will ensure that any information regarding the SEN of pupils is shared with their potential new nursery so that transition planning can take place. Parents of pupils with SEN will be included in this process.

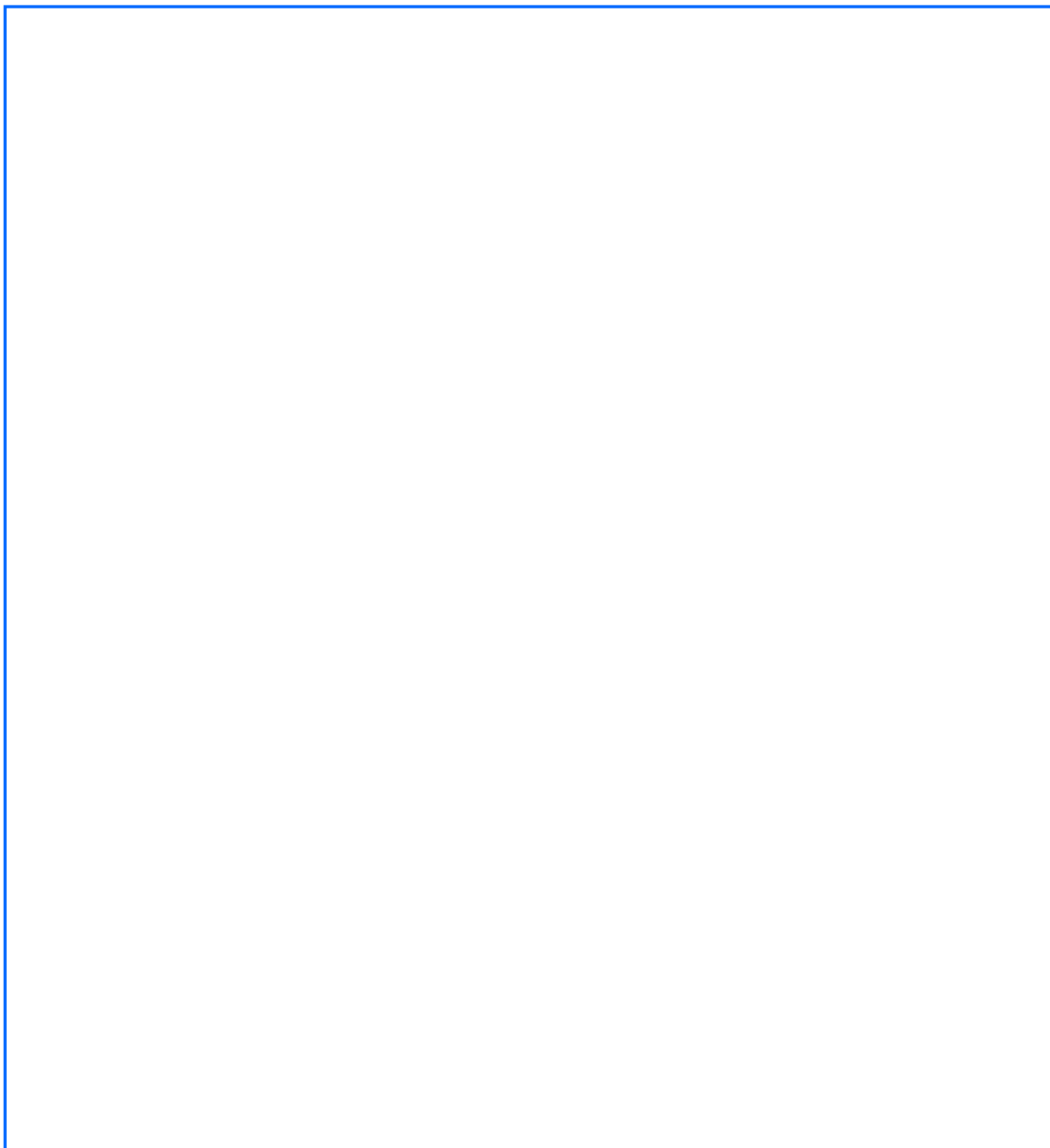
If you would like to speak to a member of the Special Education Needs and Inclusion Service, they can be contacted at:

[SENIS@sefton.gov.uk](mailto:SENIS@sefton.gov.uk) or 0151 934 2347.

For further information about the proposal, please go to [www.sefton.gov.uk/sanddunes](http://www.sefton.gov.uk/sanddunes)

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Please tell us what you think about the proposal.



You can return the form with your comments to the School Organisation Team, Schools Regulatory Services, Town Hall, Oriel Road, Bootle, L20 7AE or to The Head teacher at Sand Dunes Nursery School.

## Annex B – Draft Statutory Notice

### DRAFT PUBLIC NOTICE

#### Sand Dunes Nursery School, Caradoc Road, Seaforth L21 4NB

Notice is given in accordance with Section 15(1) of the Education and Inspections Act 2006 that Sefton Council intends to discontinue Sand Dunes Nursery School, Caradoc Road, Seaforth L21 4NB on 31<sup>st</sup> August 2019.

This notice is an extract from the complete proposal. Copies of the complete proposal can be obtained from School Organisation Team, Sefton Council, Town Hall, Bootle L20 7AE or at [www.sefton.gov.uk/sanddunes](http://www.sefton.gov.uk/sanddunes)

Within four weeks from the date of publication of this proposal, any person may object to or make comments on the proposal by sending them to School Organisation Team, Sefton Council, Town Hall, Oriel Road, Bootle L20 7AE or by emailing [school.organisation@sefton.gov.uk](mailto:school.organisation@sefton.gov.uk)

Signed: M. Carney, Chief Executive and Authorised Officer of Sefton Metropolitan Borough Council.

Publication Date: 14<sup>th</sup> November 2018

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# Agenda Item 5

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	1 <sup>st</sup> November 2018
<b>Subject:</b>	Liverpool City Region (LCR) Care and Support		
<b>Report of:</b>	Head of Adult Social Care	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Adult Social Care		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

The purpose of this report is to update Cabinet on the outcome of the procurement activity approved on 8<sup>th</sup> March 2018 relating to the establishment of a Pseudo Dynamic Purchasing System (PDPS) for purchasing care and support in Extra Care Housing, hosted by Liverpool for the Tripartite Authorities (Liverpool, Sefton and Knowsley).

The report also seeks authorisation for the procurement of replacement contracts for Care and Support services within two existing Extra Care Housing schemes in Sefton.

## Recommendation(s):

That Cabinet:

1. Note the completion of the previously agreed procurement exercise, hosted by Liverpool City Council, establishing a Pseudo Dynamic Purchasing System (PDPS) accessible to Liverpool, Knowsley and Sefton councils for the procurement of Care and Support services in Extra Care Housing;
2. Note that Sefton is not obliged to exclusively use the PDPS and can opt to use the PDPS or procure such services through alternative procurement routes, as appropriate to the specific circumstances;
3. Note the circumstances set out within the report in relation to the renewal of contracts for Care and Support services within the existing Extra Care Housing schemes in Sefton;
4. Agree the commencement of a "Light Touch Regime" OJEU Open procurement exercise that complies with the obligations of the Public Contract Regulations 2015, to award a 3 year contract, with 2 x 12 month extension options, for provision of Care and Support at James Horrigan Court. The award criteria used for this procurement will be based on "MEAT" (Most Economically Advantageous Tender) and will include a % split taking into account Price and Quality that will be published in the Invitation to Tender documentation;
5. Agree the extension of the current contract for 3 months, to enable the above

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procurement and any subsequent transfer of provision to take place if required;

6. Authorises the Head of Adult Social Care, in conjunction with the Cabinet Member Adult Social Care, to award a contract following completion of the above procurement exercise; and
7. Agree the direct award of a 2-year contract for provision of Care and Support services at Parkhaven Court Extra Care Housing scheme to the existing Provider.

## **Reasons for the Recommendation(s):**

To establish formal arrangements for the procurement of care and support services for vulnerable people in Extra Care services and to put contracts in place to ensure provision of care and support services for vulnerable people in 2 existing Extra Care Housing schemes.

## **Alternative Options Considered: (including any Risk Implications)**

The following options were considered and rejected;

1. Procuring the two contracts for Extra Care services at Parkhaven Court and James Horrigan Court through the PDPS was considered and rejected as it would prevent the existing care providers, who both provide good quality services, from inclusion in the procurement process.
2. An open procurement process was considered for the contract for Extra Care services at Parkhaven Court but was rejected due to the interrelationship with other services provided on the same site by the existing provider and the desire to ensure stable provision on site whilst further consideration is given to the longer term arrangements with the development of a more personalised approach for the commissioning of services.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

Revenue costs with respect to any contracts awarded to provide Care at Extra Care housing will need to be met from existing Adult Social Care budgets.

Extra Care housing provides a cost-effective alternative to other current services, principally Residential care.

### **(B) Capital Costs**

None arising directly from the report.

## **Implications of the Proposals:**

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>
--

<p><b>Legal Implications:</b></p> <p>Care Act 2014          Care and Support Statutory Guidance          Public Contract Procedure Rules 2015</p>
<p><b>Equality Implications:</b></p> <p>The equality Implications have been identified and mitigated.</p>

**Contribution to the Council’s Core Purpose:**

<p><b>Protect the most vulnerable:</b></p> <p>Extra Care housing provides care and support services to vulnerable people assessed as required such services, thus ensuring that the Authority meets their assessed needs.</p>
<p><b>Facilitate confident and resilient communities:</b></p> <p>Extra Care housing is a model of service which supports the maintenance of independence, including ensuring that Service Users remain as part of, and can continue to access their local community. The new model of service includes a more outcomes focussed service specification.</p>
<p><b>Commission, broker and provide core services:</b></p> <p>The adoption of the proposals will ensure that statutory services will be delivered to vulnerable Service Users.</p>
<p><b>Place – leadership and influencer:</b></p> <p>Good quality Extra Care schemes can contribute positively to a local area, providing attractive buildings/sites and a wider variety of accommodation that enable people to remain as part of a community for longer.</p>
<p><b>Drivers of change and reform:</b></p> <p>The proposals encompass the development of revised procurement arrangements which will support future commissioning activities to best meet strategic aims and priorities.</p>
<p>Facilitate sustainable economic prosperity:</p>
<p>Greater income for social investment:</p>
<p>Cleaner Greener</p>

**What consultations have taken place on the proposals and when?**

**(A) Internal Consultations**

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The Head of Corporate Resources (FD 5324/18 ) and Head of Regulation and Compliance (LD4549/18) have been consulted and any comments have been incorporated into the report.

## **(B) External Consultations**

Consultation has also taken place with LCR colleagues and Providers regarding the implementation of such a system as part of wider discussions regarding future Extra Care housing.

## **Implementation Date for the Decision**

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

<b>Contact Officer:</b>	Carol Cater
Telephone Number:	Tel: 0151 934 3614
Email Address:	carol.cater@sefton.gov.uk

## **Appendices:**

Appendix A – Providers accepted onto the PDPS.

## **Background Papers:**

None

### **Introduction/Background**

1. On 8<sup>th</sup> March 2018 Cabinet approved the commencement of a procurement exercise, to be led by Liverpool City Council as part of LCR joint working arrangements, to implement a Pseudo Dynamic Purchasing System (PDPS) from September 2018, for the provision of Care and Support services in Extra Care housing.
2. The procurement exercise is now complete and resulted in the implementation of a PDPS for the Tripartite authorities (Liverpool, Sefton and Knowsley) for use to purchase care and support in Extra Care Housing from September 2018.
3. There were applications received from 22 organisations, of which 15 organisations met the evaluation criteria set and were awarded a place on the PDPS.
4. The PDPS is hosted by Liverpool City Council and will be operational for an initial period of five years with the option for LCC to extend it indefinitely if it continues to meet the requirements of the Tripartite. Liverpool’s Terms and Conditions will be used but each Local Authority’s Contract Procedure Rules will still apply and any resulting contract will be between the specific local authority and the Provider.



5. The PDPS will be periodically re-opened to potentially attract new organisations onto it. It will open again in November 2018.

## **The Future Use of the PDPS**

6. As advised to Cabinet on 8th March 2018 and detailed in the procurement exercise to establish the PDPS, there is no legal requirement to exclusively use the PDPS for procurement exercises. Sefton will therefore still be able to conduct separate procurement exercises or spot-purchasing arrangements for the commissioning of services.
7. When decisions are required regarding the future procurement of care and support services in Extra Care housing, an options appraisal will be undertaken to identify the most appropriate procurement option (e.g. use of the PDPS or an alternative approach) within the context of public procurement legislation and the Council's Contract Procedure Rules. This will include consideration of the following factors:
  - The estimated value of the future contract
  - Existing contractual arrangements in place
  - The track record of the existing Provider – principally with respect to factors such as the quality of care, CQC rating, adherence to contractual arrangements and outcomes achieved for Service Users
  - Whether the existing care and support services are delivered as part of an integrated accommodation based service
  - Whether there could be an impact on the ongoing sustainability of both the existing service and any other related services
  - Value for Money
8. Having undertaken an options appraisal, the following proposals are recommended for procuring the next contracts in the following Extra Care Housing Schemes:
  - **James Horrigan Court** - The existing care provider has provided a good quality service over the course of the existing contract (which was itself procured through an open procurement process) but is currently not listed on the PDPS. Procurement through the PDPS would exclude the current provider from bidding. An open procurement process would allow the current contractors to bid within a competitive process with other Providers, including those on the PDPS. It is therefore proposed to use an open process to procure a replacement contract. The Contract would be awarded on the basis of MEAT (*Most Economically Advantageous Tender*) taking into consideration a percentage balance between Cost and Quality.
  - **Parkhaven Court** - The existing care provider has provided a good quality service over the course of the existing contract but is currently not listed on the PDPS. In addition, Parkhaven Court sits on a site owned by Parkhaven Trust, an established charitable provider in the Maghull area offering a portfolio of services dedicated to dementia care. Parkhaven Trust has also recently secured planning permission to build a new dementia nursing home on the site which will enhance its provision and provide further quality resources to meet the needs of people with dementia. It is proposed to direct award a 2-year contract, permissible within the provisions of the 'Light Touch regime' within the Public Contracts Regulations to ensure stable provision on site whilst further consideration is given to the

# Agenda Item 5

longer-term arrangements, the development of a more personalised approach for the commissioning of services, and development of the Council's strategic approach to the provision of Extra Care Housing provision.

## Liverpool City Region (LCR) Care and Support

Outcome of the procurement activity approved on 8<sup>th</sup> March 2018 relating to the establishment of a Pseudo Dynamic Purchasing System (PDPS) for purchasing care and support in Extra Care Housing, hosted by Liverpool for the Tripartite Authorities (Liverpool, Sefton and Knowsley).

Following evaluation of applications received, the following providers have been evaluated as meeting the minimum criteria set to be appointed to the FPS:

- Castlerock Recruitment Group Ltd
- Comfort Call Limited
- Community Integrated Care
- Creative Support Ltd
- Delta Care Ltd
- Housing & Care 21
- ICare (GB) Limited
- CASA Homecare Ltd
- Local Solutions
- Making Space
- Merseycare Julie Ann Limited
- Sanctuary Home Care t/a Sanctuary Supported Living
- Starcare Ltd
- The Human Support Group Ltd
- The Riverside Group Ltd

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# Agenda Item 6

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 1 <sup>st</sup> November 2018
<b>Subject:</b>	Procurement of Sefton Community Infection Prevention and Control Service		
<b>Report of:</b>	Head of Health and Wellbeing	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Health and Wellbeing		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

The Sefton Community Infection Prevention and Control Service is currently provided by Mersey Care NHS Foundation Trust. The current contract is due to expire 30<sup>th</sup> June 2019.

The available options are:

1. To extend the current contract for an additional 2 months and re-procure the Service with a start date of 1st September 2019.
2. To re-procure the Service with a start date of 1st July 2019.

## Recommendation(s):

(1) That the Chief Executive be authorised to conduct an OJEU Light Touch Regime tender exercise for the Community Infection Control Service to run for a period of three years from 1<sup>st</sup> September 2019 with the option of two further one-year extensions.

(2) The evaluation be based on MEAT (Most Economically Advantageous Tender) taking into consideration a balance between Quality and Cost.

(3) Approval is requested for Chief Executive delegated authority to award the contract, following the tender exercise, in consultation with the Cabinet Member for Health and Wellbeing.

## Reasons for the Recommendation(s):

The Sefton Community Infection Prevention and Control Service supports hospices, care homes and schools across the Borough to prevent and manage communicable disease outbreaks.

The Service works closely with care homes across the Borough to support the management, control and prevention of influenza and norovirus (winter vomiting bug). This ensures that vulnerable care home residents are protected during community

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outbreaks of norovirus and influenza. Consequently, there is a high level of critical activity for this Service when seasonal flu and norovirus are circulating within the community. This peak in activity typically occurs between early November and mid- April.

Extending the contract by an additional two months would ensure that activity related to procurement and mobilisation take place after this period. The submission of bids would take place toward the end of April 2019 and the mobilisation would take place from June to August 2019. This option would allow a period of two months following the new Service contract start date before we would expect a seasonal increase in activity.

It is proposed that the contract is awarded on the basis of a core contract period of three years with two further optional extension periods of one year each. The purpose of building contracts around core and extension periods is to ensure that the quality of the contract is maintained throughout the life of the contract and to ensure that the Council, particularly at times of financial uncertainty, has flexibility to bring contracts to a conclusion and/or is able to refine services and or goods received under the contract

Note: The Community Infection Prevention and Control Service is part of the mandated health protection function of Public Health in the Local Authority, this is set out in Part 2 of the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013, Regulation 8.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

### **Re-procuring the Service with a start date of 1 July 2019.**

This option would involve submission of bids in January/February 2019 with mobilisation of the new Service commencing 1<sup>st</sup> April 2019, during the services anticipated peak in activity.

Therefore, this option could potentially impact on the services ability to respond to community outbreaks.

This option has been rejected due to risks associated with procurement and mobilisation of this Service during the anticipated seasonal peak in critical activities, which occurs between November and April.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

The service will be financed through budgets currently allocated to the community infection control service. The current annual cost and budget for this Service is £128,000.

As this service has previously been market tested at a lower financial envelope and did not receive any bids we do not propose any reductions in funding for this service. This level of provision is similar to neighbouring authority's provision and cost.

## (B) Capital Costs

There are no capital costs for the Council associated with this service.

### Implications of the Proposals:

<p><b>Resource Implications (Financial, IT, Staffing and Assets):</b></p> <p>The proposals aim to offer maximum value for money. The procurement process will require officer time.</p>
<p><b>Legal Implications:</b></p> <p>The proposed procurement must follow the procedures within the Public Contracts Regulations 2015, as amended.</p>
<p><b>Equality Implications:</b></p> <p>There are no equality implications.</p>

### Contribution to the Council's Core Purpose:

<p>Protect the most vulnerable: The Sefton community infection control service works with care homes, and hospices to ensure infection prevention and control standards are maintained, and to ensure outbreaks are controlled, in order to protect the most vulnerable in Sefton's communities</p>
<p>Facilitate confident and resilient communities: Sefton community infection control service is a key element of the local health resilience partnership (LHRP) which can be mobilised to support management of any large scale or serious incidents or outbreaks.</p>
<p>Commission, broker and provide core services: Commissioning the community infection control service is a core responsibility of Public Health in the Local Authority.</p>
<p>Place – leadership and influencer: Not Applicable</p>
<p>Drivers of change and reform: The service initiates, and drives forward quality improvement in care homes and other locally commissioned providers across the Borough.</p>
<p>Facilitate sustainable economic prosperity: Not applicable.</p>
<p>Greater income for social investment: Not applicable</p>
<p>Cleaner Greener: Not applicable</p>

### What consultations have taken place on the proposals and when?

#### (A) Internal Consultations

The Head of Corporate Resources (FD5327/18) and Head of Regulation and Compliance (LD4552/18) have been consulted and any comments have been incorporated into the report.

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## (B) External Consultations

The Service provides specialist input to Services in the community commissioned by the Local Authority, such as care homes, and some services, such as hospices, commissioned by South Sefton and Southport and Formby Clinical Commissioning Group. The Service also provides expert advice to the Local Authority and the two CCGs regarding infection prevention and control in the community.

Therefore, the two CCGs are key stakeholders for this Service, and consultation and engagement regarding this Service is ongoing.

### Implementation Date for the Decision

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

<b>Contact Officer:</b>	Charlotte Smith
Telephone Number:	
Email Address:	charlotte.smith@sefton.gov.uk

### Appendices:

There are no appendices to this report

### Background Papers:

There are no background papers available for inspection.

## 1. Introduction/Background

- 1.1 In accordance with Part 2 of the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013, Regulation 8, the aim of the community infection prevention and control service is to promote infection prevention and control standards within primary and social care providers. In order to protect Sefton residents from communicable disease this service provides root cause analysis, education, advice and audit support. The service also responds to cases, clusters and outbreaks of communicable disease within the community, in partnership where necessary and following agreed protocols.
- 1.2 The current Service is provided by Mersey Care NHS Foundation Trust, and was novated from Liverpool Community Health NHS Trust (LCHT) in 2017 with a contract extension agreed until 30<sup>th</sup> June 2019. This arrangement was made as part of the LCHT Transition Board to secure the continuation of the service through a transfer to a new provider organisation, as part of the bundle of South Sefton CCG services transitioning to new providers, and was agreed by the Cabinet Member for Health and Wellbeing June 2017.
- 1.3 This was following an attempt by Sefton Council to procure an alternative Community Infection Prevention and Control Service in 2016, which failed to attract any bidders. Following the failed procurement, the notice to terminate the Contract was revoked and the Service reverted to the original termination date of



30<sup>th</sup> June 2017, with the option of two further one year extensions. Two extension options have subsequently been activated, resulting in a contract end date of 30<sup>th</sup> June 2019.

## **2.0 Key Elements of the Service**

**2.1** The current key aims and objectives of the Service are set out below:

### **2.2 Support zero tolerance approach to MRSA and learn lessons from Post Infection Review (PIR)**

- Develop robust PIR processes to ensure lessons are learnt in collaboration with key stakeholders/services
- Feedback to the system on trend analysis and lead improvements in analytical capability and the use of infection prevention and control intelligence
- Use PIR analysis to plan and implement infection prevention and control actions.

### **2.2 Support national target for 50% reduction of gram negative blood stream infections (BSI) by 2021**

- Support commissioners to reduce E.coli BSI by 10% in 2017/18
- Collaborate with CCG, NHS improvement and PHE to implement reduction strategies.
- Develop robust root cause analysis (RCA) processes with an emphasis on quality improvement in collaboration with key stakeholders/services
- Feedback to the system on trend analysis and use RCA analysis to plan and implement infection prevention and control actions

### **2.3 Audit including decontamination and environmental cleanliness education and training**

- Targeted audit programme for primary care, care homes and other providers.
- Support providers to implement national tools around environmental cleanliness and equipment decontamination.
- Provide infection control education and training to primary and social care providers in the community.
- Develop a competent group of infection control links and champions in primary care and social care providers.
- Monitor attendance and uptake of training against plan through monthly reports.

### **2.4 Outbreak, Incident and contact tracing**

- Manage, document and report community outbreaks and incidents in relation to infection prevention and control and perform contact tracing.
- Support incident and outbreak management and contact-tracing, in close collaboration with Public health England.
- Ensure outbreaks (including two or more cases in the same place at the same time or one case of particular infections e.g. scabies) receive priority.

### **2.5 Expert advice and support. Reduce and sustain reductions in community care acquired infections**

- Actively promote the Service with providers so that they know how and when to access it.
- Provide expert advice and support to primary health and social care providers and members of the public where appropriate.

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- Facilitate access of primary and social care providers to infection control tools and best practice guidance.

## **3. Tender Method**

- 3.1. The tender exercise will follow an OJEU Light-Touch Regime Open Procedure. Approval is requested for Chief Executive delegated authority to award the contract at the end of the tender process, in consultation with the Cabinet Member for Health and Wellbeing.
- 3.2. The evaluation will be based on MEAT (Most Economically Advantageous Tender) taking into consideration a balance between Quality and Cost.
- 3.3. The new contract will run for a period of three years from 1st September 2019 with the option of two further one year extensions (3+1+1). The contract will however include clauses that can be activated in the event the council needs to vary the contract or terminate the contract early.

## **4. Summary**

- 4.1 The Sefton Community Infection Prevention and Control Service contract expires on 1 July 2019.
- 4.2 Approval is sought to:
  - Extend the current contract by an additional two months so that procurement and mobilisation of the new Service will not destabilise the Service during the seasonal peak in activity (November-April).
  - Re-procure the Service using the procedures set out above with a start date of 1<sup>st</sup> September 2019 with a 3+1+1 contract.
- 4.3 Approval is requested for Chief Executive delegated authority to award the contract at the end of the tender process, in consultation with the Cabinet Member for Health and Wellbeing.

# Agenda Item 7

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	1 November 2018
<b>Subject:</b>	Permit Scheme for Road and Street Works		
<b>Report of:</b>	Head of Locality Services - Commissioned	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Locality Services		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

To advise Cabinet of the results of the 3<sup>rd</sup> year review and to seek approval to increase the current permit fees.

## Recommendation(s):

It is recommended that Cabinet:-

- i. Acknowledges the benefits of the permit scheme as detailed in the report.
- ii. Approves the recommendation to increase the current permit fees.

## Reasons for the Recommendation(s):

The Council has successfully operated a permit scheme since 2<sup>nd</sup> February 2015. Each of the 3 yearly reviews has demonstrated the success of the scheme and the financial benefits to the economy and road user.

Increased operating costs over the duration of the permit scheme have highlighted the need to review the fee structure to ensure that the Council does not operate the scheme at a financial loss.

## Alternative Options Considered and Rejected: (including any Risk Implications)

The Council could choose to maintain the existing permit fee structure, however, this may result in an operational loss for the running of the scheme.

## What will it cost and how will it be financed?

- (A) **Revenue Costs**  
None

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**(B) Capital Costs**  
None

**Implications of the Proposals:**

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>  Increasing the fees will generate additional income to cover the costs of the existing staff operating the scheme.
<b>Legal Implications:</b>  There are no legal implications.
<b>Equality Implications:</b>  There are no equality implications.

**Contribution to the Council's Core Purpose:**

Protect the most vulnerable: Not applicable.
Facilitate confident and resilient communities: Not applicable.
Commission, broker and provide core services: Not applicable.
Place – leadership and influencer: Managing the highway network more effectively will allow for enhanced and more reliable journey times.
Drivers of change and reform: Not applicable.
Facilitate sustainable economic prosperity: Not applicable.
Greater income for social investment: Not applicable.
Cleaner Greener: Reducing occupation of the highway has a direct impact on our carbon footprint.

**What consultations have taken place on the proposals and when?**

**(A) Internal Consultations**

The Head of Corporate Resources (FD5323/18) and Head of Regulation and Compliance (LD4548/18) have been consulted and any comments have been incorporated into the report.

**(B) External Consultations**

Consultation has taken place with all relevant stakeholders who would be affected by the fee increase

## **Implementation Date for the Decision**

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

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## **Appendices:**

The following appendices are attached to this report:

Proposed permit fee charges.

## **Background Papers:**

There are no background papers available for inspection.

