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Sefton Council 

MEETING: CABINET
DATE: Thursday, 5th September, 2019
TIME: 10.00 a.m.
VENUE: Council Chamber, Town Hall, Southport *

DECISION MAKER: **CABINET**

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

COMMITTEE OFFICER: 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 ROOM TO BE USED FOR THE MEETING**

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A G E N D A

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
1	Apologies for Absence		
2	<p>Declarations of Interest</p> <p>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.</p> <p>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.</p> <p>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.</p>		
3	Minutes of the Previous Meeting		(Pages 5 - 18)
	Minutes of the meeting held on 25 July 2019.		
* 4	Adult Social Care - Residential & Nursing Care Sector	All Wards	(Pages 19 - 26)
	Report of the Director of Adult Social Care		
* 5	Sefton New Directions Contract	All Wards	(Pages 27 - 32)
	Report of the Director of Adult Social Care		
* 6	Community Substance Use: Assessment,	All Wards	(Pages 33 -

Treatment and Recovery Service 40)

Report of the Head of Health and Wellbeing

- * 7 **0-19 Healthy Child Programme** All Wards (Pages 41 - 48)
Report of the Head of Health and Wellbeing
- * 8 **Regional Supported and Independent Living (SaILS) framework** All Wards (Pages 49 - 54)
Report of the Director of Children's Social Care and Education
- * 9 **Revenue and Capital Budget Update 2019/20** All Wards (Pages 55 - 74)
Report of the Head of Corporate Resources
- * 10 **Altcar Moss Wellsite, Suttons Lane, Great Altcar: Neighbouring Authority Consultation** Harington; Park; Ravenmeols (Pages 75 - 84)
Report of the Chief Planning Officer

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON THURSDAY 8 AUGUST, 2019.

CABINET

MEETING HELD AT THE COMMITTEE ROOM, TOWN HALL, BOOTLE ON THURSDAY 25TH JULY, 2019

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

ALSO PRESENT: Councillor Sir Ron Watson

14. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Atkinson, Hardy and Veidman.

15. DECLARATIONS OF INTEREST

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

16. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the Meeting held on 20 June 2019 be approved as a correct record.

17. PROCUREMENT OF SEFTON STOP SMOKING SERVICE

The Cabinet considered the report of the Head of Health and Wellbeing in relation to the re-procurement of the Sefton Specialist Stop Smoking Service for Sefton scheduled to expire on 31 March 2020.

Decision Made:

That the Director of Public Health:

- (1) be authorised to conduct a procurement exercise for Sefton Stop Smoking Service, with a view to entering into a contract for a maximum of 5 years comprising an initial 3 year period with an option to extend for up to 2 periods of 12 months; and
- (2) in consultation with the Cabinet Member - Health and Wellbeing, be granted authority to award the Contract resulting from the procurement and to award any extension thereof.

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Reasons for the Decision:

The current contract is due to expire in March 2020.

Public Health would like to develop the service model to be more responsive to the changing needs of local people in Sefton. This would include greater action around smoking in pregnancy, smoke free homes and an improved offer for young people who smoke or vape in Sefton.

The Stop Smoking service is fundamental to the overall Integrated Wellness Service (LWS).

Alternative Options Considered and Rejected:

To extend the contract for a further 1 year by exercising the additional option within the current contract. This option is rejected because of the continued review around smoking priorities, and the need to vary the contract to reflect those priorities.

18. LIVERPOOL CITY REGION 'STATEMENT OF COMMON GROUND'

The Cabinet considered the report of the Head of Economic Growth and Housing that sought approval of the Liverpool City Region 'Statement of Common Ground' in relation to development plans and the planning process. The report set out the time line for reporting across the Liverpool City Region and stated that it was scheduled to be considered by the Liverpool City Region Combined Authority and all the constituent local authorities between July and September 2019. The 'Statement of Common Ground' demonstrated effective and on-going joint working, cooperation and progress on cross-boundary strategic planning matters between the neighbouring strategic policy-making authorities, and that they met the statutory 'duty to co-operate'.

Decision Made: That:

- (1) the Liverpool City Region 'Statement of Common Ground' be approved subject to the Chief Planning Officer being granted delegated authority to agree minor wording changes to the Statement of Common Ground if proposed by other Liverpool City Region Districts or the Combined Authority;
- (2) the Leader of the Council be authorised to sign the final approved 'Statement of Common Ground' on behalf of Sefton Council once the document has been approved by the Combined Authority; and
- (3) the Cabinet Member - Planning and Building Control be authorised to approve and sign any future versions of the "Statement of Common Ground" in future years.

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Reason for the Decision:

Under the Localism Act 2011 Sefton Council has a legal 'duty to co-operate' to engage constructively and actively, and to address strategic cross-boundary matters when preparing Local Plans. Paragraph 27 of the National Planning Policy Framework (2019) states that this should be demonstrated through joint preparation of statements of common ground. National planning guidance sets out more detailed information. While the Sefton Local Plan is relatively recently adopted (2017), on-going co-operation is required as this will feed into any future Local Plan review.

Alternative Options Considered and Rejected:

Not to participate in the preparation of a Statement of Common Ground or to approve one would make it difficult for Sefton Council to demonstrate, in any future Local Plan review, that it had met the statutory duty to co-operate.

19. SINGLE USE PLASTICS - UPDATE

The Cabinet considered the update report of the Head of Corporate Resources in relation to progress arising from Motions submitted to the Council on 19 July 2018 and 25 April 2019 in relation to both single use plastics and intentional balloon and lantern releases.

Decision Made: That:

- (1) the approach taken to the Council Motions in respect of single use plastics and intentional balloon and lantern releases be noted;
- (2) the progress made to date and specifically the approach the Council will take to those single use plastics that are to be the subject of an EU ban in 2021 be noted; and
- (3) approval be granted to continue work across the council to further meet the requirements of the 2 council Motions.

Reasons for the Decision:

To address the actions set out in the Motions that have been agreed by the Council:

- Council Motion on single use plastics 19 July 2018;
- the Council Motion on Intentional balloon and Chinese/sky lantern releases 25 April 2019; and

To protect and enhance Sefton's unique environment

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Alternative Options Considered and Rejected:

Do nothing - This was not considered an option as plastic waste in our oceans and waterways is a real threat to the unique coastal environment in Sefton. Balloon and lantern releases pose a threat to livestock and wildlife, as well as being a source of litter across our local habitats. The Council believes that the reduction of single-use plastic would benefit health in Sefton, reduce waste and ultimately help protect our coast.

20. REVENUES & BENEFITS - PROCUREMENT OF SOFTWARE SOLUTIONS

The Cabinet considered the report of the Head of Corporate Resources that set out the background to the Council's current arrangements for software and services for the Revenues and Benefits Service. It also sought authority to commence a procurement exercise for the provision of a new contract for the Revenues and Benefits software solution.

Decision Made: That the Head of Corporate Resources:

- (1) be authorised to conduct a procurement exercise for Software Solutions for the Revenues and Benefits Services, with a view to entering into a contract for a maximum of 7 years comprising of an initial 5-year period with an option to extend for up to 2 periods of 12 months; and
- (2) in consultation with the Cabinet Member - Regulatory, Compliance and Corporate Services be granted delegated authority to award the contract resulting from the procurement exercise and to award any extension thereof.

Reasons for the Decision:

- (1) To have appropriate and best value contractual arrangements in place for the Revenues and Benefits service;
- (2) The functional requirements for the Revenues and Benefits service are evolving due to channel shift and a move towards greater automation. The future software solution should deliver the highest level of self-service and achieve the Council's needs for service performance and cost reduction in line with the overall Customer Strategy;
- (3) Undertaking this process will comply with all procurement legislation and ICT contract management strategy; and
- (4) There is a risk that any transition to a new software solution would disrupt Revenues and Benefits service delivery. The Council must avoid interruption to service delivery and a key requirement for any proposed replacement or enhanced software solution would be a smooth transition. Suppliers will be asked to

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confirm how a transition to new solutions will be achieved to minimise disruption to service delivery.

Alternative Options Considered and Rejected:

There is the option for the Council to continue to operate with the existing software solution in the Revenues and Benefits service. The current software systems have been in place for many years, although various software upgrades and new modules have been implemented to incorporate legislative changes or additions to functionality. Continuing with existing software systems would not allow the Council the opportunity to test the market for the most modern and cost-effective solutions for Revenues and Benefits.

21. REVENUE AND CAPITAL BUDGET UPDATE - TREASURY MANAGEMENT OUTTURN 2018/19

The Cabinet considered the report of the Head of Corporate Resources that provided Members with details of the treasury management activities undertaken to 31 March 2019. The outturn report allowed the Cabinet to review against the Treasury Management Policy and Strategy and Prudential Indicators. The report advised that the Audit and Governance Committee had considered the report and detailed that its role was to scrutinise the treasury management policies and practices.

The Leader of the Council thanked the Council workforce and Officers who had worked hard to ensure that the budget was properly managed and balanced.

Decision Made: That:

- (1) the Treasury Management position to 31 March 2019 and the update to 31 May 2019, be noted; and
- (2) the effects of decisions taken in pursuit of the Treasury Management Strategy, be reviewed and noted along with the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities.

Reasons for the Decision:

To ensure that Members are fully appraised of the treasury activity undertaken to 31 March 2019 and to 31 May 2019 in order to meet the reporting requirements set out in Sefton's Treasury Management Practices and those recommended by the CIPFA code.

Alternative Options Considered and Rejected:

None

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22. REVENUE AND CAPITAL BUDGET UPDATE - REVENUE BUDGET OUTTURN 2018/19

The Cabinet considered the report of the Head of Corporate Resources that detailed the revenue outturn position in relation to the 2018/2019 financial year. In doing so the report outlined key variations and highlighted, where appropriate any impact on future years' financial performance.

Decision Made: That:

- (1) the General Fund net surplus of £0.330m for 2018/19 that will be added to the Council's General Balances, be noted;
- (2) the reduction in Schools' balances of £1.808m for 2018/19 and the net reduction of non-schools centrally retained Dedicated Schools' Grant balances of £0.745m, be noted; and
- (3) the approved increases to Earmarked Reserves in 2018/19, the release of reserves no longer required in order to contribute to the remedial plan to mitigate against the budget pressures being experienced in 2018/19, and the final position at the end of the year, be noted.

Reasons for the Decisions:

The production of a revenue outturn report is a key feature of effective financial management and will allow Members to make informed decisions that will support service delivery and medium term financial sustainability.

Alternative Options Considered and Rejected:

None

23. REVENUE & CAPITAL BUDGET UPDATE - CAPITAL OUTTURN 2018/19

The Cabinet considered the report of the Head of Corporate Resources in relation to the capital outturn position for the financial year 2018/19.

Decision Made: That:

- (1) the capital outturn of £22.961m for the financial year 2019/20 be noted;
- (2) the successful delivery of a number of schemes that have supported the delivery of the core purpose as set out in section 3 to the report, be noted;

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- (3) it be noted that, through investment in both ICT and building infrastructure the capital programme has enabled the delivery of significant savings that will contribute to the delivery of the medium term financial plan; and
- (4) It be noted that the previously approved grant funded schemes totalling £16.642m will have the funding carried forward into 2019/20.

Reason for the Decision:

The production of a capital outturn report is a key feature of effective financial management and will allow Members to make informed decisions that will support service delivery and medium term financial sustainability.

Alternative Options Considered and Rejected:

None.

24. REVENUE AND CAPITAL BUDGET UPDATE 2019/20

The Cabinet considered the report of the Head of Corporate Resources that informed of:

- (1) the current forecast revenue outturn position for the Council for 2019/20;
- (2) the current forecast on Council Tax and Business Rates collection for 2019/20; and
- (3) the monitoring position of the Council's capital programme to the end of June 2019, the forecast expenditure to year end, variations against the approved budgets and an explanation of those variations for consideration by Members. Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.

Decision Made: That:

- (1) the current forecast revenue outturn position for 2019/20 and the current position relating to delivery of savings included in the 2019/20 revenue budget, be noted;
- (2) the potential mitigating actions that may be required should there still be a forecast deficit following the mid-year review in relation to the revenue budget, be noted;

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- (3) the updates in relation to spending profiles across financial years of Capital Programmes, as detailed in paragraph 5.1.1 of the report, be noted;
- (4) the latest capital expenditure position as at 30 June 2019 of £1.7m (paragraph 5.2.2); and the latest full year forecast of £26.6m (paragraph 5.3.1), of the Capital Programmes, be noted;
- (5) the explanations of variances to project budgets (paragraph 5.3.2), be noted;
- (6) the additional and revised Transport allocations shown in paragraphs 5.4.1 to 5.4.4 of the report, be approved;
- (7) the additional Better Care Fund grant allocation (section 5.6), be approved;
- (8) the revised Schools capital budgets as detailed in paragraph 5.7 of the report, be noted;
- (9) the additional Special Educational Needs and Disabilities allocations as detailed in paragraph 5.8 of the report, be approved;
- (10) the additional Homes England grant as detailed in paragraph 5.9 of the report, be noted;
- (11) the Burials and Cremation capital programme plans as detailed in paragraph 5.10 of the report, be noted; and
- (12) it be noted that the capital resources will be managed by the Head of Corporate Resources to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council.

Reasons for the Decision:

To ensure Cabinet are informed of the forecast outturn position for the 2019/2020 revenue budget as at the end of June 2019, including delivery of agreed savings, and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

To keep Members informed of the progress of the capital programme against the profiled budget for 2019/20 and agreed allocations for future years.

To progress any changes that are required to maintain a relevant and accurate budget profile necessary for effective monitoring of the capital programme.

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To approve any updates to funding resources so that they can be applied to capital schemes in the delivery of the Council's overall capital strategy.

In March 2017 Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of setting the 2019/20 budget. The Council is in the final year of the budget plan and remains confident its strategic approach to budget planning alongside good financial management and extensive community engagement means that the plan continues to develop on solid foundations; it 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 significantly exceeding the budget. If further budget pressures are identified between now and the end of the year additional remedial action will be required to bring the overall budget into balance.

Alternative Options Considered and Rejected:

None.

25. WATER UTILITY PROCUREMENT PLAN

The Cabinet considered the report of the Head of Corporate Resources that detailed the options available to Sefton Council in the procurement of water services, with a subsequent recommendation that the Council becomes "Self-Supply" in the water market and appoints a managing agent as partner for market entry, data collection and billing.

