

Public Document Pack



Executive Board

Thursday, 14 July 2016 2.00 p.m.
The Boardroom, 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

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| 1. MINUTES | |
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| Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item. | |
| 3. CHILDREN YOUNG PEOPLE AND FAMILIES PORTFOLIO | |
| (A) HOME TO SCHOOL AND COLLEGE TRAVEL AND TRANSPORT POLICY FOR CHILDREN & YOUNG PEOPLE WITH SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND) - KEY DECISION | 1 - 5 |

*Please contact Angela Scott on 0151 511 8670 or
Angela.scott@halton.gov.uk for further information.
The next meeting of the Committee is on Thursday, 15 September 2016*

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| PART II | |
| <p>In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is RECOMMENDED that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.</p> | |
| <p>7. RESOURCES PORTFOLIO</p> | |
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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

DATE: 14 July 2016

REPORTING OFFICER: Strategic Director – People

PORTFOLIO: Children, Young People and Families

SUBJECT: Home to School and College Travel and Transport Policy for Children & Young People with Special Educational Needs and Disabilities (SEND)

WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 This report seeks the Executive Board's approval to commence a consultation with stakeholders and partners with a view to determining a new policy on sustainable travel and transport for children and young people with special educational needs and disabilities.

2.0 RECOMMENDATION: That the Board approves the commencement of a consultation with stakeholders and partners with regard to implementing a new Home to School and College Travel and Transport Policy for Children and Young People with Special Educational Needs and Disabilities from September 2017.

3.0 SUPPORTING INFORMATION

3.1 The Local Authority has recently been reviewing the way in which travel and transport support is determined and provided to children and young people with special educational needs and disabilities to educational establishments both in-Borough and out-Borough. Currently 385 pupils with special educational needs and disabilities receive support from the Local Authority to access educational provision either within Halton, or, where that specific need cannot be met in-borough, assistance is provided to out-Borough provision.

3.2 The cost for providing transport for pupils with SEND for the 2015/16 academic year was £1,273,776. £879,092 for in-borough transport and £394,684 for out-borough transport.

3.3 It is proposed that the Local Authority consults with parents/carers, educational establishments and other interested parties on revised travel solutions.

3.4 These travel solutions have a key focus on securing effective travel to school and college which helps promote independence, and these family based travel solutions include:

- Bicycle
- Walking bus
- Travel Pass
- Independent Travel Training
- Provision of vehicle (e.g. mini-bus or taxi)
- Supported public travel (this would include pass for child and their parent/carer/passenger assistant)
- Mileage payment to parent/carer
- For post 16 students, it is intended that a financial contribution would be sought from the parent/carer towards the cost of a travel solution and if over 18 years, the individual themselves. Charges will not exceed the cost of a bus pass for students age 17 to 25. Low income for families/young person and the likely duration of the learning will also be taken into account when determining the level of contribution, and a reduced contribution will be applied.

3.5 It is proposed that the consultation period commences in September 2016, running from Monday 4th September 2016, closing on Friday 3rd November 2016 (a period of 8 school weeks excluding the October half-term). Following the completion of the consultation a further report with the findings of the consultation, and a set of recommendations, will be brought to a future Executive Board for determination, and implementation of a revised Home to School & College Travel and Transport Policy for Children & Young People with Special Educational Needs and Disabilities (SEND) for September 2017.

4.0 POLICY IMPLICATIONS

- 4.1 Under section 509AB of the Education Act 1996, a Local Authority has a duty to ensure that a suitable travel solution is made for an eligible child/young person. The Authority should set out the extent to which the arrangements can facilitate the attendance at a relevant qualifying school/college for a child/young person with learning difficulties and/or disabilities. The Act applies to all children and young people who permanently live in Halton and attend a qualifying school named in their Statement of Educational Needs or Education Health and Care Plan.
- 4.2 The 16-18 transport duty relates to young people of sixth form age with learning difficulties and/or disabilities aged up to 19. Local Authorities also have a duty under the Education and Skills Act 2008 to encourage, enable and assist the participation of young people with learning difficulties and/or disabilities up to the age of 25 in education and training.
- 4.3 The Children and Families Act 2014 replaces the Statement of Special Educational Needs and Learning Difficulty Assessments (LDAs) for those over the age of 16 with Education, Health and Care Plans. Under the Act, a local authority may continue to maintain an Education Health

and Care Plan for a young person over 19 if a young person requires additional time, in comparison to the majority of others of the same age who do not have special educational needs, to complete his or her education or training. Local authorities may continue to provide special educational provision until the end of the academic year in which the young person turns 25. The age limit for compulsory education/training has increased from 16 to 18. This applies to young people if they were born on or after 1st September 1997.

- 4.4 All of these additional duties are likely to result in a significant growth in demand for transport. It is therefore proposed that the Local Authority consults with parents/carers, educational establishments and any other interested party on the way in which travel solutions are offered and funded to those children and young people with Special Educational Needs and Disabilities.

