

**THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 25 JANUARY 2017. MINUTE Nos 73, 74 AND 80 ARE NOT SUBJECT TO "CALL – IN."**

## **CABINET**

### **MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL, SOUTHPORT ON THURSDAY 12TH JANUARY, 2017**

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

**ALSO PRESENT:** Councillors Booth, Hands and McGuire

#### **69. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Fairclough.

#### **70. DECLARATIONS OF INTEREST**

In accordance with Paragraph 9 of the Council's Code of Conduct, the following declaration of personal interest was made and the Member concerned remained in the room during the consideration of the item:

Member	Minute No.	Nature of Interest
Councillor Moncur	77 – Re-procurement of a new Careers Information Advice and Guidance for Young People	His wife is employed by the company referred to in the report

#### **71. MINUTES OF PREVIOUS MEETING**

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

That the minutes of the Cabinet meetings held on 1 and 8 December 2016 be confirmed as a correct record.

#### **72. REVENUE AND CAPITAL BUDGET UPDATE 2016/17**

The Cabinet considered the report of the Head of Corporate Resources which provided details of the current forecast outturn position for the Council for 2016/17 as at the end of October 2016 which was informed by the latest analysis of expenditure and income due to the Council, in

addition to the progress in delivering approved savings; the current forecast on Council Tax and Business Rates collection for 2016/17; and the current position of the Capital Programme.

**Decision Made:** That

- (1) the forecast deficit outturn position of £2.827m, as at the end of October 2016, and the approach currently been undertaken to reduce this in advance of the year end be noted;
- (2) the progress to date on the achievement of approved savings for 2016/17 and residual savings carried forward from previous years be noted;
- (3) the forecast position on the collection of Council Tax and Business Rates for 2016/17 be noted; and
- (4) the current position of the 2016/17 Capital Programme be noted.

**Reasons for Decision:**

To ensure Cabinet are informed of the forecast outturn position for the revenue budget and delivery of savings as at end of October 2016; the updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates and the latest forecast outturn of the Capital Programme.

**Alternative Options Considered and Rejected:**

None.

**73. BUDGET 2017/18 AND MEDIUM TERM FINANCIAL PLAN  
2018/19 - 2019/20**

The Cabinet considered the report of the Chief Executive and Head of Corporate Resources which provided details of the development of a 3 year financial strategy for the period 2017/18 – 2019/20 (the budget plan period) which reflected the current financial challenges facing the Council during the period, the proposed approach to meeting those challenges and how they reflect the Council's statutory requirement to remain financially sustainable and the desire to deliver the Sefton 2030 Vision and the Councils Core Purpose.

Given the scale of the financial and service challenges facing the Council, this was a complex and detailed report, which provided for a financial balanced budget, but this would require major and difficult decisions on how the council delivers its services, the level at which it continues to deliver them and Council Tax implications.

The report presented a financially balanced strategy and some areas of change were more specific than others. Where possible the change was explained at the detailed budget level and where this was not possible a budget planning assumption had been made based on the best available information. This was sufficiently robust to approve the budget and associated policy changes, whilst recognising that the details would continue to be refined over the period of the strategy.

This report set out the detailed approach to the strategy, which included:

- The Sefton 2030 Vision and the approved Core Purpose
- The national and local financial context within which the Council is operating;
- The funding gap facing the Council for the 3 year period 2017/18 to 2019/20;
- The approach to delivering both the aspirations of the Sefton 2030 Vision and a financially sustainable council;
- The financial, service and community impact of the Budget including the reserves position of the Council; and
- The draft capital programme for the 3 year period.

The report also indicated that as part of the budget plan, the Council was developing a major change programme to enable the Council to be sustainable and fit for purpose, the Framework for Change, which was made up of 4 pillars which would help the Council deliver against the financial challenges:

- Economic Growth
- Public Sector Reform
- Service delivery options and
- Strategic Investment

At this stage the report only sought approval to consult communities, partners, key stakeholders and employees, as appropriate, on the options prior to any consideration by Council.

The Chair indicated that due to central government policy, the Council will have lost 51% of Government funding between 2011 and 2020 and the proposals set out in the report would require some difficult decisions to be taken at the Budget Council meeting, but the Council would look to minimise the impact on frontline services and continue to protect the most vulnerable whilst driving economic growth. The Chair also stated that contrary to media

reports, the report did not contain any proposals to close The Atkinson in Southport and there were no plans to close the centre.

The Cabinet Member – Regulation, Compliance and Corporate Services commended the detailed work undertaken by Officers during the last 18 months to produce the proposals set out in the report, which would ensure the protection of the most vulnerable people in the Borough.

**Decision Made:** That

- (1) the update of the Medium Term Financial Plan for the period 2017/18 to 2019/20 which included the implications of the provisional local government settlement be noted;
- (2) approval be given to the commencement of appropriate activity in advance of any formal approval, including for example, informal consultation with employees and engagement with partners;
- (3) it be noted that the proposals contained within the report will form the basis of a three-year budget plan to be presented to the Budget Council meeting on 2 March 2017;
- (4) the current levels of facility time and associated arrangements for the whole period of the budget plan be approved; and
- (5) it be noted that officers will comply with HR policies and procedures including relevant consultation with Trade Unions and reports to the Cabinet Member - Regulatory, Compliance & Corporate Services.