Decision Made: That:

- (1) the purchase of Water and Wastewater Wholesale services directly from United Utilities as the sole wholesale provider for all Council buildings, including all Local Authority supported schools, and that this service be made available to partners (New Directions and Academies) currently included in existing utility supply contracts, be approved;
- (2) an advanced request for a quotation exercise to appoint a management agent, that will be published in the Governments Contracts Finder and on the chest portal, for a contract duration of 2 years, be approved;
- (3) authority be delegated to the Head of Corporate Resources in consultation with the Cabinet Member - Regulatory, Compliance and Corporate Services to award the contract for a managing agent resulting from the procurement, be approved;
- (4) authority be delegated to Head of Corporate Resources and the Head of Strategic Support for the review, approval and signature of the Water Supply and Sewerage Licence Application and Wholesale Contract for a 2-year period, be approved; and
- (5) the pilot project be reviewed and the results reported to the Cabinet

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Member for Regulatory, Compliance and Corporate Services six months prior to its end date, be approved.

Reasons for the Decision:

These recommendations will allow the Council to move away from its current 'deemed' contract rates and comply with Public Contracts Regulations (2015), achieve the largest potential savings from the options examined and have maximum control over cost saving activities that rely on accurate billing. In addition the Council will have:

- voting rights as a market participant, allowing Sefton Council to directly influence the market;
- a direct relationship with the wholesaler for quicker issue rectification;
- more regular water meter readings and improved provision of water consumption data; and
- access to specialist software to allow Sefton Council and site managers to more efficiently and effectively manage water consumption.

Alternative Options Considered and Rejected:

Do nothing

Remaining on deemed retailer rates currently does not provide best value for Sefton. Remaining on deemed rates also conflicts with our requirements under the Public Contracts Regulations (2015).

Switch retailer

Not considered cost effective and unlikely to yield significantly large saving for retail services due to OJEU procurement costs.

Sefton MBC access the retail market via a framework

Although this method would avoid OJEU costs and could improve benefits secured as part of a group procurement cost savings are still likely to be marginal.

Access the CCS framework as part of a larger procurement group in the Liverpool City Region

Potentially higher savings possible than Sefton MBC accessing a framework alone, however, there are no plans currently to progress. Results of this pilot will be relayed to the LCR group to aid progress.

26. EXCLUSION OF PRESS AND PUBLIC

Decision Made:

That, under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the press and public be excluded from the meeting for the following two items on the grounds that they involve the likely disclosure of exempt information as defined in

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Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The Public Interest Test has been applied and favours exclusion of the information from the Press and Public.

27. SEFTON COUNCIL HOUSING DEVELOPMENT COMPANY- SANDWAY HOMES LIMITED APPENDICES

The Cabinet considered the Annexes 1 to 3 to the joint report of the Chief Executive and the Head of Corporate Resources in relation to Sefton Council Housing Company – Sandway Homes Limited, namely:

- Annex 1 – Detailed analysis of the revised development appraisals from Sandway Homes Limited
- Annex 2 – Sandway Homes Limited Development Appraisals
- Annex 3 – Proposed loan agreement between Sefton MBC and Sandway Homes Limited

Decision Made:

That the Cabinet note the appendices in relation to Sefton Council Housing Company – Sandway Homes Limited.

Reason for the Decision:

The annexes are required to be considered along with the joint report of the Chief Executive and the Head of Corporate Resources elsewhere on the agenda (Minute No: 30 refers).

Alternative Options Considered and Rejected:

None

28. FINANCE MONITORING REPORT STRAND SHOPPING CENTRE, BOOTLE APPENDICES

The Cabinet considered the Appendices to the report of the Executive Director in relation to the Finance Monitoring of the Strand Shopping Centre, Bootle.

Decision Made:

That the Cabinet note the appendices in relation to the Finance Monitoring of the Strand Shopping Centre, Bootle.

Reason for the Decision:

The appendices are required to be considered along with the report of the Executive Director elsewhere on the agenda (Minute No: 31 refers)

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Alternative Options Considered and Rejected:

None

29. RE-ADMIT PRESS AND PUBLIC

The press and public were re-admitted to the meeting.

30. SEFTON COUNCIL HOUSING DEVELOPMENT COMPANY- SANDWAY HOMES LIMITED

The Cabinet considered the joint report of the Chief Executive and the Head of Corporate Resources in relation to the Housing Development Company, Sandway Homes Limited (SHL) and the work that had been undertaken to update the Company's Business Plan for the Phase 1 programme that included a full re-cast of all financial information.

The Cabinet also took into consideration the information contained in annexes 1 to 3 of the exempt agenda item No.14 (Minute No. 27 refers).

Decision Made: That:

- (1) the Updated development appraisals for Sandway Homes Limited be approved and authority be granted to proceed to the delivery of Phase 1;
- (2) the updated financial return that is due to the Council from the company through Phase 1 be noted and authority be granted to include this within the Council's 3-year Medium Term Financial Plan (2020/21 to 2022/23);
- (3) the basis for the transfer of land to the Company as set out in the report be approved;
- (4) the Company's approach to risk management and financial control as set out in the report be approved and the internal and external factors that could influence and impact upon the final financial return to the Council be noted;
- (5) the level and principles that will underpin the peak debt that can be accessed to the Company as set out in the report be approved;
- (6) the loan agreement included at Annex 3 between the Council and Sandway Homes Limited be approved;
- (7) the accounting treatment of Sandway Homes Limited within the Council's Statement of Accounts as set out in the report be noted;
- (8) the Council's governance arrangements in relation to Sandway

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Homes Limited as set out in the report be approved; and

- (9) the request to Sandway Homes Limited to identify up to 5 affordable homes for purchase by the Council for the purpose of providing Council Housing and that a subsequent report, detailing the exact assets to be purchased and the financial implications be provided to support the decision in accordance with the Council's Constitution and Financial Procedure Rules be approved.

Reasons for the Decision:

Since 2016 the Council has been considering its role in the provision of housing throughout the Borough to complement an active third and private sector market. There is significant demand for housing sites and housing development within Sefton, with over 11,000 housing units being required, over the Local Plan period, in order to meet with the local housing demand.

There is a national shortfall of circa 1m homes (of which 400,000 fall into affordable homes) whilst across the Liverpool City Region a total of circa 50,000 housing units will be required in the medium term. The creation of a Housing Development Company will be able to increase housing completions and the availability of choice for residents and those whom wish to live in Sefton.

Alternative Options Considered and Rejected:

The Council set out its evaluation criteria in October 2017 that led to the decision to establish a wholly owned Housing Development Company.

31. FINANCE MONITORING REPORT STRAND SHOPPING CENTRE, BOOTLE

The Cabinet considered the report of the Executive Director that detailed an update for Members on the financial performance of Bootle Strand Shopping Centre and the presentation of a revised Business Plan including:

- (i) the revised Business Plan for 2019/20 – 2021/22;
- (ii) the projected impact on the Strand Reserve; and
- (iii) details of short to medium term proposals that would further enhance the Centre both operationally and financially.

The Cabinet also took into consideration the information contained in the exempt agenda item No.15 (Minute No. 28 refers)

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Decision Made: That:

- (1) the revised Business Plan in relation to the Strand Shopping Centre be approved;
- (2) the contents of the report including the revised business plan projections for the years 2019/20 to 2021/22 be noted; and
- (3) It be noted that the proposal was a Key Decision that had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) had been consulted under Rule 27 of the Access to Information Procedure Rules of the Constitution, to the decision being made by the Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until Cabinet in September in order that targets within the business plan could be achieved.

Reasons for the Decision:

Prevailing market conditions have adversely impacted on the current approved Business Plan for the Strand. A full analysis of those market conditions, tenancy schedule and anticipated costs and receipts for the next 3 years, has led to a re-cast of the Business Plan. Operational decision-making cannot be made outside of an approved Business Plan and Members are asked to consider the current position and tactical actions to improve that position and approve the re-cast of the Business Plan.

Alternative Options Considered and Rejected:

Not taking any action is likely to lead to further vulnerability in the financial performance of the centre.

Agenda Item 4

Report to:	Cabinet	Date of Meeting:	Thursday 5 September 2019
Subject:	Adult Social Care - Residential & Nursing Care Sector		
Report of:	Director of Adult Social Care	Wards Affected:	All Wards
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To seek approval for the commencement of a project and consultation relating to the way in which the Council makes payments to the care home sector and to provide an update on work taking place within the sector.

Recommendation(s):

Cabinet is recommended to note the contents of the report and;

- (1) Note the ongoing work taking place within the Residential and Nursing care home sector;
- (2) Approve the commencement of a project to review the way in which the Council makes payments to the care home sector; and
- (3) Note that following the completion of Stage 1 of the above project (as detailed in Section 3.9 of this report) a further report will be submitted to Cabinet in January 2020.

Reasons for the Recommendation(s):

To update Cabinet on work taking place relating to the sector and to seek approval for the commencement of a project concerning the way in which the Council makes payments to care homes.

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

1. **Maintaining the Status Quo** – this option was considered and rejected as there is a need to review current mechanisms for payments to the care home sector and to conduct activities to better engage with, and support the sector to ensure that services remain viable and able to meet Sefton's needs.

Agenda Item 4

What will it cost and how will it be financed?

(A) Revenue Costs

There are no revenue costs associated with the recommendations at this stage as Stage 1 of the project will be delivered by existing staffing resources.

As detailed in the report, Stage 1 activities will encompass a quantification of the financial costs of implementing gross fees and these will be submitted as part of the report scheduled to be submitted to Cabinet in January 2020, together with a full financial and risk analysis. At this stage it is anticipated that any proposals would be within the services currently approved budget provision, however as part of the evaluation all financial risks will be appraised and proposals made for mitigation where required in addition to a full review of financial business processes and systems.

(B) Capital Costs

There are no capital costs associated with the commencement of the first stage of the project on care home payments, however should the second stage of the project be implemented then future costs may be incurred if changes to I.T. systems are required to reflect revised payment processes. Such costs will be reflected in the subsequent report to be submitted to Cabinet in January 2020.

Costs associated with the capital improvement workstream (please see section 2.3 for further details) will be met via resources within the wider Social Care Capital programme which has been approved by the Sefton Capital Investment Group (SCIG).

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
None at this stage as if approved, then Stage 1 of the project will be conducted by existing staff.
Legal Implications:
Care Act 2014 Care and Support Statutory Guidance The Care and Support and After-care (Choice of Accommodation Regulations) 2014
Equality Implications:
The equality Implications have been identified and mitigated.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Residential and Nursing care homes provide valuable care and support services to vulnerable members of the population.
Facilitate confident and resilient communities:
Commission, broker and provide core services: The proposed project encompasses a review of existing commissioning arrangements in order to provide continued support an oversight of this strategically important care sector.
Place – leadership and influencer:
Drivers of change and reform: The proposed project aims to deliver greater oversight of the sector as well as implementing changes to ensure continuous improvement on the quality of services provided.
Facilitate sustainable economic prosperity: The proposed project will seek to ensure that there is greater engagement with the market and more detailed oversight of services to ensure that services remain viable.
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 (FD5738/19) and the Chief Legal and Democratic Officer (LD4862/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation has taken place with care home providers as part of wider work such as consultation with respect to fee proposals. If the recommendations are approved then further consultation will take place with providers and other stakeholders.

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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:

There are no appendices to this report.

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 Sefton’s current annual expenditure on care home placements within the independent and voluntary sector is in the region of £52m. The sector continues to be strategically important as it provides key services for some of the most vulnerable people in Sefton, as well as being a key employer within the borough.
- 1.2 There are currently 108 registered care homes in Sefton, of which 14 provide specialist services, for example small registered homes for people with complex Learning Disabilities. Of the remaining 94 homes, 71 provide services predominantly for Older People and 23 cater for Older People with Dementia.
- 1.3 Within the 108 care homes, there are in the region of 3,500 bed spaces. Typically, the market operates with a 10% vacancy rate with around 50% of occupied beds being Sefton Council placements. The remaining placements are utilised by a mixture of private clients and placements made by Health and other Local Authorities.
- 1.4 The *Cabinet Member – Adult Social Care* ratified fee rates to be paid to Sefton care homes for the 2019/20 financial year in May 2019, and within this report reference was made to a report being submitted to Cabinet on future work areas relating to the sector, which included;
 - Sefton reviewing current payment and funding arrangements to care homes;
 - Identifying and outlining to Providers the Council’s commissioning intentions;
 - Supporting the market to improve the physical quality of care homes;
 - Quality, Performance and Safeguarding monitoring arrangements;
 - Joint commissioning with Health; and
 - Engagement and joint working with care home providers.

- 1.5 Also included in the fee report was feedback received from care home providers on the proposed fee rates gathered through a consultation exercise and this feedback, together with historical feedback from care home providers has highlighted that improved engagement with the market is required and that the current mechanisms for Sefton making payments to care homes (as detailed in section 3 of this report) should be reviewed. The need to review current mechanisms has also been identified by other Local Authorities within the Liverpool City Region.

2. Update on Work Taking Place Relating to the Care Home Sector

- 2.1 In line with the above, work has taken place to commence the proposals around the sector.

- 2.2 With respect to improving engagement and joint working with the sector, Council officers have commenced discussions with the Chair of a newly established Care Home Forum operated by providers. The forum aims to provide a single voice for the sector and improve standards within it. It is proposed that the Council will support and link into this forum in order to ensure that it is used as a mechanism for;

- Improved engagement with the care home market – for example to afford the Council the opportunity to outline its strategic priorities and future demands; and
- Supporting the market via providing training opportunities and the sharing of good practice in order to drive service quality improvements.

- 2.3 In relation to supporting the market to improve the physical environment of care homes, capital funding has been secured to support this initiative and the next stage being developed is to develop and implement a process for care homes to 'bid' for such funding. This funding would be made available for care homes to make improvements which will improve the experiences of service users, for example by making homes more dementia friendly.

- 2.4 Work is also taking place to review current policies and processes relating to how the Council and its partners (principally Health) monitors care homes with respect to quality, performance and safeguarding issues. This includes the potential to implement a new I.T. system which will be used to quality assess care homes and provide improved real-time data on the care home market.

3. The Proposed Project Relating to Care Home Payments

- 3.1 When a service user is assessed as requiring either a residential or nursing care home placement and the service user has capital and savings below the statutory threshold of £23,250, then the Council is required to pay towards the cost of the care. The amount paid is based on the Council's contracted rates for placements.