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## Background

- 1 The Council successfully applied to become a permitting authority with effect from 2<sup>nd</sup> February 2015.
- 2 Instead of informing the authority of their intention to carry out works, the activity promoter now must book time on the highway by obtaining a permit. Works cannot commence until a permit has been granted.
- 3 Whilst it has to be accepted that road and street works will inevitably cause some form of disruption on the highway, the permit scheme gives the authority greater powers to mitigate the effects. Conditions can now be imposed on the works promoter before granting a permit to work and the authority can now also direct timings. These measures have enabled the Council to manage road and street works more effectively.
- 4 The Department for Transport requires that any permit authority must review its scheme annually for the first 3 years, and further review it on a subsequent 3-year cycle. Each 3<sup>rd</sup> year review is also to incorporate a review of the permit fees.
- 5 The 2<sup>nd</sup> February 2018 saw the third anniversary of the implementation of Sefton Council's Permit Scheme for road and street works. The 3<sup>rd</sup> year review has once again highlighted the success of the permit scheme and the positive impact it is having on the local economy and the travelling public.
- 6 A further 27,657 days of highway occupancy have been saved in year 3. This equates to an economic benefit calculated at £4.4m.
- 7 The cumulative total of economic benefit for the 3-year duration of the permit scheme is £11.7m which equates favourably to 58% of the projected 25-year anticipated economic benefit. The projection was originally based upon an assumed benefit of 5% as used in the national figures for operating a permit scheme.
- 8 Officers will continue to monitor works closely, in accordance with recommendations and local knowledge, to strive to reduce works durations as much as possible and to ensure works promoters are complying with agreed conditions to mitigate disruption as much as possible.
- 9 Several factors which contribute to the calculation of permit fees have increased since the inception of the scheme. These include staff costs, inflation rises, pension contributions and allowable software and hardware purchases.
- 10 Allowable costs and Fees are detailed in part 6 of the DfT Statutory Guidance for Highway Authority Permit Schemes (October 2015). These include maximum fees which can be charged for each permit category. Any fee set by the Authority must be contained within the DfT limits.

## Revised Permit Fees

- 11 Detailed calculations have been completed on the existing permit fees and the costs associated with running the scheme. These calculations have been based on historical numbers of permit applications so that predictions of future levels can be assessed. The scheme is designed to generate fees equal to the costs associated with running the scheme.
- 12 Based on the above, there is a need to adjust the fees so that the Authority continues to cover costs. Failure to do so would mean that losses would occur which would have to be funded by the Authority.
- 13 A consultation has been undertaken with interested parties explaining the need to increase fees. This consultation resulted in three enquiries from Cadent Gas, United Utilities and Virgin Media. The responses received asked for more details and clarification on some points. All the issues raised in the consultation have been addressed and the additional information has been provided.
- 14 It is proposed, therefore, to increase permit fees as shown in annex A of this report. Proposed fees must comply with the statutory guidance and cannot exceed the maximum allowable costs.

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## Appendix A

### PERMIT FEE COMPARISON

#### Cat 0-2 & TS

PAA	Major	Standard	Minor	Immediate	Variation	
£105	£240	£130	£65	£60	£45	Fee maximums
£101	£206	£120	£61	£54	£45	Sefton current
£105	£227	£130	£65	£60	£45	Sefton proposed

#### Cat 3-4 Non TS

PAA	Major	Standard	Minor	Immediate	Variation	
£75	£150	£75	£45	£40	£35	Fee maximums
£62	£108	£63	£30	£29	£35	Sefton current
£65	£114	£66	£32	£30	£35	Sefton proposed



# Agenda Item 8

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	1 November 2018
<b>Subject:</b>	Housing DevCo – Updates to Company Articles		
<b>Report of:</b>	Head of Commercial Development – Christian Rogers	<b>Wards Affected:</b>	All
<b>Cabinet Portfolio:</b>	Communities and Housing		
<b>Is this a Key Decision?</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential:</b>	No		

## Summary:

The Final Business Case (FBC) for Sefton Council's Housing Development Company (the DevCo), which was approved by Cabinet in October 2017, required the production of draft Articles of Association for the incorporation of the company at Companies House. These draft Articles were produced and approved by Cabinet in January 2018.

The incorporation of the Holding Company and the Sales Company at Companies House have both been progressed using these approved Articles.

The Articles state that any significant changes to the Articles require approval by the Shareholder, which is Cabinet.

Following consultation with the Cabinet Portfolio Holder two changes and a clarification of the Articles are proposed for approval by Cabinet as follows:

1. A change - to allow remuneration for Non-Executive Directors of the Company.
2. A change – of the trading name of the company, following a brand development exercise, to “Sandway Homes”.
3. A clarification - to provide a clearer definition of the responsibilities and authority of the Shareholder Representative, a role created to allow an individual Cabinet Member to represent the collective Cabinet in relation to the DevCo.

If approved by Cabinet, the Articles will be updated with these changes and registered with Companies House, becoming part of the Company's constitution.

## Recommendation(s):

1. Approve the change to the Articles of Association to allow for the remuneration of Non-Executive Directors as set out in the report.
2. Approve the proposed change to the Articles to allow trading as ‘Sandway Homes’.

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3. Approve the detailed definition of the role of the Shareholder Representative as set out in the report.
4. Authorise the Executive Director (Sarah Kemp), in consultation with the Cabinet Member for Communities and Housing to implement these changes to the Articles and register updated Articles with Companies House.

## **Reasons for the Recommendation(s):**

1. Allowing remuneration of Non-Executive Directors (NEDs) will make it possible to attract industry leading individuals to the DevCo Board, ensuring that the Company benefits from the extensive skills and experience that these kinds of individuals possess helping to maximise the success of the Company and the return to the Shareholder (the Council). The recommended proposals are as follows:
  - a. NEDs will be external (i.e. not Officers or Members of the Council).
  - b. NEDs will have the same voting rights as the Executive Members of the Council (which Executive Directors include an Executive Director of the Council (initially acting as Chair of the Board), a Head of Service (acting as Managing Director) and the Deputy S.151 Officer (acting as Finance Director) along with a front-line (non-Cabinet member) councillor).
  - c. Any members of the Board who are officers of the Council will not be paid any additional amount above their Council salaries for fulfilling their roles on the Board of the Companies, in line with their contracts of employment.
  - d. The front-line member of the Council would be paid a Special Allowance (at the same level as a member of Overview and Scrutiny Committee), so long as they are not already in receipt of any other Special Allowance, in-line with the Council's constitution.
  - e. NEDs would be paid a day rate of £500 per day for their work on the Company Board as follows:
    - 0.5 days preparation for Board meetings.
    - 0.5 days follow-up from Board meetings.
    - 1.0 days for attendance at Board meetings.
    - 6 Board meetings planned per year, £6k (max. £12k).
2. Adopting the trading name and brand identity developed through a market focused brand development exercise conducted recently will help position the company to compete effectively in the market place.
3. Clarifying the role of the Shareholder Representative will provide more robust governance of the Companies in line with the Council's constitution whilst avoiding any unnecessary administration or delays to decision making. The recommended detailed definition of the role, which has been consulted on with the Cabinet Portfolio Holder and the Executive Leadership Team, is as follows.

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- a. The objective of the role of Shareholder Representative is to empower a single person to act for the whole Cabinet as the sole shareholder of the DevCo companies:
  - The holding company (HoldCo): Sefton (ACS) Holding Company Limited, wholly owned by the Council.
  - The sales company (SaleCo), Sefton (ACS) Sales Company Limited, wholly owned by the Council through the HoldCo.
  - Any future DevCo companies set up under the HoldCo.
- b. The Shareholder remains the Cabinet, which retains the legal rights and obligations of the Shareholder under Company Law.
- c. The Shareholder Representative would have full delegated authority from the Cabinet to act as the Shareholder in respect of all Shareholder decisions relating to the DevCo companies, including in particular:
  - Appointing and dismissing directors of the Boards.
  - Assessing and making recommendations in respect of the performance of the Boards and individual directors.
  - Approving the Annual Business Plans.
  - Approving any in-year changes to the approved Annual Business Plans, including new investments to be made by the Companies.
  - Making decisions in respect of Reserved Matters.
  - Chairing the Annual General Meetings (AGMs).
  - Voting on behalf of the Shareholder at the AGMs.
- d. The Shareholder Representative, whilst not a voting Director on any of the Boards, may at their discretion attend Board meetings as an Observer to monitor proceedings.
- e. The Shareholder Representative will be supported by the Council's Chief Executive and S.151 Officer in ensuring the performance of the Companies and the continued alignment of the business of the Companies with the objectives of the Council.
- f. The Shareholder Representative may seek further consultation or approval from Cabinet on any matters for which they feel this would be appropriate, at their discretion, or for which this is required under the Council's constitution. This may simply be to gain support in assessing information and making decisions.
- g. The role of Shareholder Representative will be in addition to the internal oversight role of the Cabinet Portfolio Holder in relation to the DevCo as a Council commercial project. The existing oversight arrangements, including monthly reviews with the responsible Council officers (Executive Director sponsor, and Head of Service project lead) are expected to continue alongside the role of the Shareholder Representative.

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- h. Therefore, the Shareholder Representative would be empowered to appoint the Boards of Directors for the HoldCo and the DevCo (so long as this is consistent with the requirements documented in the approved Articles), and to approve the updated Articles, without further referral to Cabinet.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

1. Remuneration of Non-Executive Directors (NED)
  - a. Alternative Option A - do not offer any remuneration. Consultation with professional NED recruitment consultants confirmed that offering no remuneration at all would be a major disincentive for good quality candidates as it would indicate that the company was not a substantive or serious enterprise. As a result, any recruitment process would be very unlikely to attract suitable candidates, fail to appoint appropriate NEDs and be a waste of Council time and money (recruitment consultant fees)
  - b. Alternative Option B – offer a fixed fee of £8,000 per annum (in-line with the Special Allowance for front-line councillors undertaking a comparable role, such as being members of the Overview and Scrutiny committee). Consultation with professional NED recruitment consultants confirmed that good quality candidates would expect to have clarity of the fees in day rate terms at rates that are competitive in the market for NEDs of SME organisations. That consultation did confirm that it would not necessarily be a disincentive if the potential minimum annual fee was lower than £8,000 if fewer than 12 Board meetings a year was required.
2. Trading name and brand.
  - a. Alternative names/brands were considered through a market analysis and stakeholder workshop (attended by industry experts and leadership personnel from key organisations in the community). Details of the options are included in the documents in Appendix 2. The consensus from the stakeholder workshop was to adopt the name “Sandway Homes”.
3. Definition of the Role of Shareholder Representative.
  - a. Alternative Option A – do not clarify the definition of the role any more than is already included in the approved FBC and Articles. It is believed that this will result in an imperative for the Shareholder Representative to refer most decisions back to Cabinet undermining the role’s purpose and objectives.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

There are no additional revenue implications for the Council:-

1. Remuneration of NEDs - the fees for the recruitment consultants and for the work of the NEDs will be paid by the DevCo from within the financial resources already budgeted for within the Business Plan in the approved FBC. (Any Special

Allowance payable to the frontline councillor acting as an Executive Member of the Board has already been approved as part of the FBC approved by Cabinet in October 2017).

2. Change of company name – the costs for developing the brand were provided for under the FBC approved in October 2017 and have already been incurred. The implementation and roll-out of the new brand will be an operating cost of the Company within the approved Business Plan provisions (no additional funding required from the Council).
3. The role of the Shareholder Representative – there is no Special Allowance or other remuneration for the Councillor undertaking this role (the Cabinet Member Portfolio Holder for Communities and Housing).

## **(B) Capital Costs**

There are no Capital Costs.

### **Implications of the Proposals:**

#### **Resource Implications (Financial, IT, Staffing and Assets):**

1. NEDs – there are no additional resource implications for introducing the remuneration for NEDs over and above the already accounted for officer and member time spent defining the NED role and recruitment requirements, commissioning a recruitment consultant and interviewing candidates. In terms of the on-going costs of remuneration of NEDs, the FBC approved by Cabinet in October 2017 included provision of an operating expenditure budget from which funding for the NED's will be derived.
2. New name and brand – there are no additional resource implications for rolling out and maintaining the brand, which functions are part of the operating plan for the Company and will be resourced by the Company. The operating expenditure budget provided for by the FBC approved by Cabinet in October 2017 also made provision for other operating expenditure including sales and marketing.
3. Shareholder Representative – there are no additional resource implications arising from the clarification of the role over and above the already estimated officer and member time for supporting and fulfilling this role.

#### **Legal Implications:**

1. NEDs – there are no additional legal implications beyond those already considered and approved within the FBC (approved by Cabinet October 2017) and the draft Articles (approved by Cabinet January 2018).
2. Name and brand – the new name and brand will need to be registered as the intellectual property of the Company.
3. Shareholder Representative – there are no additional legal implications beyond those considered and approved within the FBC (approved October 2017).

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## **Equality Implications:**

There are no equality implications.

## **Contribution to the Council's Core Purpose:**

**Protect the most vulnerable:** Not applicable

## **Facilitate confident and resilient communities:**

In creating more good quality housing in viable locations, the Council can enable more Sefton residents or people moving to Sefton to enter into the housing market and thus help diversify it. The ability of a diverse mix of buyers to obtain housing in the borough will not only inspire confidence through being able to set down roots here, but also create a more resilient community of people at different stages in their life and on the property ladder. The proposed land assembly allows for the creation of larger and viable sites, which in turn support the Council in achieving these goals.

## **Commission, broker and provide core services:**

The recent review into the Local Authority role in housing supply has suggested that Councils should take a more central role in providing new homes by setting out a clear vision for housing development in their borough. During the Local Plan process and the subsequent Housing DevCo Business Case, the Council has been proactive about identifying housing needs and planning how our assets can be used to meet these needs through delivering more homes.

## **Place – leadership and influencer:**

Through strategic land assembly and the creation of new housing sites, the Council will be leading the way forward on providing new housing for residents and those looking to move to the borough. We will continue forging ahead in shaping Sefton as a desirable place to live.

## **Drivers of change and reform:**

Through the formation and operation of the DevCo the Council will be playing a key role in leading change and reform to improve outcomes for Sefton residents by providing good quality, affordable housing and contributing additional revenue to the Council's budget resources.

## **Greater income for social investment:**

A key benefit of the Housing Development Company is that it will generate additional income which can be reinvested into delivering social purpose.

**Cleaner Greener:** Not applicable

## **What consultations have taken place on the proposals and when?**

### **(A) Internal Consultations**

The Head of Corporate Resources (FD 5336/18) and the Chief Legal and Democratic Officer (LD 4561/18) have been consulted and any comments have been incorporated into the report. In addition, the report author has worked closely with a range of officers in the Council including the Executive Director. The proposals have been discussed, informed and agreed with the Cabinet Portfolio Holder for Communities and Housing.

### **(B) External Consultations**

Transition Plus Ltd., a market leading recruitment consulting have been consulted on the recruitment and remuneration of NEDs.

DE Emotions Ltd., a market leading brand consulting firm have led the development of the new brand, including the new name.

Anthony Collins Solicitors have been consulted in relation to the proposed amendments to the Articles.

### **Implementation Date for the Decision**

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

<b>Contact Officer:</b>	<b>Christian Rogers</b>
Telephone Number:	<b>07966 485814</b>
Email Address:	<b>Christian.Rogers@sefton.gov.uk</b>

# Agenda Item 8

## **Appendices:**

Appendix 1 – Agreed definition of the role of Non-Executive Directors.

Appendix 2a – Details of Brand Development Exercise (“Brand Book”)

Appendix 2b – Details of Brand Options (“Identity Proposal”)

Appendix 2c – Details of Brand Recommendation (“Tone of Voice and Guidelines”)

Appendix 3a – Existing Articles for the HoldCo

Appendix 3b – Existing Articles for the SaleCo



## APPENDIX 1:

### Job Description/ Person Specification for DevCo Non-executive Directors

#### 1.1 Introduction

---

The following four individuals, from Sefton Council, undertook a role modelling exercise facilitated by Wickland Westcott to identify the critical features in respect of the position of Non-Executive Director for the Housing Development Company:

- Sarah Kemp – Executive Director
- Christian Rogers – Managing Director Housing DevCo.
- Patricia Hardy – Cabinet Member for Communities
- Marion Atkinson – Cabinet Member for Regeneration and Skills

They were supported by Liz Lawson from Wickland Westcott and Steve Bennett from TransitionPlus Ltd who will be conducting the subsequent recruitment assignment.

#### 1.2 Methodology

---

The first part of this process consisted of a brainstorming session to identify Key Deliverables for the Non-Executive Director role. This was a facilitated and open discussion enabling each participant to contribute to the eventual role specification.

The second part of this process consisted of a card sort methodology to identify the **key tasks** for the Non-Executive Director role. The participants were first asked to complete this on an individual basis, arrive at an agreed consensus in respect of all the tasks essential to the position and then consider the various required elements of each of the defined tasks. This leads to the identified Tasks in Section 3 of this report and the listed sub-definitions with the frequency of their selection by the group in (parentheses).

The third part of the process consisted of the group identifying key **behavioural attributes** relating to the position of Non-Executive Director. They were asked to grade a broad set of competencies as:

- 4 (absolutely critical for effective performance)
- 3 (important for effective performance)

# Agenda Item 8

- 2 (useful, but not important for effective performance)
- 1 (least relevant for effective performance)

and then collate these findings to identify the most important Competencies as identified in Section 4. Further discussion of these resulted in their grouping and defining of “Competency Sets” as illustrated.

## 2. Key (NED) Deliverables

---

- Working with the Board Executives to deliver the Business Plan for Sefton's Housing DevCo, against the following key measures:
  - a) Delivery of 101 units in the first 3 years
  - b) 30% affordable housing
  - c) deliver a profit with a minimum of 6% return on the council's investment
- Input to and challenge the company strategy.
- Challenge and assure the performance of the other Directors on the Board to improve and develop the overall performance of the Board.
- Provide constant scrutiny, with an ability to ask the “right questions”, in relation to the company's business plan, financial performance, Health & Safety and other legislative areas both inside the company and through the supply chain (contractors, designers, brand developers, etc ...).
- Specifically, provide advice, guidance, insight and judgement in relation to technical compliance issues, commercial growth, company succession planning
- Ensure oversight of effective Governance, to ensure the company is operating in a proper way and compliant with modern guidelines; Higgs, etc ...
- Provide guidance on risk management and commercial oversight (advising on how to maximise the council's return on investment)
- Act as an Ambassador for the Housing DevCo and help bring the “Sefton 2030 Vision” to life through their demonstrable passion for Sefton.
- Ensure a strong focus on quality and high performance throughout all activity.
- Enhance the company and Sefton's reputation and build credibility with key stakeholders (including council members, suppliers, customers, and the wider community) whilst recognising and successfully navigating, political sensitivities and potential barriers
- Support Stakeholder communication and engagement, by drawing upon 3<sup>rd</sup> parties and their wider network to bring in external insight and expertise (where necessary) helping to promote the success of the company
- Ensure “Horizon scanning” – bringing in industry and sector insight, facilitating benchmarking and supporting future aspiration and ambition.

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## 3. TASKS

---

### 3.1 Advising and Guiding

---

*Making suggestions, passing on knowledge and experience, giving prior warning, communicating best practice. Direction people, counselling people in difficulty, explaining and demonstrating, providing specific instructions, accompanying visitors.*

Keeping people up to date (3)

Passing on knowledge and experience (3)

Translating expert knowledge into a format that others can use (3)

Helping people understand the options available (2)

Offering suggestions (2)

Communicating best practice (2)

Outlining the pros and cons of a situation (2)

Making recommendations (1)

Giving people prior warning of impending events (1)

### 3.2 Influencing

---

*Talking to people, asking questions and listening, justifying a position, anticipating objections.*

Asking questions to understand (3)

Anticipating and handling objections (3)

Identifying key people (2)

Lobbying support (2)

Establishing other people's needs (1)

Listening carefully (1)

### 3.3 Calculating

---

*Calculating risk, calculating time, calculating numbers or finances, estimating values, prices, costs or charges, reasoning with numerical data, applying numerical data.*

Calculating the risk involved with a course of action (4)

Reasoning with numerical data (3)

- Calculating time available (1)
- Calculating budgets or finances (1)
- Applying numerical data to solve problems (1)
- Estimating values, prices, costs or charges (1)

### 3.4 Decision Making

---

*Establishing facts, weighing up, pros and cons, examining consequences, consulting with others, deciding under time pressure, establishing consensus.*

- Evaluating different options (4)
- Weighing up the pros and cons (3)
- Evaluating consequences of different decisions (3)
- Establishing as many facts as possible (2)
- Consulting with other people (External network) (1)
- Establishing consensus (1)
- Deciding quickly under time pressure (1)
- Deciding slowly after lengthy debate and discussion (1)

### 3.5 Planning

---

*Establishing objectives, sequencing activities, prioritising, setting timescales, preparing contingency plans.*

- Developing long term strategy (4)
- Choosing between competing priorities (3)
- Matching resources to demands (3)
- Establishing clear project objectives (2)
- Anticipating obstacles and preparing contingency plans (2)
- Revising plans in light of changing circumstances (2)
- Sequencing activities for maximum efficiency (1)
- Allocating budgets (1)
- Horizon scanning (1)

# Agenda Item 8

## 3.6 Problem Solving/Creating

---

*Resolving queries, conflict or disputes, solving different types of problems, working out where mistakes have been made ensuring problems are prevented. Generating novel ideas, creating new process or procedures, creating commercial opportunities designing advertising and logos, thinking of new ways to do things.*

Asking questions to gather information on the problem (3)

Ensuring problems/mistakes are prevented in future (2)

Working out where mistakes have been made (1)

Resolving disputes or conflicts between people (1)

Solving and identifying alternative solutions (1)

Bringing previous experience from other roles to help with business challenges (1)

## 3.7 Managing Performance/Monitoring

---

*Setting goals, targets and objectives for others, evaluating work or past performance, checking progress, rewarding success, providing constructive feedback. Keeping track of own and others' progress, checking accuracy, checking compliance, observing activities, looking for errors, mistakes or shortfalls, monitoring the external environment.*

Checking progress against goals and targets (4)

Providing constructive feedback (3)

Keeping track of other's progress against goals, milestones or objectives (3)

Monitoring competitor activity (3)

Monitoring external market activity (3)

Evaluating work or past performance (1)

Appraising individuals' past performance (1)

Checking tasks are complete and accurate (1)

Comparing spending against budgets (1)

Checking compliance with rules and regulations (1)

Observing people carrying out tasks or activity (1)

## 4. COMPETENCY SET

---

### Commercial Awareness/Financial Understanding

- Strives to maximise the commercial impact of own contribution, taking action to achieve the most benefit for the least cost.
- Has a firm grip of the key financial drivers of the organisation, and of the variables that impact on these.

### Decisiveness

- Prepared to make critical decisions with real-world constraints.

### Strategic Thinking

- View the organisation in its market context (social, technical, economic, environmental and political) and translates visions into tangible, operational activities.

### Professional Integrity/Judgement

- Sets and maintains high professional and ethical standards, placing a priority on behaving objectively, consistently and fairly.
- Takes an objective and rational approach to making decisions, following a sound, justifiable progression of thought.

### Results Orientation/Initiative

- Sets challenging performance targets, holding self-accountable for success/failure.
- Takes a proactive approach, originating action rather than simply responding to events.

### Market Awareness/Customer Focus

- Invests time staying up to date with market trends and consumer demands.
- Identifies who the customers of a piece of work are and concentrates effort on understanding and meeting their needs.

# Agenda Item 8

## Leadership/Influence

- Develops and champions a vision of success, motivating people to support and strive towards it.
- Wins support and commitment from others.

## Networking

- Invests time and effort building relationships with key stakeholders and enhancing own understanding of others' objectives.

## Creativity

- Produces creative solutions to work-related situations, generating a range of novel alternatives.







# Sefton Council Commercial Brand

Brand Workshop

Page 73

July 2018

This Brand Book documents the findings from the 'Active Branding Workshop' carried out on 12<sup>th</sup> July.

The information has been highlighted and refined in order to create a clear set of values, a role, proposition and brand essence. This will form the foundations for the new identity.

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Who's is our total audience?	04
Who are our purchasers?	06
Why can't the Council do this?	09
Why Sefton Council Commercial Brand is required?	10
What makes us unique?	11
Competitor Analysis	14
Whar are your three year challenges	16
What are your three year opportunities	17
Name scale	18-21
Images that represent the brand	22-27
Brand alignment	28
We aim	30
Values, Role, Proposition & Brand Essence	32

— WHO IS OUR TOTAL —

# AUDIENCE?

Residents and locals\*\*\*

Buyers\*\*\*

Council cabinet and City Region\*

- Landowners
- Neighbours
- Other public-sector providers: schools, health, etc
- The press/media
- Mortgage lenders
- Architects
- Planners, including town planners, transport, highways and other consultees
- Adjacent authorities, Councils, Ward Councillors plus other departments
- Supply chain
- Agents
- DCLG auditors
- The money:
  - Funding
  - Council
  - Other funds
  - Government funds
  - Home England
- Employers and Employees
- Housing association
- Other developers; commercial and residential
- Infrastructure provision

\* Identifies a vote

Brand Workshop Findings

## Demographics: A-D Ratios\*\*\*\*

- But non on proposed sites are difficult or deprived area

## First time buyers\*\*\*\*

## Families\*\*

## Even Mix\*

- Maximised on research, 3 bed family homes

## Affordable\*

- Key workers through housing association H.T. buy

- 25-35 with young family
- Young professionals
- Downsizers market
  - Sefton net importer of older people; fact
- Those looking to relocate
- From outlining area
  - For affordable
  - Bring families in
- Locals first but open
- Incentives
  - To retain talent and meet need, car drivers
- Location driven
- Investors, buy to let
- Property development
  - Houses, medium density, 2, 3, 4 beds
- People who need to adapt the home as needs changes

\* Identifies a vote

— WHO ARE OUR —

# PURCHASERS?



# Why can't the Council do this?

## Perception\*\*\*\*\*

- It's not council housing, remove entitlement and bring aspiration

## Remove from political environment\*

- Arm's length

## We're doing more than just meeting housing needs\*

- We can work outside this housing list/perception

## Focus & specialism\*\*

- Skills and expertise/high profile boards/advisors to die for/formulate a flexible delivery team (per site) best combination)

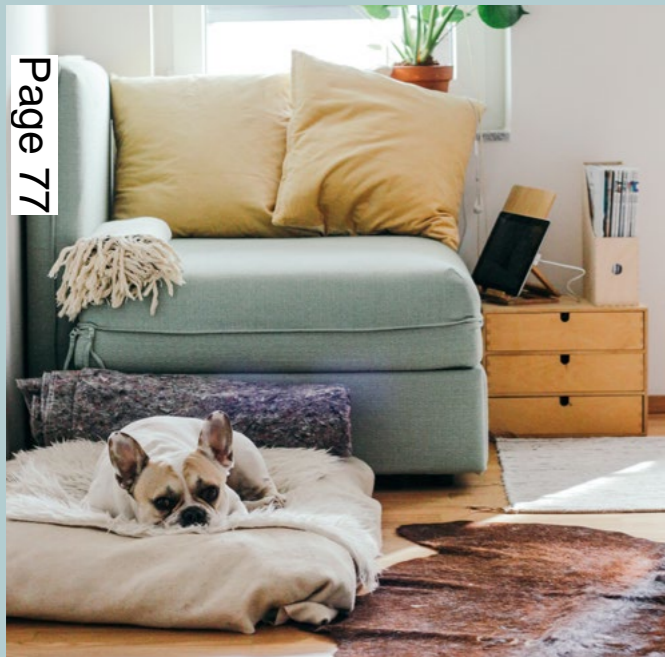
## Unhindered procurement\*

- Not just best value, best solution

## Innovation, perception and flexibility\*\*

- Limiting risk for council and justifying this in the political arena
- An appetite for risk
- We're free, council more constrained
- Council may be seen to be given an unfair advantage
  - Perceived fairness
  - Principled
- Stand up to completion on private level
- To meet commercial needs
- Planning
  - Not seen as internally leveraged a LTD Co.