**Reasons for Decision:**

To ensure that Cabinet is fully aware of the latest Medium Term Financial Plan position and to consider projects and options which would need to be phased over the three budget plan. This would support the Council in its duty to agree a budget for 2017/18 and the level of 2017/18 Council Tax before the statutory date of 10 March 2017, and maintain a sustainable financial future for the Council by agreeing a balanced three year financial plan for 2017/18 to 2019/20.

**Alternative Options Considered and Rejected:**

The budget proposals contained within the report would form the basis of a three-year budget plan to be presented to the Budget Council meeting on 2 March 2017. It was a legal requirement to set a balanced budget and ensure the budget plan was robust. As such, any changes to the proposals contained within the report would need to ensure this requirement was still met.

**74. COUNCIL TAX REDUCTION SCHEME 2017/18 AND COUNCIL TAX BASE 2017/18**

The Cabinet considered the report of the Head of Corporate Resources which provided details of the annual review of the Council Tax Reduction Scheme that had been undertaken together with the updated Council Tax Base for both Sefton Council and for each Parish Area for 2017/18.

The Cabinet Member – Regulation, Compliance and Corporate Services commended the work undertaken by Officers to produce the proposals set out in the report, which would ensure that no changes are made to the existing Local Council Tax Reduction Scheme for working age claimants, and thereby help the most vulnerable people in the Borough.

**Decision Made:** That

- (1) the contents of the Council Tax Reduction Scheme 2016/17 review be noted;
- (2) the Council be recommended to make no changes to the existing Local Council Tax Reduction Scheme for 2017/18 for working age claimants;
- (3) the Head of Corporate Resources be granted delegated to implement any minor textual changes to the Council Tax Reduction Scheme for 2017/18; and
- (4) the Council be recommended to approve the Council Tax Base for 2017/18 as set out in Annex A of the report.

**Reasons for Decision:**

Council Tax Reduction Scheme

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

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

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

Council Tax Base

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

**Alternative Options Considered and Rejected:**

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

**75. THE FUTURE PROVISION OF TRANSACTIONAL, FINANCIAL, HR AND INFORMATION SERVICES**

Further To Minute No. 6 of the meeting held on 26 May 2016, the Cabinet considered the report of the Head of Corporate Resources which provided details of the work undertaken to determine the future business requirements for Transactional Finance, Human Resources and Information Technology Services for the Council from October 2018 and the recommended delivery model for each service based on agreed evaluation criteria and the supporting transition plan that will be required.

**Decision Made:** That

- (1) the Target Operating Models for the Council Services as set out within the report be approved;
- (2) the evaluation criteria that had been applied to determine the appropriate delivery models for each service be noted;
- (3) approval be given to the following Councils services, namely, Transactional Human Resources and Payroll, Revenues, Benefits, Customer Services and Accounts Payable been delivered 'in-house' by the Council from October 2018;
- (4) approval be given to the Councils ICT service been delivered by an external prime contractor;
- (5) approval be given to the commencement of an OJEU compliant process for the procurement of an external prime ICT contractor; and
- (6) in order to deliver the transition plans for each service, approval be given to the acquisition of additional capacity and skills to supplement current Council staff and that this cost which is

estimated to be £0.4m be met from the Councils earmarked transformation reserve.

**Reasons for Decision:**

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

**Alternative Options Considered and Rejected:**

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

**76. SEFTON COAST PLAN**

The Cabinet considered the report of the Executive Director which provided details of the draft Sefton Coast Plan which had been prepared by Sefton Council on behalf of and with the participation and input of the Sefton Coast Landscape Partnership, which comprised of Sefton Council, Natural England, the National Trust, the RSPB, the Mersey Forest, and Lancashire Wildlife Trust. The Plan sets out by theme, the challenges for delivery, and the determination of priorities for action across a broad range of partners and communities, seascapes and landscapes. It takes an integrated approach to the management of the coast as many of the issues need to be addressed at a coastal scale, or on a thematic basis.

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

The Executive Director reported that the Sefton Coast Landscape Partnership had welcomed the content of draft Plan at a meeting held on 6 January 2017 but they had indicated that they wished to hold a further meeting in the near future to consider the draft plan in more detail before they formally approve the draft Plan and consequently she requested that the Cabinet Member – Locality Services be granted delegated authority to give final approval for the plan to be approved for the purposes of public consultation.

**Decision Made:**

That the comments made by the Sefton Coast Landscape Partnership Board on 6 January 2016 be welcomed and that the Cabinet Member – Locality Services be granted delegated authority to give final approval for the draft Plan to be approved for the purposes of public consultation. The

results of the consultation to be reported back to Cabinet with any suggested amendments presented in the context of a final draft version of the Sefton Coast Plan.

**Reasons for Decision:**

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

**Alternative Options Considered and Rejected:**

None.