- 3.2 Currently, Sefton's current contractual arrangement is to pay providers the local authority contribution only; net of the client's personal financial contribution toward

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their assessed care needs and any agreed third-party top-up for additional services. For example;

- The Council's contracted fee rate is £500 per week
- The service user is financially assessed as being able to pay £150 per week towards the cost of their care
- The care home provider states there is a £50 third-party top-up applicable

Then based on the above;

- The Council would pay the care home provider £350 per week
- The service user would pay the provider directly their £150 per week financial contribution
- The third-party would pay the care home provider the £50 per week

Feedback received as part of consultation on fee rates has highlighted that providers consider that the above arrangements are an administrative burden, with costs associated with having to employ staff to manage payment issues and difficult to administer due to factors such as changes to service users client contributions that can occur.

3.3 The Care Act 2014 and subsequent Regulations as well as recent input from the Local Government Ombudsmen (LGO) and other external advice has clarified the legislative requirements on the Local Authority as the commissioner of the care home placement and best practise regarding contractual payment arrangements to care homes.

3.4 Due to the above, many Local Authorities now pay or are considering evaluating paying the full gross cost of the care home placement to the care home provider and then arrange for the service user's contribution to be collected by the Local Authority directly. This ensures the care home provider is not left at risk of "bad debt" accumulating as a result of clients failing to pay their assessed contributions in a timely fashion. An analysis of the regional market has taken place and it has been found that other local authorities have either changed to paying gross or are in the process of doing so.

3.5 It is also viewed that by implementing revised payments arrangements the following benefits could be achieved;

- Greater compliance with the Care Act 2014 guidance and good practice
- Improved relationships with care home providers
- Greater transparency of care home fee levels (principally third-party top-ups) and how they are calculated
- Improved market oversight – regarding fees and charges and what they are for
- Scope to reduce ongoing annual fee increases – to take into account the reduced administration costs providers would incur as they would no longer be required to collect client contributions and third-party top-ups
- Care homes not having visibility of service users finances – thus reducing risk of financial abuse and therefore potential safeguardings

- Self-funders can access Council's purchasing power (as referenced in recent Ombudsman judgements in Blackpool and Plymouth)
- Sefton mirroring arrangements put in place by other local authorities (for example Liverpool and Lancashire)
- Reduced risk of Judicial Review (for example in Devon where cost of challenge was £200k plus)

- 3.6 However, it is important to highlight that any implementation of revised payment arrangements would place additional risks and financial pressures on the Council. By paying gross the Council would face a significant increase in the number of service users being charged directly by the Council for their personal contribution to their care home placement. In turn, levels of Council debt would increase and additional staffing resources would be required to collect income, deal with service user financial enquiries and manage and pursue debts. The Council could also experience cash-flow issues given that gross payments would be made to providers in advance of service user financial contributions being collected. As a result, there will be a need to review existing debt systems and processes to ensure that they are robust and have effective control measures in place to manage and reduce risks.
- 3.7 Care home providers themselves may also face issues with the move to gross payments as self-funding service users who previously arranged their care and funding of such care directly with care home providers may wish for the Council to conduct such arrangements for them in the future, thereby accessing the Council's 'buying power'. This could impact on providers who have historically levied fees on such service users which are higher than Council contracted rates. The project will also explore potential reductions in capital threshold referrals to the Council against any potentially increases to levels of Council debt. For example, if service users access the Council's 'buying power' then they may pay lower care home fees, thus resulting in their savings lasting longer, therefore delaying the period when their savings fall below the statutory threshold of £23,250. Should Stage 2 of the project be approved, then a key element of the work conducted will be to explore these issues further.
- 3.8 In addition, for nursing care home placements made in Sefton, the Council also pays providers the Funded Nursing Care (FNC) element on behalf of the applicable local Clinical Commissioning Group (CCG). In recent years this has placed an administrative burden on the Council, primarily with respect to the Council obtaining the correct and full financial re-imburement from the CCG's for such payments. At this present time, the Council still has queries outstanding regarding payments for previous financial years.
- 3.9 As a result of all of the above factors it is proposed that a project is commenced to review the way in which the Council makes payments to care homes. A project plan has been devised which encompasses the project being split into the following two stages;

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Stage 1 – September to December 2019

Initial phase to establish a project team which will;

- Further quantification of the potential financial impacts on the Council
- Formulate proposals around how the Council would consult and engage with care home providers regarding any proposed changes
- Research activities – for example how other local authorities have implemented the proposed changes, changed debt management processes and managed risks
- Establish a preliminary project team

Stage 2 – January 2020 to March 2021

- Submission of report to Cabinet detailing outcomes of Stage 1 activities and to potentially seek a decision on the implementation of revised payment arrangements
- If Cabinet approval is given to implement revised arrangements then the following will then take place;
 - Establishment of dedicated project team – including ringfenced project team staff
 - Commencement of consultation / engagement with care home Providers
 - Testing and implementation of required I.T. changes
 - Formulation of revised policies and procedures
 - Review of existing contractual arrangements in place with providers
 - Joint working with Health regarding changes to FNC payments

4. Conclusion / Recommendations

- 4.1 Residential and nursing care remains a strategically important sector delivering valuable services to vulnerable people. Work is taking place on the sector in order to better engage with the provider market and to ensure that the Council has greater oversight of the market, particularly with respect to the quality of services being provided.
- 4.2 Cabinet is asked to note the ongoing work taking place around the sector and to approve the recommendations on further proposed work.

Agenda Item 5

Report to:	Cabinet	Date of Meeting:	5 September 2019
Subject:	Sefton New Directions Contract		
Report of:	Director of Adult Social Care	Wards Affected:	All Wards
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To seek approval on the terms of the extension to the Sefton New Directions Limited contract and to update Cabinet on joint working with Sefton New Directions Limited to review services.

Recommendation(s):

Cabinet is recommended to;

- (1) Authorise an extension to current contractual arrangements with Sefton New Directions Limited, consisting of an initial three-year period from 1st October 2019 with the further option to extend for a further twelve months after the initial extension period;
- (2) Authorise that future decisions on any variations to the contract, and the option to implement the further twelve-month extension to the contract (beyond the initial three-year extension) be delegated to the Director of Adult Social Care in consultation with the Cabinet Member – Adult Social Care; and
- (3) Note the contents of the report with respect to the continued joint working taking place with Sefton New Directions Limited to review services.

Reasons for the Recommendation(s):

To establish new contractual arrangements with Sefton New Directions Limited (hereinafter referred to as New Directions), thus ensuring that services continue to be delivered.

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

1. **Not Awarding a Contract Extension** – this option was considered and rejected as New Directions is both a Council wholly owned council company and an organisation which remains a key partner to the Council, delivering a range of strategically important services. Furthermore, if the contract was not extended then services to vulnerable people may be affected as new providers would need to be procured.

What will it cost and how will it be financed?

(A) Revenue Costs

Revenue costs for the new contract will be met from existing Adult Social Care budgets.

The annual contract value is currently £7.369m.

(B) Capital Costs

Not applicable

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
The resource implications are addressed within the report
Legal Implications:
Care Act 2014 Care and Support Statutory Guidance Public Contract Procedure Rules 2015
Equality Implications:
The equality Implications have been identified and mitigated.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:
New Directions is the Council's principal trading company and strategic partner in the delivery of a range of Adult Social Care services which support vulnerable people in Sefton.
Facilitate confident and resilient communities:

The ongoing review of services will ensure that the services provided reflect the Council's strategic priorities, including creating confident and resilient communities.
Commission, broker and provide core services: New Directions deliver a range of Adult Social Care services to vulnerable people in Sefton.
Place – leadership and influencer:
Drivers of change and reform: The delivery of services via a Council owned company adheres to the Council's Framework for Change and Public Sector Reform programme.
Facilitate sustainable economic prosperity: The delivery of services via a Local Authority owned company retains the Council's investment in the borough as well as New Directions being a local employer, thus supporting wider initiatives such as internal investment and Social Value in Sefton.
Greater income for social investment: The status of New Directions affords it the opportunity to trade and generate income streams additional to those directly commissioned by the Council. As the Council is the sole shareholder of the company then it can benefit from any dividends achieved.
Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5739/19) and the Chief Legal and Democratic Officer LD4863/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation has taken place with New Directions with respect to future contractual arrangements and ongoing joint working to review services.

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:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 New Directions (also known as Sefton New Directions) was incorporated in 2007 as a Local Authority trading company with Sefton Council being the sole shareholder. The company is an independent legal entity and operates under the governance of a board.
- 1.2 The company is registered with the Care Quality Commission and provides a range of services including Day Services, Reablement, Residential care, Supported Living and Shared Lives under the contract established in 2007.
- 1.3 New Directions also provide Domiciliary and Residential Care services which are delivered under separate individual contracts with the Council.

2. Historic Contractual Arrangements and Legal Framework

- 2.1 The existing contract with New Directions was established in 2007 for an initial ten-year period and on 6th April 2017 Cabinet approved a further extension up to 31st March 2019.
- 2.2 Since April 2019, existing contractual arrangements have been maintained on an informal basis pending a formal decision on longer-term contractual arrangements.
- 2.3 The legal framework relating to the awarding of public contracts has changed since New Directions was established as a company with the implementation of the Public Contracts Regulations 2015. These regulations impose obligations on public bodies (referred to as contracting authorities) in relation to how they award contracts for goods and services. The requirements of the regulations are reflected in the Council's Contract Procedure Rules.
- 2.4 The regulations also encompass issues relating to the issuing of public contracts between entities within the public sector, including a specific exemption from most of the requirements of the regulations and specifically allowing the direct award of public contracts by a contracting authority to a "controlled person".
- 2.5 The above exemption applies where the contracting authority exercises over the controlled person a level of control which is similar to that which it exercises over its own departments; and also when more than 80% of the activities of the controlled person are carried out in performance of activities entrusted to it by the controlling contracting authority or by other legal persons controlled by that contracting authority; and there is no direct private capital participation in the

controlled legal person with the exception of non-controlling and non-blocking forms of private capital participation required by national legislative provisions, in conformity with the Treaties, which do not exert a decisive influence on the controlled legal person.

- 2.6 As a result of the above, the Council is permitted to extend existing contractual arrangements with New Directions.

3. Proposals on Future Contractual Arrangements / Review Work

- 3.1 New Directions remains an important organisation to the Council, delivering a range of services that meet strategic priorities and provide statutory services to vulnerable people in the borough.

- 3.2 New Directions have continued to deliver services which have assisted with meeting key aims such as reducing hospital discharge delays, supporting people to regain the independence and providing community based services and opportunities for people with complex needs. In addition, the organisation has grown principally with respect to delivering more community based and residential care services.

- 3.3 The Council and New Directions have continued to effectively work in partnership to review services, develop the organisation and performance manage services to ensure that they continue to meet desired outcomes.

- 3.4 It is therefore proposed that the existing contract is extended for a further three-year period (from 1st October 2019) with a further option to extend for an additional twelve months after the initial extension period.

- 3.5 The new contract issued will be an updated version to reflect changes in legislation such as that relating to data protection and information governance.

- 3.6 In tandem with the implementation of the new contract it is also proposed that joint reviews of all existing services continue to take place between the Council and New Directions Officers, principally with respect to;

- Conducting ongoing reviews and assessments of each service with respect to;
 - Their delivery against Council strategic priorities;
 - Best Value and cost effectiveness;
 - Quality; and
 - The Council continuing to meet its Care Act 2014 duties, principally with respect to Market Management.
- Formulating revised specifications for each separate service delivered under the contract with clearly defined business requirements, with these specifications reflecting agreed models of service and strategic priorities and providing flexibility to adapt to any changes required to support market management for services;

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- The establishment of a performance management framework to inform future reviews of services and to monitor the quality of services; and
- Agreeing budgets and payment arrangements for each separate service through open book accounting principles and linking financial payments for services to defined outputs.

3.7 A timetable for the above reviews will be agreed between the Council and New Directions and joint working will take place to ensure that the reviews are conducted in the spirit of openness and transparency in order to ensure that outcomes meet common aims and priorities, as well as assisting with the development of New Directions as a company that in the future can expand its business activities from those purely commissioned by the Council.

Agenda Item 6

Report to:	Cabinet	Date of Meeting:	5 September 2019
Subject:	Community Substance Use: Assessment, Treatment and Recovery Service		
Report of:	Head of Health and Wellbeing	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision?	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

In July 2016, Mersey Care NHS Foundation Trust were awarded a contract to provide Adult Substance Use: Assessment, Treatment and Recovery Services with effect from 1st October 2016. The contract was awarded for three and a half years with an option to extend for up to a further two years. Consideration is now required on exercising continuation options as the core contract is due to expire on 31th March 2020.

Recommendation:

To give delegated authority to the Director of Public Health in consultation with the Cabinet Member for Health and Wellbeing to exercise the option to combine both twelve-month extension / continuation options and exercise an extension to the existing contract for a period of two years from the 1st April 2020.

Reasons for the Recommendation:

For the past two and a half years, Mersey Care NHS Foundation Trust have provided Adult Substance Use: Assessment, Treatment and Recovery Services and have made significant improvements in both the effectiveness of treatment delivery and the reliability of data recording and reporting. The service has demonstrated an overall improvement in the numbers of people successfully engaged and completing treatment with abstinence rates for opiates, crack cocaine and alcohol all within the expected range as calculated by the National Drug Treatment Monitoring System (NDTMS). Local treatment engagement rates for opiates, crack cocaine and alcohol use all exceed national rates while no clients have waited longer than three weeks to receive an intervention.

Public Health Commissioners have no concerns over the quality, performance or governance of the current service. Moreover, the above recommendation would provide a longer period of service stability and enable the service to further develop and consolidate important collaborative projects that have been recently initiated. The option would also reduce cost to the Council from engaging in an early procurement exercise.

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

- i) Exercise one year extension / continuation option. This option would provide a degree of continuity and stability. However, any continuity / stability derived from exercising this option would be limited to twelve months at which point the Council would still need to consider exercising the second extension / continuation option or re-tender the service.
- ii) Conducting a full procurement exercise would not bring about any significant benefits for Sefton Council, health and social care partners or for users of the substance use service.

Considerable savings were realised throughout the 2016 procurement exercise with a contract value reduced from £3,599,574 per year to £3,276,454 per year. The contract was awarded following robust assessment and evaluation procedures and it was clear that there were only a limited number of acceptable options available within the open market. Mersey Care NHS Foundation Trust are a large local health care provider and are able to draw on a variety of specialist services within the Trust to further compliment service provision, including community mental health and psychology services. Moreover, recent innovative collaborative projects between Mersey Care NHS Foundation Trusts' Substance Use Service, Ambition Sefton and the Trusts Life Room facilities as well as with Sefton Council Housing Options Team are showing extremely encouraging outcomes with the option to firm up these arrangements via contract variations should an extension be authorised.

What will it cost and how will it be financed?