5.0 FINANCIAL IMPLICATIONS

- 5.1 A review of transport provision is essential, in particular those elements which are discretionary, as the transport budget overspent by £205,000. Many local authorities are in a similar position to Halton and have also commenced exploring the funding contributions for post-16 pupils and more efficient models for providing transport.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

The proposed travel solutions comply with statutory requirements in ensuring that travel solutions are available for children and young people within the borough of Halton. The proposals will ensure that the educational provision for children & young people in the borough is inclusive and accessible.

6.2 Employment, Learning and Skills in Halton

Educational achievement is critical to the life chances of all children in the borough and the proposed transport solutions help underpin the requirement to promote fair access to educational opportunity.

6.3 A Healthy Halton

The proposed travel solutions promote and support measures that encourage local communities to use environmentally sustainable forms of travel, especially walking, cycling, and public transport.

6.4 A Safer Halton

The proposed travel solutions promote the safe travel and transfer of children and young people to school and college.

6.5 Halton's Urban Renewal

N/A

7.0 RISK ANALYSIS

7.1 The Sustainable School Travel Policy is in place to meet statutory requirements. There are no major risks associated with the publication of the Policy

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The proposed arrangements reflect any requirements of the Equality Act 2010. Any finally determined policy will reflect the diverse needs of children and young people in Halton in accessing appropriate educational provision. Any determined policy will ensure that suitable travel solutions are in place for those children with Special Educational Needs, and/or a disability who may, by reason of their disability, be unable to walk even relatively short distance to school, and those children with a mobility problem caused by a temporary medical condition who may be unable to walk to school.

9.0 REASON(S) FOR DECISION

9.1 The decision is required to fulfil the Council's statutory duty to promote the use of sustainable travel and transport.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10.1 None.

11.0 IMPLEMENTATION DATE

11.1 It is intended that any revised policy would be implemented for the September 2017 academic intake.

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

12.1 None under the meaning of the Act.

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

| Document | Place of Inspection | Contact Officer |
|--|---|------------------------|
| Home-to-school travel and transport statutory guidance 2014 | People & Economy Directorate | Martin West |
| Education Act 1996 | People & Economy Directorate | Martin West |
| Education & Skills Act 2008 | People & Economy Directorate | Martin West |
| Children & Families Act 2014 | People & Economy Directorate | Martin West |

| | |
|---------------------------|-----------------------------------|
| REPORT TO: | Executive Board |
| DATE: | 14 July 2016 |
| REPORTING OFFICER: | Strategic Director, People |
| PORTFOLIO: | Children, Young People & Families |
| SUBJECT: | Daycare Provision |
| WARDS: | Broadheath and Halton View |

1.0 PURPOSE OF THE REPORT

- 1.1 To outline the financial challenges faced by Ditton and Warrington Road Daycare and request permission to seek alternative providers to take responsibility for running both settings.

2.0 RECOMMENDED: That the Board consider the Council cease to be a provider of Daycare and seek an alternative provider from within the Private, Voluntary and Independent Sector for Ditton Daycare and Warrington Road Daycare.

3.0 BACKGROUND INFORMATION

- 3.1 Halton Borough Council became a direct provider of Early Years and Childcare services as part of the Neighbourhood Nurseries Initiative in 2004. This national programme required local authorities to create additional Early Years and Childcare places for 0-5 year olds for 50 hours per week and operate for 51 weeks per year. The target set for Halton was 204 new places and declarations of interest were sought from existing childcare providers both locally and nationally. To incentivise the private and voluntary sector to deliver these places they were offered a limited capital contribution and 3 years of pump-prime revenue funding. Following this process, an insufficient number of places were created and as such the local authority became the provider of “last resort” on the site of three nursery schools, Ditton, The Grange and Warrington Road. The Grange Daycare setting closed in 2011, due to low levels of occupancy and high costs.
- 3.2 Financial and non-financial support has been provided to Ditton and Warrington Road Daycare settings, but it has now become apparent that the current business model will not deliver sustainable provision, as the two Daycare providers had a combined cumulative deficit of £274,491 at the end of 2015/2016. Warrington Road Daycare was responsible for £164,238 of the deficit and Ditton Daycare £110,253.

- 3.3 Ditton Daycare is a council-run daycare centre, located in Broadheath ward in Widnes. It has a good Ofsted judgement and delivers daycare for children aged 0-5 years old, including funded places for 2 year olds, it is co-located with Ditton Nursery School. The future viability of Ditton Daycare is a concern due to high costs, and consistently low occupancy levels. Ditton Daycare Centre can accommodate 54 FTE children, but in the financial year 2015-16 it only had an average occupancy rate of 50%.
- 3.4 Warrington Road Daycare is a council-run daycare centre, located in Halton View ward in Widnes. It has a good Ofsted judgement and delivers daycare for children aged 0-5 years old, including funded places for 2,3 and 4 year olds, it is co-located with Warrington Road Nursery School and Warrington Road Children's Centre. The future viability of Warrington Road Daycare is a concern due to high costs, including building and service costs, but particularly staff costs. The high costs have resulted in year on year deficits. Warrington Road Daycare Centre can accommodate 53 FTE children and currently has 78% occupancy. Currently Warrington Road Daycare facility contributes 27% of all building and utility costs within the Warrington Road building.