**77. RE-PROCUREMENT OF A NEW CAREERS INFORMATION  
ADVICE AND GUIDANCE FOR YOUNG PEOPLE**

The Cabinet considered the report of the Head of Inward Investment and Employment which provided details of the business case for a review of the contract for the delivery of an Information, Advice and Guidance service for young people, which will ensure both a cost saving and a better alignment with the Council's Public Sector Reform programme and the Liverpool City Region plans for a Careers Hub under the Devolution Deal.

**Decision Made:** That

- (1) approval be given to a contract extension of 12 months from 1 April 2017 with the current contractor, to allow relevant procurement rules to be followed, including ensuring they are EU compliant in order to be used as match funding from the European Social Fund; and
- (2) the Chief Executive be requested to write to the Chief Executive of the current contract provider, informing him of the contract extension.

**Reasons for Decision:**

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

In order to be EU compliant and potentially draw down match funding from ESF, it was necessary to follow the appropriate procurement process. In



order to do this, a contract extension was required with the current contractor to avoid a hiatus in delivery.

**Alternative Options Considered and Rejected:**

Other options had been considered in detail for this service through an options analysis which had been shared with Cabinet Member, Regeneration and Skills. The main option which had been investigated was the extension of the current contract on existing terms for two years, which would be permissible under the existing agreement. This had been rejected on the grounds that better value for money can be gained from re-procurement.

**78. REVIEW OF PROCUREMENT PROCESSES**

Further to Minute No. 31 of the meeting of the Audit and Governance Committee held on 7 December 2016, the Cabinet considered the report of the Head of Commissioning Support and Business Intelligence which provided details of the outcome of recent procurement processes and subsequent audit work, which included the revision of the Council's Contract Procedure Rules in the Council Constitution

**Decision Made:** That

- (1) the work that had been undertaken to review the Council's procurement processes, rules and guidance be endorsed;
- (2) the revised Contract Procedure Rules and the changes made be noted and endorsed;
- (3) it be noted that the progress made in delivering the Procurement Action Plan and a summary of all OJEU compliant processes that are undertaken for a period of 12 months will be reported by the Head of Commissioning Support and Business Intelligence to each subsequent meeting of the Audit and Governance Committee; and
- (4) the Head of Commissioning Support and Business Intelligence be requested to submit a report on a Procurement Social Value Action Plan to a future meeting of the Cabinet.

**Reasons for Decision:**

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

**Alternative Options Considered and Rejected:**

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

**79. PARKING ENFORCEMENT CONTRACT / COMMUNITY WARDENS**

The Cabinet considered the report of the Head of Regulation and Compliance which sought approval to an extension of twelve months to the existing contract for Parking and Environmental Enforcement and to negotiate with the one tenderer on their submission.

**Decision Made:** That

- (1) approval be given to the extension of the current contract for parking enforcement and environmental enforcement for twelve months until the 31 March 2018;
- (2) approval be given to officers entering into a negotiated process with tenderer No 1 in relation to the proposed new contract, due to competition being absent for Technical Reasons;
- (3) Officers report on the outcome of the negotiated process to the Cabinet Member - Regulation, Compliance and Corporate Services;
- (4) following on from the negotiated process and subject to it being successful, the Cabinet Member - Regulation, Compliance and Corporate Services request the Head of Regulation and Compliance to draw up an appropriate contract with tenderer No 1; and
- (5) it be noted that the proposal was a Key Decision but had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) had been consulted under Rule 27 of the Access to Information Procedure Rules of the Constitution, to the decision being made by the Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan because there was a need to ensure that an enforcement provision was in place for 1 April 2017 and agreement was needed to be reached by early January 2017 with the existing provider and sole tenderer.

**Reasons for Decision:**

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

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

**Alternative Options Considered and Rejected:**

None.

**80. URGENT DECISION BY THE LEADER OF THE COUNCIL - APPROVAL TO SERVE A S220 HIGHWAYS ACT 1980 NOTICE ON PERSIMMON HOMES NW LTD IN RELATION TO THEIR DEVELOPMENT AT SCHOOL LANE, MAGHULL**

The Cabinet considered the report of the Head of Locality Services - Commissioned which provided details of an urgent decision taken by the Leader of the Council on 21 December 2016 to give approval to the serving of a Section 220 Notice on Persimmon Homes North West Ltd, relating to their proposed development at School Lane, Maghull pursuant to Sections 219-225 of the Highways Act 1980 and to waive the call in period due to the time constraints of the Christmas period and the serving of the statutory Notice within six weeks of the Building Commencement Notice.

**Decision Made:** That

- (1) the urgent decision made by the Leader of the Council be noted; and
- (2) it be noted that the Leader of the Council and the Chair of the Overview and Scrutiny Committee Regeneration and Skills had given their consent under Rule 46 of the Overview and Scrutiny Procedure Rules for the decision to be treated as urgent and not subject to "call in" on the basis that it cannot be reasonably deferred

because the statutory period for issuing the Notice would expire during the seasonal bank holiday and shut down period.

**Reasons for Decision:**

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

**Alternative Options Considered and Rejected:**

None.