(A) Revenue Costs

The cost of the service will be met from the existing Public Health budget allocation. The contract will include provision for variation and early termination by the Council for convenience in the event of further reduction in funding and the requirement for the Council to achieve an overall balanced budget.

(B) Capital Costs

There are no capital costs for the Council associated with this Service.
Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
The proposals aim to offer maximum value for money while ensuring stability in the drug and alcohol treatment system. The cost of the service will be met within the existing Public Health budget allocation.
Legal Implications:
Equality Implications:
There are no equality implications.

Contribution to the Council’s Core Purpose:

<p>Protect the most vulnerable:</p> <p>Adult substance use: assessment, treatment and recovery services target the most vulnerable groups whose alcohol and other use problems compound physical and mental ill health and increase risk among disadvantaged sections of the community.</p>
<p>Facilitate confident and resilient communities:</p> <p>Adult substance use: assessment, treatment and recovery services help individuals to live an independent and drug free life and help people to achieve meaningful integration within their community.</p>
<p>Commission, broker and provide core services:</p>
<p>Place – leadership and influencer:</p> <p>Not applicable</p>
<p>Drivers of change and reform:</p> <p>Not applicable</p>
<p>Facilitate sustainable economic prosperity:</p> <p>Not applicable</p>
<p>Greater income for social investment:</p> <p>Not applicable</p>
<p>Cleaner Greener</p> <p>Not applicable</p>

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5742/19) and the Chief Legal and Democratic Officer (LD4866/19) have been consulted and any comments have been incorporated into the report.

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(B) External Consultations

Public consultation took place during the procurement exercise. Recent feedback from CCG colleagues suggests that communication and pathways between Southport hospital based alcohol services and Ambition Sefton have improved significantly.

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:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1. Since the mid-1980s substance use treatment services have been central to sustaining low rates of HIV, injecting related infections and other drug and alcohol related harm. Research continues to show a positive association between engagement with effective substance use treatment and a reduction in harm, crime and criminal activity associated with illicit substance use. Recovery Orientated Treatment Systems have demonstrated significant improvements in personal resilience and social capital growth, increasing individual access to and achievements from education, training and employment opportunities.
- 1.2. Problematic substance use has been described as a ‘chronic relapsing condition’, dependent drug and alcohol users will typically present to services with a range of complex physical, emotional, psychological and psychiatric health problems. Clients accessing Sefton’s substance use treatment population are typical of this description with 43.6% of the treatment population having been in treatment for six or more years. In 2018/19 the number of individuals in structured drug and alcohol treatment (not including those who regularly access the service for advice and on-going recovery support) reached 2,316, an increase of 447 receiving structured treatment since 2016/17.
- 1.3. Effective treatment and recovery requires a range of services and interventions including; specialist clinical services offering opiate replacement treatment, stabilisation and reduction programmes, medically assisted alcohol withdrawal programmes, psychosocial interventions and support, non-structured support

including mutual aid, harm reduction services, including needle and syringe programmes and referral pathways to related health and social care services.

- 1.4. Specialist substance use assessment, treatment and recovery services are an integral part of any substance use treatment system and an essential element in the reduction of drug related harms including HIV and other blood borne viruses, overdose deaths and injecting related injuries as well as a range of alcohol related health harms.
- 1.5. Successful recovery from addiction and dependency on substances including alcohol requires sustained and co-ordinated care across services. Evidence points to effective and integrated treatment programmes as being central to enabling people with substance use problems to realise a drug and alcohol-free life style and sustain longer periods of abstinence. An integrated system increases efficiencies by reducing duplication between services, improves access to a range of services appropriate to the needs and requirements of service users, optimises treatment and recovery outcomes and improves the safety of individuals, their children and families and the communities in which they live.
- 1.6. Sefton's integrated system includes referrals from a range of sources including; GPs and Primary Care, Adult Social Care, Community Mental Health Teams, Hospital and Specialist Secondary Care, Prison and Probation Services as well as self-referrals. Treatment pathways include assessment, treatment, detoxification, stabilisation, relapse prevention and recovery support, and can be delivered in a variety of settings both community and residential.
- 1.7. Structured drug and alcohol treatment interventions (pharmacological and psychological) are determined by a combination of assessment of health and social care need. Validated assessment tools along with a comprehensive assessment of health history, home and social circumstances, as outlined in National Institute for Health and Care Excellence (NICE) guidance, informs the type of detoxification (medically or non-medically managed) and the environment where interventions should be undertaken.
- 1.8. Mersey Care NHS Foundation Trust provide integrated adult treatment services including assessment and care planning, opiate substitution treatment either on a reduction or maintenance basis, community detoxification (pharmacologically and non-pharmacologically) assisted, psychosocial interventions, recovery support and relapse prevention.
- 1.9. For clients requiring detoxification, the first-line offer is community detoxification within the adult treatment service. Where severe dependency, complex physical and / or mental health needs are indicated, seamless transfer to Mersey Cares' Medically Managed Residential Detoxification Service provides the most suitable clinical environment to manage risk and health needs.

2. Commissioning and the Impact on drug treatment

- 2.1. In its 2017 Report; *The Impact of Commissioning on Substance Use Treatment*, The Advisory Council on the Misuse of Drugs (ACMD) noted that the frequency of recommissioning substance use treatment services was causing unnecessary

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'churn' and destabilising the treatment system. The Advisory Council were unequivocal in their conclusions stating that *frequent re-procurement of substance use treatment is costly, disruptive and mitigates treatment recovery outcomes*. They called for Government and Local Authority Commissioners to ensure that re-commissioning drug and alcohol treatment services is normally undertaken in cycles of five to ten years, with longer contracts and careful consideration of the unintended consequences of re-commissioning.

- 2.2. A strong body of evidence supports the claims that investing in drug and alcohol treatment saves money. Estimates show that the social and economic costs of alcohol related harm amount to £21.5bn, while harm from illicit drug use costs £10.7bn. These include costs associated with deaths, the NHS, crime and, in the case of alcohol, lost productivity. Recent benchmarking activity show Sefton Substance Use Services as providing good value for money while providing good service outcomes.
- 2.3. Providing well-funded drug and alcohol services is good value for money because it cuts crime, improves health, and can support individuals and families on the road to recovery.
- 2.4. The combined benefits of drug and alcohol treatment amount to £2.4billion every year, resulting in savings in areas such as crime, quality-adjusted life years (QALYs) improvements and health and social care. Quality-adjusted life years (QALYs) are measures of life expectancy and quality of life used in health economic evaluations and resource allocations.
- 2.5. Alcohol treatment reflects a return on investment of £3 for every £1 invested, which increases to £26 over 10 years.
- 2.6. Drug treatment reflects a return on investment of £4 for every £1 invested, which increases to £21 over 10 years.
- 2.7. A similar case can be made for the impact of disinvestment in substance use treatment and the cumulative social cost of every £1 cut from treatment. In October 2017, the Guardian Newspaper ran a story citing Sefton as being one of worst hit Local Authorities for cuts to its drugs and alcohol treatment budget. Against this backdrop of financial challenges public health commissioners, Mersey Care NHS Foundation Trust Ambition Sefton, health and local authority partners have forged strong collaborations – pioneering innovative service provision while ensuring that any duplication is stripped out of the treatment and recovery system.

3. Integrating housing support and substance use treatment through strong collaboration

- 3.1. In its 2019 Report on drug related harms in homeless populations, the ACMD noted that: *"The needs of people who are homeless, particularly rough sleepers, are not well met by mainstream benefit, health and social care and some drug services"* The Advisory Council concluded that an integrated health, social care and community care approach to recovery and housing needs of people who are homeless would provide the optimal model of service delivery.

- 3.2. Collaboration between Sefton Council's Housing Support Team, Mersey Care Foundation Trust Ambition Sefton and Public Health has resulted in improved support within local hostels and a pilot clinical outreach project working within rough sleeper services.
- 3.3. Weekly clinical in-reach sessions to hostels in Bootle have proved successful in engaging individuals with complex health care needs with substance use treatment and health care support while clinical outreach sessions in Southport have been working with rough sleepers and supporting the newly developed complex bed unit.
- 3.4. On-going dialogue with Ambition Sefton show an encouraging appetite to progress this collaboration further formalising current arrangements and considering further developments including satellite needle and syringe programmes in hostels and provision to initiate prescriptions for opiate substitution treatment. Collaboration and integration between housing support, rough sleeper projects and Mersey Care NHS Foundation Trust Substance Use Service, Ambition Sefton can be written into the current Ambition Sefton Service Specification via a contract variation should the contract be extended.

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Agenda Item 7

Report to:	Cabinet	Date of Meeting:	5 September 2019
Subject:	0-19 Healthy Child Programme		
Report of:	Head of Health and Wellbeing	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

In September 2016, North West Boroughs Health Care Trust were awarded a contract to provide Integrated 0-19 Healthy Child Programme (HCP) Nursing Services with effect from 1st April 2017. The contract was awarded for three years with an option to extend for up to a further two years.

HCP is an early intervention and prevention public health programme based on a model of 'progressive universalism'. This means all families receive a number of standard services (universal). Additional services are available to those who need them or are identified as being at risk.

Consideration is now required on exercising continuation options as the main contract is due to expire on 1st April 2020.

Recommendation(s):

(1) Cabinet to grant authority to exercise the option to extend the current contract for a period of two years from the 1st April 2020

Reasons for the Recommendation(s):

The current contract is from 1st April 2017 to 31st March 2020, with the option to extend for a further 2 years. Approval is sought by Cabinet to extend the current commission of the HCP Service by an additional two years to March 2022.

This option would provide a longer period of service stability and reduce cost to the Council from engaging in a procurement exercise.

This would enable further review of the service and allow for development of a fully integrated 0-19 public health nursing service, which will influence whether the contract should be varied or recommissioned after this period.

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

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The available options are:

- i) Exercise one year extension / continuation option. This option would provide a degree of continuity and stability. However, any continuity / stability derived from exercising this option would be limited to twelve months at which point the Council would still need to consider exercising the second extension / continuation option or re-tender the service.
- ii) Conducting a full procurement exercise would not bring about any significant benefits for Sefton Council or for users of the 0-19 service

What will it cost and how will it be financed?

(A) Revenue Costs

The current contract is funded from within the services base budget for which sufficient provision exists. The new contract will similarly be contained within this budget and includes nursery nursing, health visiting, school nursing and the enhanced public health nursing services.

The contract will include provision for variation and early termination by the Council for convenience in the event of further reduction in funding and the requirement for the Council to achieve an overall balanced budget

(B) Capital Costs

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

Implications of the Proposals:

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

The proposals aim to offer maximum value for money while ensuring stability in the Healthy Child Programme. The cost of the service will be met within the existing Public Health budget allocation.

Legal Implications:

Equality Implications:

There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

The HCP is based on a model of 'progressive universalism'. This means all families receive a number of standard services (universal). Additional services are available to those who need them or are identified as being at risk.

Facilitate confident and resilient communities:

The Integrated 0-19 HCP for Sefton continues to provide the opportunity to transform and integrate health services, education and children’s social care to improve quality health and well-being outcomes for our children and young people.

Opportunities include

- Co-production for children’s public health services, early help and wider family services
- Streamlining universal access to the HCP with early intervention and targeted programmes for families needing more help
- Better integration of services at the point of delivery with improved access and improved user experience helping to lead to improved outcomes for children, young people and families and reduced inequalities.

Commission, broker and provide core services:

Place – leadership and influencer:

Not applicable

Drivers of change and reform:

Not applicable

Facilitate sustainable economic prosperity:

Not applicable

Greater income for social investment:

Not applicable

Cleaner Greener

Not applicable

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5741/19) and the Chief Legal and Democratic Officer

(LD4865/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

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

Contact Officer:	Margaret Jones
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Appendices:

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There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 North West Boroughs Healthcare NHS Foundation Trust (NWBH) are the current providers of Sefton's commissioned 0-19 Public Health Nursing services. They succeeded the previous provider Liverpool Community Trust on the 1st April 2017. They were awarded a 3-year contract with the option of two 1 year extensions This paper provides an update on the progress made so far in developing the new integrated 0-19 model.
- 1.2 The responsibility for commissioning school nursing services transferred to the Local Authority in 2013, with responsibility for 0-5 (Health Visiting and Family Nurse Partnership) transferring in 2015. A decision was made to combine the services into an integrated 0-19 service to ensure a coordinated and clearly specified contribution to the national Healthy Child Programme (HCP).
- 1.3 HCP is an early intervention and prevention public health programme based on a model of 'progressive universalism'. This means all families receive a number of standard services (universal). Additional services are available to those who need them or are identified as being at risk.
- 1.4 Certain elements currently provided by health visitors are mandated: Antenatal health promoting visits, new baby review, 6-8-week assessment, 1 year assessment and 2-2½ year assessment.
- 1.5 Here the HCP aims to
 - Help parents develop a strong bond with children
 - Encourage care that keeps children healthy and safe
 - Protect children from serious disease, through screening and immunisation
 - Reduce childhood obesity by promoting healthy eating and physical activity
 - Encourage mothers to breastfeed
 - Identify problems in children's health and development so that they can get any help they need as early as possible.
 - Make sure children are prepared for school
- 1.6 Reviews provide key touch points for professional and support staff to engage with families. This is a non-stigmatising offer that establishes a health promoting public health approach. For all ages checks promote early help, identification of vulnerable families, referral to step up services and good health for all families. This approach fits well with the evidence based approach set out by Marmot to improve the health of all whilst narrowing the gap between the best and worst off.
- 1.7 School nursing service is for all 4-19 year olds attending schools in Sefton. The service focuses on the promotion of health and early interventions. Support is provided to individual children and families and to schools. Work delivered includes:

health assessments for all reception children, health and well-being assessment for children moving from year 6 to 7, National Child Measurement Programme for year R and 6, screening, immunisation programmes, drop in clinics covering health and lifestyle behaviour, support for vulnerable children including safeguarding, assisting schools with lesson planning in PHSE and supporting schools develop school health plans etc.

1.8 The new model includes a specific enhanced public health nursing service to vulnerable parents and children (this replaced the Family Nurse Partnership). The service has also evolved to account for developments in NHS England commissioned immunisation service and CCG commissioned safeguarding and Looked After Children provision.

2 Key service developments.

2.1 Geographically focused delivery

2.1.1 Where appropriate teams have co-located to provide greater professional support e.g. Immunisation Team (commissioned by NHS England), the Safeguarding Team (commissioned by CCG), and the Enhanced Team.