3.5 Alternative Model

- 3.5.1 It is proposed that the Local Authority cease to be a direct provider of daycare and instead seek alternative providers for the daycare provision from the private, voluntary or independent sector
- 3.5.2 Halton has a vibrant and sustainable private and voluntary Early Years sector that is able to operate more flexibly than local authority-run provision and therefore is better able to meet the needs of parents. The level of quality in the private and voluntary sector is also comparable with the maintained sector, with 84% of providers having a good or better Ofsted grade.
- 3.5.3 Halton has a good record of attracting private sector early years investment. Since 2012 two new private day nurseries and one pre-school, providing a total of 215 additional places, have opened in Widnes. A new private day nursery that will provide a further 66 places is due to open in Broadheath ward in Widnes in September 2016, a 72 place nursery is also due to open in Mersey ward in Runcorn in September 2016.
- 3.5.4 The expansion of the early years market from 2017 will require additional capacity, but as local authority-run provision has proven to be less flexible and unsustainable, requiring increasing subsidy, this may be the best opportunity to harness the Government's package of incentives to attract further private and voluntary sector providers into the Borough to provide the additional places.

3.6 Impact on staff

- 3.6.1 Ditton Daycare and Warrington Daycare both currently employ 16 members of staff, all are employed by Halton Borough Council and as such standard HBC employment terms and conditions apply. Any interested alternative provider will need to consider the TUPE implications of the transfer in provision.

4.0 POLICY IMPLICATIONS

- 4.1 The Local Authority is statutorily required to secure and sustain sufficient childcare provision to meet the needs of parents in its area.
- 4.2 Section 6 of the Childcare Act 2006 states that “an English local authority must secure, so far as is reasonably practicable, that the provision of childcare (whether or not by them) is sufficient to meet the requirements of parents in their area who require childcare in order to enable them –
- (a) take-up or remain in work, or
 - (b) to undertake education or training which could reasonably be expected to assist them to obtain work”.
- 4.3 Section 8(3) of the Childcare Act 2006 restricts the local authority power to deliver childcare directly, stating that “*a local authority can only provide childcare if it is satisfied that nobody else is willing to provide childcare or if someone is willing, that in the circumstances it is more appropriate for the authority to do so*”.

5.0 FINANCIAL IMPLICATIONS

- 5.1 In 2012/2013 the Ditton Daycare provision had a deficit of £13,581 the cumulative deficit has increased to £110,253 by the end of 2015/2016. Each year the budgets have been scrutinised to look for areas where savings can be made and attempts have been made by the setting to increase take up. Despite the efforts of staff and support from the local authority occupancy rates remain low, at 55% in April 2016. However, the costs of provision are high and although economies have been made the areas where the costs are the greatest cannot be reduced. Staffing ratios must be maintained, however staffing costs in Local Authority settings are currently much higher than those run by the PVI sector.
- 5.2 Ditton Daycare setting employs 16 members of staff and is operating significantly under capacity, with occupancy rates rarely exceeding 55%. As such the current business model is not sustainable.
- 5.3 In 2012/2013 Warrington Road Daycare provision had a deficit of £29,124 the cumulative deficit has increased to £164,238 by the end of 2015/2016. Each year the budgets have been scrutinised to look for areas where savings can be made and attempts have been made by the setting to increase take up, which is now in-line with the sector average. However, the costs of provision are high and although

economies have been made the areas where the costs are the greatest cannot be reduced. Staffing ratios must be maintained, however staffing costs in Local Authority settings are much higher than those run by the PVI sector. In addition, the level of the contribution to building costs, supplies and services at Warrington Road are a major barrier to sustainability.

- 5.4 The Daycare setting employs 16 members of staff. Despite occupancy levels of 78% by the end of 2015/2016 the cumulative deficit was £164,238. As such the current business model is not sustainable.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People

Research has proven that the earliest years of a child's life are crucial to their development by laying the foundations for success at school and in later life.

6.2 Employment Learning and Skills in Halton

High quality sustainable childcare available to all parents or carers that need it allows them to return to work or training and improve their quality of life.

6.3 A Healthy Halton

Child Development is one of the five key priorities for the Health and Wellbeing Board in Halton

6.4 A Safer Halton

N/A

6.5 Halton's Urban Renewal

N/A

7.0 RISK ANALYSIS

- 7.1 As the current model of provision has proved unsustainable as an alternative to closure the proposal is to go to the market and to see if there is any interest from the Private, Voluntary and Independent Sector in running these settings.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 Good quality sustainable daycare can ensure all children to have the best possible start to life.

