

Public Document Pack



Executive Board Sub Committee

Thursday, 18 June 2009 10.00 a.m.
Marketing Suite, Municipal Building

A handwritten signature in black ink, appearing to read 'David W R'.

Chief Executive

ITEMS TO BE DEALT WITH IN THE PRESENCE OF THE PRESS AND PUBLIC

PART 1

Item	Page No
1. MINUTES	
2. DECLARATION OF INTEREST	
Members are reminded of their responsibility to declare any personal or personal and prejudicial interest which they have in any item of business on the agenda no later than when that item is reached and, with personal and prejudicial interests (subject to certain exceptions in the Code of Conduct for Members), to leave the meeting prior to discussion and voting on the item.	
3. CORPORATE SERVICES PORTFOLIO	
(A) DISCRETIONARY NON DOMESTIC RATE RELIEF	1 - 5
(B) OUTTURN REPORT 2008/09	6 - 8

*Please contact Caroline Halpin on 0151 471 7394 or e-mail caroline.halpin@halton.gov.uk for further information.
The next meeting of the Committee is on Thursday, 16 July 2009*

Item	Page No
4. PLANNING, TRANSPORTATION, REGENERATION AND RENEWAL PORTFOLIO	
(A) AWARD OF THE HBC BRIDGE MAINTENANCE PARTNERSHIP CONTRACT TO BALVAC LTD	9 - 12
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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

REPORT TO: Executive Board Sub-Committee

DATE: 18th June 2009

REPORTING OFFICER: Strategic Director – Corporate and Policy

SUBJECT: Discretionary Non-Domestic Rate Relief

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is for members to consider 4 applications for discretionary non-domestic rate relief, under the provisions of the Local Government Finance Act 1988.

2.0 RECOMMENDATIONS: That

- (1) Under the provisions of Section 47, Local Government Finance Act 1988, discretionary rate relief be granted to the following organisation at the percentage indicated, for the period from 1st April 2009 or the commencement of liability, whichever is the later, to 31st March 2013:

Halton Carers' Centre Ltd	20%
Halton Pentecostal Church Charity	20%
Shetland Rescue Horse and Pony Sanctuary	20%
Warrington Disability Partnership	20%

- (2) In respect of the following organisations, it is also recommended that they should be granted discretionary rate relief for the backdated element of the charge:

Halton Carers' Centre Ltd	20%
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3.0 SUPPORTING INFORMATION

- 3.1 Under the provisions of Section 47 of the Local Government Finance Act 1988, the Authority is allowed to grant discretionary rate relief to organisations that are either a charity or a non-profit making organisation. This relief may also be awarded to Community Amateur Sports Clubs. A summary of the applications follows and a list of the associated figures are attached in Appendix 1.

Halton Carers Centre Ltd
62 Church Street, Runcorn

Halton Carers Centre Ltd is a registered charity offering relief to the ill, disabled and elderly, through the provision of information and support to the carers of such persons. The company is limited by guarantee, without any share capital and operates within Halton.

The property is used as a headquarters for the organisation, being utilised as an administrative base for the group and a centre for the majority of activities and services provided. The rating liability for the premises commenced on 4th November 2008.

As a registered charity, the organisation qualifies for 80% mandatory rate relief but has also applied for the additional discretionary rate relief. Similar organisations, such as the Widnes and Runcorn Cancer Support Centre, have benefited from the award of this relief, to the maximum rate possible.

Cost to Taxpayer (75%)	2009/10	£334.65
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Halton Pentecostal Church Charity
11 Albert Square, Widnes

Halton Pentecostal Church Charity is a registered charity, associated with the Foundry Church, Lugsdale Road, Widnes and operates solely within Halton. The organisation believes that this operation provides an opportunity to serve the local community on a voluntary basis.

The premises are used as a charity shop and the group state that it is not established to be profitable but is to provide a service to those in need, in the current economic climate. The operation will offer debt counselling, support to those with addictions and supply food parcels.

The organisation qualifies for 80% mandatory rate relief, as they are a registered charity and their application includes a request for an award of discretionary rate relief. Locally focussed charities involved in similar enterprises have benefitted from the additional relief.

Cost to Taxpayer (75%)	2009/10	£2,091.56
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Shetland Rescue
Ramsbrook Lane, Hale

Shetland Rescue is a registered charity providing a horse and pony sanctuary for the care and welfare of sick, neglected or abandoned horses and ponies. The charity operates throughout Merseyside and Cheshire but their only premises are at the site in Hale.