2.1.2 Work is ongoing with Sefton Council Locality Teams to identify opportunities for joint working and resource sharing, this includes, co-developing and delivering pathways. The Trust are actively involved in key partnership groups including:

- School Readiness
- Nutrition
- Maternal Mental Health
- Early Years and Parenthood
- Prevention and Treatment of Minor Illness and Injury
- Lancaster Model – Delivery in Schools
- Resilience and Wellbeing
- SEND
- Workforce and Training

2.2 The Sefton Enhanced 0-19 Children's Team is divided in to three key areas: Pre-school, School age and Emotional health and wellbeing.

2.2.1 Pre-school visiting begins in the antenatal period with the opportunity for families to remain with the enhanced team until the baby is 2 years old and beyond if needed. The visiting schedule is flexible; however, the core offer is up to 5 ante natal visits, weekly visits from birth for 4 weeks, fortnightly until 8 weeks, monthly until 12 months and bi-monthly until 2 years. This is reviewed at set intervals to ensure that the families who would still benefit from the support of the enhanced team remain whilst other families may be discharged and return to the generic health visiting team.

2.2.2 For school aged children and young people the service is offered to children and young people who are referred to the pupil referral unit for emotional and behavioural difficulties, children and young people who are receiving elective home education including the Gypsy/Traveller population, children and young

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people without a school place and who have additional needs and identified young people aged 16-19 years who are not in education, employment or training and have not attended a school or college in Sefton.

2.2.3 The emotional health and wellbeing Service is provided to children, young people and families to provide emotional, mental health and behaviour advice and support. Key features of the service are early identification, early assessment and early intervention.

2.2.4 The specialist Nurse for emotional health and wellbeing provides a service that is accessible and adaptable to meet a child or young person's needs. Completion of interventions will result in discharge from the specialist nurse directly back to the named school nurse, or the named school nurse will be notified of any onward referrals. The specialist Nurse also provides training and consultation to the school nurses, and members of the Enhanced Team.

2.3 Looked After Children (LAC)

2.3.1 Two staff from school health have moved to the vulnerable young person's team (commissioned by CCG) with a dedicated looked after children caseload.

2.3.2 Public Health commissioners have worked closely with CCG commissioners to facilitate greater integration/closer working between the specialist LAC service and the universal 0-19 service, including support, training and supervision from the newly recruited named LAC nurse. Staff reporting and performance indicators suggest improved working relationships and better outcomes for children, as demonstrated by Social Workers supporting improved attendance at health assessments.

2.4 Infant Feeding

2.4.1 The Trust will be applying for UNICEF Baby Friendly (BFI) re-accreditation in early spring 2020 alongside the Family Wellbeing Centres and will align with the other NWBH 0-19 Services (St Helens and Knowsley). Note, Sefton remains accredited pending re-assessment and BFI baseline audits look promising with good practice embedded. Plans are in place to roll out training and audit within Family Wellbeing Centres.

2.4.2 Breast Feeding Sefton (peer support service) has been established, providing advice and practical support for women who choose to breastfeed.

2.5 The Lancaster Model (TLM).

2.5.1 TLM evidences the needs of children, young people and their families through an online health needs assessment, completed at Reception, year 6 and 9. The school nurse assigned to the child's school accesses the portal and reviews the completed questionnaires. They can see where support is needed on an individual basis along with key themes identified through analysis of the whole school data set. In conjunction with the Head teacher, the nurse can then devise a bespoke School Health Plan which will address the 3 key themes that emerge.

2.6 NHS England commissioned vaccination and immunisation programmes

2.6.1 NHS England commission NWBH to deliver school age vaccination and immunisation programmes. There are plans to roll out new programmes in the coming year, these include extensions in HPV and Flu offer.

2.7.2 The vaccination and immunisation contract was commissioned alongside the Council HCP. Local Authority and NHE England commissioners continue to work closely to ensure both services work closely together to provide mutual

2.7 Performance monitoring

2.7.1 A quarterly reporting schedule has been established with open and detailed discussions on performance against KPIs. This includes quantitative reporting, narrative, including deep dives into understanding behaviour around key contacts and case studies from across the service with growing evidence on early intervention and consideration of the voice of children and families.

2.7.2 An extensive engagement and consultation was started in July 2019 and has been extended with key stakeholders to inform the current service specification and delivery model. Stakeholders included provider staff, health partners, parents and young people. Young people from the Making a Difference group helped with the design of the online questionnaire and promotional video.

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Report to:	Cabinet	Date of Meeting:	5th September 2019
Subject:	Regional Supported and Independent Living (SaILS) framework		
Report of:	Director of Children's Social Care and Education	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Children, Schools and Safeguarding		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report seeks to agree the procurement of semi-independent living placements (SaILs) for young people (aged 16+) for the period September 2019 to March 2020 via the Dynamic Purchasing System (DPS) hosted by Tameside Council and to authorise the procurement for such services beyond April 2020 via the new North West Regional Flexible Purchasing System (FPS) hosted by Bolton Council.

Recommendation(s):

That Cabinet

- (1) approve that Sefton Council continue to purchase SaILs placements from the Tameside hosted DPS for the period 1st October 2019 to 31st March 2020.
- (2) authorise the Director of Children's Social Care and Education to participate in the development and procurement of the North West Regional FPS for supported and independent living placements for young people age 16+ to be hosted by Bolton Council scheduled to commence 1st April 2020 to replace the current DPS.
- (3) authorise the Director of Children's Social Care and Education to continue to purchase SaILs placements from the Bolton hosted FPS from 1st April 2020 for the duration of the FPS, providing the procurement is compliant with Sefton's Contract Procedure Rules.
- (4) that should it be identified that the purchasing systems do not meet Sefton's requirements that delegated authority is given to the Director of Children's Social Care and Education to conduct individual procurement exercises as and when required and is given delegated authority to award contracts following such exercises.

Reasons for the Recommendation(s):

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To ensure that the Council continues to have in place robust mechanisms to procure Semi-Independent Residential Placements (SaILs) for Young People age 16+.

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

- (1) The Local Authority carrying out its own EU compliant tender exercise to put its own FPS in place was considered and rejected having considered the benefits and strengths of a regional approach.

What will it cost and how will it be financed?

(A) Revenue Costs

The current annual budget for these services is sufficient to meet the business need. The costs associated with these procurement processes will be contained within this budget.

(B) Capital Costs

None

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
Bolton hosting the procurement will reduce the burden on Local Authority resources.
Legal Implications:
Children Act 1989: planning transition to adulthood for care leavers.
Equality Implications:
The equality Implications have been identified and mitigated.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:
Semi-independent residential placements are the right choice for some young people who do not wish to live in a children's home or with foster parents.
Facilitate confident and resilient communities:
Semi-independent residential placements are sometimes the right choice for some

<p>unaccompanied asylum-seeking Young People.</p> <p>Semi-independent provision is used only when it is in the Young Persons best interest as it will provide an environment where they can develop their confidence and resilience.</p>
<p>Commission, broker and provide core services:</p> <p>By commissioning SaLLs through the FPS the Council is creating an environment in which young people will become less reliant on our support and they can develop their personal confidence and resilience.</p>
<p>Place – leadership and influencer:</p> <p>Good quality provision can contribute positively to a local area, enabling the Young People placed there to remain as part of a community.</p>
<p>Drivers of change and reform:</p> <p>The new sub regional arrangement for evaluation, monitoring and market development will give the Local Authorities in the sub region better control, more ownership and drive improvements in the quality of the service provided to the Young People.</p>
<p>Facilitate sustainable economic prosperity:</p> <p>Effective SaLLs placements can have a long-term positive impact on the Young Persons health and prosperity and contribution to the community.</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

The Head of Corporate Resources (FD5745/19) and the Chief Legal and Democratic Officer (LD4869/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation has taken place with Young People; Commissioners; Service Providers; Strategic Leads for Safeguarding Vulnerable Children.

In 2018 North West Placements coordinated a review of the Supported and Independent Living Services (SaLLS) Dynamic Purchasing System serving 23 Local Authorities in the North West Region and recommended replacing the current SaLLS DPS with a Flexible Purchasing System with a higher specification and more rigorous evaluation. This report was taken to the Northwest Local Authority Strategic Leads for Safeguarding Vulnerable Children (Chaired by Sefton's Director of Children's Services) in November 2018 and was endorsed.

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Implementation Date for the Decision

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

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Contact Officer:	Alison Taylor
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Appendices:

Background Papers:

1. Background

- 1.1 As a Corporate parent the Council supports young people in many ways including providing graduated needs led independent preparation for young people who are preparing to leave care services. These services are provided through semi-independent and group living placements. The Council also commissions this type of support for a small number of other young people.
- 1.2 Members will recall that in September 2015 Cabinet approved membership of a North West Regional Supported and Independent Living Dynamic Purchasing System (DPS) hosted by Tameside and this arrangement remains in place today.
- 1.3 The current Dynamic Purchasing System (DPS) has been extended by Tameside Council and will expire on 31st March 2020. Sefton Council intends to continue purchasing Sails placements using this DPS.
- 1.4 Bolton Council have agreed to lead the procurement process for a Flexible Purchasing System (FPS) under the Public Contract Regulations 2015 Light Touch Regime for Sails placements. The proposed FPS is scheduled to commence on 1st April 2020. The FPS will replace the current DPS hosted by Tameside Council. At the time of writing this report the contract duration of the replacement FPS has not been decided, the Director of Children's Services seeks delegated authority to agree the FPS duration that is decided by the collaboration of Local Authorities in consultation with Cabinet Member.
- 1.5 At the time of writing this report the final evaluation criteria have not been decided, therefore the Director of Children's Services will seek delegated authority to accept the proposed Criteria in consultation with Cabinet Member, Children, Schools and Safeguarding.
- 1.6 The existing Dynamic Purchasing System is due to expire on 31st March 2020 and be replaced with the Bolton hosted Flexible Purchasing System. If any delays are encountered to the procurement process and the Tameside hosted DPS needs to be extended further, then the Director of Children's Services seeks delegated approval in consultation with the Cabinet Member Children, Schools and Safeguarding to authorise Sefton to continue using the Tameside DPS for Sails placements to avoid unnecessary disruption to service delivery.

2. Developing Future Commissioning Arrangements

- 2.1 North West Placements conducted a review of the current Sails DPS in 2018 in preparation for commissioning a replacement for when the DPS expires and to establish if improvements could be made to commissioning arrangements going forward. It was anticipated that these arrangements would be in place by the end of September 2019, however, it is now anticipated that the planned change will not be available until April 2020.
- 2.2 As part of the review questionnaires were sent to the North West Commissioners and Providers listed on the DPS. Views were also sought from the Northwest

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placements staff involved in monitoring the DPS and consultations that took place with young people were considered. The majority of Commissioners found the DPS helped meet placement needs by providing a route to market and access to a wide range of Providers over a geographical spread. Commissioners valued having a shared regional common service specification, minimum standards and terms and conditions.

- 2.3 In November 2018 the North West Strategic Leads for Safeguarding (SLSVC) considered a proposal that the future commissioning of SaILs provision would be developed via a new Flexible Purchasing System (FPS) under the 'light touch procurement regime' however as an improvement on the existing DPS the incorporation of the potential to develop local/sub regional responsibility for evaluation, monitoring and market development was included.
- 2.4 The benefits of revised sub regional arrangements for evaluation and monitoring include increasing local ownership which will lead to improved quality of placements. In addition the approach will enhance sub regional collaboration and development of local markets, promoting greater availability of supply and market stability. Sefton will be part of a sub-regional monitoring group with Wirral, Liverpool, Halton, Knowsley and St. Helens.
- 2.5 It has been agreed that Bolton Council will lead on the procurement of the new FPS and it is planned that the implementation of the change will be effective from 1st April 2020, replacing the Tameside's DPS. Bolton will be acting on behalf of 23 participating North West authorities, each of whom will be a named participant in the procurement and will have flexibility to use the FPS once in place.

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Report to:	Cabinet Council	Date of Meeting:	5 th September 2019 19 th September 2019
Subject:	Revenue and Capital Budget Update 2019/20		
Report of:	Head of Corporate Resources	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform **Cabinet** of: -

1. The current forecast revenue outturn position for the Council for 2019/20;
2. The current forecast on Council Tax and Business Rates collection for 2019/20; and,
3. The monitoring position of the Council's capital programme to the end of July 2019, the forecast expenditure to year end, variations against the approved budgets and an explanation of those variations for consideration by Members. Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.

To inform **Council** of further additions to the 2019/20 Capital Programme.

Recommendation(s):

Cabinet is recommended to: -

Revenue Budget

- 1) Note the current forecast revenue outturn position for 2019/20 and the current position relating to delivery of savings included in the 2019/20 revenue budget;
- 2) Note the mitigating measures being used to ensure a balanced forecast outturn position;

Capital Programme

- 3) Note the updates to the spending profiles within the capital programme across financial years (paragraph 5.1.1).
- 4) Note the latest capital expenditure position as at 31 July 2019 to date of £3.3m (paragraph 5.2.2) with the latest full year forecast being £26.7m (paragraph 5.3.1).
- 5) Note explanations of variances to project budgets (paragraph 5.3.2).
- 6) Note the new scheme added to the Capital Programme under delegated authority

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for 2019/20 (paragraph 5.9.1).

- 7) Approve for inclusion in the capital programme the Town Centre Commission Fund grant once final approval for the grant is received from Liverpool City Region Combined Authority (section 5.5). Cabinet is requested to delegate authority to the Executive Director to sign the Grant Agreement, and delegate authority to the S151 Officer to authorise grant claim submissions.
- 8) Note that capital resources will be managed by the Head of Corporate Resources to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council.

Council is recommended to: -

- 1) Approve for inclusion in the capital programme the Town Centre Commission Fund grant once final approval for the grant is received from Liverpool City Region Combined Authority (section 5.5).

Reasons for the Recommendation(s):

To ensure Cabinet are informed of the forecast outturn position for the 2019/2020 Revenue Budget as at the end of July 2019, including delivery of agreed savings, and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

To keep members informed of the progress of the Capital Programme against the profiled budget for 2019/20 and agreed allocations for future years.

To progress any changes that are required in order to maintain a relevant and accurate budget profile necessary for effective monitoring of the Capital Programme.

To approve any updates to funding resources so that they can be applied to capital schemes in the delivery of the Council's overall capital strategy.

In March 2017 Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of setting the 2019/20 budget. The Council is in the final year of the budget plan and remains confident its strategic approach to budget planning alongside good financial management and extensive community engagement means that the plan continues to develop on solid foundations; it 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 significantly exceeding the budget. If further budget pressures are identified between now and the end of the year additional remedial action will be required to bring the overall budget into balance.

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 2019/20 there is currently a forecast deficit of £2.515m. Mitigating measures have been identified in order to meet this deficit and are detailed within the report.