9.0 REASON(S) FOR DECISION

- 9.1 The current arrangements are no longer sustainable.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10.1 The Local Authority continue as a provider for daycare at Warrington Road and Ditton. This option was rejected at the daycare at both provisions is not sustainable.

11.0 IMPLEMENTATION DATE

11.1 August 2016

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

| Document | Place of Inspection | Contact Officer |
|---------------------|---------------------|--|
| Child Care Act 2016 | legislation.gov.uk | Ann McIntyre Operational Director Education, Inclusion & Provision Rutland House |

REPORT TO: Executive Board

DATE: 14 July 2016

REPORTING OFFICER: Strategic Director, People

PORTFOLIO: Health and Wellbeing

SUBJECT: Transforming Domiciliary Care

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To summarise the work to date within the Transforming Domiciliary Care project and the proposed application for a Social Impact Bond

2.0 **RECOMMENDED: That Executive Board agree the submission of a bid for a Social Impact Bond of up to £1 million to support the Transforming Domiciliary Care project.**

3.0 SUPPORTING INFORMATION

3.1 Current picture.

In Halton there are currently 9 providers who work in different zones as agreed through the last tender process carried out in 2014. Some of the providers receive a block of hours and some are part of a spot purchase framework agreement. The providers support a total of 776 people and carry out in excess of 13,000 visits per week with an annual expenditure of more than £4.3million.

3.2 The amount of care and the overall expenditure is set to rise over the coming years and although there are some excellent examples of high level care within the sector, it is clear that we will need to make improvements to meet the needs of an ageing population in the coming years.

3.3 As part of the project we have already commenced with reviewing the current domiciliary care sector in the Borough. This has led to understanding the key principles that are at the heart of an outcome based domiciliary care service, these include:

- Moving away from a one size fits all approach
- Adopting a preventative model
- Keep people independent
- Improve quality of life
- Increase community participation
- Improve Health and Wellbeing

3.4 Consultation:

As part of the project we have carried out a significant amount of engagement with people who use the service and carers. The views expressed were as follows:

- Services can be too time and tasked focused opposed to providing quality and interaction
- Restrictive role of some carers “that is not my job”
- Carers are not recognised for the role they do
- Professional barriers are put in place by services and agencies who should be working together
- Carers play a crucial part in safety – they need to be better equipped in identifying risks as well as understanding social isolation.
- Unsatisfactory assessment process – not always face-to-face, social worker may have limited contact with an individual and not always have an ongoing process in place
- Lack of continuity with care teams
- Need more access to preventative support and services
- Assessments and care plans need to identify possible solutions to help people improve their outcomes
- Increased knowledge of domiciliary care providers on the support and services available and how to access them
- More flexibility
- Emergency response

We have also had the initial meeting with providers, the voluntary sector, social work teams, GPs and CCG colleagues.

3.5 The new model of care

It is clear from the feedback that we have already collected that there is a need for change, too many pressures on times, limited capacity, poor recruitment, financial pressures, waiting lists. It is also clear that when we start to consider “the ideal” that people would like to see; then we have challenges on just how practical it will be to deliver. To help we have set out five broad groups that can define need:

1. Prevention and promotion – large number of the population who remain healthy and can access information to continue to support their health and wellbeing
2. Limited need / community participation – people who need some form of low-level support, but this can often be delivered

through volunteer or community organisations

3. Service users with personal care needs – people who still have some independence, but have traditional personal care needs that need to be addressed
4. Service users with higher / long term care needs – people currently supported by domiciliary care providers but who have complex or specialist needs
5. Reablement – people who require an intensive short-term intervention that will help them to achieve a specific outcome.

By using these broad groups we can start to map the numbers and also the financial burden in these areas. Therefore if we consider groups 3 and 4 we know that these two groups support 776 people as a total, we have also concluded that 42% of these people fall into group 4 and have complex needs, whilst 58% of people are in group 3.

3.6 Opportunities for new ways of working

In 2015 The National Lottery opened up a new funding initiative aimed at Local Authorities developing changes within existing service provision to realise significant improvements in outcomes, both for an individual and financial for health and social care. The fund that was established was not a traditional grant funding pot, but was being offered through a Social Impact Bond (SIB).

The application was in three stages:

Stage 1 – Expression of Interest

Stage 2 – Application for development grant funding (up to £50,000)

Stage 3 – Full application for Social Impact Bond (up to £1,000,000)

So far we have been successful at stage 1 and stage 2 and we now have until July 31st 2016 to submit our full application.

3.7 What is a Social Impact Bond?

Social Impact Bonds are a new concept in public service delivery.

National research suggests that they have many benefits, including bringing additional investment into public services, encouraging more innovative service delivery and creating a better contract management. However, they can also be complex and challenging to establish and implement.