The property is used as a base for the organisation and also provides a facility to be used as a haven for these unwanted and neglected animals.

As a registered charity, the organisation receives 80% mandatory rate relief but a recent application has been made for discretionary rate relief. The local branch of the RSPCA has been awarded the additional relief.

Cost to Taxpayer (75%) 2009/10 £165.51

Warrington Disability Partnership
102 Halton Lea, Runcorn

Warrington Disability Partnership is a registered charity providing information and advice for disabled people, their families and carers. The organisation offers a vast array of services to all such parties in both Runcorn and Warrington.

The property is used to provide shopmobility services in Halton Lea. These are primarily the loan of electric scooters and wheelchairs but also involve the promotion of their other activities, within this field.

As a registered charity, the organisation receives 80% mandatory rate relief but a recent application has been made for discretionary rate relief. Halton Disability Services were the previous occupant of these premises and were granted the full relief available.

Cost to Taxpayer (75%) 2009/10 £1,327.69

4.0 POLICY IMPLICATIONS

4.1 Members are required by the regulations to consider each application on its own merit. Any recommendations provided are given for **guidance only** and are consistent with previous decisions and council policy.

5.0 OTHER IMPLICATIONS

5.1 75% of any discretionary rate relief granted to organisations receiving mandatory rate relief must be met by the Council Taxpayer, whilst 25% must be met if mandatory rate relief has **not** been awarded. Appendix 1 identifies the cost to the Council Taxpayer for each new application. All the applicants provide support and/or education to the community, which is consistent with the Council's Corporate Plan.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None applicable.

6.2 Employment, Learning and Skills in Halton

None applicable.

6.3 A Healthy Halton

None applicable.

6.4 A Safer Halton

None applicable.

6.5 Halton's Urban Renewal

None applicable.

7.0 RISK ANALYSIS

7.1 There are no key risks associated with the proposed action.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 All of the applicants offer their services to all sections of the community.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 Document	Place of Inspection	Contact Officer
Application forms and supporting evidence	Catalyst House, Widnes	Phil Murphy, Business Rates Manager

APPENDIX 1

Ratepayer	Address	Annual Rates 2009/2010 £	Actual Rates Liability 2009/2010 £	Mandatory Rate Relief Awarded	Actual Rates Payable 2009/2010 £	Discretionary Rate Relief Claimed	Annual Cost of Relief to HBC 2009/2010 £	Actual Cost of Relief to HBC 2009/2010 £
Halton Carers Centre Ltd	62 Church Street, Runcorn	2,231.00	2,231.00	80%	446.20	20%	334.65	334.65
Halton Pentecostal Church Charity	11 Albert Square, Widnes	13,943.75	13,943.75	80%	2,788.75	20%	2,091.56	2,091.56
Shetland Rescue	Ramsbrook Lane, Hale	1,103.38	1,103.38	80%	220.68	20%	165.51	165.51
Warrington Disability Partnership	102 Halton Lea, Runcorn	8,851.25	8,851.25	80%	1,770.25	20%	1,327.69	1,327.69

REPORT TO: Executive Board Sub Committee
DATE: 18 June 2009
REPORTING OFFICER: Operational Director – Financial Services
SUBJECT: 2008/09 Financial Outturn

1.0 PURPOSE OF REPORT

1.1 To report the final revenue and capital spending position for 2008/09.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Revenue Spending

- 3.1 The final accounts for 2008/09 are now complete and the revenue spending position for each Directorate, subject to external audit, is shown in the Appendix.
- 3.2 As set out in the Budget Strategy, the planned overall underspend of £2m has been successfully achieved and has been transferred to the Invest to Save Fund to support efficiency measures.
- 3.3 The remaining underspend was £281,000. As a result the Council's general balances now stand at £6,921,000 having also been reduced by the planned contribution of £350,000 to support the revenue budget.
- 3.4 The global "credit crunch" and consequent inflationary pressures and economic downturn had an impact upon the Council's finances during the year. In particular, there were shortfalls in areas of income generation including land search fees, planning fees, market rents, commercial rents, and bar sales. In addition, there were increased costs from fuel, energy, food, out-of-Borough placements, client transport, and aids and adaptations.
- 3.5 There were planned underspends in staffing budgets across Directorates, from temporarily holding posts vacant during the year. In addition, there was a one-off saving from a technical adjustment in respect of capital financing, higher than anticipated income from treasury management activities, and lower residential and nursing costs for older people.