(B) Capital Costs

The Council's capital budget in 2019/20 is £26.030m. As at the end of July 2019, expenditure of £3.343m has been incurred and a full year outturn of £26.714m is currently forecast.

Implications of the Proposals:

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

There is currently a budget shortfall of £2.515m forecast for 2019/20 and as reported within the first monitoring report of the year, mitigating actions have been identified in order to address this. However, it should be noted that significant pressure and risk remains in four key business areas, namely Adults and Children's Social Care, Education Excellence and Locality Services. These budgets may experience further demand pressure between now and the end of the year and further mitigations and remedial actions will be required in such an eventuality.

Legal Implications:

None

Equality Implications:

There are no equality implications.

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.

Protect the most vulnerable:

See comment above

Facilitate confident and resilient communities:

See comment above

Commission, broker and provide core services:

See comment above

Place – leadership and influencer:

See comment above

Drivers of change and reform:

See comment above

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<u>Facilitate sustainable economic prosperity:</u> See comment above
<u>Greater income for social investment:</u> See comment above
<u>Cleaner Greener:</u> 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 5756/19)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 4880/19).

(B) External Consultations

N/A

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:

APPENDIX A – Capital Programme 2019/20 to 2021/22

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 In March 2017, Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of the Council setting the 2019/20 budget. This report updates the forecast revenue outturn position for 2019/20, including the delivery of savings included in the 2019/20 budget.
- 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 The capital section of the report informs members of the latest estimate of capital expenditure for 2019/20 and updates forecast expenditure for 2020/21, 2021/22 and future years. Proposed increases to the capital budget are presented in section 5.1. Sections 5.2 and 5.3 review progress of the capital programme. Finally, section 5.12 confirms that there are adequate levels of resources available to finance the capital programme.

2. Summary of the Forecast Outturn Position as at the end of July 2019

- 2.1 Members will be provided with updates of the Council's forecast financial position each month during this financial year. Significant pressures have been identified in several service areas, particularly Children's Social Care, Locality Services and Home to School Transport. The latest forecast of service expenditure indicates an overspend of £2.515m. The table below highlights the variations:

	Budget	Forecast Outturn	Variance	Previously Reported Position	Movement since last month
	£m	£m	£m	£m	£m
<u>Services</u>					
Strategic Management	3.245	3.245	0.000	0.000	0.000
Strategic Support Unit	2.723	2.723	0.000	0.000	0.000
Adult Social Care	96.765	96.765	0.000	0.000	0.000
Children's Social Care	33.356	34.348	0.992	*0.781	0.211
Communities	19.535	19.535	0.000	0.000	0.000
Corporate Resources	4.800	4.720	-0.080	-0.132	0.052
Economic Growth & Housing	6.041	6.041	0.000	0.133	-0.133
Education Excellence	9.859	10.124	0.265	*0.424	-0.159
Health & Wellbeing	18.060	18.005	-0.055	-0.045	-0.010
Highways & Public Protection	11.192	11.192	0.000	0.234	-0.234
Locality Services	13.809	13.809	0.000	*0.464	-0.464
Total Service Net Expenditure	219.385	220.507	1.122	1.859	-0.737

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Provision relating to 2018/19 Service Pressures	0.000	0.000	0.000	*0.000	0.000
Budget Pressure Fund	1.000	1.000	0.000	0.000	0.000
Public Sector Reform Savings not allocated to services (see para 2.3)	(0.950)	0.000	0.950	0.950	0.000
Council Wide Budgets	6.527	6.970	0.443	0.429	0.014
Levies	34.156	34.156	0.000	0.000	0.000
General Government Grants	(40.979)	(40.979)	0.000	0.000	0.000
Total Net Expenditure	219.139	221.654			
Forecast Year-End Deficit			2.515	3.238	-0.723

* Note that the Previously Reported Position has been adjusted to reflect the allocation of the *Provision relating to 2018/19 Service Pressures* to individual services.

2.2 The key forecast variations in the outturn position, including any significant variations from the June position, are as follows: -

- **Children’s Social Care (£0.992m net overspend, increase of £0.211m)** – The Placement and Packages budget overspent by £5.612m in 2018/19. The equivalent forecast overspend in 2019/20 is £6.143m due to the increase in Looked After Children since the end of 2018/19, from 525 to 535, and the full year impact of new cases from 2018/19. However, an allocation of £4.900m from the *Provision relating to 2018/19 Service Pressures* has reduced the forecast overspend to £1.243m. This is an increase of £0.217m compared to June due to two new placements occurring in the month, adding £0.220m to the forecast outturn.

The forecast overspends in June for the personal needs and legal costs budgets have been negated due to the allocation of £0.500m from the *Provision relating to 2018/19 Service Pressures*. In addition, there are net underspends across other areas of the service totalling £0.251m.

The cost of Placements and Packages is the largest risk to the Council’s budget position and it is expected that the position will change. The Council is looking at developing a range of options to address the inherent demand and costs of Looked After Children whilst supporting our most vulnerable residents.

- **Corporate Resources (£0.080m underspend)** - Increase in the cost of electoral services following the fall out of a national grant (£0.325m) offset by vacancy savings across the service.
- **Economic Growth and Housing (£0.056m overspend before mitigating actions)** – There are a number of variations across the service including an overspend at Southport Market due to lower than budgeted for occupancy rates. The service has identified mitigating actions, including delaying filling vacancies, which will bring the forecast outturn within the service budget.

- **Education Excellence (£0.265m overspend)** - Home to School transport external provision has a projected overspend of £2.171m. This budget overspent by £1.817m in 2018/19 but is forecast to overspend by a further £0.354m due to the full year effect of the increased costs of new external transport contracts issued in September 2018. However, an allocation of £1.800m from the *Provision relating to 2018/19 Service Pressures* has reduced the forecast overspend to £0.371m. In addition, there are net underspends across other areas of the service totalling £0.106m.
- **Highways and Public Protection (£0.138m overspend before mitigating actions)** – There is a shortfall on car parking income (£0.124m) due to poorer weather in the first quarter compared to 2018/19. The approved saving from negotiating extensions to highways maintenance contracts has not realised the amount anticipated (£0.399m shortfall). This has been mitigated by re-aligning Highway Maintenance budgets for 2019/20. The service will reduce the Highway Maintenance and Highway Management Programmes as required to mitigate the forecast overspend and ensure the forecast outturn is within the service budget.
- **Locality Services (£0.245m overspend before mitigating actions)** – The service pressures experienced in 2018/19 have continued into 2019/20.
 - Burials & Cremations (no variance) - competition from a Crematorium in a neighbouring authority continues with a significant impact on income levels. However, an allocation of £0.320m from the *Provision relating to 2018/19 Service Pressures* has mitigated this impact;
 - Cleansing (no variance) – The impact of collections at additional properties and street cleaning work (including weed removal) has continued. However, an allocation of £0.280m from the *Provision relating to 2018/19 Service Pressures* has mitigated this pressure;
 - Security Service (£0.240m overspend) – The forecast deficit is a reflection of an under recovery of income to support the cost base. The forecast deficit has improved since 2018/19 (from £0.486m overspend) due to additional internal works being undertaken by the service.

Mitigating actions have been identified which will bring the forecast outturn within the service budget. These include generating additional income through increased use of assistive technology and external security services as well as temporarily reducing expenditure on supplies and services and repairs and maintenance.

- **Public Sector Reform Savings not allocated to services (£0.950m overspend)** – see paragraph 2.3 below.
- **Council Wide Budgets (£0.443m)** – the increase in pay budgets due to pay awards and pension increases, after allowing for fees and charges increases for traded services, is £0.403m greater than the provision built into the 2019/20 budget.

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Savings Delivery

- 2.3 The 2019/20 Budget included £9.803m of savings from Public Sector Reform (PSR) projects. Current forecasts are that £8.853m of savings will be deliverable in the year (90%). An analysis of the overall savings for 2019/20 are shown in the summary below:

	Total Saving 2019/20	Forecast - Achieved In 2019/20	Forecast - Not Achieved 2019/20
	£m	£m	£m
PSR1 - Acute Wrap Around	0.230	0.000	0.230
PSR2 – Locality Teams	4.408	4.408	0.000
PSR4 - All Age Pathway	0.089	0.089	0.000
PSR6 - Commercialisation	0.405	0.405	0.000
PSR8 – Asset Maximisation	0.512	0.512	0.000
PSR9 – ICT & Digital Inclusion	3.439	3.439	0.000
PSR10 - Commissioning	0.720	0.000	0.720
Total PSR Projects	9.803	8.853	0.950

- 2.4 The shortfall on the achievement of savings shown in the table is included in the forecast outturn position shown in paragraph 2.1.
- 2.5 In addition, service budget options of £2.269m were approved for 2019/20. These have been built into service budgets and any shortfall in achievement of these savings is included in the forecast outturn position for each service.

Measures to close the residual gap in 2019/20

- 2.6 The forecast budget deficit as at July 2019 is **£2.515m**. This reflects the risks that were inherent in the Council's financial position, particularly around demand for Children's Social Care and other demand led services. Major Services Reviews have commenced for Adult Social Care, Children's Social Care, Education Excellence and Locality Services with a view to reduce this budget pressure where possible.
- 2.7 Paragraph 4.4 highlights that the surplus on Business Rates to be distributed in 2019/20 is **£1.750m**. In line with previous years, the budget assumes this surplus will be added to the Business Rates Earmarked Reserve, which is held to help offset potential losses of Business Rates income in future years. An assessment of the reserve has determined that the current balance is at a prudent level so no increase is required in 2019/20. Therefore, the assumed increase can be used to support the 2019/20 forecast outturn position.
- 2.8 The budget for 2019/20 includes a Budget Pressures Fund of £1.000m. Council gave delegated authority to the Chief Executive and the Head of Corporate Resources, in conjunction with the Leader of the Council, to allocate this Fund. At present this resource has not been allocated to specific services. However, it is

assumed that **£0.765m** can be used to contribute to the Council's overall position with the remaining £0.265m being retained to be utilised should further pressures be identified in future months.

2.9 The net forecast outturn position for 2019/20 is therefore:

	£m
Forecast Year-End Deficit (Paragraph 2.1)	2.515
Business Rates Reserve increase	-1.750
Budget Pressures Fund	-0.765
Forecast Year-End Deficit	0.000

2.10 Whilst the above table shows a balanced forecast outturn position, the risks inherent in the position, particularly relating to Looked After Children, mean the position may worsen during the year. Should a deficit be forecast then further mitigating actions will need to be presented, including using the remaining Budget Pressures Fund, not filling vacant posts, a freeze on all but essential expenditure and any other appropriate measure to ensure a balanced forecast outturn position can be achieved.

2.11 An assessment will need to be made on the potential impact on the budget for 2020/21. The Business Rates Reserve usage is a one-off item so the net overspend without this is £1.750m. If this continues to be a pressure in 2020/21 then this will need to be considered as part of the three-year Budget Plan, with sustainable savings required to offset the pressure.

3 Council Tax Income – Update

3.1 Council Tax income is shared between the billing authority (Sefton Council) and the three major precepting authorities (the Fire and Rescue Authority, the Police and Crime Commissioner and the Combined Authority – Mayoral Precept) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £133.099m for 2019/20 (including Parish Precepts), which represents 84.1% of the net Council Tax income of £158.306m.

3.2 The forecast outturn for the Council at the end of July 2019 is a deficit of -£0.198m. This variation is primarily due to: -

- The surplus on the fund at the end of 2018/19 being lower than estimated by 0.151m;
- Gross Council Tax Charges in 2019/20 being higher than estimated at -£0.371m;
- Exemptions and Discounts (including a forecasting adjustment) being higher than estimated at +£0.418m.

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- 3.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2019/20 but will be carried forward to be distributed in future years.
- 3.4 A forecast surplus of £1.160m was declared on the 15th January 2019 of which Sefton's share is £0.996m (85.8%). This is the amount that will be distributed from the Collection Fund in 2019/20. Any additional surplus or deficit will be distributed in 2020/21.

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 £64.739m for 2019/20, which represents 99% of the net Business Rates income of £65.393m. 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 July 2019 is a surplus of -£0.825m on Business Rates income. This is due to:
- The surplus on the fund at the end of 2018/19 being higher than estimated - £0.092m;
 - Increase in the gross charge on rateable properties (-£0.279m)
 - Other reliefs (including a forecasting adjustment) being lower than estimated in 2019/20 at -£0.454m.
- 4.3 Due to Collection Fund regulations, the Business Rates surplus will not be transferred to the General Fund in 2019/20 but will be carried forward to be distributed in future years. However, £0.473m of the surplus forecast in paragraph 4.2 will be required to offset the shortfall in Section 31 grants due to certain reliefs being lower than estimated in 2019/20.
- 4.4 A forecast surplus of £1.768m was declared in January 2019. Sefton's share of this is -£1.750m which is made up of an amount brought forward from 2017/18 (-£2.169m) and the impact of variations in 2018/19 (+£0.419m). This is the amount that will be distributed from the Collection Fund in 2019/20 and any additional surplus or deficit will be distributed in 2020/21.

5 Capital Programme 2019/20 – 2021/22 & Future Years

5.1 Capital Budget

- 5.1.1 The revised Capital Budget and profile of expenditure for the three years 2019/20 to 2021/22 is:

2019/20	£26.030m
2020/21	£10.888m
2021/22	£0.730m

- 5.1.2 Amendments to the 2019/20 capital budget have been made in July due to re-phasing of schemes between 2020/21 and 2019/20 as follows:

- HMRI Compulsory Purchase Order Costs (£25k from 2020/21 to 2019/20)
- School's funding for Hudson Primary (£86k from 2020/21 to 2019/20)
- Parks schemes (£62k from 2019/20 to 2020/21).

5.1.3 An additional Section 106 scheme has also been added in Litherland Ward (£45k, see paragraph 5.9.1).

5.2 Budget Monitoring Position to July 2019

5.2.1 The current position of expenditure against the budget profile to the end of July 2019 is shown in the table below. It should be noted that budgets are profiled over the financial year which skews expenditure to the final three quarters of the financial year.

5.2.2 As would be expected Education Excellence carries out most of its capital works during key school's holiday periods such as the summer recess, whilst Highways and public Protection completes most of its programmed works during quarters 2 and 3. The Adult Social Care expenditure excluding core Disabled Facilities Grant (DFG) expenditure is also profiled to quarters 3 and 4.