A Social Impact Bond is essentially a type of payment by results (PbR) contract. Like other Payment by Results, a commissioner (usually one or more public sector bodies) agrees to pay for outcomes delivered by service providers, and unless those outcomes are

achieved, the commissioner doesn't pay. Where a SIB differs from PbR is that the providers do not use their own money to fund their services until they get paid – instead, money is raised from so-called 'social investors' who get a return if the outcomes are achieved. Usually the providers get paid up front by a third party body who holds the contract, rather than holding the contract directly.

4.0 POLICY IMPLICATIONS

4.1 There are significant changes that will need to happen in relation to full implementation, however the design, action plans and overall implementation plan will be completed as part of the National Lottery funding application and will be available from July 2016.

5.0 FINANCIAL IMPLICATIONS

5.1 The structure and requirements of the Social Impact Bond mean that where savings are made as a consequence of this project then 15% of these will be returned to investors as a return on their investment. Where savings are not identified that there will be no return on investment required.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

None identified.

6.2 Employment, Learning & Skills in Halton

None identified.

6.3 A Healthy Halton

Potential to significantly develop the domiciliary care market to support the needs of the future population as well as ensuring a greater level of sustainability in the future.

6.4 A Safer Halton

None identified.

6.5 Halton's Urban Renewal

None identified.

7.0 RISK ANALYSIS

7.1 None identified

8.0 EQUALITY & DIVERSITY ISSUES

8.1 There are no Equality and Diversity implications arising as a result of the proposed action.

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

None.

| | |
|---------------------------|--------------------------------------|
| REPORT TO: | Executive Board |
| DATE: | 14 July 2016 |
| REPORTING OFFICER: | Operational Director – Finance |
| PORTFOLIO: | Resources |
| SUBJECT: | 2016/17 to 2018/19 Capital Programme |
| WARD(S): | Borough-wide |

1.0 PURPOSE OF REPORT

- 1.1 Council approved an updated Capital Programme for 2016/17 on 2 March 2016. Since then other reports covering planned capital expenditure for 2016/17 and future years have been reported. In addition new capital grant allocations have been received and slippage to capital projects for 2015/16 has been rolled forward to 2016/17. The purpose of this report is to bring all the separate elements together and report on the Council's total forecast capital programme expenditure and associated funding over the next three years.

2.0 RECOMMENDED: That

- 1) approval be given to the updated capital programme for 2016-2019, including forecast spend and funding, as set out in Table 1 and Table 2; and**
- 2) the Strategic Director Enterprise, Community and Resources in consultation with the portfolio holder Transportation, be delegated to agree a detailed implementation programme of Highways and Transportation schemes to be delivered in 2016/17.**

3.0 SUPPORTING INFORMATION

- 3.1 The capital strategy covering the period 2016/17 to 2018/19 was approved on 10 December 2015, as part of the Medium Term Financial Strategy. It summarised the expected capital spend over the medium term and the sources of funding available.
- 3.2 The overall Capital Programme for 2016/17 to 2018/19 was approved by Council on 2 March 2016. Estimates of capital allocations at that time were known to be subject to variations. This report updates the latest position, which includes confirmed and indicative capital grant allocations for 2016/17 and future years.

- 3.3 The Capital Programme is subject to regular review and monitoring reports are presented on a quarterly basis. Information is presented to show the actual spend incurred to date and how this compares to the capital allocation for the year. A forecast is provided to indicate if the capital programme will be utilised in full during the year or if there is any expected slippage to capital schemes.

Planned Capital Programme Expenditure

- 3.4 Table 1 below presents the planned Capital Programme for 2016/17 onwards based on current information for approved schemes, funding available and slippage of scheme expenditure from 2015/16. The capital programme is subject to continuous change as new resources and projects are identified, and will be updated throughout the year as revisions are approved by Council.