School Balances

- 3.5 School balances have reduced by £0.9m to £8.3m in total. This is made up from balances on Individual School Budgets (£4.4m) and Standards Fund (£3.9m). There is also £2.7m of unspent Schools Related funding held centrally which will carry forward to 2009/10. In addition, there is £1.0m of unspent Standards Fund grant held centrally, which along with the unspent Schools Standards Fund grant must all be spent by 31st August 2009.

Capital Spending

- 3.6 The Appendix presents a summary of spending against the 2008/09 Capital Programme. Capital spending totalled £41.5m, which is £6.3m below the revised capital programme of £47.8m.
- 3.7 This represents 87% delivery of the revised capital programme, with the only areas of significant slippage being on the ICT Infrastructure, Widnes Waterfront and Castlefields schemes.

4.0 POLICY AND OTHER IMPLICATIONS

- 4.1 There are none.

5.0 RISK ANALYSIS

- 5.1 There are no risks associated with this report.

6.0 EQUALITY AND DIVERSITY ISSUES

- 6.1 There are none.

7.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

There are no background papers under the meaning of the Act.

APPENDIX

2008-09 Revenue Expenditure

	Budget	Actual	Variance (overspend)
	£'000	£'000	£'000
Children and Young People Directorate	28,720	28,336	384
Environment Directorate	30,069	30,467	(398)
Corporate and Policy Directorate	-86	-205	119
Health and Community Directorate	43,192	43,016	176
	101,895	101,614	281

2008-09 Capital Expenditure

	Revised Allocation	Actual	Variance (overspend)
	£'000	£'000	£'000
Children & Young People Directorate	5,565	5,387	178
Environment Directorate	34,956	29,309	5,647
Health & Community Directorate	3,337	3,275	62
Corporate & Policy Directorate	3,975	3,487	488
	47,833	41,458	6,375

REPORT TO: Executive Board Sub Committee

DATE: 18 June 2009

REPORTING OFFICER: Strategic Director - Environment

SUBJECT: Award of the HBC Bridge Maintenance Partnership Contract to Balvac Ltd

WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 To report the circumstances of the award of the HBC Bridge Maintenance Partnership Contract to Balvac Ltd following the collapse of Wrekin Construction Company Ltd.

2.0 RECOMMENDATION: That

The circumstances of the award of the HBC Bridge Maintenance Partnership to Balvac Ltd are noted.

3.0 SUPPORTING INFORMATION

- 3.1 Item ES Item ES52 of 04 December 2008 Executive Board Sub Committee documents the delegation of authority to accept the most advantageous tender for the HBC Bridge Maintenance Partnership to the Strategic Director Environment in consultation with the Executive Board Member for Planning, Transportation Regeneration and Renewal.
- 3.2 Further to the above, Item ES85 of 12 February 2009 Executive Board Sub Committee outlines the circumstances of the original award of the HBC Bridge Maintenance Partnership Contract to Wrekin Construction Ltd.
- 3.3 This Contract is to undertake all planned major bridge maintenance in the Borough by a single partner contractor for a minimum period of 4 years with a minimum estimated works value of £12m over the 4 year period.
- 3.4 Following a competitive tendering process, undertaken in compliance with Public Contracts Regulations 2006, the most acceptable bid in terms of quality and price was evaluated to be that submitted by Wrekin Construction Ltd.
- 3.5 The financial viability of Wrekin was accepted based upon information returned by the Council's independent Equifax credit intelligence service both in August 2008 (when shortlisting) and December 2008 (before award in January 2009). On both occasions a suggested contract limit of

£5m was reported which was greater than the estimated maximum annual works budget of approx £4m.