Service Area	Budget to Jul-19	Actual Expenditure to Jul-19	Variance to Jul-19
	£000	£000	£000
Adult Social Care	981	926	-55
Communities	63	58	-5
Corporate Resources	128	115	-13
Economic Growth & Housing	37	53	16
Education Excellence	682	603	-79
Highways & Public Protection	1,245	1,270	25
Locality Services	229	318	89
Total Programme	3,365	3,343	-22

5.2.3 Analysis of significant spend variations over (+) / under (-) budget profile:

Economic Growth & Housing

Scheme	Variation	Reason	Action Plan
Southport Pier	£14,929	Outstanding claims for internal fees being recovered.	The project will be delivered within the remaining budget. Quotes are awaited on the final phase, which involves adding a slide to the end of the pier, and quotes will be assessed against remaining available resources.

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Education Excellence

Scheme	Variation	Reason	Action Plan
Linacre Primary – Classroom Refurb	£36,310	Initial work on these school's schemes has been completed ahead of schedule.	The remaining works will be complete as planned over the summer holidays with no additional funding required.
Lydiate Primary – General Refurb	£19,414		
Forefield Infants – New Toilet Block	-£20,373	Less progress being made on site than originally anticipated for these schemes.	Contractor to catch up on work over the summer and schemes will be completed within the agreed budget. Expenditure profile to be updated to reflect revised schedules.
Netherton Moss Primary - Rewiring	-£95,867		
Norwood Primary - Remodelling	-£22,236		

Highways & Public Protection

Scheme	Variation	Reason	Action Plan
A59 Maghull Route Management (Dover Road)	£253,565	Statutory undertakers payments are being made up front.	Budget profile will be revised to take account of the front loading of spend.
Dibb Lane Improvements	-£23,333	Contractor not able to schedule in the required minor works when needed.	Will monitor situation and look to engage an alternative contractor to complete on schedule if required.
A565 Corridor Improvements (Thornton)	-£77,801	Project is currently delayed - statutory diversions for utilities haven't been made as requested.	Budget will be reprofiled for revised completion in October.
Resurfacing Programme	£206,808	£106k is last year's works plus £100k of works this year completed ahead of schedule.	Spend will not exceed the approved budget as work can be halted when all funding has been exhausted.
Maintenance	-£137,900	Outstanding balances from previous year.	Balance is now reducing. Contractors continue to be chased up to clear outstanding amounts.
Street Lighting Block Allocation	-£19,675	Ordering delays with replacement lighting.	Ordering will be brought up to date.

M58 Junction 1 Improvements	-£191,186	Works on site and proceeding as planned but contractor has submitted a revised cost schedule.	New cost profile to be reviewed and budget to be updated.
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Locality Services

Scheme	Variation	Reason	Action Plan
CERMS	£48,992	Work is progressing on these projects as planned but invoices have been paid earlier than anticipated. No overspend is forecast against total budget allocation.	Budget profile will be reviewed to align payments with cost profile. Further info to be obtained from contractors regarding timing of payments.
Crosby Flood & Coastal Scheme	£38,090		

5.2.4 In the June report a number of schemes that reported variances to budget contained action plans to address the variance. Progress on these is as follows:

Highways & Public Protection

Scheme	Variation	Action Plan	Progress to date
Maintenance	-£211,639	Contractors will be chased up to clear outstanding balances.	Contractors are being chased up and the balance has been reduced to £138k.
M58 Junction 1 Improvements	-£135,497	Processing of payments will be brought up to date in July.	Contractor has now provided a new cost profile. The budget will be reviewed to bring the profile into line with payment dates.

Locality Services

Scheme	Variation	Action Plan	Progress to date
Tree Planting	-£23,916	Delay in receiving invoices from contractor.	All outstanding invoices have now been paid.

5.3 Capital Programme Forecast Outturn 2019/20

5.3.1 The current forecast of expenditure against the budget profile to the end of 2019/20 and the profile of budgets for future years is shown in the table below:

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Service Area	Full Year Budget 2019/20	Forecast Out-turn	Variance to Budget	Full Year Budget 2020/21	Full Year Budget 2021/22
	£000	£000	£000	£000	£000
Adult Social Care	4,762	4,760	-2	0	0
Communities	225	219	-6	314	0
Corporate Resources	1,291	1,291	0	100	0
Economic Growth & Housing	332	332	0	133	0
Education Excellence	3,512	3,514	3	8,566	191
Highways & Public Protection	13,244	13,932	689	178	0
Locality Services	2,665	2,665	0	1,597	539
Total Programme	26,030	26,714	683	10,888	730

A full list of the capital programme by capital scheme is at **Appendix A**.

5.3.2 Analysis of significant spend variations over budget profile in 2019/20:

Highways & Public Protection

Scheme	Variation	Reason	Action Plan
M58 Junction 1 Improvements	£688,540	Delays to the project due to longer than anticipated time to secure the land. Contractual payments had to be made to the contractor in the interim. Additional redesign costs have also been incurred. The total forecast overspend is £780k over 2019/20 and 2020/21.	Additional funding will be requested from the CA project management office. If this is unsuccessful, the transport programme will be reviewed to identify resources that can be redirected to the M58 scheme (see section 5, below).

5.4 M58 Junction 1 Improvements

5.4.1 As noted in paragraph 5.3.2, the major scheme for improvements at M58 Junction 1 is forecast to overspend in 2019/20 by £0.69m due to increased costs as a result of delays to the project.

5.4.2 The total forecast expenditure over the revised timescales of the project (due to complete in 2020/21) has increased by £0.78m when compared to the initial valuation. The Strategic Transport Planning and Investment team continue to explore how the Council may secure additional support from the CA but at present no additional resource is forthcoming.

5.4.3 The scheme is now on site and progressing as planned. The contractor has provided an updated cost profile and this will be reviewed to identify any changes to profiled expenditure and the forecast out-turn position at year end. An update will be provided to members within future budget reports.

5.5 New Grant Bid - Liverpool City Region (LCR) Town Centre Fund

- 5.5.1 Sefton is currently drawing up proposals to make an application to the LCR Town Centre Fund. The strategic objectives of this fund include: enhancing place-making, delivering jobs and infrastructure improvements, and improving the town centre offer including increasing foot fall and vitality across the City Region to enhance the local town centres and strengthen economic growth in the region.
- 5.5.2 Interventions under the Town Centre Fund will contribute to local communities and improve the environment within which people work and live through:
- i. Enhancing the sustainable vitality of local town and district centres through investment that delivers new employment opportunities and makes those employment opportunities accessible to local residents.
 - ii. Place renewal projects, particularly those designed to move away from traditional retail, and broaden the town centre offer and ensure future sustainability.
- 5.5.3 A total bid of £1m is proposed with a minimum of £0.500m allocated to capital projects along with an element of match funding where identified. A detailed report will be brought to Cabinet following consultation with Strategic Leadership Board.

5.6 Adult Social Care allocations and programme

- 5.6.1 As noted in the June monitoring report the success of delivering the schemes is based upon an Adult Social Care project board being set up in quarter 2, with the majority of this year's spend consequently being profiled into quarters 3 and 4. The Director of Adult Social Services has an established programme approach across a number of areas and the capital programme will be monitored through this approach.
- 5.6.2 The following progress has been made on schemes to date:
- ICT Development and Transformation – two staff members have been assigned to this project to support system development.
 - Occupational Therapist Support – agency staff have been assigned to this project in the interim. Further recruitment will be scheduled for later in the year.
 - Community Equipment Store Refurbishment – this project has now been completed and delivered within budget.
 - Other - A programme plan is in development and an extra care housing post is at the point of being advertised.

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5.7 School's General Maintenance

5.7.1 The Council currently has a backlog of planned maintenance under the school's programme. A budget of £4m has been allocated to school's general maintenance in 2020/21 and will need to be prioritised to essential schemes going forward. Officers from the Property and Building Services team will be reviewing the planned maintenance budget in the coming months to determine a prioritised list of needs to be delivered within the current resource availability. A final programme of spend will then be agreed by the Director of Children's Social Care and Education and this will form a future section of this report.

5.8 Special Educational Needs and Disabilities (SEND) Capital Allocations

5.8.1 Sefton has made a successful bid to the Department for Education in order to draw down SEND capital grant funding in 2019/20 of £0.849m. This funding has been matched by £0.301m from the balance of existing school's allocations.

5.8.2 The Department for Education (DfE) is currently reviewing these schemes and will release the funds to Sefton in the coming months once they are satisfied that the plans have met the funding requirements.

5.8.3 Due to the need to start essential schemes over the school's summer holiday period, the SEND projects listed below are proceeding on site and 3 are due to be completed before the start of the new term. The projects have been funded from the balance of existing school's allocations of £0.301m with further spending on larger schemes scheduled upon receipt of the SEND capital grant from DfE.

- Crosby High – Accessibility Works (Phase1) £8,850
There are two parts to the project, the first being to remove cross corridor partitions causing issues for wheelchair users moving around the school. The second part of the project is to widen doors in key areas around the school, in particular doors to classrooms. Phase one is scheduled over the summer 2019 with full completion of phase two scheduled for August 2020. The full scheme budget is £41,000.
- Redgate Primary – Specialist Resource Provision £60,000
Work has been completed on adaptations to the shower rooms, toilets, kitchen and the perimeter fencing with further work on flooring to be completed by early September.
- Rowan Park School Expansion £27,500
The initial work involves improvements to the site security both the external perimeter and to the internal doors. Alterations are required to provide additional privacy in the toilet areas as well as adaptations to the toilets to suit the new mixed age group.

- Waterloo Primary – SEND Classroom £28,000
A new classroom is required for use by SEN children and will need to be ready in time for the new term in September. The work will involve the partitioning of the existing infant's hall as well as provision of a changing room facility by converting a nearby store.

5.9 New Capital Schemes

5.9.1 Communities £44,640

A new 7.5t caged tipper vehicle will be purchased in November to support the Litherland Hit Squad. This expenditure will be fully funded from Section 106 monies for Litherland Ward. This scheme has been approved by the Head of Corporate Resources in accordance with the Scheme of Delegation.

5.10 Programme Funding

5.10.1 The table below shows a how the capital programme will be funding in 2019/20:

Grants	22.852
Contributions (incl. Section 106)	1.259
Capital Receipts	0.265
Prudential Borrowing	1.654
Total Programme Funding	26.030

5.10.2 The programme is reviewed on an ongoing basis to confirm the capital resources required to finance capital expenditure are in place, the future years programme is fully funded and the level of prudential borrowing remains affordable subject to the issue raised in paragraph 5.4.2.

5.10.3 The Head of Corporate Resources will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the Council.

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APPENDIX A – Capital Programme 2019/20 to 2021/22

Capital Project	Budget		
	2019/20 £	2020/21 £	2021/22 £
Adult Social Care			
Adult Social Care IT Infrastructure	44,020	-	-
South Hub	11,257	-	-
Primary Care Integration	39,500	-	-
Core DFG Programme	2,200,000	-	-
Wider Social Care Programme	2,467,000	-	-
Communities			
Atkinson Studio Stage	11,929	-	-
Dunes All Weather Pitches - Invest to Save	13,083	-	-
Crosby Lakeside Adventure Centre Water Sports	75,157	-	-
Formby Library Improvements	-	6,620	-
Libraries - Centres of Excellence	80,000	265,237	-
Bootle Library	-	42,372	-
Litherland Hit Squad - Caged Tipper	44,640	-	-
Corporate Resources			
Corporate Maintenance	113,022	-	-
STCC Essential Maintenance	219,718	-	-
St John Stone Site – Infrastructure Works	623,210	-	-
Magdalen House Alterations	144,979	-	-
Meadows Community Base	6,328	-	-
Aintree Community Base	7,783	-	-
NAC Community Base	21,010	-	-
Southport Town Hall Community Base	31,850	-	-
Family Wellbeing Centres	122,816	100,000	-
Economic Growth & Housing			
Marian Square, Netherton CCTV	-	40,405	-
REECH Project	37,162	-	-
Southport Commerce Park - 3rd Phase Development	13,173	-	-
Housing Investment (HMRI)	29,100	62,680	-
Southport Pier Project	252,528	29,675	-
Education Excellence			
Healthy Pupils Fund	178,000	-	-
Schools Programme	2,526,724	3,511,848	190,982
Planned Maintenance	655,203	4,000,000	-
Special Educational Needs & Disabilities	151,850	1,054,650	-

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	2019/20 £	2020/21 £	2021/22 £
Highways and Public Protection			
Accessibility	265,000	-	-
Completing Schemes/Retentions	32,250	-	-
Healthy Lifestyles	1,590,000	-	-
Road Safety	120,000	-	-
A565 Route Management and Parking	710,000	-	-
Strategic Planning	523,990	-	-
Traffic Management and Parking	2,417,500	-	-
Highway Maintenance	2,039,446	-	-
Bridges & Structures	243,110	-	-
Drainage	225,000	-	-
Street Lighting Maintenance	300,000	-	-
UTC Maintenance	100,000	-	-
Major Transport Schemes	4,677,589	177,836	-
Locality Services			
Thornton Garden of Rest Improvements	3,692	-	-
Burials & Cremation Insourcing	-	200,000	-
Formby Strategic Flood Risk Management	-	44,141	-
Merseyside Groundwater Study	20,000	11,508	-
Four Acres Multi Agency Flood Options	3,352	-	-
CERMS	658,892	410,274	-
Natural Flood Risk Management	10,000	-	-
The Pool & Nile Watercourses	58,602	-	-
Crosby Flood & Coastal Scheme	358,947	306,190	500,000
Seaforth & Litherland Strategic Flood Risk	-	30,000	-
Hall Road & Alt Training Bank - Rock Armour	50,000	-	-
Ainsdale & Birkdale Land Drainage Scheme	30,000	-	-
Surface Water Management Plan	170,000	-	-
Parks Schemes	116,773	555,236	-
Tree Planting Programme	54,300	39,174	38,600
Vehicle Replacement Programme	1,130,614	-	-
TOTAL PROGRAMME	26,030,099	10,887,846	729,582

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Report to:	Cabinet	Date of Meeting:	5 th September 2019
Subject:	Altcar Moss Wellsite, Suttons Lane, Great Altcar: Neighbouring Authority Consultation		
Report of:	Chief Planning Officer	Wards Affected:	(All Wards)
Portfolio:	Cabinet Member - Planning and Building Control		
Is this a Key Decision:	Yes	Included in Forward Plan:	No – Rule 27
Exempt / Confidential Report:	No		

Summary: Sefton Borough Council has been consulted by Lancashire County Council (LCC as the decision making body) on a planning application for the construction of a temporary wellsite and associated access track, drill, hydraulically stimulate and test two petroleum exploration boreholes including drilling rig (maximum height 60m) and associated plan and equipment, followed by wellsite and restoration.