Table 1 - Planned Capital Programme Expenditure 2016/17-2018/19

| | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | Total £'000 |
|--|--------------------------|--------------------------|--------------------------|------------------------|
| People Directorate | | | | |
| Asset Management Data (CAD's) | 7 | 0 | 0 | 7 |
| Fire Compartmentation | 39 | 0 | 0 | 39 |
| Capital Repairs | 737 | 0 | 0 | 737 |
| Asbestos Management | 20 | 0 | 0 | 20 |
| Schools Access Initiative | 80 | 0 | 0 | 80 |
| Education Programme (General) | 110 | 0 | 0 | 110 |
| Basic Need Projects | 848 | 71 | 0 | 919 |
| School Modernisation Projects | 506 | 0 | 0 | 506 |
| Early Education for 2 Year Olds | 52 | 0 | 0 | 52 |
| Universal Infant Free School Meals | 2 | 0 | 0 | 2 |
| Halebank Primary School | 20 | 0 | 0 | 20 |
| St Edwards Catholic Primary | 27 | 0 | 0 | 27 |
| Hale Primary School | 115 | 3 | 0 | 118 |
| Fairfield Primary School | 1,182 | 853 | 0 | 2,035 |
| Weston Point Primary Classroom Extension | 45 | 0 | 0 | 45 |
| Grants – Disabled Facilities | 1,378 | 0 | 0 | 1,378 |
| Stair Lifts | 157 | 0 | 0 | 157 |
| Social Care Capital Grant (BCF) | 356 | 0 | 0 | 356 |
| ALD Bungalows | 299 | 100 | 0 | 399 |
| Grangeway Court Refurbishment | 343 | 0 | 0 | 343 |
| Lifeline Telecare Upgrade | 100 | 0 | 0 | 100 |
| Community Capacity Grant | 57 | 0 | 0 | 57 |
| Community Meals Oven | 10 | 0 | 0 | 10 |
| Directorate Total | 6,490 | 1,027 | 0 | 7,517 |
| | | | | |
| Enterprise, Community & Resources Directorate | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | Total £'000 |
| ICT Rolling Programme | 1,100 | 1,100 | 1,100 | 3,300 |
| LTP – Bridge Maintenance | 1,164 | 1,250 | 1,547 | 3,961 |
| LTP – Highways Maintenance | 2,269 | 1,981 | 0 | 4,250 |
| LTP – Integrated Transport | 768 | 908 | 0 | 1,676 |
| STEP – Mersey Corridor Business Hubs | 40 | 0 | 0 | 40 |
| STEP – Sustainable 'Sci-Tech' Links | 22 | 0 | 0 | 22 |
| STEP – Silver Jubilee Corridor Business Hubs | 171 | 0 | 0 | 171 |
| STEP – Widnes Connect | 408 | 0 | 0 | 408 |
| Section 106 Schemes | 264 | 0 | 0 | 264 |

| | | | | |
|--|---------------|---------------|--------------|----------------|
| Peelhouse Lane Cemetery - Highways | 101 | 0 | 0 | 101 |
| Street Lighting | 2,751 | 1,700 | 200 | 4,651 |
| Risk Management | 125 | 120 | 120 | 365 |
| Fleet Renewals | 2,959 | 624 | 555 | 4,138 |
| Early Land Acquisition – Mersey Gateway | 5,256 | 1,877 | 3,860 | 10,993 |
| Mersey Gateway Crossings Board | 2,908 | 2,649 | 0 | 5,557 |
| Mersey Gateway – Contribution to Construction Costs | 35,000 | 67,500 | 0 | 102,500 |
| Mersey Gateway – Loan Interest During Construction | 3,416 | 2,021 | 0 | 5,437 |
| Mersey Gateway – Liquidity Fund | 0 | 10,000 | 0 | 10,000 |
| Stadium Minor Works | 280 | 30 | 30 | 340 |
| Leisure Centres Refurbishment | 275 | 0 | 0 | 275 |
| Frank Myler Sports & Recreation Centre | 156 | 0 | 0 | 156 |
| Norton Priory | 2,628 | 530 | 0 | 3,158 |
| Norton Priory Biomass Boiler | 107 | 0 | 0 | 107 |
| Children’s Playground Equipment | 91 | 65 | 65 | 221 |
| Crow Wood Play Area | 9 | 0 | 0 | 9 |
| Runcorn Cemetery Extension | 9 | 0 | 0 | 9 |
| Peelhouse Lane Cemetery | 1,331 | 70 | 0 | 1,401 |
| Peelhouse Lane Cemetery – Enabling Works | 43 | 0 | 0 | 43 |
| Landfill Tax Credit Schemes | 340 | 340 | 340 | 1,020 |
| Upton Improvements | 13 | 0 | 0 | 13 |
| Litter Bins | 20 | 20 | 20 | 60 |
| Castlefields Regeneration | 179 | 0 | 0 | 179 |
| 3MG | 2,809 | 0 | 0 | 2,809 |
| Widnes Waterfront (including Bayer) | 1,000 | 0 | 0 | 1,000 |
| Johnsons Lane Infrastructure | 302 | 0 | 0 | 302 |
| Decontamination of Land | 6 | 0 | 0 | 6 |
| SciTech Daresbury – Tech Space | 10,953 | 0 | 0 | 10,953 |
| Former Crossville Depot | 2,618 | 0 | 0 | 2,618 |
| John Briggs House / Police Station | 152 | 0 | 0 | 152 |
| Signage at the Hive | 100 | 0 | 0 | 100 |
| Advertising Screen at the Hive | 100 | 0 | 0 | 100 |
| Widnes Town Centre Initiative | 16 | 0 | 0 | 16 |
| Equality Acts Improvement Works | 300 | 300 | 300 | 900 |
| Widnes Market Refurbishment | 1,433 | 0 | 0 | 1,433 |
| Widnes Car Park | 235 | 0 | 0 | 235 |
| Directorate Total | 84,227 | 93,085 | 8,137 | 185,449 |
| | | | | |
| Total Capital Programme | 90,717 | 94,112 | 8,137 | 192,966 |
| | | | | |

- 3.5 The Council receives two principal sources of formula based capital funding from Government to improve local transport conditions, namely Integrated Transport Block (ITB) used to fund small transport improvements and Highways Maintenance Block (HM) used to maintain the highway, associated structures and covering works such as resurfacing, bridge maintenance and street lighting.
- 3.6 The way in which the ITB and HM allocations are granted changed in 2015/16 as a result of the formation of the Liverpool City Region Combined Authority (LCRCA). ITB and HM allocations are paid direct to LCRCA, as the co-ordinating body for the funding.
- 3.7 A detailed implementation programme of local capital projects which will be undertaken using ITB allocations has not yet been finalised for 2016/17. This is a result in a delay of finalising funding allocations, a detailed programme will be set over the coming months and the full allocation will be spent or fully committed by the end of the financial year.
- 3.8 In May 2015, the Council received confirmation of funding for 4 Sustainable Transport Improvement Schemes (STEP) as part of the approved LCR Combined Authority STEP programme. The schemes will be delivered using Growth Deal funding over the period 2015-2017 with a match contribution from ITB and Section 106 budgets.

Funding the Programme

- 3.9 Table 2 below summarises how the capital programme will be funded.

Table 2 Capital Programme Funding 2016/17 to 2018/19

| | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | Total £'000 |
|---------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| Specific & General Grants | 12,131 | 4,949 | 1,424 | 18,504 |
| External Contributions | 5,128 | 764 | 306 | 6,198 |
| Borrowing | 60,948 | 85,916 | 4,538 | 151,402 |
| Revenue Contributions | 760 | 0 | 0 | 760 |
| Capital Receipts | 11,750 | 2,483 | 1,869 | 16,102 |
| | | | | |
| Total Funding | 90,717 | 94,112 | 8,137 | 192,966 |

- 3.10 The Council will continue to seek and secure further additional external resources to reduce on-going revenue implications and enhance the capital programme. For example, through Section 106 agreements.
- 3.11 Revenue contributions have been set aside to fund capital repairs for schools.

- 3.12 Borrowings undertaken to support the capital programme are undertaken in line with the Prudential Code and Council's Treasury Management Strategy. This ensures that external borrowings are affordable and within prudent and sustainable levels. Borrowings to fund the capital programme over the three years will be repayable in future years from either Government grant, forecast capital receipts or funded from future revenue streams.
- 3.13 Repayments and interest costs for borrowings of £102.5m which will be used to fund Council's contribution to Mersey Gateway construction costs in 2016/17 and 2017/18 will be re-paid through future toll revenue.
- 3.14 Prudential borrowing remains an option to fund future capital schemes, but the financing costs as a result of the borrowing will need to be found from savings within the revenue budget.

Capital Receipts

- 3.15 Available capital receipts are used to fund the capital programme. Sales from the disposal of surplus land and buildings may only be used to fund capital expenditure. These funds cannot be used to fund revenue expenditure, with the exception of up to 4% of the proceeds of the sale of capital assets being allowable to fund the revenue cost of disposing of an asset.
- 3.16 Estimates of capital receipts over the medium term are based on forecast land and building sales. Although there is some optimism in the property market, the cautious approach the Council has adopted over the past number of years needs to be continued and as such there are no funds available for new capital starts unless external funding is generated to finance the cost.
- 3.17 Table 3 below shows the expected balance of capital receipts over the next three years. The Council attempts to maintain a minimum value of £3m of retained receipts towards funding the capital programme. However, the table shows that the balance of capital receipts for the final two years of the programme is forecast to fall below this level. A prudent view has been adopted with regards to the timing and value of capital receipts and when further details are known the balance of receipts will be updated.

Table 3 Capital Receipts

| | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 |
|------------------------------|--------------------------|--------------------------|--------------------------|
| Balance B/F | 5,297 | 3,226 | 2,873 |
| In-Year Anticipated Receipts | 9,679 | 2,130 | 1,420 |
| Receipts Utilised | -11,750 | -2,483 | -1,869 |
| Balance C/F | 3,226 | 2,873 | 2,424 |

4.0 POLICY IMPLICATIONS

4.1 None

5.0 FINANCIAL IMPLICATIONS

5.1 The financial implications are as set out within the report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Children & Young People in Halton**

6.2 **Employment, Learning & Skills in Halton**

6.3 **A Healthy Halton**

6.4 **A Safer Halton**

6.5 **Halton's Urban Renewal**

There are no direct implications, however, the capital programme support the delivery and achievement of all the Council's priorities

7.0 RISK ANALYSIS

7.1 There is a risk that slippage to the capital programme, could result in increases to the cost of delivering schemes. Additional revenue costs could be incurred if the schemes are not delivered in time.

7.2 Many grants which fund capital expenditure come with conditions to how funding can be used and outcome targets for when the asset is brought into use. Deviation against these conditions may result in requests for clawback to the funding from approving bodies.