- 3.6 Following Strategic Director approval of their appointment, Wrekin were issued a letter on 13th January 2009 which authorised commencement of preparatory, procurement and mobilisation activities in advance of the formal Contract being established, subject to reimbursement should the Council eventually decide not to enter into a contract with them.
- 3.7 On 10th March 2009 HBC were made aware that Wrekin had entered into Administration. At that point the Contract was still in a preliminary stage with procedure, process and programme being agreed. Wrekin had not commenced any work on site nor established any site facilities. They had not placed any subcontracts nor purchased plant, equipment or materials required for our Contract.
- 3.8 Wrekin have not received any payment from HBC in connection with the Bridge Maintenance Partnership contract.
- 3.9 HBC entered into correspondence with Ernst & Young (who had been appointed as Administrator) and their specialist advisors outlining the following:
 - There is no formal Contract with Wrekin. The formal Contract documents had not yet been returned by Wrekin and therefore had not been engrossed under seal.
 - HBC's letter of intent did not commit the Council contractually.
 - In order to avoid being in breach of Public Contracts Regulations 2006, HBC did not feel it prudent to consider any novation of Wrekin's offer to another organisation, regardless of whether they were part of the original tender invitation or not.
 - HBC's preferred course of action was to offer the Contract to the organisation whose overall tender submission was evaluated to be the second most advantageous. This organisation had already confirmed that their tender remains open for acceptance.
- 3.10 As a result, Strategic Director approval was granted for award of the Bridge Maintenance Partnership Contract to Balvac Ltd whose tender submission was a close second to that of Wrekin.
- 3.11 Balvac are part of the Balfour Beatty Group of companies and Balfour Beatty have forwarded a Parent Company Guarantee to increase client confidence as regards Balvac's ability to execute the Contract.
- 3.12 On 31/03/09 Balvac were issued with a letter authorising commencement of preparatory, procurement and mobilisation activities in advance of the formal Contract being established.
- 3.13 Although it has not been raised as an issue, there is a possibility that the Administrator may eventually pursue the Council for reimbursement of

Wrekin's procurement and mobilisation costs. However as outlined in 3.7 above, it would appear that at worst these would be confined to a very limited amount of staff time only (say £10k maximum).

- 3.14 It is considered that the course of action outlined in this report has mitigated the adverse effects to the bridge maintenance programme to an absolute minimum whilst remaining in compliance with Public Contracts Regulations. We are confident that we can retrieve the delay in delivering the work created by Wrekin's demise and deliver the remaining programme of work effectively and efficiently.
- 3.15 Balvac have now commenced establishment of a site compound in Runcorn from which a major work package to paint and refurbish the suspended span of the Silver Jubilee Bridge will be managed.

4.0 POLICY IMPLICATIONS

- 4.1 The works include delivery of at least four years of the Council's Maintenance Strategy Plan for the Silver Jubilee Bridge Complex and Associated Structures.

5.0 OTHER IMPLICATIONS

- 5.1 Resource Implications

The Contract will be funded from the Council's capital budget in the form of direct capital grant for Bridge Strengthening and Maintenance on the Primary Route Network awarded through the Local Transport Plan settlement.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 The SJB Complex forms part of the strategic route through the Borough. Implementation of an effective and economic programme of maintenance is essential to ensure the continued availability of the crossing and thereby avoid compromising the Council's ability to deliver any of its strategic priorities.

7.0 RISK ANALYSIS

- 7.1 Financial Exposure of the Council.

Balfour Beatty Group have provided a Parent Company Guarantee in respect of the performance of Balvac. A Performance Bond and a 5% retention clause are also a requirement of the contract.

- 7.2 Budget Control

The tender documentation allows routine and common activities to be priced based upon a schedule of rates. However, the unique nature of

the structures in the SJB complex dictates that the costs of some works may be determined through negotiation on a target, lump sum or at-cost basis. The form of Contract to be employed and the tender evaluation process takes into account consideration of these issues.

The tender invitation and evaluation process has allowed HBC to confirm that Balvac has the appropriate level of expertise and experience to deliver the project within the proposed management structure. It has also allowed confirmation of their ability to work openly and co-operatively with the client to react to necessary change during works to maximise opportunities to provide value for money.

The NEC (ECC) suite of contracts promotes flexibility through inclusion of options related to partnering and is recommended by the OGC as a suitable form of contract for public sector procurement.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The Pre-Qualification Questionnaire has allowed HBC to confirm that Balvac has an acceptable equality and diversity policy in place.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Halton Borough Council Bridge Maintenance Partnership Tender Report (Nov 2008) and Appendices	Bridge Maintenance Section, 2 nd Floor Rutland House	Mike Bennett

REPORT TO: Executive Board Sub Committee

DATE: 18 June 2009

REPORTING OFFICER: Strategic Director - Environment

SUBJECT: Waiver of Standing Orders to enable procurement of specialist highways goods and services.

WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 To request approval to waive Standing Orders to enable procurement of specialist highways goods and services where it has proven impossible to seek acceptable alternative quotations.

2.0 RECOMMENDATION: That

- 2.1 Standing Orders are waived to allow procurement of Silver Jubilee Bridge replacement hanger cable and components from Bridon Structural Systems Ltd.