There is a restricted timeframe to comment on the planning application and approval is sought to respond to LCC, in the form of an objection.

Recommendations:

- (1) It be noted that the proposal was a Key Decision but had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regeneration and Skills) had been consulted under Rule 27 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan because of the tight timeframes in order to respond to the neighbourhood consultation from Lancashire County Council, in order to make the authority aware of the views regarding the planning application.
- (2) To agree the Council's response to this application
- (3) To authorise the Cabinet Member - Planning and Building Control to agree the response to any further neighbouring authority consultations for this application which may be received because of additional information/plans being received by Lancashire County Council.

Reasons for the Recommendation:

To ensure Lancashire County Council is aware of the Council's views regarding the planning application in the interest of Sefton Borough residents and for such views to be considered as material considerations in the determination of the planning application.

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

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Alternatively, the Council could not respond to the neighbouring authority consultation. However, any views of the Council would not be considered in the Lancashire County Council's determination of the planning application and this is deemed inappropriate.

What will it cost and how will it be financed?

(A) Revenue Costs

The costs of responding to the neighbouring authority consultation will be met from existing budgets.

(B) Capital Costs

None

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): The costs of responding to the neighbouring authority consultation will be met from existing budgets.
Legal Implications: There are no legal implications.
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: The response will ensure potential impacts on the local community are passed on to Lancashire County Council to ensure they are protected.
Commission, broker and provide core services: Not applicable
Place – leadership and influencer: Not applicable.
Drivers of change and reform: Not applicable.
Facilitate sustainable economic prosperity: The response will ensure potential impacts onto local businesses are made aware to Lancashire County Council to ensure they are protected.
Greater income for social investment: Not applicable.
Cleaner Greener: The response will ensure potential impacts on the environment are passed on to Lancashire County Council to ensure it is protected.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

Highways Department, Environmental Protection Department, Lead Local Flooding Authority and Merseyside Environmental Advisory Service.

The Head of Corporate Resources (FD 5753/19) and Chief Legal & Democratic Officer (LD 4877/19) have been consulted and comments have been incorporated into the report

(B) External Consultations

None - as the consideration of the planning application is the responsibility of Lancashire County Council, no other consultations are appropriate.

Implementation Date for the Decision

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

Contact Officer:	Kevin Baker
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Appendices:

Details of application site

Photo Montage of proposed development from various views.

<http://planningregister.lancashire.gov.uk/DisplayImage.aspx?doc=cmVjb3JkX251bWJlcj03MzU5JmZpbGVuYW1lPVxcQ29ycGRhdGEwMlIxYXRhd3JpZ2h0JFxBGFubmluZ1xMQ0MtMjAxOS0wMDM3XEFwcGVuZGI4IEUgRTMgUGhvdG9tb250YWdlcyBBbHRjYXlgTW9zcy5wZGYmaW1hZ2VfbnVtYmVyPTYxJmltYWdlX3R5cGU9cGxhbm5pbmcmcbGFzdF9tb2RpbmllZF9mcm9tX2Rpc2s9MTkvMDIvMjAxOSAxODowMToyMg==>

Background Papers:

Lancashire County Council – Application Details

<http://planningregister.lancashire.gov.uk/PlanAppDisp.aspx?recno=7359>

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1. Introduction/Background

- 1.1 Sefton Council has been consulted, as a neighbouring authority, by Lancashire County Council on the proposed construction of a temporary wellsite and associated works for exploring the potential to extract oil/gas on a commercial basis.
- 1.2 The site to which the application relates is the Altcar Moss Well site off Suttons Lane in Great Altcar. Although the site is within West Lancashire it is located approximately 1.5km from the Sefton boundary with the main access to the site being through the Sefton Borough along Altcar Road, past the Formby Tesco store (*to give some context*). Sub terrain works could potentially extend beyond the West Lancashire boundary and underneath Sefton, primarily Formby and Lydiate.
- 1.3 The application is accompanied by an Environmental Statement and has been submitted in accordance with the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 due to its potential impact on the wider area.
- 1.4 The official consultation deadline given to the Council to respond was 15th August 2019. However, Lancashire County Council have agreed to an extension to respond until after the Cabinet meeting on 5th September 2019.
- 1.5 The Council have previously made it clear that Sefton opposes 'Fracking' and that this message should be made clear to proposals that impact on Sefton borough.

2 Proposal

- 2.1 The proposal is to drill and test two exploratory boreholes from the Altcar Moss wellsite. The purpose of the boreholes is to establish whether the shale contains oil and gas and, if so, whether it has the potential to be commercially productive. For clarity, commercial production of oil and gas would be subject to a separate planning application.

The proposed project is anticipated to occur over a period of 2 years which can be divided into eight phases. Each phase is described below.

2.2 Phase 1 Access Track and Wellsite Construction Works

- 2.2.1 Access to the wellsite will be from Lord Sefton Way via Formby Bypass and then Altcar Road (past Formby Tesco) and onto Sutton's Lane. After approximately 220m vehicles will then turn north west onto private land where a new access track will be constructed of pre-made track panels, for a distance of approximately 815m to the wellsite entrance.
- 2.2.2 Any highway improvement works to Sutton's Lane will be agreed in advance with the County Highways Authority.
- 2.2.3 The construction of the wellsite will involve the use of a piling rig to install precast concrete driven piles to provide a stable base on which the drilling cellar can be built. The concrete drilling cellar will be constructed in the

centre of the active area which comprises a reinforced concrete slab on which the drilling rig and well testing equipment will be located.

- 2.2.4 A waterproof barrier will then be laid across the active area of the wellsite and a ditch will be dug around the perimeter to prevent any surface spills reaching the underlying soils and to collect any 'run-off' water from the site. The waterproof barrier will be covered by layers of geotextiles and aggregate to protect it.
- 2.2.5 Once the wellsite is constructed a 3m high security fence will be installed around the wellsite.
- 2.2.6 On completion of the wellsite construction, a small drilling rig will install the initial conductor casing for each borehole to a depth of approximately 40m.
- 2.2.7 The construction of the wellsite and access track is estimated to take approximately sixteen weeks to complete. It is proposed that works during Phase 1 will only take place during the following times:
- Monday to Friday 07:00 hrs to 19:00 hrs;
 - Saturday 07:00 hrs to 13:00 hrs; and
 - Sunday and Bank Holiday No works permitted.

2.3 Phase 2 Drilling and Coring of a Vertical Borehole

- 2.3.1 An oilfield drilling rig with a mast height of up to 60m and other equipment will then be brought to the site to drill the vertical borehole to a depth of approximately 3000m.
- 2.3.2 The aim of this initial well is to drill through to the base of the shales. Core samples will be collected so that the shales can be analysed.
- 2.3.3 At various points during the drilling, additional steel casings will be cemented in place to support the borehole and to provide a barrier between the borehole and the surrounding rock. The borehole becomes narrower at each casing point and the final section is expected to be 216mm (8 1/2") wide.
- 2.3.4 The design of the borehole will be approved by an independent well examiner and the design submitted to the Health and Safety Executive for review.
- 2.3.5 The drilling of the first borehole is estimated to take approximately five months to complete and will require 24- hour working, seven days per week.

2.4 Phase 3 – Drilling of a Horizontal Borehole

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- 2.4.1 Following the drilling of the vertical borehole, the second borehole will be drilled vertically down to the target zone within the shales and then horizontally within this zone for up to 1,500m.
- 2.4.2 The drilling of the second borehole is also estimated to take approximately five months to complete and will require 24-hour working, seven days per week.

2.5 Phase 4 Hydraulic Fracture Stimulation of the Vertical and Horizontal Boreholes

- 2.5.1 Once both boreholes have been drilled, the drilling rig will be removed and the equipment for the hydraulic fracture stimulation phase will be brought to the site.
- 2.5.2 The hydraulic fracture stimulation will be undertaken in accordance with a Hydraulic Fracture Plan, approved by the Oil and Gas Authority. The hydraulic fracturing fluid to be used at Altcar Moss will comprise almost entirely a mixture of water and sand. A very small percentage of the fluid will comprise limited number of additives, all of which will be non-hazardous to groundwater and approved for use by the Environment Agency.
- 2.5.3 A number of separate hydraulic fracture stages will be completed in each borehole.
- 2.5.4 During each hydraulic fracture stimulation stage, the hydraulic fracturing fluid is pumped under pressure into the formation. As the fluid pressure increases, it fractures the formation and pushes the hydraulic fracturing fluid into the fractures. When the pressure is released, a proportion of the hydraulic fracturing fluid flows back from the formation, leaving behind the sand, which props open the fractures, allowing hydrocarbons to flow around the sand grains and into the borehole.
- 2.5.5 Once the hydraulic fracture stimulation has been completed the hydraulic fracturing equipment will be demobilised from the site.
- 2.5.6 The hydraulic fracture stimulation phase is estimated to take approximately sixty days to complete. Whilst this phase requires 24-hour working, the operation of the pumps for each fracture stage would only take place between 07:00 and 19:00.

2.6 Phase 5 Initial Flow Testing

- 2.6.1 Once the hydraulic fracture stimulation operations are complete, initial flow testing of each of the boreholes will take place.
- 2.6.2 Flowback fluid and liquid hydrocarbons recovered from the testing operation will be stored in tanks on site for subsequent removal from site via road tanker to a suitably permitted waste water treatment facility and

refinery respectively. Natural gas will be diverted to a shrouded ground flare located on site for incineration.

2.6.3 The purpose of the initial flow tests is to determine whether natural gas and liquid hydrocarbons (if present) can flow to surface from a particular zone, and if consistent flow rates and pressures can be established.

2.6.4 If natural gas and/or liquid hydrocarbons do flow to surface and consistent flow rates and pressures are established in the horizontal borehole, this borehole will be subject to an extended well test, as described in Phase 6.

2.6.5 The initial flow testing is estimated to take approximately sixty days to complete and will require 24-hour working, seven days per week.

2.7 Phase 6 Extended Well Test of the Horizontal Borehole

2.7.1 If the initial flow test indicates that natural gas and/or liquid hydrocarbons will flow to surface at consistent flow rates and pressures, the horizontal borehole will be subject to a further extended well test.

2.7.2 The extended flow test is estimated to take approximately ninety days to complete and will require 24-hour working, seven days per week.

2.7.3 Assuming that the results of the initial and extended flow tests are positive, the boreholes will be safely suspended for future use. Any future use e.g. commercial production will require the submission of a further planning application.

2.8 Phase 7 Decommissioning and Borehole Abandonment

2.8.1 In the event that the exploratory drilling and testing proves unsuccessful in determining that commercial production can be achieved, the boreholes will be decommissioned, consisting of plugging and safe abandonment in accordance with current guidelines.

2.8.2 A smaller workover rig will be mobilised to site to undertake the plug and abandonment operation.

2.8.3 Decommissioning and borehole abandonment is estimated to take approximately four weeks to complete and will require 24-hour working, seven days per week.

2.9 Phase 8 Wellsite Restoration

2.9.1 Following completion of the decommissioning and abandonment works, the wellsite will be restored to its predevelopment condition. This will consist of two principal phases, wellsite restoration and aftercare and monitoring. The wellsite restoration will include the replacement of the soils, which have been stored on the site during operations.

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2.9.2 The restoration of the Altcar Moss wellsite, including access track, is anticipated to take approximately eight weeks to complete. Work will take place during the hours agreed for wellsite construction.

2.10 The application site and images of the proposed site can be view from the following link <http://planningregister.lancashire.gov.uk/PlanAppDisp.aspx?recno=7359>

3 Notification and Response

3.1 Comments have been sought from various internal departments including the Highways Department, Environmental Protection, Lead Local Flooding Authority (LLFA) and Merseyside Environmental Advisory Service (MEAS).

3.2 A formal response should be provided within the agreed timeframe with Lancashire County Council, taking into consideration comments received from the various consultees identified above.

3.3 A response has already been received from all the consultees which can be summarised as follows:

Highways

The accurate assessment of forecast traffic flows:

Whilst access would be taken through Sefton via Formby Bypass and Altcar Road the Transport Statement (TS) does not consider forecast traffic flows and no account is made of committed development in Sefton.

The impact on road junctions:

The TS has failed to identify potential impacts on a number of junctions in Sefton. This is particularly relevant in relation to the safe access across Altcar Road roundabout, with wide vehicles in use (3.75m wide).

Monitoring:

Details of proposed road conditioning and monitoring have been proposed for Lancashire but not for Sefton.

The management of construction traffic:

There are no proposals for management of construction traffic passing through Sefton.

Impact on infrastructure:

The bridge going over Downholland Brook is Sefton's responsibility, yet there has been no assessment of weights of vehicles and there are concerns that some vehicles would cause road safety issues.

Environmental Protection

Air quality:

Air Quality has been based on modelling and has not used actual local monitoring data. Environmental Protection have suggested it would be prudent to gather actual data on ambient air quality levels to enable verification of the modelling undertaken.

Noise impact:

Data provided gives general noise figures for equipment, but the rigs can change periodically. It is therefore suggested that confirmation of maximum and minimum noise figures be provided.

Construction Traffic:

The recommend hours of construction traffic movement should be reduced to reduce noise disturbance to local residents in Sefton. Also, data supplied has failed to provide noise monitoring at the nearest residential properties in Sefton, and such provision should form part of the assessment.

Merseyside Environmental Advisory Service

Consideration of alternative sites:

Concerned that the Environmental Statement suggests that other sites have been considered but no details of these sites have been included in the environmental statement. This information should, technically, be included.

Compliance with Habitat Regulations:

No consideration has been given to potential bird strike in the Habitats Regulations Assessment. Given the scale of the drilling rig, this should be included for completeness. Also advise that consideration may want to be given to major developments in the in-combination assessment (such as 'Land East of Maghull') as part of the Habitats Regulations Assessment.

Local Lead Flood Agency

No comments to make on the proposals.

4 Conclusions

- 4.1 Notwithstanding this Council's position towards fracking, this proposal has been fully assessed by the Council on its individual planning merits. The conclusion reached, based on the comments made by our internal consultees, is that the proposal fails to have sufficient regard for the associated impacts of the scheme on interests of

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acknowledged importance within this Borough. This is evident from the supporting evidence base, which is fundamentally flawed, forming an unreliable basis to accurately assess impacts or identify suitable mitigation.

5. Recommendation

5.1 This Council objects to the proposal and wishes to see the application refused.

5 Next steps

5.1 Cabinet are requested to agree the recommendation set out in para 5.1 for the reasons set out in paras 3.3 and 4.1, and that Lancashire County Council be reminded of the Council's position as set out in para 1.5.