7.3 The capital programme is heavily funded from prudential borrowing, of total capital expenditure, £151.4m or 78% will come from future and existing borrowings. Risks exist in schemes funded from prudential borrowing. It is important to recognise on undertaking borrowing that a clear plan exists which identifies how the principal and interest will be re-paid on the borrowing end date.

7.4 There is a cashflow risk to capital schemes funded from future capital receipts, the cost to the Council of the short to medium term cashflow impact needs to be recognised at the start of each scheme.

7.5 Regular monitoring and reporting of spending against the capital programme will seek to mitigate the above risks.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no equality and diversity issues.

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

9.1 None under the meaning of the Act.

REPORT TO: Executive Board

DATE: 14 July 2016

REPORTING OFFICER: Strategic Director – Enterprise, Community and Resources

SUBJECT: Discretionary Non-Domestic Rate Relief

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

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

2.0 RECOMMENDATION: That under the provisions of Section 47 of the Local Government Finance Act 1988, the application for 15% discretionary rate relief from The Cyrenians Limited is refused on the grounds of being a national organisation.

3.0 SUPPORTING INFORMATION

3.1 Under the amended provisions of the Local Government Finance Act 1988, the Council is able to grant discretionary rate relief to any business ratepayer. This relief had previously only been available to organisations that were a charity, a community amateur sports club or a not for profit organisation. A summary of the application is presented below and the associated financial implications are shown in the Appendix.

3.2 From 1st April 2013, there have been significant changes in the funding of non-domestic rate reliefs and exemptions, following the introduction of the Business Rates Retention Scheme. The Council is now responsible for funding 49% of any award of mandatory or discretionary rate relief granted, with the Government meeting the remaining 51%. Previously, the Government fully funded all mandatory relief awards.

**The Cyrenians Ltd
1 Ann Street West, Widnes**

- 3.3 The Cyrenians Limited is a national registered charity, which builds the capacity of voluntary and community organisations. The organisation also promotes co-operation and partnership working between the third sector, statutory and other relevant bodies.
- 3.4 The organisation's premises at 1 Ann Street West, Widnes are used as an administrative office and also as a base in Halton, in order to provide volunteer centres, training, funding advice, network support, a community accountancy service and social care involvement. These services are offered across the Borough.
- 3.5 As a registered charity the organisation has already been awarded 80% mandatory rate relief in respect of the above property. The annual cost of the mandatory rate relief to the Council is £5,114.13.
- 3.6 On 9 April 2015 the Board rejected an application from The Cyrenians Limited, for the remaining top-up discretionary rate relief in respect of the same premises. This was rejected on the basis that they are a national charity, as historically the Council has chosen not to provide top-up discretionary rate relief for national charities.
- 3.7 A new application has been received from The Cyrenians Limited for top-up discretionary rate relief from 1st April 2016 in respect of the above premises. Since 1st April 2016 the maximum top-up award granted by the Council is 15%. The annual cost of such an award in this instance would be £958.90.
- 3.8 On the basis that The Cyrenians Limited is a national charity, historically the Council has chosen not to provide top-up discretionary rate relief for national charities, and their application on 9 April 2015 was rejected on this basis, it is proposed that this latest application be rejected.

4.0 POLICY IMPLICATIONS

- 4.1 The Board is required by the regulations to consider each application on its own merit. Any recommendations provided are given for guidance only, are consistent with Council policy and, wherever possible, previous decisions.

5.0 FINANCIAL IMPLICATIONS

- 5.1 It should be noted that 49% of any discretionary rate relief granted to organisations receiving mandatory rate relief must be met by the Council. Any awards of mandatory rate relief will also have to be funded at the same percentage (49%) by the Council. The Appendix presents the potential costs to the Council.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None.

6.2 Employment, Learning and Skills in Halton

None.

6.3 A Healthy Halton

None.

6.4 A Safer Halton

The Cyrenians Ltd offers supported housing to vulnerable families seeking refuge.

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

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

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The applicants offer their services to all sections of the community, without any prejudice.

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 | Kingsway House, Caldwell Road, Widnes | Janet Sinnott, Business Rates Manager |

APPENDIX

| Ratepayer | Address | Annual Rates 2016/17 £ | Actual Rates Liability 2016/17 £ | Mandatory Rate Relief Awarded | Annual Cost of Mandatory Rate Relief to HBC £ | Actual Rates Payable 2016/17 £ | Disc. Rate Relief Claimed | Annual Cost of Disc.Rate Relief to HBC 2016/17 £ | Actual Cost of Disc. Rate Relief to HBC 2016/17 £ |
|-------------------|------------------------------|---------------------------------------|---|--|--|---|--|---|--|
| The Cyrenians Ltd | 1 Ann Street West, Widnes | 13,046.25 | 13,046.25 | 80% | 5,114.13 | 2,609.25 | 15% | 958.90 | 958.90 |

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