3.0 SUPPORTING INFORMATION

- 3.1 Silver Jubilee Bridge (SJB) Replacement Hanger Cable and Components
 - 3.1.1 Since 2002 HBC have undertaken detailed studies into the condition of the hanger cables supporting the suspended span of the SJB.
 - 3.1.2 This culminated in the provision of substantial additional protection against corrosion and limited vandalism. Protection of the cables on the east elevation of the bridge was completed last September with the west elevation to be addressed this summer.
 - 3.1.3 This increased level of protection dictates that we have no plans in the short or medium term to replace cables as part of a maintenance programme. The only events which would dictate consideration of hanger replacement are therefore associated with accidental or malicious damage (terrorism or determined vandalism).
 - 3.1.4 The issue of a hanger being damaged has such serious implications for the integrity of the structure of the SJB that in conjunction with our framework consultants Mott MacDonald, it was decided to prepare in advance a fully certified and independently checked design for a method of replacing a hanger

cable. Having this "on the shelf" would reduce the downtime associated with bringing the bridge back into service should there be a need to replace a hanger cable.

- 3.1.5 Consideration has also been given to purchasing and securely storing lengths of hanger cable and anchorage assemblies in advance as the lead in period for these extremely specialist components is a minimum of 12 weeks.
- 3.1.6 All spare components would be stored in the Council's bridge maintenance shed at the Picow Farm Road Depot.
- 3.1.7 A bid was successfully made for funding this activity through Local Transport Plan Funding capital grant for Bridge Strengthening and Maintenance on the Primary Route Network.
- 3.1.8 To avoid compromising the original structure we have to provide replacement components whose geometric, strength and stiffness properties match the original components in the structure.
- 3.1.9 In conjunction with Mott MacDonald we have approached 6 different specialist cable suppliers in Italy, Germany, France and UK and the only company who confirmed their ability to satisfy the specification requirements were Bridon Structural Systems of Doncaster, UK. Bridon were the manufacturers of the original hanger cable assemblies in the late 1950s.
- 3.1.10 The minimum run Bridon's mill will produce is 250m and because there are two different diameters of cable we would need two coils of 250m each.
- 3.1.11 Bridon have quoted £129,100 for supply and delivery of two 250m drums of galvanized locked coil rope cable and two of each upper and lower cable anchorage assemblies. This is less than the EU financial threshold for procurement of supplies so advertising for expressions of interest through OJEU is not required.

4.0 POLICY IMPLICATIONS

- 4.1 The SJB hanger cable replacement contingency activities form part of the Council's Maintenance Strategy Plan for the Silver Jubilee Bridge Complex and Associated Structures.

5.0 OTHER IMPLICATIONS

5.1 Resource Implications

- 5.1.1 The SJB hanger cable replacement will be funded from the Council's capital budget in the form of direct capital grant for

Bridge Strengthening and Maintenance on the Primary Route Network awarded through the Local Transport Plan settlement.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 The SJB Complex forms part of the strategic route through the Borough. Implementation of an effective and economic programme of maintenance is essential to ensure the continued availability of the crossing and thereby avoid compromising the Council's ability to deliver any of its strategic priorities.

7.0 RISK ANALYSIS

- 7.1 The advance procurement and secure storage of SJB hanger cables and components is a contingency measure which will reduce the potential of a prolonged long term closure of the bridge in the event of damage to the bridge structure. This in turn reduces the risk of excessively adverse consequences to Halton's capacity for business continuity.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 Not relevant to this report.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.

REPORT TO: Executive Board Sub Committee

DATE: 18th June 2009

REPORTING OFFICER: Strategic Director Environment

SUBJECT: Regional Enterprise programme

WARD(S): Borough-wide

1. PURPOSE OF REPORT

- 1.1** This report seeks authority for Halton Borough Council to become the managing agent for the North West Development Agency Regional Enterprise Programme for the Halton area.