\* Identifies a vote



Support the continuation of Council services,  
due the profit being out back in\*\*\*\*\*

Create a brand with quality and perception\*\*\*\*\*

Longevity\*

- Buyer confidence, credibility, quality, return on Investment

Committed to this\*

To be Custodians for Sefton\*

- The fit with Sefton as a place, commitment to sustainable
- Choice to develop well 1<sup>st</sup> time
- To ensure quality that increase in value for grant funders and repayments
- Delivery of credentials
  - To deliver promises
- Key sites not available to anyone else
  - To create access to quality sites to meet the need  
(1000 homes, target is 11,500 by 2030, 1,100 P/A)
- Be part of the regeneration
- Because of the trust and stability of the ownership (quality has to be earnt)
  - There are negatives with regard to trust
  - Nationally low on the list
- Responding knowing what people wants/needs
- Social value
  - Putting jobs back in the place
  - Creating the possibility to buy!
- Character public realm sustainability and ancillary/amenities

\* Identifies a vote

— WHY IS THE —

# SEFTON COUNCIL COMMERCIAL BRAND

— REQUIRED? —

LONG TERM INTEREST

— WHAT MAKES US —  
**UNIQUE?**

We're happy to deliver affordable housing\*\*\*

We're not totally focused on profit\*\*

(We're about meeting need, value driven)

We're 110% committed\*\*\*\*

Providing the right product for the right people  
in the right place for the right reason\*\*

(but obviously commercially viable and realistic)

Better housing in value and quality\*

- We're focused on long term sustainable
- PR Risk around
  - The political arena
  - We need to be better
  - More often honest and responsive team
- The arbiters of value are greater/better/more impactful
- We have a high percentage of advantages others don't have
  - We are ready and fit to go
  - Recognise others have cash supply
- We're transparent, with profit and driving value R.O.I

\* Identifies a vote

# Who do we feel are directly competing against?

Who is our direct competition?

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David Wilson Homes

- Bellway
- Redrow (little better on quality)
- LCC
- Bloor homes
- Kingswood
- Morris homes
- Jigsaw
- Sovini (Housing association)
- Wayne Homes
- Mulburry Homes
- Bankfield
- Elan Homes
- Keepmoat

From a buyer perspective/from a development perspective?

- HTP
- Because of undersupply there may not be competition
- Explore the details
- Homes for life
- Medium/Middle
- Move away from Sovini
- A commitment to V.F.M
- At high standard

Redrow:

Positive	Negative
Good site selection	The company not be liked in Liverpool
Know the Sefton market well	Traditional/old fashioned
Help to buy	Don't fit with the community, not local formula
Good/big brand	Not high percentage affordable
Product looks good/well finishes	Poor planning relationship (trust?)
Modern sustainable to traditional villa	
Good space standard	
Competing density	
Aspirational at high end (£200k -£1m)	
Owners - lots of changeable	
Trust - invest back	
Track record, case studies	
Proximity to Liverpool	







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## What are your three year challenges?

- Building inflation
- Supply Chain
  - Recruitment
- Ability to procure confidently
  - We're a new company
- Scrutiny on FOI able (freedom of info)
- Delivering on promise and making profit (un-tested)
- Making it like 'NOT' like a council without be under scrutiny
- PR challenges
  - Council hit by press
  - Spin, crises management
  - Story
- Gap between timing announcement to availability
- Brexit
- Local and National elections
- Momentum
  - Political
  - Speed
- The market predictability
- Building the business
  - Capacity
  - Skills
  - Team effectiveness
- The Unknowns
- Brand and reputation
- Track record (case studies)
- Council resilience/ambition
  - Appetite for risk

## What are your three year opportunities?

Retain money and houses in Sefton\*\*\*\*

Capture land value and capture development profit\*\*\*\*

- Money not exciting the system

To create brand business with a difference\*\*\*

- Energy, principles, place commitment

Build on brownfield sites\*

- Highly sustainable deliverable

To be flexible to innovate\*

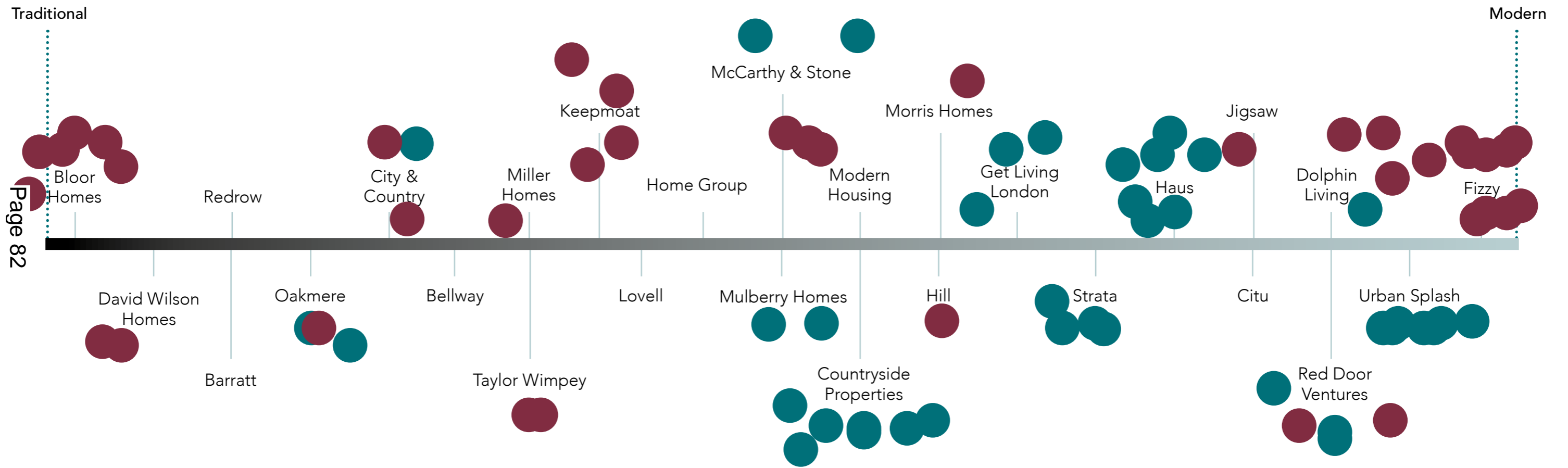
Explore modular potential/disturb market\*

Make money to use profit well\*

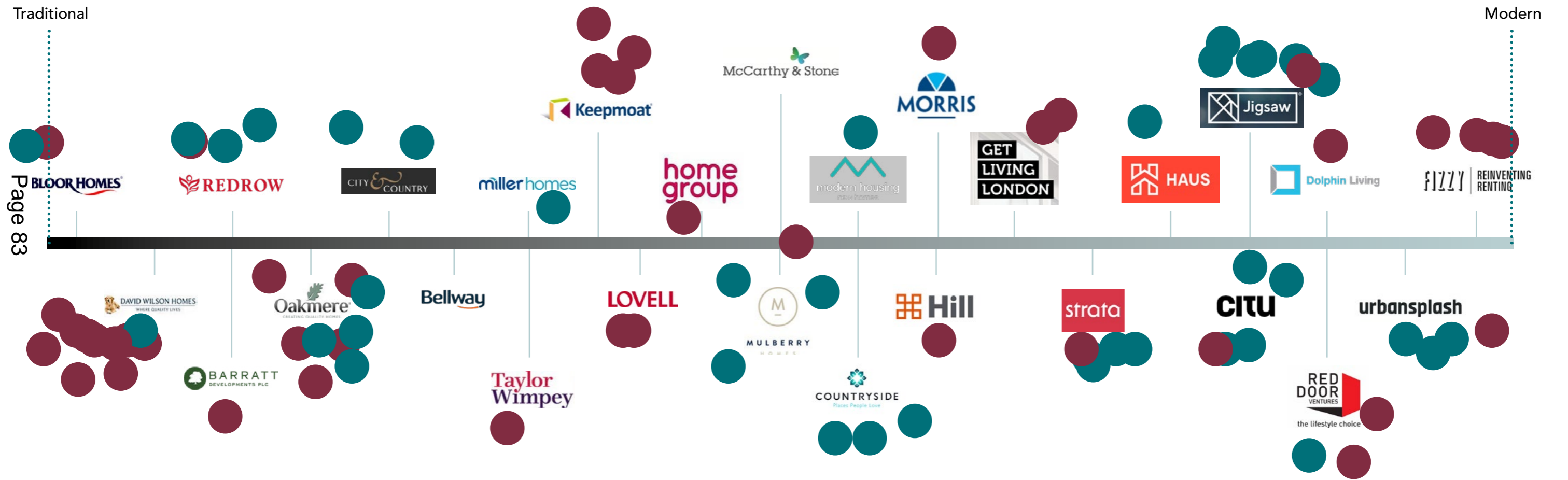
- Geographically expansion (perhaps no include in messaging)
- Build in Sefton
- A new business and all that brings, clean sheet
- To hit the ground running, we're not land banking
- Explore land value + profit given experience
- We are (need to) deliver sustainable product
- Set the standard for the higher building in this Borough

\* Identifies a vote

# Name Scale



# Logo Style



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# Images that represent the brand

Family Values

Am I giving my children the best?

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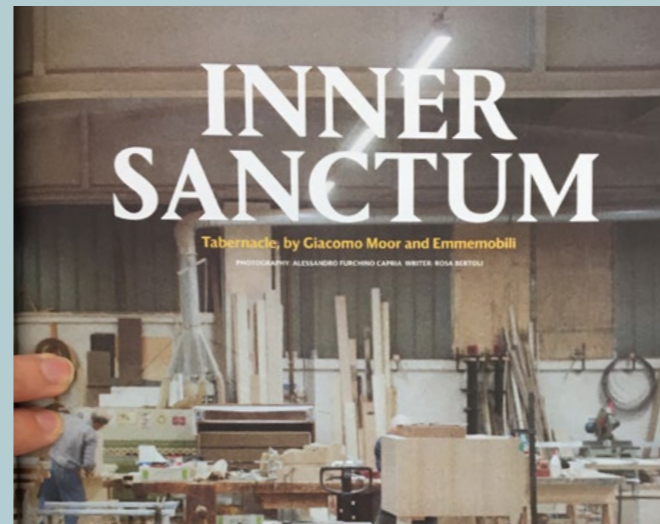
Homely/lived in



Home. Safe. Sanctuary

# The Perfect Fit

Creating homes for life



Relax. Nature. Biodiversity



PATEK PHILIPPE  
GENÈVE

Begin your own tradition.

You never actually own a Patek Philippe.  
You merely look after it for the next generation.



# BREATH OF FRESH AIR

Clean

New but grounded in tradition. Begin your own tradition. Family focussed. New start. Lifetime home. Making memories

Warm. Modern

Community. Play. Spaces. Connections. Fun. Biodiversity. Relax. Nature

Green. Growing. Structured. Environment



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Aspirational housing function



Living outdoors indoors. Natural palette



Healthy living. Healthy Environment



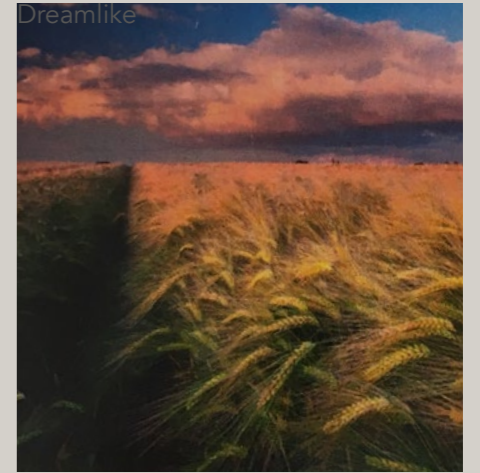
Same market. Differentiate themselves in a crowded market. Innovative



Bespoke



Sand Dunes. Sefton Coastline. Warm & Dreamlike



Stylised but friendly



Blends into the environment



Surprise. Delight



Great opportunity. Why not?



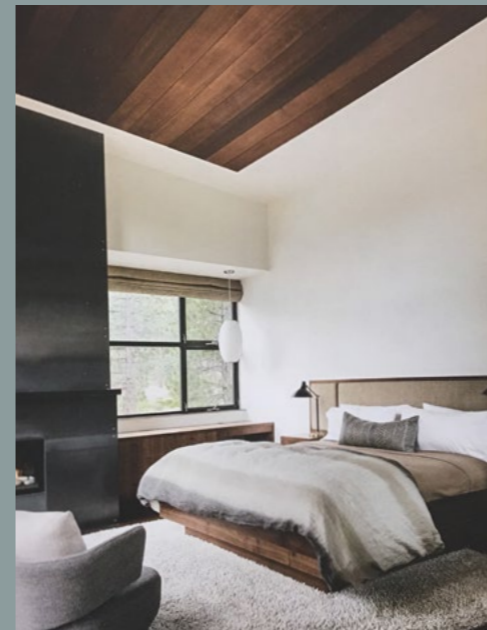
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Smooth. Tranquil. Luxury. Calming. Warmth. Comfort



Fun. Stylish. Modern. Bright. Dynamic. Value

Bold. In your face



Organic. Light. Spacious. Intimate. Natural palette. Tidy. Simple functional

Homely. Comforting. Trendy



Clean yet striking



Clean lines. Bright and eye catching without being garish. Fun/bold yet anchored by the simple rectangle structure



Cool building. Different. Brave. Stylish



Quality. Reliability. Does what it says on the packaging. Great logo.

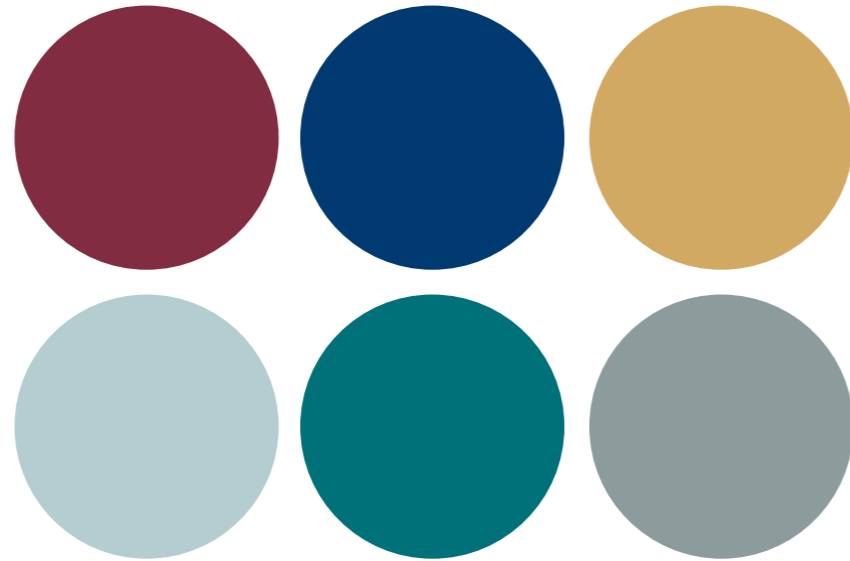


Simplicity. Elegance. Coherence

# Brand Alignment

## Colour

- Emerald Green
- Brick Red / Terracotta
- Air Force Blue
- Willow Green
- Sand
- Earthy Tones



## Zara

- Efficient
- Quality

## Apple/Dyson

- Performance

## National Trust

- Value alignment

## Co-op

- Locally sourced

## Mulberry

- Type
- Look

## Booths

- Quality
- Care

## Ikea

- Functional
- Good value
- Adaptable

## Fairy Liquid

- Trusted
- Long lasting

## RAC/AA

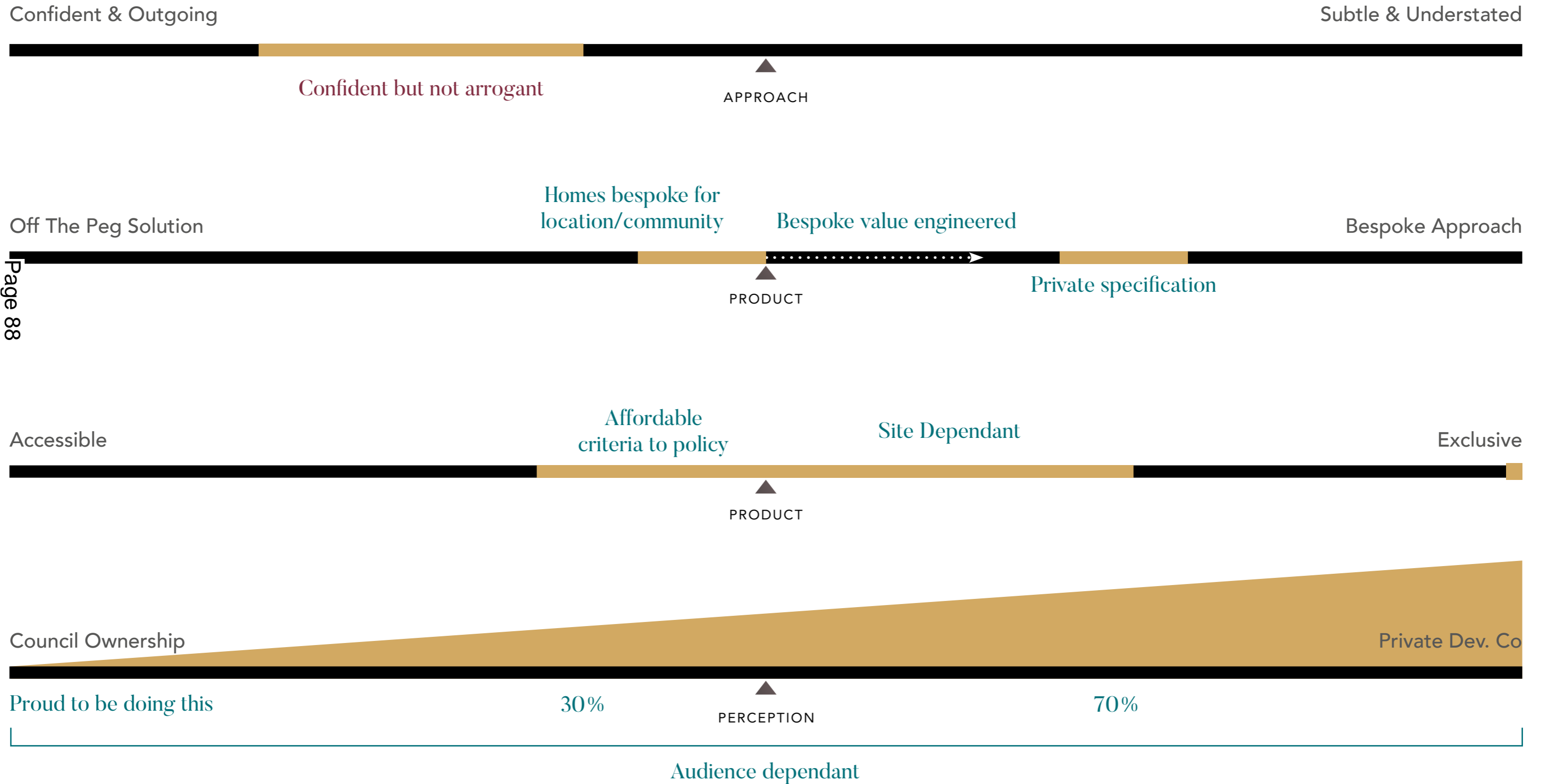
- Dependable
- Trust

## M&S

- Environmental
- Strategy
- Plan A



# We aim to be...





## Values

### Confident

Confident in our approach, bold in our decisions and ambitious in our vision to create a brand that responds to communities needs.

### Quality

Setting the standard through product/management/ bespoke offer /skills and expertise.

### Committed

A devoted brand that delivers a vibrant, supportive, safe and sustainable place for the community.

### Credible

Creating a brand that is reliable, trusted and rooted in place that focuses on building strong and vibrant communities.

### Integrity

The brand is transparent and honest whilst not afraid of being challenged.

### Grounded

Brand is authentic and rooted in place. The community is at the heart of everything we do and we'll reinvest in the place.



Essence:  
Creating homes for life

# Role

To provide homes for the community through a genuine, committed and trusted brand that focuses on quality and sustainability throughout their offering.





**Meadow Homes**

Thomas Pennant, a writer and traveller visited Sefton in 1773, described the place as a fine, colourful meadow that reached out to the sea.

**Sandway Homes**

A trustworthy and credible name, 'Sandway' is inspired by the 22 miles of coastline in Sefton. The name suggests quality and confidence.

**Woven Homes**

During the brand workshop the brand was referred to as 'the fabric of the place' the name 'Woven' means to fit into place. The developments will sit in harmony with the environment and set the standard for future developments.

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Traditional

Modern

**Green Key Homes**

A traditional approach to the name with 'green' representing the commitment to sustainability, and 'key' representing a house key and the quality of key sites around Sefton.

**Sandstone Properties**

The name was influenced by the geological formation consisting of red sandstone.

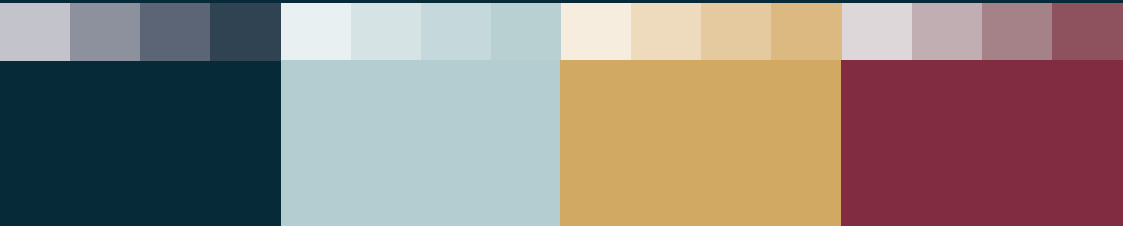
**Dovetail Homes**

'Dovetail' is inspired by the joinery terminology, meaning to interlock and create a unique join in a structure. The name 'Dovetail' represents quality, longevity and innovation all attributes that will be present in the brand.

## Logo Option 1

Woven means to join together, to interlock and to create a unique structure based on craft and innovation. The brand will naturally fit in Sefton and become the fabric of the place. This logo uses strong bold lines to create a unique mark, the mark contains a subtle house structure with a weaved pattern to look like wooden floorboards.





## Logo Option 2

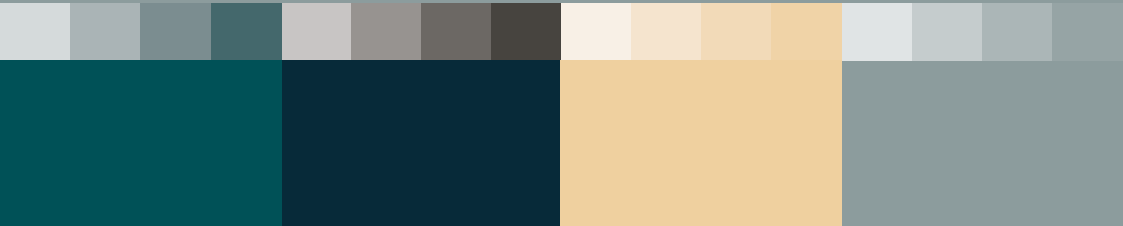
The name is inspired by the dovetail join in carpentry. It represents quality, longevity and innovation which also applies to the brand. The logo mark combines the dovetail shape with the intricate detail of a ornate house key.





**DOVETAIL HOMES**

SEFTON





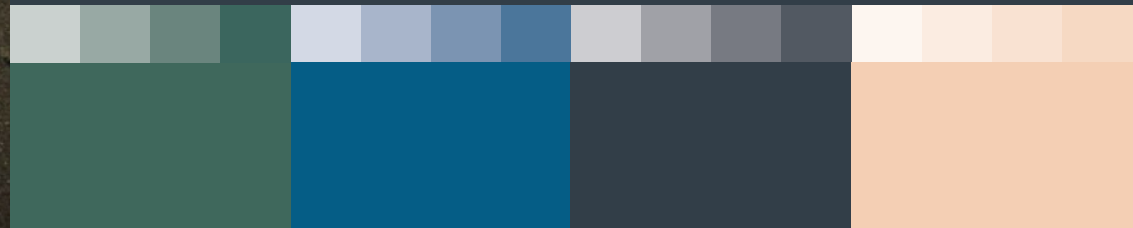
### Logo Option 3

The name Sandway is inspired by the unique 22 miles of coastline in Sefton. The serif typeface makes the brand look established and confident. The logo mark is an abstract form of an ornate key and inspired by the family crest for the Sefton Molyneux.





Sandway  
HOMES



Thank you.

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**Manchester**  
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DS.EMOTION

Agenda Item 8

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Sandway  
HOMES

The information has been highlighted and refined to create a clear set of brand guidelines, key messages, Tone of Voice and brand personality. This will form the foundations for the new identity.

Our Visual Identity	04
Our Logo Don'ts	08
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## Our Visual Identity

The name Sandway is inspired by the unique 22 miles of coastline in Sefton. The serif typeface makes the brand look established and confident. The logo mark is an abstract form of an ornate key and inspired by the family crest for the Sefton Molyneux.

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# Our Visual Identity

A clear, comprehensive set of guidelines help to ensure the integrity of our logo.

Where possible please use the primary logos (shown on the right). If there is an occurrence where this is not possible please use the mono print logo.

Clear spacing guidelines have been created (shown on the right) no other elements should infringe upon this space. The logo needs to be clear and readable at all times. The height of the 'S' determines our clear space. This then surrounds our whole logo as shown.

For reproduction purposes the logo's below must not appear below the specified sizes.

## LOGO ON COLOUR



## LOGO ON WHITE



## SPACING



## MONO PRINT LOGO



## SOCIAL ICONS



## MINIMUM SIZE (14MM)





# Our Logo Don'ts

The Sandway Homes logo should not be altered. Here are examples of what is not acceptable use of our logo.

**DON'T CHANGE THE COLOUR**



**DON'T DISTORT**



**DON'T REARRANGE**



**DON'T ADD EFFECTS**



**DON'T REMOVE THE ICON**



**DON'T CHANGE THE FONT**



# Our Typography

Our typeface is part of how we tell our story.

Our primary font is Quincy CF Regular, it is unique and characterful, complimenting our brand look and feel. Quincy's warm letterforms, tall x-height and medium contrast provide a pleasant reading experience. Small variations and human touches add charm, allowing Quincy to double as a stately display font.

Quincy CF Regular should be used for all headlines, Gotham Bold should be used for all subheadings, with Gotham Book as bodycopy.

A websafe version of Quincy CF Regular is available and should be used wherever necessary.

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## Headlines - Quincy CF Regular

AaBbCcDdEeFfGgHhIiJjKkLlMm

NnOoPpQqRrSsTtUuVvWwXxYyZz

0123456789!?!&()

## Subheadings - Gotham Bold

**AaBbCcDdEeFfGgHhIiJjKkLlMm**

**NnOoPpQqRrSsTtUuVvWwXxYyZz**

**0123456789!?!&()**

## Bodycopy - Gotham Book

AaBbCcDdEeFfGgHhIiJjKkLlMm

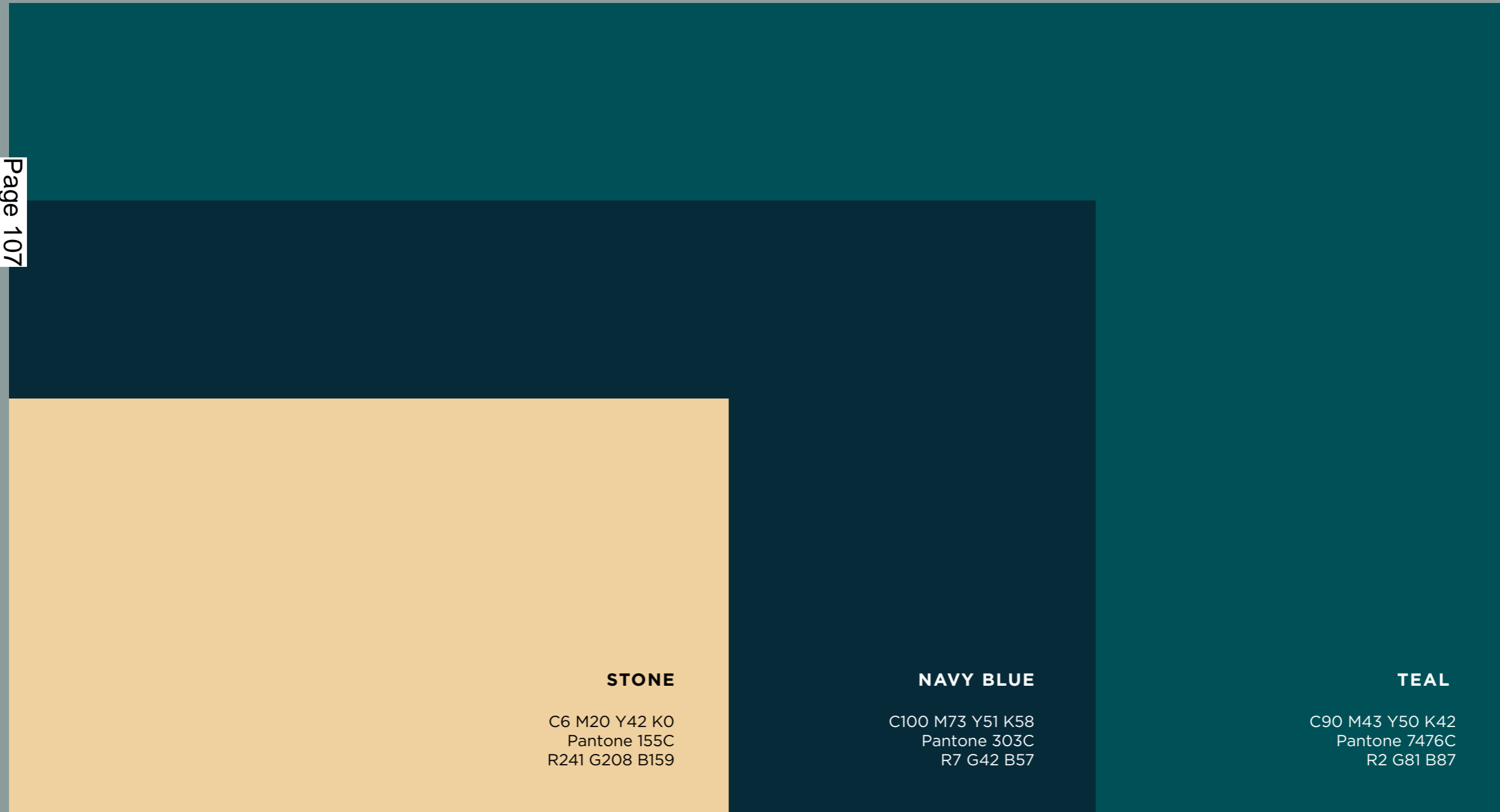
NnOoPpQqRrSsTtUuVvWwXxYyZz

0123456789!?!&()

# Core Colour Palette

Pale Green, Teal, Navy Blue and Stone remain the prominent colours in our palette. These colours should be followed to maintain brand consistency.

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**STONE**  
C6 M20 Y42 K0  
Pantone 155C  
R241 G208 B159

**NAVY BLUE**  
C100 M73 Y51 K58  
Pantone 303C  
R7 G42 B57

**TEAL**  
C90 M43 Y50 K42  
Pantone 7476C  
R2 G81 B87

**PALE GREEN**  
C47 M29 Y33 K9  
Pantone 443C  
R142 G156 B156

# Accent Colours

The accent colour palette helps enhance the brand, these colours should be used sparingly to add interest, and they must compliment the imagery used.

### DARK RED



C31 M88 Y49 K38  
Pantone 7638C  
R130 G44 B65

### LIGHT BLUE

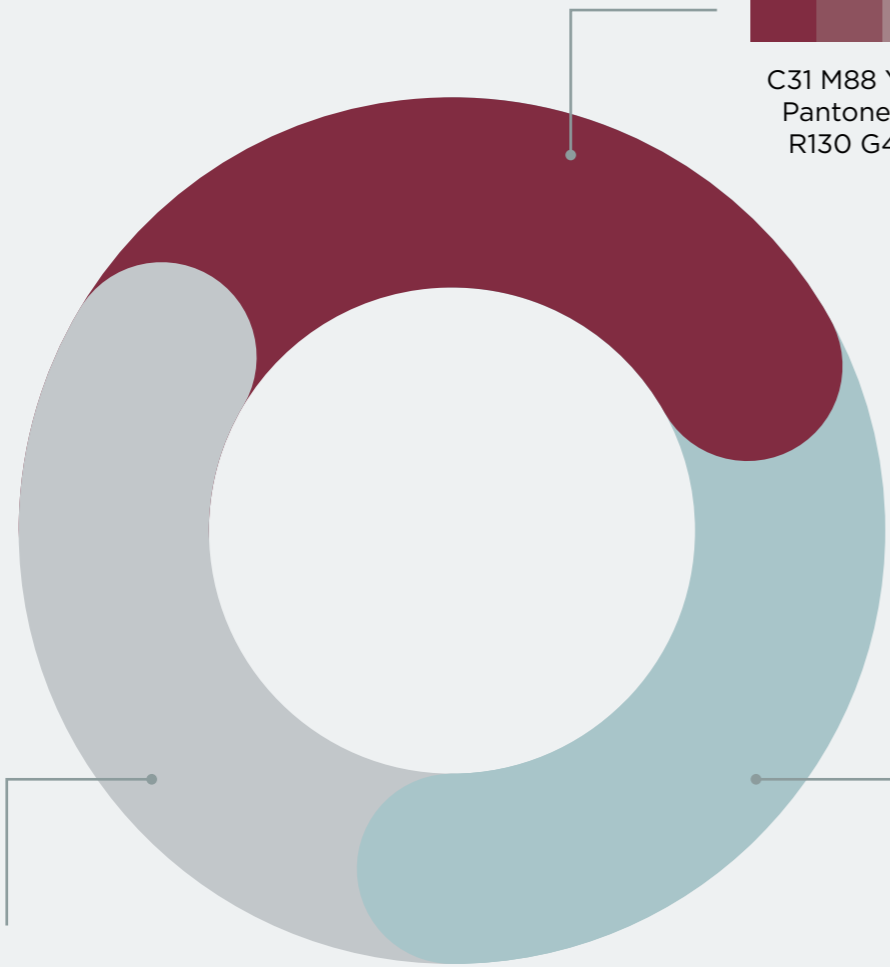


C38 M13 Y21 K0  
Pantone 5513C  
R170 G197 B201

### LIGHT GREY



C28 M18 Y18 K1  
Pantone 428C  
R194 G199 B202



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# Imagery Guidelines

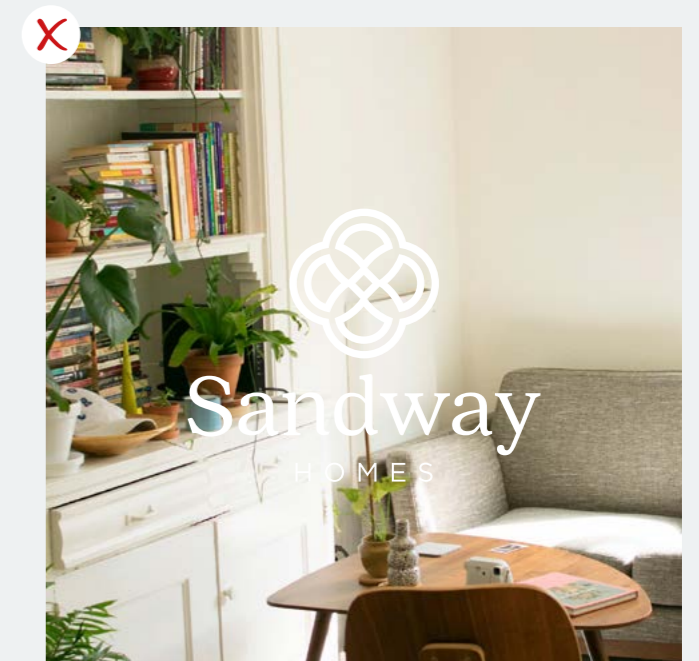
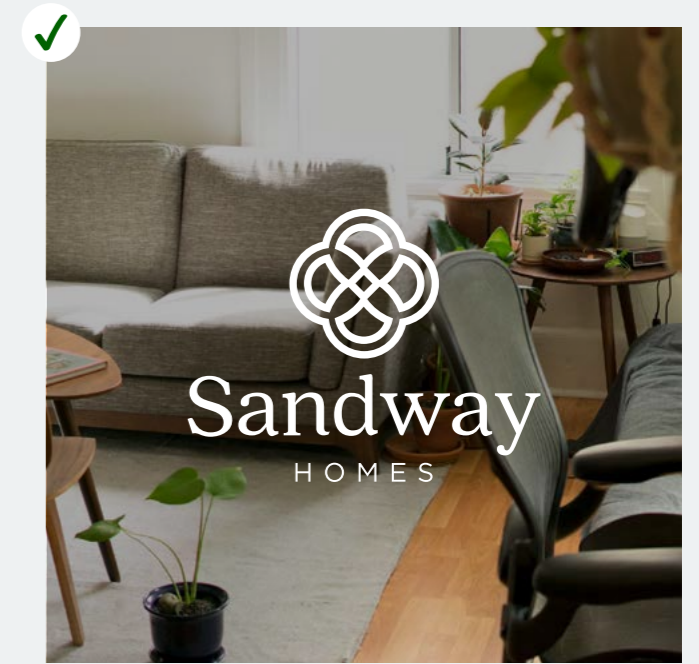
Below are some simple guidelines for style, concept and composition to keep our imagery on-brand.

### DO:

- Choose photos that reflect the brand personality.
- Always strive for diversity in ethnicity, age and the situation.
- Make sure if using the logo on the image it is clearly visible.
- When required use a black opacity overlay that can be applied over an image to ensure there is enough contrast with the logo (this must be 30% or below).

### DON'T:

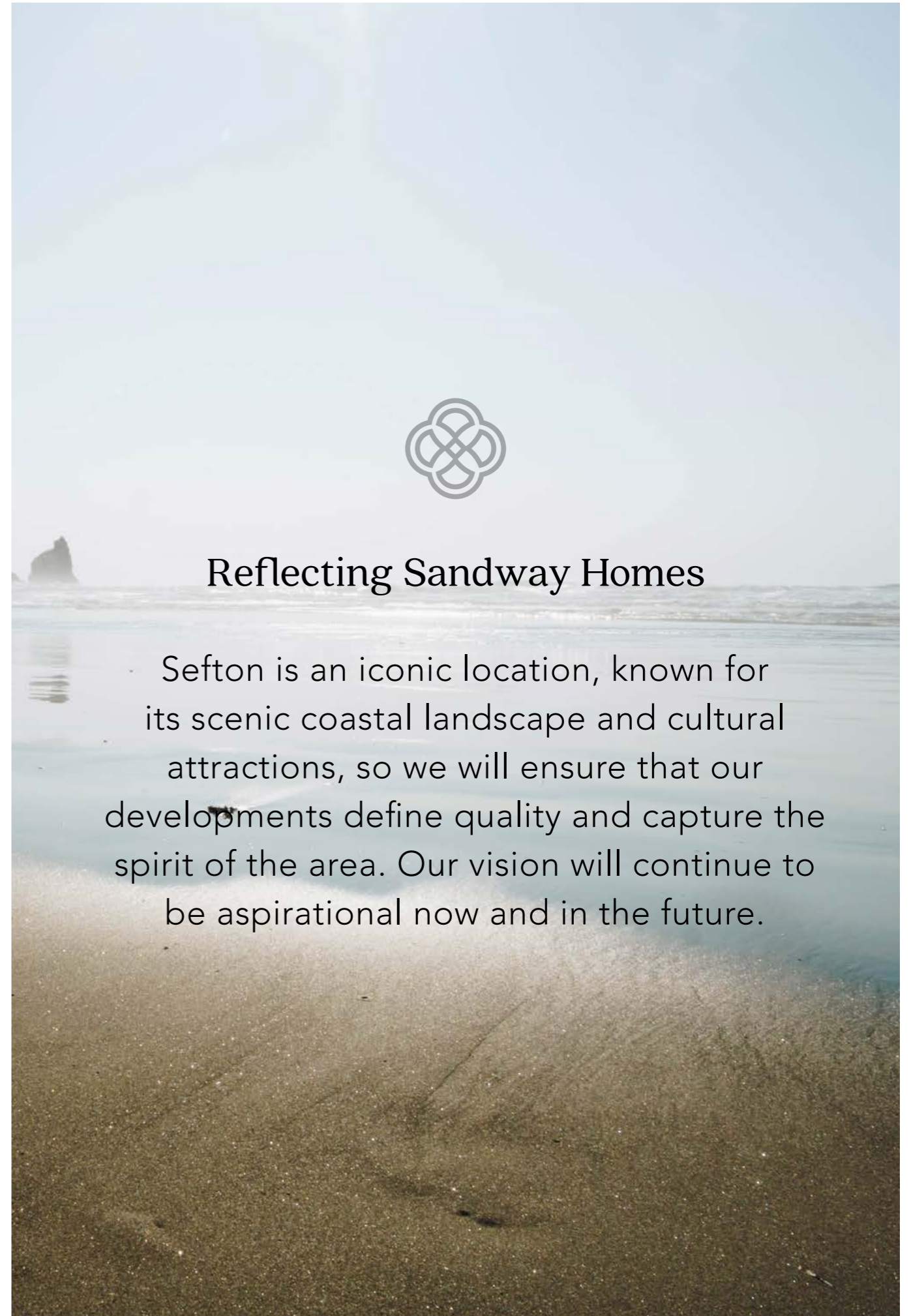
- Don't use photos that were obviously posed or shot in a studio with models.
- Don't use brightly coloured photos, cluttered backgrounds or busy compositions, especially if the logo is being applied on top of the image.





## Our Vision

Sandway Homes is bringing high quality homes to the local community of Sefton. We are a genuine, committed and trusted brand that focusses on quality and sustainability throughout our offering.



## Reflecting Sandway Homes

Sefton is an iconic location, known for its scenic coastal landscape and cultural attractions, so we will ensure that our developments define quality and capture the spirit of the area. Our vision will continue to be aspirational now and in the future.

A photograph of a family of four sitting on a brown corduroy couch. A woman with long blonde hair is on the left, wearing a white t-shirt and blue jeans. A man with a beard is on the right, wearing a dark t-shirt and blue jeans. A young child is sitting between them, wearing a dark t-shirt and blue jeans. A large white fluffy dog is sitting in the center, and a small black cat is sitting on the man's lap. The scene is dimly lit, creating a cozy atmosphere.

# Inspire. Delight. Deliver.

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## Our Personality

The following personality traits are important to Sandway Homes. They inform how we conduct and express ourselves.

### Confident & Grounded

We are changing perceptions by bringing inspiring homes to Sefton. We are passionate and proud about creating quality homes for life.

### Trusted & Honest

We are unpretentious and driven. We will provide an authentic brand that people will trust and our focus is on delivering our promise.

### Committed & Transparent

We are clear in our commitment and what we are offering, providing people with a true representation of our brand. Our unique offering will provide high quality homes for the Sefton community.

### Friendly & Determined

We are open, approachable and continuously striving for the best.

### Positive & Credible

We have recognised the need for quality and assurance. Our brand will ensure that delivering quality is the heart of everything we do.

### Knowledgeable & Experienced

Our brand will set the standard for the delivery of a bespoke offering through the right skills and expertise.





Providing the building  
blocks to an exciting  
future for Sefton.

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## Tone of Voice

Our Tone of Voice is the way in which we write and speak, what we say and how we say it. It is an expression of our brand values and way of thinking.

We've outlined our unique qualities in more detail and the impression it makes on everyone we connect with.

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### WE ARE HONEST

We are not afraid to challenge the status-quo and be ourselves. We are genuine and transparent in all that we do.

### WE ARE DEDICATED

We are focussed, composed and self-assured. We are committed to doing a great job, overcoming any hurdles we come across on the way.

### WE ARE DRIVEN

We are passionate about what we do, empowering our community and allowing our enthusiasm to shine through.

### WE ARE PROUD

We take pride in our offering and are confident in our approach, creating a brand that is rooted in place.

### WE ARE INSPIRING

We have high expectations, bringing innovation and inspiration to every home we build.

### WE ARE PURPOSEFUL

Each step in our development journey is well-planned and delivered with focus. Our decisions are made with real people and communities in mind.



Providing a home that  
delights and a living  
experience that endures.



## Our Mission

Our mission is to create quality, ambitious housing in a purposeful, ethical, and sustainable fashion that puts real people at the centre of everything.

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## Our Principles

Our principles inform what we say. They should come through in our language and the messages we try to communicate.

- Sustainable
- Meaningful
- Unique
- Collaborative
- Quality-driven
- Ethical
- Connected

# Agenda Item 8



Sandway

REGISTERED NO. [ ]

**Articles of Association**

of

**Sefton (ACS) Holding Company Limited**

**Incorporated: [ ]**

COMPANY LIMITED BY SHARES

THE COMPANIES ACT 2006

Anthony Collins Solicitors LLP  
134 Edmund Street  
Birmingham B3 2ES

Tel: 0121 212 7472

Reference: GEM 45082.0001

# Agenda Item 8

## ARTICLES OF ASSOCIATION OF SEFTON (ACS) HOLDING COMPANY LIMITED

### PART A: INTRODUCTION

#### 1. INTERPRETATION

##### 1.1 In these Articles:

<b>“Act”</b>	means the Companies Act 2006;
<b>“AGM”</b>	means an annual general meeting of the Company;
<b>“Articles”</b>	means these Articles of Association of the Company and “Article” shall be construed accordingly;
<b>“Board”</b>	means the board of the Company comprising the Directors and (where appropriate) includes a Committee and the Directors acting by written resolution;
<b>“Board Meeting”</b>	means a meeting of the Board or (where appropriate) of a Committee;
<b>“Chair”</b>	means (subject to the context) either the person elected as chair of the Company under Article 33 or, where the Chair of the Company is not present or has not taken the chair at a meeting, means the person who is chairing a Board Meeting at the time, or the person appointed by the Shareholders from amongst their number to chair a General Meeting;
<b>“clear days”</b>	in relation to a period of notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>“Committee”</b>	means a committee of the Board;
<b>“Company”</b>	means the company regulated by these Articles;
<b>“Companies House”</b>	means the office of the Registrar of Companies;

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<b>“Council”</b>	means Sefton Borough Council of Bootle Town Hall, Oriel Road, Bootle L20 7AE;
<b>“Director”</b>	means a director of the Company for the time being;
<b>“executed”</b>	includes any mode of execution;
<b>“General Meeting”</b>	means any meeting of the Shareholders;
<b>“holder”</b>	in relation to shares means the Shareholder whose name is entered in the register of Shareholders;
<b>“including”</b>	means “including without limitation” and “include” and “includes” are to be construed accordingly;
<b>“Model Articles”</b>	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to the date of the adoption of these Articles, and reference to a numbered model article is a reference to that article of the Model Articles;
<b>“Observers”</b>	means those persons (other than Directors) present under Article 35 at a Board Meeting;
<b>“Registered Office”</b>	means the registered office of the Company;
<b>“Relevant Agreement”</b>	means any agreement or agreements entered into between the Company and the Council relating to the management, operation and activities of the Company;
<b>“Secretary”</b>	means the secretary of the Company (if any) as may be appointed under these Articles to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
<b>“Share”</b>	means a share of any type in the capital of the Company (and includes both a fully paid and a partly paid share);

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- “Shareholder”** means a shareholder for the time being of the Company;
- “Shareholder Reserved Matters”** means those matters on which a decision is reserved to the Shareholders in accordance with Article 29;
- “Teckal Company”** means Streetwise Environmental Limited of Abbey Road Depot, Abbey Road, West Bridgford, Nottingham NG2 5NE, company number 09042551;

## 1.2 In these Articles:

- 1.2.1 terms defined in the Act are to have the same meaning;
- 1.2.2 references to the singular include the plural and vice versa, to the whole include part and vice versa, and to the masculine include the feminine and neuter and vice versa;
- 1.2.3 references to “organisations” or “persons” include corporate bodies, public bodies, unincorporated associations and partnerships;
- 1.2.4 references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it; and
- 1.2.5 the headings are not to affect the interpretation of the Articles.

## 2. NAME

The Company’s name is Sefton (ACS) Holding Company Limited.

## 3. REGISTERED OFFICE

The Company’s Registered Office is to be situated in England.

## 4. POWERS

The Company may do anything that a natural or corporate person can lawfully do which is not expressly prohibited by the Articles.

## 5. LIMIT OF LIABILITY

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.



## **PART B. DIRECTORS**

### **6. BOARD**

- 6.1 Unless otherwise determined by a General Meeting, the Board shall consist of not more than 7 Directors and not less than 3 Directors appointed in accordance with Article 8 [provided that at no time shall the number of Executive Directors in office equal or exceed the number of Non-Executive Directors in office.]
- 6.2 Non-Executive Directors shall be paid travelling, hotel and other expenses reasonably and properly incurred by them in attending and returning from meetings of the Board or General Meetings of the Company or in connection with the business of the Company provided that no Non-Executive Director who is also a member of a local authority and for twelve Months after he ceases to be such a member of a local authority shall be entitled to be reimbursed such expenses.

### **7. POWERS OF THE BOARD**

- 7.1 Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- 7.2 The Directors shall require the prior written approval of the Shareholders in respect of any decisions regarding the Shareholder Reserved Matters.
- 7.3 Alterations of the Articles do not invalidate earlier acts of the Board which would have been valid without the alteration.

### **8. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 8.1 All of the Directors are to be appointed by ordinary resolution of the Shareholders.
- 8.2 The appointment of a Director takes effect at the point at which the Shareholder resolution appointing him is passed.
- 8.3 No Director may be appointed except as set out in the Articles.
- 8.4 Subject to sections 168 and 169 of the Act, the Shareholders may remove any or all of the Directors at any time (with or without reason) by ordinary resolution.
- 8.5 The Shareholders may appoint a person as a Director either in substitution for a Director it has removed or to fill a casual vacancy.
- 8.6 A Director will cease to hold office as soon as:
- 8.6.1 the individual:
- (a) dies;

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- (b) ceases to be a Director under the Act or is prohibited by law from being a Director;
- (c) resigns by written notice to the Company delivered to the Registered Office;
- (d) is removed by ordinary resolution of the Shareholders;
- (e) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

8.6.2 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months.

## **9. DEPUTY DIRECTORS**

9.1 A Director may not appoint an alternate or deputy Director to act in his place.

## **10. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

10.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

10.2 If:

10.2.1 the company only has one Director, and

10.2.2 no provision of the articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the articles relating to Directors' decision-making.

## **11. DIRECTORS' FEES AND EXPENSES**

11.1 Subject to Article 6.2, the rest of this Article 11, and Article 12 a Director who is not an employee of the Council may be paid such fee as the remainder of the Board may from time to time determine.

11.2 Directors who are not employees of the Council are entitled to be paid all reasonable expenses properly incurred by them in attending Board Meetings and General Meetings and in carrying out their duties as Directors. Directors who are employees of the Council may claim expenses in line with their contracts of employment with the Council.

11.3 The payment of expenses to Directors who are not employees of the Council is subject to the production of satisfactory receipts.

11.4 Where any Director is an elected member (to include any directly elected mayor) of the Council or any other local authority that is a Shareholder then such a Director may only be paid such fees and/or expenses as are permitted by the Local Authorities (Companies) Order 1995.

## **12. DIRECTORS' INTERESTS**

12.1 A Director who has a direct or indirect interest in any contract, proposed contract, arrangement or dealing with the Company must declare his interest under sections 177 or 182 of the Act (as appropriate) before the matter is discussed by the Board.

12.2 Every Director must ensure that at all times a list is kept at the Registered Office including details of:

12.2.1 any other body of which he is a director or officer;

12.2.2 any firm of which he is a partner;

12.2.3 any firm or organisation of which he is an employee;

12.2.4 any public body of which he is an official or elected Shareholder;

12.2.5 any company whose shares are publicly quoted in which he owns or controls more than 2% of the shares;

12.2.6 any company whose shares are not publicly quoted in which he owns or controls more than 10% of the shares;

12.2.7 any property owned by the Company in which he has an interest or which he occupies; or

12.2.8 any other interest which is significant or material including any direct or indirect financial interest which may influence his judgement on matters being considered or to be considered by the Board.

12.3 A decision of the Board will not be invalid because of the subsequent discovery of an interest which should have been declared.

12.4 Every Director must ensure that at all times he declares to either the Secretary in writing or to a Board Meeting if a person with whom he is "connected" for the purposes of Section 252 of the Act:

12.4.1 is likely to receive a payment or benefit from the Company;

12.4.2 is a director, officer or employee of a company, body or organisation which is likely to receive a payment or benefit from the Company;

12.4.3 is a partner of a firm which is likely to receive a payment or benefit from the Company;

12.4.4 is an official or elected Shareholder of a public body which may make or receive a payment or benefit to or from the Company;

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- 12.4.5 is the owner or controller of more than 2% of the shares of a company whose shares are publicly quoted and which may make or receive payment or benefit to or from the Company;
- 12.4.6 is the owner or controller of more than 10% of the shares of any company whose shares are not publicly quoted, which may make or receive a payment or benefit to or from the Company; or
- 12.4.7 is a tenant or occupier of any property owned by the Company or is seeking accommodation from the Company.
- 12.5 A general notice to the Board that a Director has an interest, of the nature and extent specified in the notice, in any transaction or arrangement in which a specified person or class of persons is interested, is to be treated as a disclosure that the Director has an interest in any such transaction of the nature and extent specified.
- 12.6 For the purposes of this Article 12 an interest of which a Director has no knowledge and of which it is unreasonable to expect him/her to have knowledge is not to be treated as an interest of that Director.
- 12.7 Personal Interests**
- 12.7.1 A Director has a personal interest in a matter which is to be discussed or determined by the Board if he or a member of the Director's family as defined in section 253 of the Act will be directly affected by the decision of the Board in relation to that matter.
- 12.7.2 A Director who has a personal interest in a matter which is to be discussed or determined by the Board:
- (a) may not count towards the quorum in relation to that matter;
  - (b) may not take part in the discussion in relation to that matter;
  - (c) may not vote in relation to that matter; and
  - (d) must leave the Board Meeting at which the matter is discussed and determined.
- 12.8 Despite having a personal interest in the outcome, a Director may count towards the quorum, take part in the discussion and vote on a resolution of the Board (other than a resolution to make a payment or grant a benefit to the Director personally which is not at the same time being granted to the other Directors):
- 12.8.1 to take out Directors and officers indemnity insurance;
- 12.8.2 to give an indemnity or to establish a policy for the Company to give indemnities to the Directors generally under Article 38; or
- 12.8.3 to set a policy for the payment of Directors' fees and expenses under Article 9.
- 12.9 In the event that there are not sufficient Directors to hold a quorate Board Meeting because one or more Directors have a personal interest in a relevant matter and are not permitted to form part of the quorum, then those Directors with a personal interest may

form part of the quorum for the purposes of agreeing to circulate an ordinary resolution to the Shareholders detailing the extent of the conflict arising from the personal interest and requesting the Shareholders to authorise the Director's conflict arising from their personal interest.

12.10 In the event that a resolution is passed by the Shareholders in accordance with Article 12.9, the Director(s) with such an authorised personal interest may then count as part of the quorum and for voting purposes in relation to the relevant matter.

## 12.11 Non-Personal Interests

12.11.1 A Director who has an interest in a matter which is to be discussed or determined by the Board but which is not a personal interest may, subject to his fulfilling his duty to act in the best interests of the Company and to the right of the remaining Directors to require that he should withdraw from the Board Meeting at which the matter is to be discussed or determined:-

- (a) count towards the quorum in relation to that matter;
- (b) take part in the discussion in relation to that matter;
- (c) remain in the Board Meeting at which the matter is to be discussed or determined; and
- (d) vote in relation to that matter.

12.11.2 A Director is not to be regarded for the purposes of this Article 12 as having a non-personal interest in any matter if his interest in that matter arises solely because he is a Director or an officer of any body the accounts of which are consolidated with the Company's accounts or because he is an elected member, employee or officer of the Council or any other local authority that is a Shareholder but he must nonetheless disclose his interest in accordance with Article 12.1.

12.12 A Director may disclose the business of the Company to the Council where the Council is a Shareholder.

## 13. BOARD MEETINGS

13.1 Subject to the Articles and any Relevant Agreement, the Board may regulate Board Meetings as it wishes.

13.2 Board Meetings may be called by any Director or the Secretary (if any).

13.3 Seven clear days' notice of Board Meetings must be given to each of the Directors but it is not necessary to give notice of a Board Meeting to a Director who is out of the United Kingdom.

13.4 A Board Meeting which is called on shorter notice than required under Article 13.3 is deemed to have been duly called if at least two Directors certify in writing that because of special circumstance it ought to be carried as a matter of urgency.

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- 13.5 Questions arising at a Board Meeting are to be decided by a simple majority of votes and each Director is to have one vote. Where a Director is also an Alternate Director then he has an additional vote on behalf of each Appointer who:
- 13.5.1 is not participating in the Board Meeting; and
  - 13.5.2 would have been entitled to vote if they were participating in it.
- 13.6 If there is an equality of votes the Chair is entitled to a second or casting vote.
- 13.7 A technical defect in the appointment of a Director or in the delegation of powers to a Committee of which the Board is unaware at the time does not invalidate decisions taken in good faith.

## **14. QUORUM FOR BOARD MEETINGS**

- 14.1 The quorum for Board Meetings is three Directors.
- 14.2 A Director may be part of the quorum of a Board Meeting if he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 14.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 14.3.1 to appoint further Directors; or
  - 14.3.2 to call a General Meeting so as to enable the Shareholder to appoint further Directors.
- 14.4 A Board Meeting at which a quorum present shall be competent to exercise all of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in the Board generally.
- 14.5 If a quorum is not present within half an hour of the time at which the Board Meeting is due to start or if, during the Board Meeting, a quorum ceases to be present, the Chair of the meeting must adjourn it. When adjourning the meeting, the Chair must specify that the meeting is adjourning to either:
- 14.5.1 the same day, time and place the following week; or
  - 14.5.2 another day, place and/or time to be decided by the Directors.

## **15. CHAIR**

- 15.1 The post of Chair of the Directors will be held by a Director nominated by the Shareholder. If the Chair for the time being is unable to attend any meeting of the Board of Directors, the Directors present at the meeting shall appoint one of their number to chair the meeting.
- 15.2 The Chair is to hold office for 3 years or such other period as the Shareholder shall from time to time determine.

- 15.3 The Chair may resign from his position at any time (without necessarily resigning as a Director at the same time).
- 15.4 The Chair is to chair all Board Meetings at which he is present unless he does not wish to do so.

## **16. UNANIMOUS DECISIONS**

- 16.1 Notwithstanding the rest of these Articles, a decision of the Directors may be taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 16.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.
- 16.3 References in this article to Eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding any Director whose vote is not to be counted in respect of that particular matter).
- 16.4 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting.

## **17. DELEGATION**

- 17.1 The Board may:
- 17.1.1 establish Committees consisting of those persons the Board decides;
  - 17.1.2 delegate to a Committee any of its powers;
  - 17.1.3 determine the quorum for Committee meetings; and
  - 17.1.4 revoke (in whole or in part) or alter a delegation at any time.
- 17.2 The Members of a Committee are to be appointed by the Board to hold office for whatever period the Board decides and may be removed or replaced by the Board at any time.
- 17.3 The Board may specify the financial limits within which any Committee must function.
- 17.4 The Board may authorise a Committee to operate any bank account. The Board must decide upon the way in which that account must be operated.
- 17.5 The Board may also delegate to any Directors or any other person such of their powers as they consider desirable to be exercised by him. The Board may revoke (in whole or in part) or alter such a delegation at any time.

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## **18. OBSERVERS**

- 18.1 The Board may allow individuals who are not Directors to attend Board Meetings as Observers on whatever terms they decide.
- 18.2 Observers may not vote, but may take part in discussions unless the Board decides otherwise.
- 18.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.

## **19. DIRECTORS' WRITTEN RESOLUTIONS**

- 19.1 A written resolution signed by all of the Directors entitled to receive notice of a Board Meeting (provided they would constitute a quorum at a Board Meeting) is as valid as if it had been passed at a Board Meeting.
- 19.2 A written resolution signed by all of the members of a Committee (provided they would constitute a quorum of that Committee) is as valid as if it had been passed at a meeting of that Committee.
- 19.3 A resolution under Articles 19.1 or 19.2 may consist of several documents in similar form each signed by one or more of the Directors or Committee members and will be treated as passed on the date of the last signature.



## **PART F. SHARE CAPITAL**

### **20. SHARE CAPITAL**

The share capital of the Company is £100 ordinary shares divided into 100 shares of £1 each.

### **21. ALL SHARES TO BE FULLY PAID UP**

21.1 No share is to be issued for less than the aggregate or its nominal value and any premium to be paid to the Company in consideration for its issue.

21.2 This does not apply to shares taken on the formation of the Company by the Subscribers to the Company's memorandum.

### **22. ISSUE OF SHARES AND SHARE CERTIFICATES**

22.1 The Board shall not, without the prior written consent of the Council, allot shares or other securities in, or grant any rights to subscribe for or convert into shares or other securities of, the Company to any person other than the Council. The power conferred on the directors by section 550 of the Act is limited accordingly.

22.2 Except as required by law, no person is to be recognised by the Company as holding a Share on trust, and except as otherwise required by law or the articles, the Company is not bound to recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

### **23. SHARE CERTIFICATES**

23.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

23.2 Every certificate must specify:

23.2.1 in respect of how many shares, and of what class, it is issued; and

23.2.2 the nominal value of those shares; and

23.2.3 that the shares are fully paid; and

23.2.4 any distinguishing numbers assigned to them.

23.3 No certificate may be issued in respect of shares of more than one class.

23.4 If more than one person holds a share, only one certificate may be issued in respect of it.

23.5 Certificates must:

23.5.1 have affixed to them the Company's common seal; and

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23.5.2 be otherwise executed in accordance with the Act.

23.6 If a Share certificate becomes defaced, or worn out or is lost or destroyed it may be renewed. The Board may specify conditions to be satisfied before it is renewed. Those conditions may relate to evidence or indemnity and provide for the payment of the Company's reasonable costs in investigating evidence. Apart from any payments due as a result of compliance with the Board's conditions no other charge may be made. If the Share Certificate is defaced or wearing out the old certificate must be delivered to the Company before it can be renewed.

## **24. TRANSFER OF SHARES**

24.1 Shares in the Company may not be transferred without the approval of the Council. The provision of articles 26 to 29 of the Model Articles shall apply but only to the extent that the Council elects to transfer its shares and notifies the Board of such election, or the Council gives its consent to the transfer of the Shares held by another Shareholder.

## **25. ALTERATION OF SHARE CAPITAL**

25.1 The Company may by ordinary resolution increase its share capital by new Shares of such amount as the resolution prescribes.

## **26. PURCHASE OF OWN SHARES**

26.1 Subject to the Act, the Company may purchase its own Shares (including any redeemable Shares) and pay for the redemption or purchase other than out of the Company's distributable profits or the proceeds of a fresh issue of Shares.

## **27. DIVIDENDS**

27.1 Subject to the Act, the Company may by ordinary resolution of the Shareholders declare dividends in accordance with the respective rights of the Shareholders. A dividend must not be declared unless the Board has made a recommendation as to its amount, and no dividend may exceed the amount recommended by the Board.

27.2 Subject to the Act, the Board may pay interim dividends if it appears to it that they are justified by the distributable profits of the Company. The Board may also pay any dividend payable at a fixed rate at such intervals as they decide if it appears to them that the distributable profits justify the payment.

27.3 Except where the rights attaching to Shares provide otherwise, all dividends are to be paid according to the amount paid up on the Shares on which they are paid. Where the amount paid up changes over the period for which the dividend is payable, the dividend must be apportioned and paid proportionately to the amount paid up on the Shares during each part of the period for which the dividend is paid. If a Share is issued on

terms that it is to rank for dividend as from a particular date that Share is to rank for dividend accordingly.

- 27.4 Cheques are to be payable to the person entitled (or as he/she directs in writing). Payment of the cheque is to be a good discharge to the Company.
- 27.5 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- 27.5.1 transfer to a bank or building society account specified by the Shareholder either in writing;
  - 27.5.2 sending a cheque made payable to the Shareholder by post to the Shareholder at the Shareholder's registered address or to an address specified by the Shareholder in writing; or
  - 27.5.3 any other means of payment as the Board agrees with the Shareholder in writing.
- 27.6 No dividend or other money payable on a Share is to bear interest against the Company unless the rights attached to the Share provide otherwise.
- 27.7 Any dividend unclaimed twelve years after its payment date may be forfeited by a resolution of the Board.
- 27.8 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution of the Shareholders upon the recommendation of the Board, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company). For the purposes of paying a non-cash distribution, the Board may make whatever arrangements they think fit including, where any difficulty arises regarding the distribution, fixing the value of any assets and vesting any assets in trustees.

## **28. CAPITALISATION OF PROFITS**

- 28.1 The Board may, with the authority of an ordinary resolution of the Company:
- 28.1.1 capitalise any profits of the Company not required for paying a preferential dividend (whether or not they are available for distribution) or any sum in the Company's share premium account or capital redemption reserve;
  - 28.1.2 subject to Article 17.2, appropriate the sum resolved to be capitalised to the Shareholders who would have been entitled to it if it were distributed by dividend (in the same proportions) and apply it in paying up any amounts unpaid on any part paid Shares they hold and/or in paying up in full and allotting to them (or as they direct) unissued Shares or debentures in the Company of a nominal amount equal to that sum;
  - 28.1.3 provide for Shares or debentures distributable in fractions by the issue of fractional certificates or by payment in cash; and/or

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28.1.4 authorise a person to enter into an agreement with the Company on behalf of all the Shareholders concerned, providing for the allotment to them of any Shares or debentures credited as fully paid to which they are entitled upon such capitalisation. Any agreement made under such authority is to bind all such Shareholders.

28.2 The Share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued Shares to be allotted to Shareholders credited as fully paid.

## **PART G. SHAREHOLDERS AND SHAREHOLDER MEETINGS**

### **29. SHAREHOLDER RESERVED MATTERS**

- 29.1 Decisions on matters specified in a Relevant Agreement (“**Shareholder Reserved Matters**”) shall be reserved to the Shareholders of the Company from time to time.
- 29.2 In addition, the Shareholders may, by special resolution, direct the Directors to take, or to refrain from taking, any specified action. No such special resolution shall invalidate anything which the Directors have done before the passing of such resolution.

### **30. GENERAL MEETINGS**

- 30.1 All General Meetings are to be called by the Board.
- 30.2 If there are insufficient Directors in the United Kingdom to form a quorum at a Board Meeting to call a General Meeting it may be called in the same way as a Board Meeting.
- 30.3 On receiving a requisition from the requisite number of Shareholders as specified under Section 303 of the Act the Board must immediately call a General Meeting.
- 30.4 Each year the Company may choose to hold a General Meeting as the AGM (but shall not be required to do so) in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. The AGM shall be held at such time and place as the Board shall appoint.
- 30.5 In the event that the Company holds an AGM, the business of the AGM is to:
- 30.5.1 consider the Company’s annual report (if any);
  - 30.5.2 fix the remuneration, and appoint and remove, the Company’s auditors;
  - 30.5.3 transact any business that relates to Shareholder Reserved Matters; and
  - 30.5.4 transact any other business specified in the notice convening the meeting.

### **31. NOTICE OF GENERAL MEETINGS**

- 31.1 General Meetings must be called by at least 14 clear days’ notice.
- 31.2 A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Shareholders who may attend and vote and who together hold 90% or more in nominal value of the Shares giving that right.
- 31.3 The notice must specify:
- 31.3.1 the time and place of the General Meeting;
  - 31.3.2 the general nature of the business to be transacted; and,
  - 31.3.3 in the case of an AGM, that it is an AGM.

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- 31.4 No business may be transacted at a General Meeting except that specified in the notice convening the meeting.
- 31.5 Notice of a General Meeting must be given to all of the Shareholders (except any living outside the United Kingdom who have not given an address for service in the United Kingdom), the Directors and the Company's auditors (if any).
- 31.6 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice will not invalidate the proceedings at that General Meeting.

## **32. QUORUM FOR GENERAL MEETINGS**

- 32.1 No business may be transacted at a General Meeting unless a quorum is present.
- 32.2 A quorum is one Shareholder entitled to vote upon the business to be transacted present in person or represented by a duly authorised representative but in order for a General Meeting to be quorate a representative of the Council must be present if the Council is a Shareholder.
- 32.3 If a quorum is not present within 30 minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting it must be adjourned to such time and place as the Board decides.
- 32.4 Notice of an adjournment of a General Meeting because of a lack of quorum and the time and place of the adjourned General Meeting must be given to all Shareholders in accordance with Article 20.3.
- 32.5 If a quorum is not present within 30 minutes from the time of the adjourned General Meeting it is to be dissolved.

## **33. CHAIR AT GENERAL MEETINGS**

- 33.1 The Shareholders present and entitled to vote must choose one of their number to chair the General Meeting (hereafter in this Part C referred to as the "Chair").

## **34. VOTING AT GENERAL MEETINGS**

- 34.1 Resolutions are to be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
- 34.2 Every Shareholder present has one vote on a show of hands.
- 34.3 Directors who are not Shareholders may speak but not vote at General Meetings.
- 34.4 A Shareholder which is an organisation may, by resolution of its governing body (or a committee or officer of the organisation acting under powers delegated by its governing body), authorise such person as it thinks fit to act as its representative at General Meetings.

- 34.5 A person authorised under Article 24.4 may exercise the same powers on behalf of the organisation as the organisation could exercise if it were an individual Shareholder.
- 34.6 A declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, which is entered into the minutes of the meeting is conclusive evidence of the fact unless a poll is demanded.

## **35. POLL VOTES**

- 35.1 A poll may be demanded on a resolution by the Chair, the Board, or any qualifying person (as defined by section 318 of the Act) present and entitled to vote on the resolution.
- 35.2 A demand for a poll vote may be withdrawn if the poll has not yet been taken and the Chair consent to the withdrawal. A demand for a poll vote so withdrawn shall not be taken to have invalidated the result on a show of hands declared before the poll vote was demanded.
- 35.3 The demand for a poll will not prevent the General Meeting continuing to transact business other than the question on which the poll is demanded.
- 35.4 A poll is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Shareholders) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the poll was demanded but will be treated as passed when the result is declared.
- 35.5 A poll on the election of a chair or an adjournment must be taken immediately. A poll on any other question may be taken either immediately or at such time and place as the Chair directs.
- 35.6 If the poll is to be taken at a date and time after the General Meeting, at least 7 clear days' notice must be given of the time and place at which the ballot is to be taken unless the time and place are announced at the General Meeting at which it is demanded.

## **36. SHAREHOLDERS' WRITTEN RESOLUTIONS**

- 36.1 Subject to the Act, a written resolution signed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the Shareholders entitled to attend and vote at a General Meeting (provided those Shareholders would constitute a quorum at a General Meeting) is as valid as if it had been passed at a General Meeting.
- 36.2 A resolution under Article 26.1 may consist of several documents in similar form each signed by one or more Shareholders.
- 36.3 A resolution under Article 26.1 may be signed for a corporate body or an organisation which is a Shareholder by its authorised representative, a Member of its governing body or secretary, its solicitor or by an attorney.

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## **PART H. OFFICERS**

### **37. THE SECRETARY**

37.1 The Board may decide whether to appoint a Secretary and for what term.

37.2 Where appointed a Secretary may be removed by the Board at any time.

37.3 No Director may occupy a salaried position of Secretary.

37.4 Where any Secretary appointed is an employee of the Council then he shall not be paid any fee or expenses by the Company.

### **38. INDEMNITIES FOR OFFICERS AND EMPLOYEES**

38.1 No officer or employee is to be liable for losses suffered by the Company except those due to his own dishonesty or gross negligence.

38.2 Subject to the Act every Director, officer or employee is to be indemnified by the Company against any liability incurred in the discharge of his duties or in that capacity in defending any civil or criminal proceedings as long as:

38.2.1 judgment is given in his favour (or the proceedings are dealt with without a finding or admission of a material breach of duty by him); or

38.2.2 he is acquitted; or

38.2.3 relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.



## **PART I. STATUTORY AND MISCELLANEOUS**

### **39. MINUTES**

- 39.1 The Board must arrange for minutes to be kept of all Board and General Meetings. The names of the Directors present must be included in the minutes.
- 39.2 Copies of the draft minutes of Board Meetings must be distributed to the Directors as soon as reasonably possible after the meeting.
- 39.3 Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Board Meeting (as regards minutes of Board Meetings). Once approved they must be signed by the person chairing the meeting at which they are approved.
- 39.4 The Board must keep minutes of all of the appointments made by the Board.

### **40. ACCOUNTS ANNUAL REPORT AND ANNUAL RETURN**

- 40.1 The Company must comply with Part 15 of the Act in:
  - 40.1.1 preparing and filing an annual Directors' report and annual accounts; and
  - 40.1.2 making an annual return to the Registrar of Companies.
- 40.2 The Company must comply with Part 16 of the Act in relation to the audit or examination of accounts to the extent that the law requires.
- 40.3 The annual Directors report and accounts must contain:
  - 40.3.1 the revenue accounts and balance sheet for the last accounting period;
  - 40.3.2 the auditor's report on those accounts (if applicable); and
  - 40.3.3 the Board's report on the affairs of the Company.
- 40.4 The accounting records of the Company must always be open to inspection by a Director.

### **41. BANK AND BUILDING SOCIETY ACCOUNTS**

- 41.1 All bank and building society accounts must be controlled by the Directors and must include the name of the Company.
- 41.2 Cheques and orders for the payment of money must be signed in accordance with the Board's instructions.

### **42. EXECUTION OF DOCUMENTS**

- 42.1 If the Company has a seal it may only be used with the authority of the Board (which may be given generally for documents of a particular type).

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42.2 Unless the Board decides otherwise, documents to which the seal is attached or which are executed as deeds must be signed by:

42.2.1 two Directors; or

42.2.2 one Director and the Secretary (where appointed); or

42.2.3 one Director in the presence of a witness who attests the Director's signature.

## **43. NOTICES**

43.1 Notices under the Articles must be in writing (which shall include suitable electronic means) except notices calling Board Meetings.

43.2 A Shareholder present in person at a General Meeting is deemed to have received notice of the General Meeting and (where necessary) of the purposes for which it was called.

43.3 The Company may give a notice to a Shareholder, Director or auditor:

43.3.1 personally;

43.3.2 by sending it by post in a prepaid envelope;

43.3.3 by suitable electronic means;

43.3.4 by leaving it at his address; or

43.3.5 as the Board prescribes from time to time.

43.4 Notices under Article 43.3.2 to 43.3.4 may be sent:

43.4.1 to an address in the United Kingdom which that person has given the Company;

43.4.2 to the last known home or business address of the person to be served; or

43.4.3 to that person's address in the Company's register of Shareholders.

43.5 Any notice given in accordance with the Articles is to be treated for all purposes as having been received:

43.5.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;

43.5.2 48 hours after being sent by first class post to that address;

43.5.3 on being handed to a Shareholder or Director personally;

43.5.4 as soon as the Shareholder or Director acknowledges actual receipt.

43.6 A notice may be served on the Company by delivering it or sending it to the Registered Office or by handing it to the Secretary (where appointed).

43.7 The Board may make standing orders to define other acceptable methods of delivering notices.

## **44. STANDING ORDERS**

44.1 Subject to Article 44.4:

44.1.1 the Board may from time to time adopt, alter, add to or repeal make standing orders for the proper conduct and management of the Company; and

44.1.2 the Company in General Meeting may alter, add to or repeal the standing orders.

44.2 The Board must use such means as they think sufficient to bring the standing orders to the notice of Shareholders.

44.3 Standing orders are binding on all Shareholders and Directors.

44.4 No standing order may be inconsistent with or may affect or repeal anything in the Articles.

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REGISTERED NO. [ ]

**Articles of Association**

of

**Sefton (ACS) Development Company Limited**

**Incorporated: [ ]**

COMPANY LIMITED BY SHARES

THE COMPANIES ACT 2006

Anthony Collins Solicitors LLP  
134 Edmund Street  
Birmingham B3 2ES

Tel: 0121 212 7472

Reference: GEM 45082.0001

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## ARTICLES OF ASSOCIATION OF SEFTON (ACS) DEVELOPMENT COMPANY LIMITED

### PART A: INTRODUCTION

#### 1. INTERPRETATION

##### 1.1 In these Articles:

<b>“Act”</b>	means the Companies Act 2006;
<b>“AGM”</b>	means an annual general meeting of the Company;
<b>“Articles”</b>	means these Articles of Association of the Company and “Article” shall be construed accordingly;
<b>“Board”</b>	means the board of the Company comprising the Directors and (where appropriate) includes a Committee and the Directors acting by written resolution;
<b>“Board Meeting”</b>	means a meeting of the Board or (where appropriate) of a Committee;
<b>“Chair”</b>	means (subject to the context) either the person elected as chair of the Company under Article 33 or, where the Chair of the Company is not present or has not taken the chair at a meeting, means the person who is chairing a Board Meeting at the time, or the person appointed by the Shareholders from amongst their number to chair a General Meeting;
<b>“clear days”</b>	in relation to a period of notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>“Committee”</b>	means a committee of the Board;
<b>“Company”</b>	means the company regulated by these Articles;
<b>“Companies House”</b>	means the office of the Registrar of Companies;

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<b>“Council”</b>	means Sefton Council of Bootle Town Hall, Oriel Road, Bootle L20 7AE;
<b>“Director”</b>	means a director of the Company for the time being;
<b>“executed”</b>	includes any mode of execution;
<b>“General Meeting”</b>	means any meeting of the Shareholders;
<b>“holder”</b>	in relation to shares means the Shareholder whose name is entered in the register of Shareholders;
<b>“Holding Company”</b>	means Sefton (ACS) Holding Company Limited which is the sole shareholder in the Company;
<b>“including”</b>	means “including without limitation” and “include” and “includes” are to be construed accordingly;
<b>“Model Articles”</b>	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to the date of the adoption of these Articles, and reference to a numbered model article is a reference to that article of the Model Articles;
<b>“Observers”</b>	means those persons (other than Directors) present under Article 35 at a Board Meeting;
<b>“Registered Office”</b>	means the registered office of the Company;
<b>“Relevant Agreement”</b>	means any agreement or agreements entered into between the Company and its Shareholders, the Council or both relating to the management, operation and activities of the Company;
<b>“Secretary”</b>	means the secretary of the Company (if any) as may be appointed under these Articles to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

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<b>“Share”</b>	means a share of any type in the capital of the Company (and includes both a fully paid and a partly paid share);
<b>“Shareholder”</b>	means a shareholder for the time being of the Company;
<b>“Shareholder Reserved Matters”</b>	means those matters on which a decision is reserved to the Shareholders in accordance with Article 29;
<b>“United Kingdom”</b>	means Great Britain and Northern Ireland.

## 1.2 In these Articles:

- 1.2.1 terms defined in the Act are to have the same meaning;
- 1.2.2 references to the singular include the plural and vice versa, to the whole include part and vice versa, and to the masculine include the feminine and neuter and vice versa;
- 1.2.3 references to “organisations” or “persons” include corporate bodies, public bodies, unincorporated associations and partnerships;
- 1.2.4 references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it; and
- 1.2.5 the headings are not to affect the interpretation of the Articles.

## 2. NAME

The Company’s name is Sefton (ACS) Development Company Limited.

## 3. REGISTERED OFFICE

The Company’s Registered Office is to be situated in England.

## 4. POWERS

The Company may do anything that a natural or corporate person can lawfully do which is not expressly prohibited by the Articles.

## 5. LIMIT OF LIABILITY

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.



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## **PART B. DIRECTORS**

### **6. BOARD**

- 6.1 Unless otherwise determined by a General Meeting, the Board shall consist of not more than 7 Directors and not less than 3 Directors appointed in accordance with Article 8 provided that at no time shall the number of Executive Directors in office equal or exceed the number of Non-Executive Directors in office.
- 6.2 Non-Executive Directors shall be paid travelling, hotel and other expenses reasonably and properly incurred by them in attending and returning from meetings of the Board or General Meetings of the Company or in connection with the business of the Company provided that no Non-Executive Director who is also a member of a local authority and for twelve Months after he ceases to be such a member of a local authority shall be entitled to be reimbursed such expenses.

### **7. POWERS OF THE BOARD**

- 7.1 Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- 7.2 The Directors shall require the prior written approval of the Shareholders in respect of any decisions regarding the Shareholder Reserved Matters.
- 7.3 Alterations of the Articles do not invalidate earlier acts of the Board which would have been valid without the alteration.

### **8. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 8.1 All of the Directors are to be appointed by ordinary resolution of the Shareholders.
- 8.2 The appointment of a Director takes effect at the point at which the Shareholder resolution appointing him is passed.
- 8.3 No Director may be appointed except as set out in the Articles.
- 8.4 Subject to sections 168 and 169 of the Act, the Shareholders may remove any or all of the Directors at any time (with or without reason) by ordinary resolution.
- 8.5 The Shareholders may appoint a person as a Director either in substitution for a Director it has removed or to fill a casual vacancy.
- 8.6 A Director will cease to hold office as soon as:
- 8.6.1 the individual:
- (a) dies;

- (b) ceases to be a Director under the Act or is prohibited by law from being a Director;
- (c) resigns by written notice to the Company delivered to the Registered Office;
- (d) is removed by ordinary resolution of the Shareholders;
- (e) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

8.6.2 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months.

## **9. DEPUTY DIRECTORS**

9.1 A Director may not appoint an alternate or deputy Director to act in his place.

## **10. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

10.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8.

10.2 If:

10.2.1 the Company only has one Director, and

10.2.2 no provision of the Articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the articles relating to Directors' decision-making.

## **11. DIRECTORS' FEES AND EXPENSES**

11.1 Subject to Article 6.2, the rest of this Article 11, and Article 12 a Director who is not an employee of the Council may be paid such fee as the remainder of the Board may from time to time determine.

11.2 Directors who are not employees of the Council are entitled to be paid all reasonable expenses properly incurred by them in attending Board Meetings and General Meetings and in carrying out their duties as Directors. Directors who are employees of the Council may claim expenses in line with their contracts of employment with the Council.

11.3 The payment of expenses to Directors who are not employees of the Council is subject to the production of satisfactory receipts.

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- 11.4 Where any Director is an elected member (to include any directly elected mayor) of the Council or any other local authority that is a Shareholder then such a Director may only be paid such fees and/or expenses as are permitted by the Local Authorities (Companies) Order 1995.

## 12. DIRECTORS' INTERESTS

- 12.1 A Director who has a direct or indirect interest in any contract, proposed contract, arrangement or dealing with the Company must declare his interest under sections 177 or 182 of the Act (as appropriate) before the matter is discussed by the Board.
- 12.2 Every Director must ensure that at all times a list is kept at the Registered Office including details of:
- 12.2.1 any other body of which he is a director or officer;
  - 12.2.2 any firm of which he is a partner;
  - 12.2.3 any firm or organisation of which he is an employee;
  - 12.2.4 any public body of which he is an official or elected Shareholder;
  - 12.2.5 any company whose shares are publicly quoted in which he owns or controls more than 2% of the shares;
  - 12.2.6 any company whose shares are not publicly quoted in which he owns or controls more than 10% of the shares;
  - 12.2.7 any property owned by the Company in which he has an interest or which he occupies; or
  - 12.2.8 any other interest which is significant or material including any direct or indirect financial interest which may influence his judgement on matters being considered or to be considered by the Board.
- 12.3 A decision of the Board will not be invalid because of the subsequent discovery of an interest which should have been declared.
- 12.4 Every Director must ensure that at all times he declares to either the Secretary in writing or to a Board Meeting if a person with whom he is "connected" for the purposes of Section 252 of the Act:
- 12.4.1 is likely to receive a payment or benefit from the Company;
  - 12.4.2 is a director, officer or employee of a company, body or organisation which is likely to receive a payment or benefit from the Company;
  - 12.4.3 is a partner of a firm which is likely to receive a payment or benefit from the Company;
  - 12.4.4 is an official or elected Shareholder of a public body which may make or receive a payment or benefit to or from the Company;

- 12.4.5 is the owner or controller of more than 2% of the shares of a company whose shares are publicly quoted and which may make or receive payment or benefit to or from the Company;
- 12.4.6 is the owner or controller of more than 10% of the shares of any company whose shares are not publicly quoted, which may make or receive a payment or benefit to or from the Company; or
- 12.4.7 is a tenant or occupier of any property owned by the Company or is seeking accommodation from the Company.
- 12.5 A general notice to the Board that a Director has an interest, of the nature and extent specified in the notice, in any transaction or arrangement in which a specified person or class of persons is interested, is to be treated as a disclosure that the Director has an interest in any such transaction of the nature and extent specified.
- 12.6 For the purposes of this Article 12 an interest of which a Director has no knowledge and of which it is unreasonable to expect him/her to have knowledge is not to be treated as an interest of that Director.
- 12.7 Personal Interests**
- 12.7.1 A Director has a personal interest in a matter which is to be discussed or determined by the Board if he or a member of the Director's family as defined in section 253 of the Act will be directly affected by the decision of the Board in relation to that matter.
- 12.7.2 A Director who has a personal interest in a matter which is to be discussed or determined by the Board:
- (a) may not count towards the quorum in relation to that matter;
  - (b) may not take part in the discussion in relation to that matter;
  - (c) may not vote in relation to that matter; and
  - (d) must leave the Board Meeting at which the matter is discussed and determined.
- 12.8 Despite having a personal interest in the outcome, a Director may count towards the quorum, take part in the discussion and vote on a resolution of the Board (other than a resolution to make a payment or grant a benefit to the Director personally which is not at the same time being granted to the other Directors):
- 12.8.1 to take out Directors and officers indemnity insurance;
- 12.8.2 to give an indemnity or to establish a policy for the Company to give indemnities to the Directors generally under Article 38; or
- 12.8.3 to set a policy for the payment of Directors' fees and expenses under Article 9.
- 12.9 In the event that there are not sufficient Directors to hold a quorate Board Meeting because one or more Directors have a personal interest in a relevant matter and are not permitted to form part of the quorum, then those Directors with a personal interest may

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form part of the quorum for the purposes of agreeing to circulate an ordinary resolution to the Shareholders detailing the extent of the conflict arising from the personal interest and requesting the Shareholders to authorise the Director's conflict arising from their personal interest.

12.10 In the event that a resolution is passed by the Shareholders in accordance with Article 12.9, the Director(s) with such an authorised personal interest may then count as part of the quorum and for voting purposes in relation to the relevant matter.

## 12.11 Non-Personal Interests

12.11.1 A Director who has an interest in a matter which is to be discussed or determined by the Board but which is not a personal interest may, subject to his fulfilling his duty to act in the best interests of the Company and to the right of the remaining Directors to require that he should withdraw from the Board Meeting at which the matter is to be discussed or determined:-

- (a) count towards the quorum in relation to that matter;
- (b) take part in the discussion in relation to that matter;
- (c) remain in the Board Meeting at which the matter is to be discussed or determined; and
- (d) vote in relation to that matter.

12.11.2 A Director is not to be regarded for the purposes of this Article 12 as having a non-personal interest in any matter if his interest in that matter arises solely because he is a Director or an officer of any body the accounts of which are consolidated with the Company's accounts or because he is an elected member, employee or officer of the Council or any other local authority that is a Shareholder but he must nonetheless disclose his interest in accordance with Article 12.1.

12.12 A Director may disclose the business of the Company to the Council where the Council is a Shareholder.

## 13. BOARD MEETINGS

13.1 Subject to the Articles and any Relevant Agreement, the Board may regulate Board Meetings as it wishes.

13.2 Board Meetings may be called by any Director or the Secretary (if any).

13.3 Seven clear days' notice of Board Meetings must be given to each of the Directors and to the Shareholder, but it is not necessary to give notice of a Board Meeting to a Director who is out of the United Kingdom.

13.4 A Board Meeting which is called on shorter notice than required under Article 13.3 is deemed to have been duly called if at least two Directors certify in writing that because of special circumstance it ought to be carried as a matter of urgency.

- 13.5 Questions arising at a Board Meeting are to be decided by a simple majority of votes and each Director is to have one vote. Where a Director is also an Alternate Director then he has an additional vote on behalf of each Appointer who:
- 13.5.1 is not participating in the Board Meeting; and
  - 13.5.2 would have been entitled to vote if they were participating in it.
- 13.6 If there is an equality of votes the Chair is entitled to a second or casting vote.
- 13.7 A technical defect in the appointment of a Director or in the delegation of powers to a Committee of which the Board is unaware at the time does not invalidate decisions taken in good faith.

## **14. QUORUM FOR BOARD MEETINGS**

- 14.1 The quorum for Board Meetings is 3 Directors.
- 14.2 A Director may be part of the quorum of a Board Meeting if he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 14.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 14.3.1 to appoint further Directors; or
  - 14.3.2 to call a General Meeting so as to enable the Shareholder to appoint further Directors.
- 14.4 A Board Meeting at which a quorum present shall be competent to exercise all of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in the Board generally.
- 14.5 If a quorum is not present within half an hour of the time at which the Board Meeting is due to start or if, during the Board Meeting, a quorum ceases to be present, the Chair of the meeting must adjourn it. When adjourning the meeting, the Chair must specify that the meeting is adjourning to either:
- 14.5.1 the same day, time and place the following week; or
  - 14.5.2 another day, place and/or time to be decided by the Directors.

## **15. CHAIR**

- 15.1 The post of Chair of the Directors will be held by the Director that is appointed as chair of the Holding Company in accordance with that company's articles of association from time to time. If the Chair for the time being is unable to attend any meeting of the Board of Directors, the Directors present at the meeting shall appoint one of their number to chair the meeting.

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- 15.2 The Chair is to hold office for 3 years or such other period as the Shareholder shall from time to time determine.
- 15.3 The Chair may resign from his position at any time (without necessarily resigning as a Director at the same time).
- 15.4 The Chair is to chair all Board Meetings at which he is present unless he does not wish to do so.

## **16. UNANIMOUS DECISIONS**

- 16.1 Notwithstanding the rest of these Articles, a decision of the Directors may be taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 16.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.
- 16.3 References in this article to Eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding any Director whose vote is not to be counted in respect of that particular matter).
- 16.4 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting.

## **17. DELEGATION**

- 17.1 The Board may:
  - 17.1.1 establish Committees consisting of those persons the Board decides;
  - 17.1.2 delegate to a Committee any of its powers;
  - 17.1.3 determine the quorum for Committee meetings; and
  - 17.1.4 revoke (in whole or in part) or alter a delegation at any time.
- 17.2 The Members of a Committee are to be appointed by the Board to hold office for whatever period the Board decides and may be removed or replaced by the Board at any time.
- 17.3 The Board may specify the financial limits within which any Committee must function.
- 17.4 The Board may authorise a Committee to operate any bank account. The Board must decide upon the way in which that account must be operated.
- 17.5 The Board may also delegate to any Directors or any other person such of their powers as they consider desirable to be exercised by him. The Board may revoke (in whole or in part) or alter such a delegation at any time.



## **18. OBSERVERS**

- 18.1 The Board may allow individuals who are not Directors to attend Board Meetings as Observers on whatever terms they decide.
- 18.2 Observers may not vote, but may take part in discussions unless the Board decides otherwise.
- 18.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.

## **19. DIRECTORS' WRITTEN RESOLUTIONS**

- 19.1 A written resolution signed by all of the Directors entitled to receive notice of a Board Meeting (provided they would constitute a quorum at a Board Meeting) is as valid as if it had been passed at a Board Meeting.
- 19.2 A written resolution signed by all of the members of a Committee (provided they would constitute a quorum of that Committee) is as valid as if it had been passed at a meeting of that Committee.
- 19.3 A resolution under Articles 19.1 or 19.2 may consist of several documents in similar form each signed by one or more of the Directors or Committee members and will be treated as passed on the date of the last signature.

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## **PART F. SHARE CAPITAL**

### **20. SHARE CAPITAL**

The share capital of the Company is £100 ordinary shares divided into 100 shares of £1 each.

### **21. ALL SHARES TO BE FULLY PAID UP**

21.1 No share is to be issued for less than the aggregate or its nominal value and any premium to be paid to the Company in consideration for its issue.

21.2 This does not apply to shares taken on the formation of the Company by the Subscribers to the Company's memorandum.

### **22. ISSUE OF SHARES AND SHARE CERTIFICATES**

22.1 The Board shall not, without the prior written consent of the Council, allot shares or other securities in, or grant any rights to subscribe for or convert into shares or other securities of, the Company to any person other than the Council. The power conferred on the directors by section 550 of the Act is limited accordingly.

22.2 Except as required by law, no person is to be recognised by the Company as holding a Share on trust, and except as otherwise required by law or the articles, the Company is not bound to recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

### **23. SHARE CERTIFICATES**

23.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

23.2 Every certificate must specify:

23.2.1 in respect of how many shares, and of what class, it is issued; and

23.2.2 the nominal value of those shares; and

23.2.3 that the shares are fully paid; and

23.2.4 any distinguishing numbers assigned to them.

23.3 No certificate may be issued in respect of shares of more than one class.

23.4 If more than one person holds a share, only one certificate may be issued in respect of it.

23.5 Certificates must:

23.5.1 have affixed to them the Company's common seal; and

23.5.2 be otherwise executed in accordance with the Act.

23.6 If a Share certificate becomes defaced, or worn out or is lost or destroyed it may be renewed. The Board may specify conditions to be satisfied before it is renewed. Those conditions may relate to evidence or indemnity and provide for the payment of the Company's reasonable costs in investigating evidence. Apart from any payments due as a result of compliance with the Board's conditions no other charge may be made. If the Share Certificate is defaced or wearing out the old certificate must be delivered to the Company before it can be renewed.

## **24. TRANSFER OF SHARES**

24.1 Shares in the Company may not be transferred without the approval of the Shareholders. The provision of Articles 26 to 29 of the Model Articles shall apply but only to the extent that a Shareholder elects to transfer its shares and notifies the Board of such election, or each Shareholder gives its consent to the transfer of the Shares held by another Shareholder.

## **25. ALTERATION OF SHARE CAPITAL**

25.1 The Company may by ordinary resolution increase its share capital by new Shares of such amount as the resolution prescribes.

## **26. PURCHASE OF OWN SHARES**

26.1 Subject to the Act, the Company may purchase its own Shares (including any redeemable Shares) and pay for the redemption or purchase other than out of the Company's distributable profits or the proceeds of a fresh issue of Shares.

## **27. DIVIDENDS**

27.1 Subject to the Act, the Company may by ordinary resolution of the Shareholders declare dividends in accordance with the respective rights of the Shareholders. A dividend must not be declared unless the Board has made a recommendation as to its amount, and no dividend may exceed the amount recommended by the Board.

27.2 Subject to the Act, the Board may pay interim dividends if it appears to it that they are justified by the distributable profits of the Company. The Board may also pay any dividend payable at a fixed rate at such intervals as they decide if it appears to them that the distributable profits justify the payment.

27.3 Except where the rights attaching to Shares provide otherwise, all dividends are to be paid according to the amount paid up on the Shares on which they are paid. Where the amount paid up changes over the period for which the dividend is payable, the dividend must be apportioned and paid proportionately to the amount paid up on the Shares

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during each part of the period for which the dividend is paid. If a Share is issued on terms that it is to rank for dividend as from a particular date that Share is to rank for dividend accordingly.

- 27.4 Cheques are to be payable to the person entitled (or as he/she directs in writing). Payment of the cheque is to be a good discharge to the Company.
- 27.5 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
  - 27.5.1 transfer to a bank or building society account specified by the Shareholder either in writing;
  - 27.5.2 sending a cheque made payable to the Shareholder by post to the Shareholder at the Shareholder's registered address or to an address specified by the Shareholder in writing; or
  - 27.5.3 any other means of payment as the Board agrees with the Shareholder in writing.
- 27.6 No dividend or other money payable on a Share is to bear interest against the Company unless the rights attached to the Share provide otherwise.
- 27.7 Any dividend unclaimed twelve years after its payment date may be forfeited by a resolution of the Board.
- 27.8 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution of the Shareholders upon the recommendation of the Board, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company). For the purposes of paying a non-cash distribution, the Board may make whatever arrangements they think fit including, where any difficulty arises regarding the distribution, fixing the value of any assets and vesting any assets in trustees.

## **28. CAPITALISATION OF PROFITS**

- 28.1 The Board may, with the authority of an ordinary resolution of the Company:
  - 28.1.1 capitalise any profits of the Company not required for paying a preferential dividend (whether or not they are available for distribution) or any sum in the Company's share premium account or capital redemption reserve;
  - 28.1.2 subject to Article 17.2, appropriate the sum resolved to be capitalised to the Shareholders who would have been entitled to it if it were distributed by dividend (in the same proportions) and apply it in paying up any amounts unpaid on any part paid Shares they hold and/or in paying up in full and allotting to them (or as they direct) unissued Shares or debentures in the Company of a nominal amount equal to that sum;

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- 28.1.3 provide for Shares or debentures distributable in fractions by the issue of fractional certificates or by payment in cash; and/or
  - 28.1.4 authorise a person to enter into an agreement with the Company on behalf of all the Shareholders concerned, providing for the allotment to them of any Shares or debentures credited as fully paid to which they are entitled upon such capitalisation. Any agreement made under such authority is to bind all such Shareholders.
- 28.2 The Share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued Shares to be allotted to Shareholders credited as fully paid.

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## **PART G. SHAREHOLDERS AND SHAREHOLDER MEETINGS**

### **29. SHAREHOLDER RESERVED MATTERS**

- 29.1 Decisions on matters specified in a Relevant Agreement (“**Shareholder Reserved Matters**”) shall be reserved to the Shareholders of the Company from time to time.
- 29.2 In addition, the Shareholders may, by special resolution, direct the Directors to take, or to refrain from taking, any specified action. No such special resolution shall invalidate anything which the Directors have done before the passing of such resolution.

### **30. GENERAL MEETINGS**

- 30.1 All General Meetings are to be called by the Board.
- 30.2 If there are insufficient Directors in the United Kingdom to form a quorum at a Board Meeting to call a General Meeting it may be called in the same way as a Board Meeting.
- 30.3 On receiving a requisition from the requisite number of Shareholders as specified under Section 303 of the Act the Board must immediately call a General Meeting.
- 30.4 Each year the Company may choose to hold a General Meeting as the AGM (but shall not be required to do so) in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. The AGM shall be held at such time and place as the Board shall appoint.
- 30.5 In the event that the Company holds an AGM, the business of the AGM is to:
- 30.5.1 consider the Company’s annual report (if any);
  - 30.5.2 fix the remuneration, and appoint and remove, the Company’s auditors;
  - 30.5.3 transact any business that relates to Shareholder Reserved Matters; and
  - 30.5.4 transact any other business specified in the notice convening the meeting.

### **31. NOTICE OF GENERAL MEETINGS**

- 31.1 General Meetings must be called by at least 14 clear days’ notice.
- 31.2 A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Shareholders who may attend and vote and who together hold 90% or more in nominal value of the Shares giving that right.
- 31.3 The notice must specify:
- 31.3.1 the time and place of the General Meeting;
  - 31.3.2 the general nature of the business to be transacted; and,
  - 31.3.3 in the case of an AGM, that it is an AGM.

- 31.4 No business may be transacted at a General Meeting except that specified in the notice convening the meeting.
- 31.5 Notice of a General Meeting must be given to all of the Shareholders (except any living outside the United Kingdom who have not given an address for service in the United Kingdom), the Directors and the Company's auditors (if any).
- 31.6 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice will not invalidate the proceedings at that General Meeting.

## **32. QUORUM FOR GENERAL MEETINGS**

- 32.1 No business may be transacted at a General Meeting unless a quorum is present.
- 32.2 A quorum is one Shareholder entitled to vote upon the business to be transacted present in person or represented by a duly authorised representative.
- 32.3 If a quorum is not present within 30 minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting it must be adjourned to such time and place as the Board decides.
- 32.4 Notice of an adjournment of a General Meeting because of a lack of quorum and the time and place of the adjourned General Meeting must be given to all Shareholders in accordance with Article 20.3.
- 32.5 If a quorum is not present within 30 minutes from the time of the adjourned General Meeting it is to be dissolved.

## **33. CHAIR AT GENERAL MEETINGS**

- 33.1 The Shareholders present and entitled to vote must choose one of their number to chair the General Meeting (hereafter in this Part C referred to as the "Chair").

## **34. VOTING AT GENERAL MEETINGS**

- 34.1 Resolutions are to be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
- 34.2 Every Shareholder present has one vote on a show of hands.
- 34.3 Directors who are not Shareholders may speak but not vote at General Meetings.
- 34.4 A Shareholder which is an organisation may, by resolution of its governing body (or a committee or officer of the organisation acting under powers delegated by its governing body), authorise such person as it thinks fit to act as its representative at General Meetings.
- 34.5 A person authorised under Article 34.4 may exercise the same powers on behalf of the organisation as the organisation could exercise if it were an individual Shareholder.

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34.6 A declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, which is entered into the minutes of the meeting is conclusive evidence of the fact unless a poll is demanded.

## **35. POLL VOTES**

35.1 A poll may be demanded on a resolution by the Chair, the Board, or any qualifying person (as defined by section 318 of the Act) present and entitled to vote on the resolution.

35.2 A demand for a poll vote may be withdrawn if the poll has not yet been taken and the Chair consent to the withdrawal. A demand for a poll vote so withdrawn shall not be taken to have invalidated the result on a show of hands declared before the poll vote was demanded.

35.3 The demand for a poll will not prevent the General Meeting continuing to transact business other than the question on which the poll is demanded.

35.4 A poll is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Shareholders) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the poll was demanded but will be treated as passed when the result is declared.

35.5 A poll on the election of a chair or an adjournment must be taken immediately. A poll on any other question may be taken either immediately or at such time and place as the Chair directs.

35.6 If the poll is to be taken at a date and time after the General Meeting, at least 7 clear days' notice must be given of the time and place at which the ballot is to be taken unless the time and place are announced at the General Meeting at which it is demanded.

## **36. SHAREHOLDERS' WRITTEN RESOLUTIONS**

36.1 Subject to the Act, a written resolution signed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the Shareholders entitled to attend and vote at a General Meeting (provided those Shareholders would constitute a quorum at a General Meeting) is as valid as if it had been passed at a General Meeting.

36.2 A resolution under Article 26.1 may consist of several documents in similar form each signed by one or more Shareholders.

36.3 A resolution under Article 26.1 may be signed for a corporate body or an organisation which is a Shareholder by its authorised representative, a Member of its governing body or secretary, its solicitor or by an attorney.



## **PART H. OFFICERS**

### **37. THE SECRETARY**

37.1 The Board may decide whether to appoint a Secretary and for what term.

37.2 Where appointed a Secretary may be removed by the Board at any time.

37.3 No Director may occupy a salaried position of Secretary.

37.4 Where any Secretary appointed is an employee of the Council then he shall not be paid any fee or expenses by the Company.

### **38. INDEMNITIES FOR OFFICERS AND EMPLOYEES**

38.1 No officer or employee is to be liable for losses suffered by the Company except those due to his own dishonesty or gross negligence.

38.2 Subject to the Act every Director, officer or employee is to be indemnified by the Company against any liability incurred in the discharge of his duties or in that capacity in defending any civil or criminal proceedings as long as:

38.2.1 judgment is given in his favour (or the proceedings are dealt with without a finding or admission of a material breach of duty by him); or

38.2.2 he is acquitted; or

38.2.3 relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

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## **PART I. STATUTORY AND MISCELLANEOUS**

### **39. MINUTES**

- 39.1 The Board must arrange for minutes to be kept of all Board and General Meetings. The names of the Directors present must be included in the minutes.
- 39.2 Copies of the draft minutes of Board Meetings must be distributed to the Directors as soon as reasonably possible after the meeting.
- 39.3 Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Board Meeting (as regards minutes of Board Meetings). Once approved they must be signed by the person chairing the meeting at which they are approved.
- 39.4 The Board must keep minutes of all of the appointments made by the Board.

### **40. ACCOUNTS ANNUAL REPORT AND ANNUAL RETURN**

- 40.1 The Company must comply with Part 15 of the Act in:
  - 40.1.1 preparing and filing an annual Directors' report and annual accounts; and
  - 40.1.2 making an annual return to the Registrar of Companies.
- 40.2 The Company must comply with Part 16 of the Act in relation to the audit or examination of accounts to the extent that the law requires.
- 40.3 The annual Directors report and accounts must contain:
  - 40.3.1 the revenue accounts and balance sheet for the last accounting period;
  - 40.3.2 the auditor's report on those accounts (if applicable); and
  - 40.3.3 the Board's report on the affairs of the Company.
- 40.4 The accounting records of the Company must always be open to inspection by a Director.

### **41. BANK AND BUILDING SOCIETY ACCOUNTS**

- 41.1 All bank and building society accounts must be controlled by the Directors and must include the name of the Company.
- 41.2 Cheques and orders for the payment of money must be signed in accordance with the Board's instructions.

### **42. EXECUTION OF DOCUMENTS**

- 42.1 If the Company has a seal it may only be used with the authority of the Board (which may be given generally for documents of a particular type).

42.2 Unless the Board decides otherwise, documents to which the seal is attached or which are executed as deeds must be signed by:

42.2.1 two Directors; or

42.2.2 one Director and the Secretary (where appointed); or

42.2.3 one Director in the presence of a witness who attests the Director's signature.

## **43. NOTICES**

43.1 Notices under the Articles must be in writing (which shall include suitable electronic means) except notices calling Board Meetings.

43.2 A Shareholder present in person at a General Meeting is deemed to have received notice of the General Meeting and (where necessary) of the purposes for which it was called.

43.3 The Company may give a notice to a Shareholder, Director or auditor:

43.3.1 personally;

43.3.2 by sending it by post in a prepaid envelope;

43.3.3 by suitable electronic means;

43.3.4 by leaving it at his address; or

43.3.5 as the Board prescribes from time to time.

43.4 Notices under Article 43.3.2 to 43.3.4 may be sent:

43.4.1 to an address in the United Kingdom which that person has given the Company;

43.4.2 to the last known home or business address of the person to be served; or

43.4.3 to that person's address in the Company's register of Shareholders.

43.5 Any notice given in accordance with the Articles is to be treated for all purposes as having been received:

43.5.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;

43.5.2 48 hours after being sent by first class post to that address;

43.5.3 on being handed to a Shareholder or Director personally;

43.5.4 as soon as the Shareholder or Director acknowledges actual receipt.

43.6 A notice may be served on the Company by delivering it or sending it to the Registered Office or by handing it to the Secretary (where appointed).

43.7 The Board may make standing orders to define other acceptable methods of delivering notices.

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## **44. STANDING ORDERS**

44.1 Subject to Article 44.4:

44.1.1 the Board may from time to time adopt, alter, add to or repeal make standing orders for the proper conduct and management of the Company; and

44.1.2 the Company in General Meeting may alter, add to or repeal the standing orders.

44.2 The Board must use such means as they think sufficient to bring the standing orders to the notice of Shareholders.

44.3 Standing orders are binding on all Shareholders and Directors.

44.4 No standing order may be inconsistent with or may affect or repeal anything in the Articles.

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<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	1 November 2018
<b>Subject:</b>	Revenue and Capital Budget Update 2018/19 – 2019/20		
<b>Report of:</b>	Head of Corporate Resources	<b>Wards Affected:</b>	All Wards
<b>Portfolio:</b>	Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

To inform Cabinet of: -

- i) The current forecast revenue outturn position for the Council for 2018/19 and potential impact on the 2019/20 budget;
- ii) The current forecast on Council Tax and Business Rates collection for 2018/19; and,
- iii) The current position of the 2018/19 Capital Programme.

## Recommendations:

**Cabinet** is recommended to: -

- i) Consider the significant budget pressure in 2018/19 and approve the implementation of the mitigating actions that have been identified and are detailed within this report;
- ii) Approve that in the event that there is material change to the 2018/19 outturn forecast, that additional remedial measures should be identified in order that a balanced budget position can be achieved; and,
- iii) Agree that as a result of the impact of the current financial position in 2018/19, and its subsequent impact on the 2019/20 budget, officers continue to identify new budget saving proposals for Members to consider in order that a robust and sustainable budget can be set for 2019/20.

## **Reasons for the Recommendation(s):**

To ensure Cabinet are informed of the forecast outturn position for the 2018/19 revenue and capital budgets as at the end of September 2018 and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

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In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of setting the 2018/19 budget. The Council is half way through the second year of the budget plan and remains confident that the strategic approach to budget planning alongside good financial management and extensive community engagement means that it will secure future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services exceeding the budget. Corrective action will be required to bring the overall budget into balance before the end of the financial year if the position worsens over the coming months.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

N/A

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

The report indicates that for 2018/19 there is currently a forecast deficit of £9.097m which can be off-set with approximately £6.500m of mitigating, one-off, actions previously identified and a further £2.600m worth of in-year savings identified by officers to achieve a balanced position at the year end. Any worsening of the overall position will require further savings to be identified by officers.

### **(B) Capital Costs**

The Council's capital budget in 2018/19 is £36.181m. As at the end of September 2018, expenditure of £9.125m has been incurred and a full year outturn of £29.224m is currently forecast.

## **Implications of the Proposals:**

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

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>
There is currently a budget shortfall of £9.097m, one-off mitigating measures of £6.5m have been identified, with a further £2.6m of in year savings identified by officers. This currently leaves a balanced budget.
<b>Legal Implications:</b>
None
<b>Equality Implications:</b>
None

## **Contribution to the Council's Core Purpose:**

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

<b><u>Protect the most vulnerable:</u></b>
See comment above

<b><u>Facilitate confident and resilient communities:</u></b> See comment above
<b><u>Commission, broker and provide core services:</u></b> See comment above
<b><u>Place – leadership and influencer:</u></b> See comment above
<b><u>Drivers of change and reform:</u></b> See comment above
<b><u>Facilitate sustainable economic prosperity:</u></b> See comment above
<b><u>Greater income for social investment:</u></b> See comment above
<b><u>Cleaner Greener:</u></b> See comment above

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Head of Corporate Resources is the author of the report (FD 5338/18)

The Chief Legal and Democratic Officer has been consulted and any comments have been incorporated into the report (LD 4563/18).

### (B) External Consultations

N/A

## Implementation Date for the Decision

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

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## Appendices:

There are no appendices to this report

## Background Papers:

There are no background papers for inspection

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## 1. Introduction

- 1.1 In March 2017, Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of the Council setting the 2018/19 budget. The March 2018 report outlined that due to the financial pressures being faced by the Council a mid-year review would be undertaken. This initial position on the mid-year review was reported to Cabinet in September 2018. This report builds upon that work, updates the forecast revenue outturn position for 2018/19 and highlights the further work that has been undertaken to balance the budget for 2018/19.
- 1.2 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.3 An updated position regarding the 2018/19 Capital Programme is also provided as at the end of September.

## 2. Summary of the Forecast Outturn Position as at the end of September 2018

- 1.0 Members have been provided with updates of the Council's forecast financial position (including the first stage of the Mid-Year Review), over the last couple of months. Significant pressures have been identified in several service areas, particularly Adult / Children's Social Care, Locality Services – Provision and Home to School Transport. The latest forecast of service expenditure indicates a slight improvement in the overall financial position, with an overspend of £5.734m (£5.848m in August). The table below highlights the variations:

	<b>Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Previously Reported Position</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Services</u></b>				
Strategic Management	3.049	3.049	0.000	0.000
Strategic Support Unit	4.006	3.993	(0.013)	(0.013)
Adult Social Care	94.369	95.168	0.799	0.765
Children's Social Care	28.137	32.232	4.095	3.820
Communities	8.223	8.098	(0.125)	(0.070)
Corporate Resources	5.171	4.701	(0.470)	(0.485)
Health & Wellbeing	22.541	22.031	(0.510)	(0.384)
Inward Investment and Employment	2.447	2.569	0.122	0.058
Locality Services - Commissioned	20.071	19.904	(0.167)	(0.121)
Locality Services - Provision	10.536	11.431	0.895	0.938
Regeneration and Housing	4.757	4.473	(0.284)	(0.284)
Regulation and Compliance	3.783	3.827	0.044	(0.026)
Schools and Families	23.079	24.207	1.128	1.329



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Total Service Net Expenditure	<b>230.164</b>	<b>235.683</b>	<b>5.514</b>	<b>5.527</b>
Public Sector Reform Savings not allocated to services	(4.511)	(4.511)	0.000 (see para 2.2)	0.000 (see para 2.2)
Reversal of Capital Charges	(13.353)	(13.353)	0.000	0.000
Council Wide Budgets	10.912	11.132	0.220	0.321
Levies	33.255	33.255	0.000	0.000
General Government Grants	(34.194)	(34.194)	0.000	0.000
Total Net Expenditure	<b>222.279</b>	<b>228.012</b>		
<b>Forecast Year-End Deficit</b>			<b>5.734</b>	<b>5.848</b>

The key changes in the outturn position are as follows: -

- The Adult Social Care budget is forecast to be in deficit by £0.799m based on the September forecast. This is mainly due to pressure on the Community Care budget, net £2.13m offset by forecast surpluses on employees (£0.293m), Specialist Transport (£0.600m) and assumed capitalisation of equipment (£0.300m) together with an expected surplus on DoLS doctors' fees (£0.050m). The forecast assumes there will be no further increase in demand or cost pressures, on the Community Care budget between September and the end of the financial year. The deficit has increased from the previous months position by £0.034m mainly due to an increase in the Community Care forecast of a net £0.178m which has been in part offset by further vacancy savings.
- The overspend position on Children's Social Care between August and September has worsened by £0.275m to £4.095m. This would have considerably higher in September only for the recent agreement with the Sefton CCGs to support some backdated funding for a couple of cases which were in dispute since 2017/18. Agreement has now been made that backdated funding of £0.213m will be paid in this respect, thereby suppressing the overspend position. During the last month, the care package and placements budget forecasts have increased overall by £0.237m and Children's legal fees have similarly increased by £0.044m since August.
- The reduction in the Schools and Families variation of £0.202m since August is due to the inclusion of Non-Employee related PSR EIP2 savings within Education Services (£0.212m), this has previously been assumed to be in line with the budget. There is also a reduction in forecast vacancy savings within SEND services (£0.034m), along with an increase in the forecast Home to School Transport overspend of £0.035m.
- Health and Wellbeing. The forecast underspend of £0.511m is made up of £0.265m underspend within Public Health, mainly vacancy savings and substance misuse underspend, and £0.246m underspend within the sports service due to NNDR revaluations. It is assumed that sports income will be on target. The

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additional underspend this month (£0.126m) is mainly due to increased forecast underspending on substance misuse.

- Council Wide Budgets - The latest budget monitoring information for housing benefits suggests that the forecast deficit is not expected to be as high as previously indicated, and the forecast position has been reduced by £0.100m this month in line with this. This area of the budget requires careful monitoring however, and the position is likely to change again before the end of the year.

1.1 The 2018/19 Budget included £10.227m of savings from Public Sector Reform (PSR) projects. Current forecasts are that £6.864m of savings will be deliverable in the year (67%). There is a 2018/19 phasing issue amounting to £2.704m, however these savings are expected to be achieved in 2019/20 meaning that £9.568m (94%) in total is forecast to be delivered in 2019/20 and future years. It is forecast that £0.659m of the savings will ultimately not be delivered (6%). An analysis of the overall savings for 2018/19 are shown in the summary below:

	<b>Total Saving 2018/19</b>	<b>Forecast - Achieved In 2018/19</b>	<b>Phasing Delivery 2019/20</b>	<b>Won't be delivered</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
PSR1 - Acute Wrap Around	0.275	0.033	0.242	0.000
PSR2 – Locality Teams	5.100	2.913	2.187	0.000
PSR2 - Personalisation	1.000	0.835	0.165	0.000
PSR4 - All Age Pathway	0.415	0.121	0.000	0.294
PSR4 - Home to School Transport	0.365	0.000	0.000	0.365
PSR5 – An Excellent Education for All	0.319	0.319	0.000	0.000
PSR6 - Tourism	0.110	0.000	0.110	0.000
PSR6 - Other	0.748	0.748	0.000	0.000
PSR7 – Environment & Pride of Place	0.695	0.695	0.000	0.000
PSR8 – Asset Maximisation	0.450	0.450	0.000	0.000
PSR9 – ICT & Digital Inclusion	0.300	0.300	0.000	0.000
PSR10 - Commissioning	0.450	0.450	0.000	0.000
<b>Total Budget Pressure</b>	<b>10.227</b>	<b>6.864</b>	<b>2.704</b>	<b>0.659</b>

1.2 The Council's overall forecast outturn position, before remedial action, is shown below:

	<b>£m</b>
2018/2019 Forecast Outturn	5.734
PSR - Unachievable 2018/2019	0.659
<b>Ongoing Budget Pressures</b>	<b>6.393</b>

PSR - Phasing 2018/2019	2.704
<b>Total Forecast Budget Gap 2018/19</b>	<b>9.097</b>

## Options to close the residual gap in 2018/19

- 1.3 The Forecast Budget Gap has now remained relatively constant for the last three months (the reductions of about £0.400m relate to remedial actions that have been implemented within Services and are now being reported within the net position). This supports the approach the Council is taking in managing the Budget Gap.
- 1.4 However, as Members will recall from the previous Cabinet reports, there are substantial additional pressures being faced, particularly within social care, Locality Services – Provision and Schools and Families. Although these pressures haven't increased in the last month they remain a significant risk to the Council's in-year position (particularly Children's Social Care). There will be close monitoring of these services under significant budget pressure, to provide transparency regarding the current position and a focus on the short term forecast to ensure early identification should further cost pressures materialise as a result of continuing increases in statutory activity. Any worsening of the position relating to these Services will require further remedial actions to be implemented.
- 1.5 Officers have identified a number of one-off measures that will realise £6.5m of resources to partially bridge the budget gap in 2018/19. These include:
- Utilising the budget underspend from 2017/2018 (as reported to Cabinet on 26 July 2018) - £1.923m;
  - Additional Adult Social Care Support Grant allocation announced by the Government late in the budget process - £0.953m;
  - The impact of the change in VAT liability of certain leisure fees and charges being introduced earlier than previously anticipated - £0.700m;
  - Vacancy and Supplies & Services savings across all services - £1.250m; and,
  - Council Tax Surplus arising in 2018/19 - £0.582m.
- 1.6 The Council is committed to ensuring financial sustainability in the short and medium term. The three-year budget plan remains secure but more savings are required in light of increasing demand. As reported to Cabinet on 4<sup>th</sup> October 2018, in order to further improve the in-year position mitigating options were required for implementation as soon as possible in the second half of the financial year to maximise their impact. Service areas have reviewed budgets and have identified uncommitted funding and other actions that will reduce the deficit, including a moratorium on non-essential expenditure and a review of reserves and balances. This will realise a further £2.6m of resources which will bridge the remaining Forecast Budget Gap. However, as mentioned in paragraph 2.5, any increase in the Forecast Budget Gap will require additional mitigating actions to ensure a balanced budget position is achieved for 2018/19.
- 1.7 Since the last report, the Secretary of State for Health and Social Care announced on 2<sup>nd</sup> October 2018 that local authorities would receive an additional £240m in 2018/19 with the aim of reducing delayed transfers of care from hospitals. Sefton's

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allocation is £1.525m but it should be noted that this is one-off funding for 2018/19 only. Therefore, whilst the additional resource will fund increased packages of care in 2018/19 this will place more pressure on the Service in future years.

## **Implications beyond 2018/19**

- 1.8 The seriousness of the budget position, despite the successful delivery of the three year PSR programme, requires the development of permanent proposals for implementation from April 2019. Due to the current outturn forecast, it is clear as previously reported to Cabinet that approximately £9-10m of additional pressure will be placed upon the 2019/20 budget (in addition to the current best estimate of £15m in respect of 2020/21). Senior officers have been dedicating significant time over recent and coming weeks and engaging with members accordingly in order that sustainable budget options for forthcoming financial years can be presented for Members to consider.
- 1.9 Budget development sessions have taken place with Heads of Service in early October. The aim of these sessions was to review all areas of the Council's activity both from a service delivery and budget point of view and identify areas for development of alternative delivery models at lower cost whilst maintaining or improving outcomes for service users. It is expected that a robust budget recovery plan will be presented in the December Budget Monitoring report to Cabinet.
- 1.10 The current forecasts relating to Government funding for 2018/19 are based on the final year of the four-year settlement accepted by the Council (along with the majority of local authorities). As outlined in the report to Cabinet on 6<sup>th</sup> September 2018, the levels of funding beyond 2019/20 are less certain.
- 1.11 The Budget Statement is due to be delivered on 29<sup>th</sup> October 2018 with the Provisional Local Government Finance Settlement due to be announced in mid to late December. It is unknown if there will be any announcements that will impact on the Council's current forecasts. In particular, there has been significant national commentary about funding for both Adult and Children's social care due to the pressures being experienced by all local authorities. However, there have been no announcements about additional support being available, beyond the additional resources for Adult Social Care in 2018/19 outlined in paragraph 2.8.

## **2 Council Tax Income – Update**

- 3.1 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 £127.485m for 2018/19 (including Parish Precepts), which represents 85.8% of the net Council Tax income of £148.595m.
- 3.2 The forecast outturn for the Council at the end of September 2018 is a surplus of -£0.888m. This variation is primarily due to: -

- The surplus on the fund at the end of 2017/18 being higher than estimated at -£0.005m;
- Gross Council Tax Charges in 2018/19 being higher than estimated at -£0.234m;
- Council Tax Reduction Scheme discounts being lower than estimated at -£0.709m;
- Exemptions and Discounts (including a forecasting adjustment) being higher than estimated at +£0.060m.

3.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2018/19 but will be carried forward to be distributed in future years.

## **4 Business Rates Income – Update**

4.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £66.449m for 2018/19, which represents 99% of the net Business Rates income of £67.120m. Business Rates income has historically been very volatile making it difficult to forecast accurately.

4.2 The forecast outturn for the Council at the end of September 2018 is a surplus of -£1.648m on Business Rates income. This is due to:

- The surplus on the fund at the end of 2017/18 being higher than estimated - £2.169m;
- Increase in the gross charge on rateable properties (-£0.042m)
- Other reliefs (including a forecasting adjustment) being higher than estimated in 2018/19 at +£0.563m.

4.3 Due to Collection Fund regulations, the Business Rates deficit will not be transferred to the General Fund in 2018/19 but will be carried forward to be recovered in future years.

## **5 Capital Programme 2018/19**

1.1 The approved capital budget for 2018/19 is £36.181m.

1.2 As at the end of September, expenditure of £9.125m (25.2%) has been incurred within the approved Capital Programme.

1.3 As part of the monthly review project managers are now stating that £29.224m will be spent by year end. This would result in an under spend on the year of £6.957m on the whole programme with an overall delivery rate of 81%. This is summarised below as follows:-

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2018/19 Full Year Budget	Actual Expenditure as at September 2018	Forecast Actual Expenditure	Full Year Budget Variance
<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>36.181</b>	<b>9.125</b>	<b>29.224</b>	<b>6.957</b>

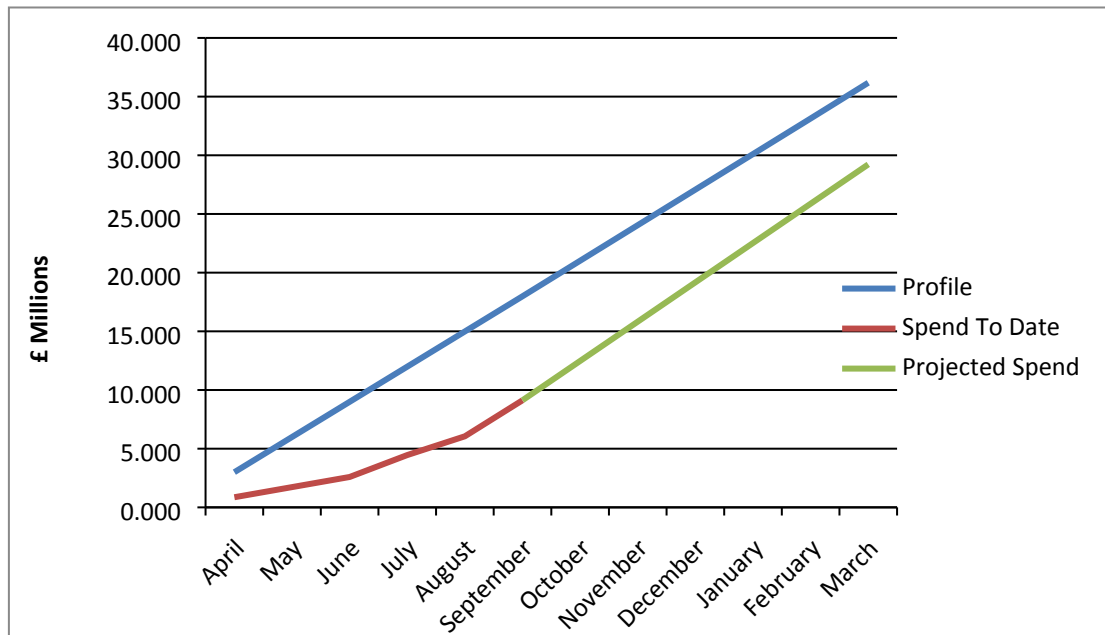
1.4 In order to achieve the revised forecast of £29.224m, expenditure of £20.099m will need to be incurred between now and the end of the year.

1.5 Key Variations on Overall Programme

It can be seen from the current forecast position that approximately £6.957m of expenditure will not be delivered in the current year. The key variations to this forecast are as follows: -

<b>Scheme</b>	<b>Key Variation £'m</b>	<b>Funding Source</b>	<b>Explanation</b>
<b>Funding No Longer Required (key items)</b>			
<b>Total</b>			
<b>Resources to be carried forward into next year (key items)</b>			
Better Care Fund Capital Allocation - Uncommitted	3.426	Better Care Fund Grant	Options are being reviewed for this funding. Slippage may change as and when these options are approved and implemented.
M58 Junction 1 Improvements	2.683	Government Grant	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
CERMS 2016-2021 Sefton Spend	0.300	Environment Agency Grant	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
Maghull Leisure Centre – Car Park	0.176	Prudential Borrowing	Scheme currently on hold pending negotiations with the Parish Council.
Southport Pier	0.128	Revenue Contribution – Pier Sinking Fund	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
<b>Total</b>	<b>6.713</b>		

1.6 The graph below therefore shows the 2018/19 Capital Programme expenditure to date against the profiled budget.



1.7 A service by service breakdown of expenditure, forecast actual expenditure and full year budget variation as at September 2018 is shown in the following table:

	Full Year Budget £'m	Expenditure to date £'m	Exp to Date as % of Budget %	Forecast Actual Expenditure to Date £'m	Forecast Full Year Budget Variation £'m
<b>Corporate Resources</b>	5.344	3.306	61.9	5.302	0.042
<u>New Schemes</u>					
Southport Theatre - Netting	0.030	0.045	150.0	0.030	0.000
Bootle Town Hall - Cold Water System	0.020	0.000	0.0	0.020	0.000
<u>Previous Year Schemes</u>	5.294	3.261	61.6	5.252	0.042
<b>Locality Services - Commissioned</b>	13.234	2.259	17.1	10.141	3.093
<u>New Schemes</u>					
LTP - New Schemes	3.596	0.724	20.1	3.596	0.000
Additional Pothole Funding	0.468	0.217	46.4	0.468	0.000
Buckley Hill Car Park	0.081	0.000	0.0	0.081	0.000
<u>Previous Year Schemes</u>	9.089	1.318	14.5	5.996	3.093
<b>Locality Services - Provision</b>	2.530	1.410	55.7	2.530	0.000
<u>Previous Year Schemes</u>	2.530	1.410	55.7	2.530	0.000
<b>Regeneration and Housing</b>	0.452	0.006	1.3	0.452	0.000
<u>Previous Year Schemes</u>	0.452	0.006	1.3	0.452	0.000
<b>Regulation and Compliance</b>	0.009	0.000	0.0	0.009	0.000

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Previous Year Schemes	0.009	0.000	0.0	0.009	0.000
<b>Health &amp; Wellbeing</b>	0.241	0.031	12.9	0.072	0.169
Previous Year Schemes	0.241	0.031	12.9	0.072	0.169
<b>Adult Social Care</b>	3.994	0.006	0.2	0.568	3.426
New Schemes					
Approved Better Care Funding	2.078	0.000	0.0	0.000	2.078
Previous Year Schemes	1.916	0.006	0.3	0.568	1.348
<b>Children's Services</b>	5.737	0.795	13.9	5.661	0.076
New Schemes					
St Luke's Primary – Hall Extension	0.600	0.123	20.5	0.600	0.000
Crosby High - Special Needs WC	0.020	0.000	0.0	0.020	0.000
Impact PRU - Perimeter Fencing	0.015	0.000	0.0	0.015	0.000
Lydiate Primary - General Refurb	0.100	0.036	36.0	0.100	0.000
Forefield Infants - New Toilet Block	0.175	0.000	0.0	0.175	0.000
Linaker Primary - Additional 1 Form Entry	0.700	0.044	6.3	0.700	0.000
Healthy Pupils Fund	0.164	0.000	0.0	0.164	0.000
Hudson Primary - Heating Ducts Provision	0.150	0.000	0.0	0.150	0.000
Linacre Primary - Classroom Refurb	0.066	0.060	90.9	0.066	0.000
Lydiate Primary – New lighting system	0.021	0.000	0.0	0.021	0.000
Redgate Primary – Rewiring	0.150	0.110	73.3	0.150	0.000
Farnborough Rd Infant – Replace felt roof	0.044	0.000	0.0	0.044	0.000
Farnborough Rd Junior – Replace brickwork	0.024	0.000	0.0	0.024	0.000
Forefield Infants – Replace security fence	0.041	0.000	0.0	0.041	0.000
Merefield Special – Emergency lighting	0.036	0.068	188.9	0.036	0.000
Waterloo Primary - Kitchen Alterations	0.025	0.010	40.0	0.025	0.000
Impact PRU - CCTV & Security Gates	0.045	0.000	0.0	0.045	0.000
Netherton Moss Primary – Kitchen Refurb	0.050	0.000	0.0	0.050	0.000
Previous Year Schemes	3.311	0.344	10.4	3.235	0.076
<b>Communities</b>	1.073	0.070	6.5	1.050	0.023
New Schemes					
Atkinson Studio Stage	0.030	0.000	0.0	0.030	0.000
Previous Year Schemes	1.043	0.070	6.7	1.020	0.023
<b>Inward Investment &amp; Employment</b>	1.367	0.599	43.8	1.239	0.128
Previous Year Schemes	1.367	0.599	43.8	1.239	0.128
<b>Total New Schemes 2017/18</b>	<b>8.729</b>	<b>1.437</b>	<b>16.5</b>	<b>6.651</b>	<b>2.078</b>



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<b>Total Previous Year Schemes</b>	<b>25.252</b>	<b>7.045</b>	<b>27.9</b>	<b>20.373</b>	<b>4.879</b>
Disabled Facilities Grant	2.200	0.643	29.2	2.200	0.000
<b>Total Capital Programme</b>	<b>36.181</b>	<b>9.125</b>	<b>25.2</b>	<b>29.224</b>	<b>6.957</b>

## 1.8 Financing of the 2018/19 Capital Programme

	Budget
	£m
Government Grants*	25.381
Borrowing	7.608
S106	1.515
Contribution	1.465
Capital Receipt	0.212
<b>TOTAL</b>	<b>36.181</b>

\*Includes capital receipts used to supplement government grants as detailed below.

Within the funding profile for schemes approved in 2016/17 it was assumed that £1.5m of capital receipts will be generated. As at the end of March 2018, £1.070m has been received leaving a balance due of £0.430m. As at the end of September 2018 £0.309m has been received leaving a balance required of £0.121m. It is anticipated this will be received in 2018/19.

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<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	1 November 2018 2018
<b>Subject:</b>	Appointment to Outside Bodies 2018/19 - Veterans in Sefton and North West Boroughs Healthcare NHS Foundation Trust - Council of Governors		
<b>Report of:</b>	Chief Legal and Democratic Officer	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services Cabinet Member – Health and Wellbeing		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

**Summary:**

To consider the appointment of a Council representative to serve on Veterans in Sefton until May 2019; and the North-West Boroughs Healthcare NHS Foundation Trust - Council of Governors for 2018/19 for the remainder of a 3 year appointment until 31 May 2020.

**Recommendation:**

That:-

- (1) Councillor Lappin be appointed to serve on the Veterans in Sefton outside body for the remainder of the 2018/19 Municipal Year; and
- (2) Councillor Moncur be appointed to serve on the North-West Boroughs Healthcare NHS Foundation Trust – Council of Governors outside body for the remainder of a 3 year appointment until 31 May 2020.

**Reasons for the Recommendation(s):**

The Cabinet has delegated powers set out in Chapter 5, Paragraph 40 of the Constitution to appoint the Council’s representatives to serve on Outside Bodies.

**Alternative Options Considered and Rejected:**

None

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

None arising from this report.

**(B) Capital Costs**

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None

## Implications:

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

<b>Financial</b>	
<b>Legal</b> Paragraph 40 of Chapter 5 in the Constitution gives the Cabinet delegated powers to make appointments to Outside Bodies, appropriate.	
<b>Human Resources</b>	
<b>Equality</b>	
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"/>

## Contribution to the Council's Core Purpose:

Protect the most vulnerable: The appointment of the Council representative on to the Outside Body will ensure that the interests of residents of Sefton are taken into account by each Body.
Facilitate confident and resilient communities: As above
Commission, broker and provide core services: As above
Place – leadership and influencer: As above
Drivers of change and reform: As above
Facilitate sustainable economic prosperity: As above
Greater income for social investment: As above
Cleaner Greener: As above

## **Impact of the Proposals on Service Delivery:**

The appointment of the Council representative on to the Outside Body will ensure that the interests of residents of Sefton are taken into account by each Body.

## **What consultations have taken place on the proposals and when?**

The Head of Corporate Resources (FD5322/18) has been consulted and notes the report indicates no new direct financial implications for the Council.

The Chief Legal and Democratic Officer(LD4547/18) has been consulted and 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:** Paul Fraser

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**Email:** paul.fraser@sefton.gov.uk

## **Background Papers:**

There are no background papers available for inspection

## **Appendices:**

None

### **1. Introduction**

1.1 The Cabinet has delegated authority in the Council Constitution to appoint Council representatives to serve on Outside Bodies; and a report was submitted to Cabinet on 24 May 2018 appointing such representatives. The Council has now been contacted seeking nominations to serve on two other outside bodies.

### **2. Veterans in Sefton**

2.1 The Council has been contacted by the Chair of Veterans in Sefton seeking the nomination of a Council Member to join their Board.

2.2 Veterans in Sefton CIO, previously known as the Veterans in Sefton project, provides a comprehensive information, advice and guidance service for Veterans in the Sefton (and greater) area including a unique holistic support programme.

As a charity, they provide the emotional support to help raise self-esteem, build confidence and improve mental wellbeing for all members of the Sefton Armed Forces Community, (veterans, serving personnel and their families). This is done with the help of a number of other bodies including:

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1. Brunswick Youth Centre (where the main NAAFI break and head office is located)
2. The Sovini Group (One Vision Housing)
3. Sefton CVS
4. NHS South Sefton.
5. Foot in the Door Films

Any member of the Armed Forces Community in Sefton can get advice on a range of issues, including support accessing housing advice, employment advice, advice on health-related issues, family support, and general welfare advice. Anyone can also attend any of the informal weekly drop in NAAFI Break sessions which are based around a number of locations in the Sefton area. Veterans in Sefton services include:

- \* Smoothing the transition from military to civilian life.
- \* Increasing self-confidence and reducing social isolation.
- \* Early intervention with mental health issues.
- \* improving employment opportunities with training and skill building.
- \* Offering support and activities for the whole family.

### **3. North West Boroughs Healthcare NHS Foundation Trust - Council of Governors**

- 3.1 A vacancy has arisen on the North West Boroughs Healthcare NHS Foundation Trust – Council of Governors outside body for the remainder of a 3 year appointment until 31 May 2020.
- 3.2 The North West Boroughs Healthcare NHS Foundation Trust delivers a range of health services across a number of boroughs. The following services are provided within Sefton:-
  - 0-19 child health services, incorporating health visiting, schools nursing and family nurse partnership services; and
  - Adult community health services, incorporating the Litherland Walk-In Centre, phlebotomy services and community equipment and disability advice services, as part of a consortium with Mersey Care NHS Foundation Trust.
- 3.3 Formal meetings of the Council of governors are held on a quarterly basis.

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	1 November 2018
<b>Subject:</b>	The Cottages, 1-3 Chapel Lane, Netherton		
<b>Report of:</b>	Chief Planning Officer	<b>Wards Affected:</b>	Park
<b>Cabinet Portfolio:</b>	Planning and Building Control		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

**Summary:**

To inform the Cabinet of the Leader’s decision, following a request by the Planning Committee at the meeting held 17 October 2018, to the removal of further permitted development rights at a property in Park Ward following revocation of Lawful Development Certificate DC/2014/01497 for the *‘proposed development for the erection of proposed buildings and means of enclosure incidental to the enjoyment of the dwellinghouse’*.

**Recommendation(s):**

That Cabinet notes the Leader’s decision.

**Reasons for the Recommendation(s):**

The removal of permitted development rights via Article 4 direction is necessary to prevent any further or alternative buildings being erected at the above premises following the removal of that existing, causing continued public concern over harm to amenity.

**Alternative Options Considered and Rejected:** (including any Risk Implications)

The alternative is to not serve an Article 4 direction, which would allow the landowner to erect further buildings potentially injurious to amenity whilst undermining the steps taken to revoke a Lawful Development Certificate for the erection of buildings and means of enclosure incidental to the enjoyment of the dwellinghouse (ref. DC/2014/01497).

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

If the Article 4 (1) Direction is approved there is a risk of a claim for compensation being made.

**(B) Capital Costs**

None

# Agenda Item 11

## Implications of the Proposals:

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

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>  Potential compensation payable in the event of an Article 4(1) Direction being issued
<b>Legal Implications:</b>  The Leader of the Council has delegated authority to take urgent decisions on matters which fall within the Executive functions of the Cabinet, subject to any such decisions being reported to the next Cabinet meeting. Chapter 5 – “Matters Delegated to the Leader of the Council” paragraph 2 of the Council’s constitution refers.
<b>Equality Implications:</b>  There are no equality implications

## Contribution to the Council’s Core Purpose:

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: N/A
Commission, broker and provide core services: N/A
Place – leadership and influencer: N/A
Drivers of change and reform: N/A
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A
Cleaner Greener N/A

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Head of Corporate Resources has been consulted (FD5303 /18) and notes the report indicates at this stage no direct financial implications for the Authority. It is hoped to avoid any legal costs, or keep them to a small sum which can be met from the Planning budget. In the event of these costs becoming significant, members will be appropriately informed.



The Chief Legal and Democratic Officer has been consulted (FD 4528) and comments have been incorporated into the report.

## **(B) External Consultations**

None applicable.

## **Implementation Date for the Decision**

Already implemented following the decision of the Leader.

<b>Contact Officer:</b>	<b>Stuart Barnes</b>
Telephone Number:	<b>0345 140 0845 (Option 4)</b>
Email Address:	<b>Planning.department@sefton.gov.uk</b>

## **Appendices:**

There are no appendices to this report

## **Background Papers:**

There are no background papers available for inspection.

# Agenda Item 11

## 1. Purpose of Report

- 1.1 To inform the Cabinet of the Leader's decision to issue an Article 4(1) direction removing permitted development rights available to the premises known as The Cottages, 1-3 Chapel Lane, Netherton, under Schedule 2, Part 1, Class E of the Town and Country Planning (General Permitted Development)(England) Order 2015, as amended.

## 2. Background

- 2.1 A Certificate of Lawful Use of Development (LDC) application was submitted to the Council on 28 July 2014 by the owner of the land, for the *'proposed development for the erection of proposed buildings and means of enclosure incidental to the enjoyment of the dwellinghouse'*.
- 2.2 The LDC was duly issued by notice dated 23 September 2014.
- 2.3 It was later established that a breach of planning control had occurred in that the landowner, was, in addition to keeping his own dogs, using the premises for the training, daycare and boarding of dogs and had also erected a static caravan on the land for staffing and accommodation whilst the dwelling on the land was being refurbished.
- 2.4 A retrospective planning application *'to use the premises for the training, daycare and boarding of dogs in addition to dogs incidental to the enjoyment of the occupier authorised by lawful development certificate ref DC/2014/01497, including the positioning of a static caravan for use as staff facilities and for the accommodation during the renovation of the dwelling'* was refused by notice dated 22 June 2015.
- 2.5 Enforcement notices were duly issued on 18 August 2015, requiring the cessation of the ongoing breaches, the planning refusal was dismissed at appeal, and the enforcement notices upheld. It was determined by the Planning Inspector that breaches of planning control had occurred as a matter of fact, and that the construction of buildings and use of the land for commercial kenneling was inappropriate development in the Green Belt, causing significant disturbance for the residents of nearby dwellings, referenced in paragraph 17 of his decision letter as "possibly serious".
- 2.6 Although the appeals were dismissed, the LDC still permits the development being the erection of the proposed buildings and means of enclosure incidental to the enjoyment of the dwelling house in accordance with Plan Nos. 920/01, 920/02, 920/03, 920/04.
- 2.7 Plan No. 920/01 shows the position of the buildings. Plan No. 920/02 shows the detail of buildings No. 1 and 5. Building No. 1 is shown as 15 kennels with a preparation room.
- 2.8 Complaints in respect of dog-related activity remain ongoing, and subsequent inspections of the premises have led to the owner being prosecuted for the unauthorised use of the building for the keeping of more than six dogs. However,

the physical removal of the building, as required within the enforcement notice (and confirmed at appeal), is countered by the existence of the LDC.

2.9 Information supplied to the Council would indicate that the LDC was obtained as a result of information supplied to the Council which was false in a material particular, it is legitimate for the Council to revoke the certificate in accordance with the provisions of Section 193(7) of the Town and Country Planning Act 1990 (as amended), in which case, there will be no ability to rely on the LDC to prevent removal of the building, as the enforcement notice requires.

2.10 Section 193(7) confirms as follows:

“A local planning authority may revoke a certificate under either of those sections if, on the application for the certificate—

(a) a statement was made or document used which was false in a material particular; or

(b) any material information was withheld.”

2.11 At Planning Committee on 17 October 2018, members agreed to approve the revocation of the LDC. However, the Planning Committee have also requested that, in order to ensure that the revocation of the LDC is fully effective, an Article 4(1) Direction is served on the land, removing the right to erect any further buildings with immediate effect.

### **3. Expediency of issuing an Article 4(1) Direction**

3.1 There remains a possibility of the landowner re-erecting Building no 1 using the permitted development rights currently available to him. It is therefore necessary to progress an Article 4(1) Direction which removes these rights.

3.2 The basis for such a direction is set out by the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended). The application of an Article 4(1) Direction removes 'permitted development' rights and enables control over building works and changes of use which would ordinarily be 'permitted development'. Once an Article 4(1) Direction comes into force, planning permission must be sought for any further works.

3.3 There are two types of Article 4(1) Directions that can be imposed on buildings or land within an area:

*Non-immediate Article 4(1) Direction* - This means that the Article 4(1) Direction is only imposed following a consultation period of, usually, 28 days and with at least 12 months' notice of it coming into force. Any objections will be considered by the Council before it considers whether to confirm the Direction, or not. A non-immediate Article 4(1) Direction is used where there is not an urgent requirement to remove permitted development rights.

*Immediate Article 4(1) Direction* - This means that permitted development rights are removed with immediate effect and then consulted on. The Article 4(1) Direction will lapse after 6 months from when it was made unless it is confirmed beforehand. Any objections will be considered by the Council before it considered

# Agenda Item 11

whether to confirm the Direction, or not. An immediate Article 4(1) Direction is used where there is an urgent, justified requirement for protection. Once confirmed, an immediate Article 4(1) Direction becomes permanent.

- 3.4 An immediate direction can be served in the circumstance where, as set out by Schedule 3 Paragraph 2(1) (b) of the GPDO, it is considered that *“the development to which the direction relates would be prejudicial to the proper planning of their area or constitute(s) a threat to the amenities of their area...”*
- 3.5 It is a requirement of both processes that notice of any direction must be given by local advertisement, a minimum of two site notices displayed for a minimum of six weeks, and notice on the owner/occupier of the land, allowing 21 days for comment.
- 3.6 Given the circumstances of this case as set out above, it is recommended that the immediate direction is pursued, as the need for action is clearly urgent to prevent new buildings being erected prior to a non-immediate direction being confirmed. The risk of this is heightened considerably in view of the fact that the next Cabinet meeting is not scheduled until 1 November 2018 by which time further works may have legitimately commenced.
- 3.7 The Direction would immediately remove the opportunity for the landowner to erect any further buildings and subsequently claim, whether correctly or otherwise, that they are to be incidental to the enjoyment of the dwellinghouse. The Direction must then be confirmed prior to the expiry of six months from the date on which the notice is served on the owner or occupier as set out by the above paragraph.
- 3.8 In the event of an Article 4(1) notice being served, the landowner could still apply for planning permission for a building for the housing of his own dogs, which would need to be assessed having regard to its own individual merits and residents would have the opportunity to comment on any such proposal.
- 3.9 In accordance with Sections 107 and 108 of the Town and Country Planning Act 1990 (as amended), Article 4(1) also gives rise to implications in respect of compensation payable to an applicant, and typically this can ensue when planning permission is refused for a development which would have been permitted development if it were not for an Article 4 Direction; or where planning permission is granted subject to more limiting conditions than the GPDO would normally allow.
- 3.10 Compensation may be claimed for abortive expenditure or other loss or damage directly attributable to the withdrawal of permitted development rights, and is available to an applicant should they pursue an appeal process in the event of a refusal.
- 3.11 All claims for compensation must be made within 12 months of the date on which the planning application for development formerly permitted is rejected (or approved subject to conditions that go beyond those in the General Permitted Development Order).
- 3.12 Additionally, for certain permitted development rights withdrawn by an Article 4 Direction, compensation may only be claimed if an application for planning

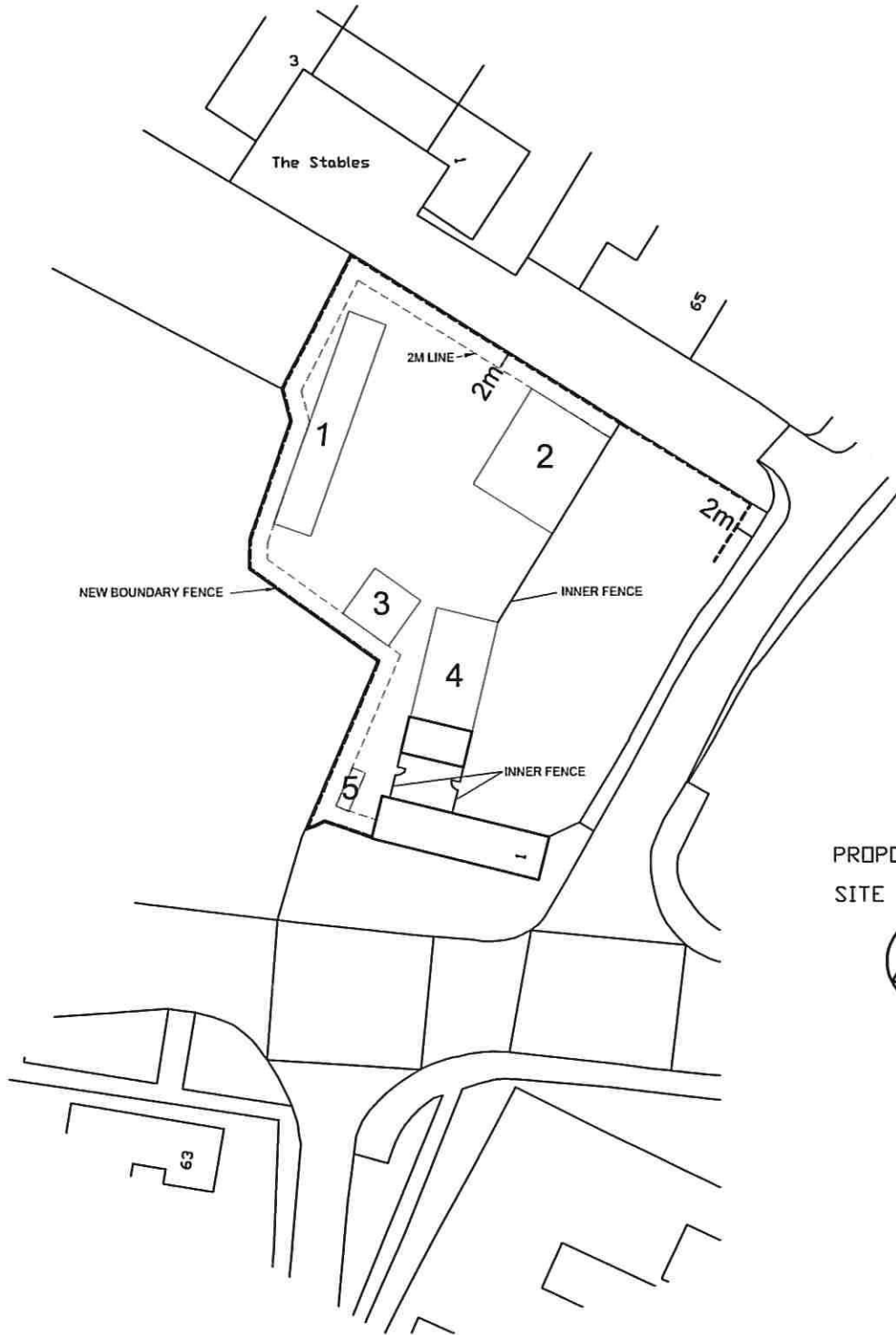
permission is submitted within 12 months following the effective date of the Direction.

- 3.13 Given that the removal of rights would only connect to the landowner's ability to construct a building for purposes incidental to the enjoyment of the dwellinghouse, following compliance with the enforcement notice, the level of compensation likely to be payable in such circumstances is considered to be low, and is substantially outweighed by the public interest of serving the Direction, notably, in resolving amenity concerns in the local area whilst reducing the burden on Council resources.
- 3.14 The Leader has now confirmed his agreement to the serving of an Article 4 Direction on this basis.

#### **4. Conclusion**

- 4.1 It is considered for the above reasons, chiefly, in the interest of the proper planning of Sefton Borough, that the public interest is well served by issuing an Article 4(1) Direction to remove all permitted development rights. The Chief Planning Officer will exercise powers delegated to him to instigate all of the above matters following the Leader's decision.
- 4.2 The Chief Planning Officer would therefore make the following formal recommendations:
1. That Cabinet notes the Leader's decision to serve an immediate Article 4(1) Direction removing permitted development rights available to the premises under Schedule 2, Part 1, Class E of the Town and Country Planning (General Permitted Development) (England) Order 2015 as amended.
  2. That it be noted that the Leader of the Council and the Chair of the Overview and Scrutiny Committee, Councillor John Sayers, had given his/her consent under Rule 46 of the Overview and Scrutiny Procedure Rules for this decision to be treated as urgent and not subject to "call in" on the basis that it cannot be reasonably deferred because any delay in the serving of the Direction until the Cabinet meeting of 1 November 2018 will result in the risk of additional further outbuildings being erected without planning permission that may not be subject to planning controls resulting in harm to the amenity of adjoining neighbouring properties. The Direction is required as a matter of urgency.

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PROPOSED  
SITE PLAN 1:500



LOCATION PLAN 1:1250



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29 JUL 2014  
Received

Dimensions to suit overall existing dimensions  
Applicant to confirm boundary.

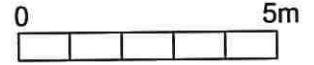
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Do not scale off this drawing. All dimensions to be checked on site prior to commencing works.

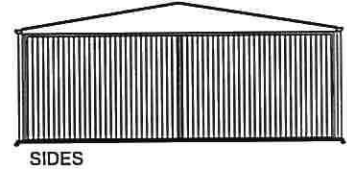
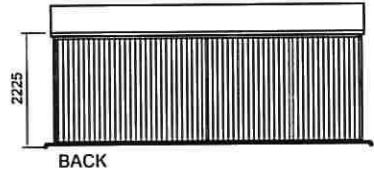
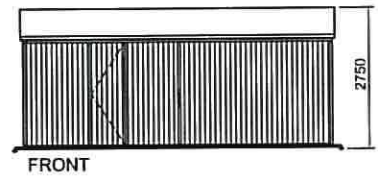
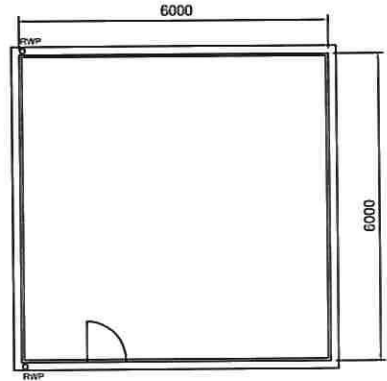
Applicant to be aware that The Party Wall Act may apply where building work is on or near the boundary.

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1-3 CHAPEL LANE NETHERTON	
TITLE KENNELS LOCATION & SITE PLAN	
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DRG. NO. 920/01	REV. NO.
SCALE 1/1250 1/500	DATE JUL14



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29 JUL 2014  
Received



3. COVERED EXERCISE AREA

PROPRIETARY WOODEN WEATHER BOARDED KENNELS WITH GALVANIZED ALUMINIUM CAGES AND PITCHED FELT ROOF

Dimensions to suit overall existing dimensions  
Applicant to confirm boundary.

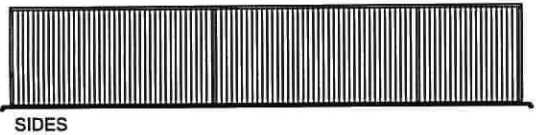
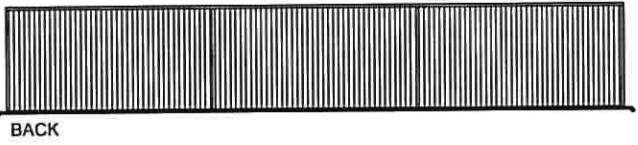
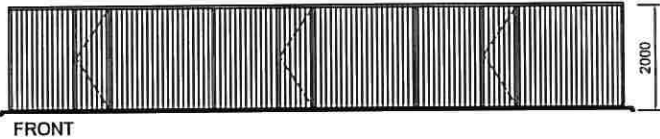
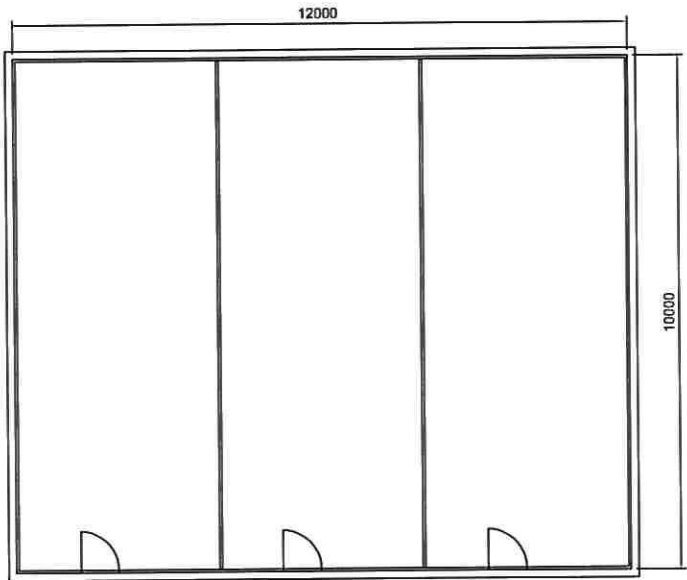
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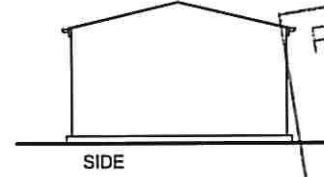
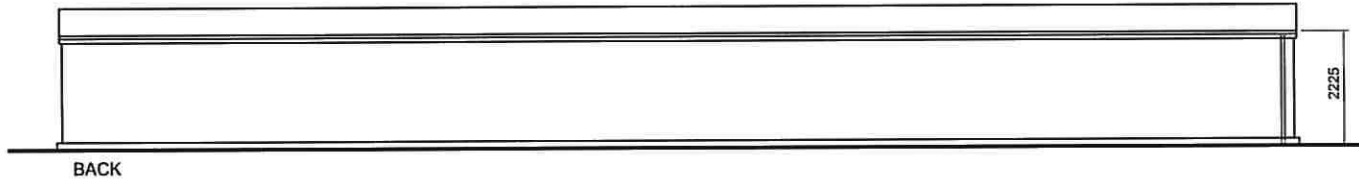
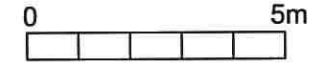
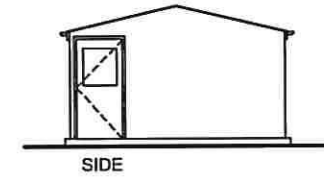
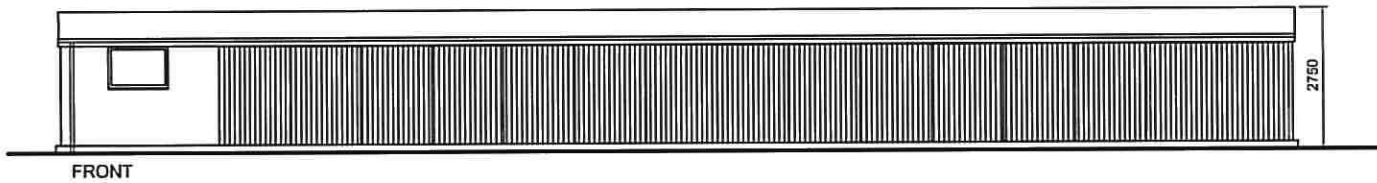
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JOB 1-3 CHAPEL LANE NETHERTON	
TITLE KENNELS PROPOSED KENNELS	
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SCALE 1/100	DATE JUL14

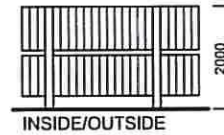
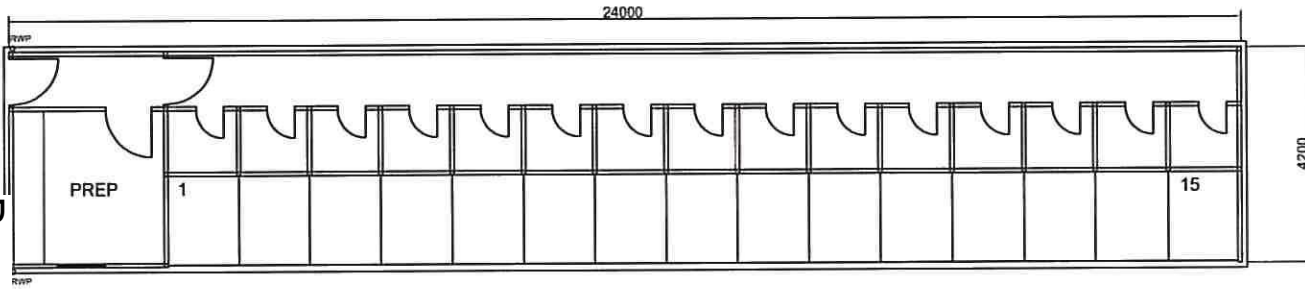


2. OPEN EXERCISE AREA PROPRIETARY GALVANIZED ALUMINIUM CAGES





Planning Services  
29 JUL 2014  
Received



PLAN  
CONCRETE POST & PANEL FENCE

**INNER FENCE**

Dimensions to suit overall existing dimensions  
Applicant to confirm boundary.

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1-3 CHAPEL LANE  
NETHERTON

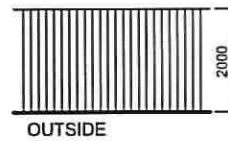
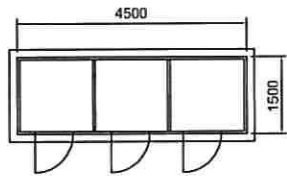
TITLE  
KENNELS  
PROPOSED KENNELS  
& FENCES

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REV. NO.	920/02	REV. NO.	
SCALE	1/100	DATE	JUL 14

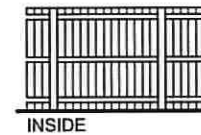
**1. 15 KENNELS WITH PREPARATION ROOM**

PROPRIETARY WOODEN WEATHER BOARDED KENNELS WITH GALVANIZED ALUMINIUM CAGES AND PITCHED FELT ROOF

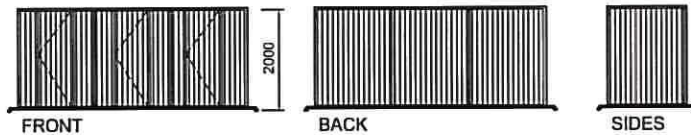


FEATHEREDGED TIMBER FENCE WITH NATURAL WOODSTAIN

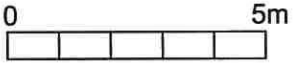
**BOUNDARY FENCE**



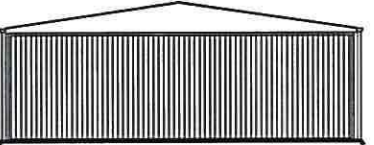
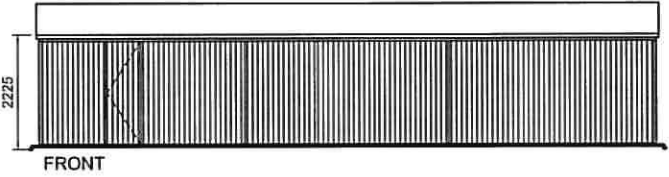
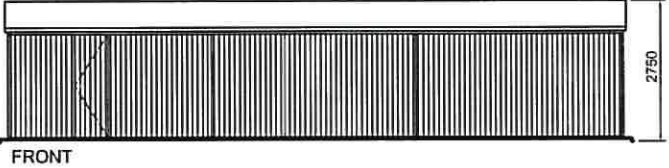
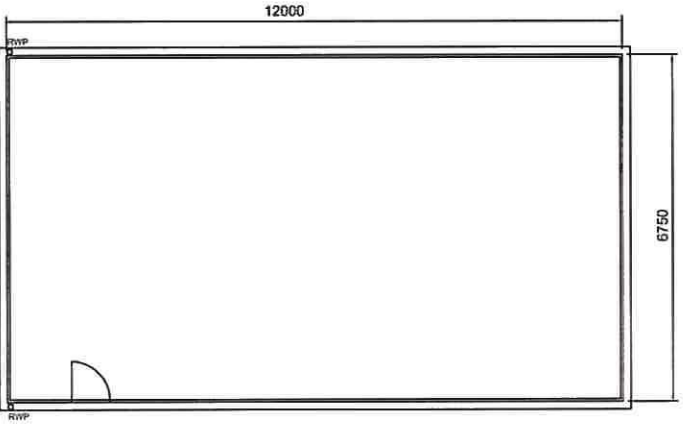
PLAN



**5. HOLDING AREA** PROPRIETARY GALVANIZED ALUMINIUM CAGES



Planning Services  
29 JUL 2014  
Received



SIDES

4. COVERED EXERCISE AREA

PROPRIETARY WOODEN WEATHER BOARDED  
KENNELS WITH GALVANIZED ALUMINIUM  
CAGES AND PITCHED FELT ROOF

Dimensions to suit overall existing dimensions  
Applicant to confirm boundary.

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ENG. NO. <b>920/04</b>	REV. NO.
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