2. RECOMMENDED: That

- 2.1 Authority be given for Halton Borough Council to become the managing agent for the North West Development Agency Business Start Up programme within Halton.**

3. BACKGROUND

- 3.1** The North West Development Agency is presently commissioning a business start up programme for the North West. The total value of this is expected to be £35m and is made up of a combination of NWDA and European Resources. The programme will provide advice to people who wish to start up a business/become self-employed. It will help with the development of a business plan and will then provide ongoing support and advice in the first two years.
- 3.2** With previous programmes, the NWDA has commissioned providers to cover large geographic areas, some of which then went on to sub-contract activity to other companies. This could lead to multiple providers operating in areas. With this approach, it was very difficult to coordinate activity, it was almost impossible to bring together the NWDA and local authority provision into a coherent package and there was a high level of confusion.
- 3.3** The programme being commissioned now is very different and much more reflects local priorities and the local provision that exists already. In the Liverpool City region, the NWDA is seeking for each local authority to manage the programme for their area on behalf of the NWDA. It is also giving them the opportunity to commission their own

start up programmes through the NWDA contract through what it calls co-funding arrangements.

- 3.4 To date, the NWDA has advertised in accordance with European procurement rules for a North West business start up programme. All those providers that showed an interest have been issued a pre qualification questionnaire (PQQ) and those companies that passed the PQQ were invited to submit tenders to seek inclusion on a select list. The tenders have been assessed and a select list of successful providers now exists. Providers on that list had to specify where in the region they would be prepared to work and what specific groups they specialised in as well as a unit cost.
- 3.5 The final selection of who works in which area will be made through a final selection process. The first step is to prepare a specification that meets the needs of the local community. In essence this is turning what is a region wide programme into a borough scale project. This specification has to be done within the framework of what the NWDA has already done and would typically specify local targets for priority groups and/or wards.
- 3.6 There are two options for taking the final selection process forward. The NWDA is prepared to undertake the selection process and then novate the contract to each local authority. Alternatively, each local authority can carry out what the NWDA is calling its own mini-tendering exercise. It is a rule of this final selection process that providers cannot increase the unit cost already specified to the NWDA. However, providers may reduce the unit cost as they seek to gain work.

4. POLICY IMPLICATIONS

- 4.1 The development of a culture of enterprise and entrepreneurship is a key objective within the Community Strategy. The revised Local Area Agreement specifically identifies a target for business start up.

5. OTHER POLICY IMPLICATIONS

5.1 Financial Implications

The value of the NWDA contract is worth £180,000 a year for three years and the NWDA is seeking an option to extend the management arrangements for a further two years. In recognition of the additional costs associated with managing this programme each local authority is being given a 5% management fee. As part of the co-funding arrangements there is presently £100,000 of Working Neighbourhoods Funded business start up support that can be used.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

Research shows that people are more likely to consider starting up a business if they know someone who has done so already. As we seek to build a culture of enterprise in our young people through the work underway in schools through the Education Business Partnership, the increase in business starts that are expected as part of this programme should mean that more young people have that reference point of someone who has started a business.

6.2 Employment, Learning and Skills in Halton

The confusion that has existed around business start up services and who provides them has been of concern for some time. The council taking the responsibility for managing the programme will lead to an improvement. It will enable much more coordinated marketing of the services and should ensure no duplication of provision takes place.

6.3 A Healthy Halton

None known at this stage

6.4 A Safer Halton

None known at this stage

6.5 Halton's Urban Renewal

The development of more businesses within the borough will result in an increased demand for business space. New developments such as Turnstone Business Park and existing space such as the Heath Business and Technical Park will therefore benefit directly from this programme.

7. RISK ANALYSIS

7.1 Becoming a managing agent for the NWDA means that the council will operate under the agency's standard procedures including claims and monitoring. As part of the money is being financed by the European Regional Development Fund all documentation and claims will also be subject to EU scrutiny procedures.

7.2 Colleagues in Legal Services have examined the legal documentation and concluded that the agency has passed on all its obligations to its managing agents. As such, this type of contract issued by the Agency is not unusual and very similar to many others the authority has, in that there is a risk that poor performance could lead to clawback of NWDA and/or ERDF monies paid under the contract.

7.3 A Risk Assessment has been drawn up which identifies the potential risks and the corresponding control measures to ensure that any contractual obligations imposed are adequately resourced so that the Council can comply.

7.4 Staff resources are in place to effectively manage the contract to ensure the application of the necessary control measures and to monitor and

take action in the event of any potential variation from contract compliance. In these circumstances the level of risk is minimised.

8. EQUALITY AND DIVERSITY ISSUES

- 8.1 The NWDA programme has been developed with equality and diversity issues as a key element. The agency has identified a number of groups that have a low start up rate in the North West e.g. women, disabled, ex-offenders and these form the focus for the targets within each locality.

Gerry Fitzpatrick
Head of Enterprise & Employment Division

01928 516102: