

Public Document Pack



Executive Board

Thursday, 17 November 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

Item	Page No
1. MINUTES	
2. DECLARATION OF INTEREST	
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. RESOURCES PORTFOLIO	
(A) ANNUAL EXTERNAL AUDIT LETTER 2015/16	1 - 18

*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 December 2016*

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4. CHILDREN YOUNG PEOPLE AND FAMILIES PORTFOLIO	
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**8. SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972
AND THE LOCAL GOVERNMENT (ACCESS TO
INFORMATION) ACT 1985**

PART II

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.

9. HEALTH AND WELLBEING PORTFOLIO

**(A) THE PROCUREMENT OF DOMICILIARY CARE -
KEY DECISION**

189 - 200

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:	17 November 2016
REPORTING OFFICER:	Strategic Director – Enterprise, Community and Resources
PORTFOLIO:	Resources
SUBJECT:	Annual External Audit Letter 2015/16
WARD(S):	Borough Wide

1.0 PURPOSE OF REPORT

- 1.1 To present the Annual External Audit Letter 2015/16 for approval.

2.0 RECOMMENDATION: That the Annual External Audit Letter for 2015/16 be approved.

3.0 SUPPORTING INFORMATION

- 3.1 The Annual External Audit Letter summarises the findings from the 2015/16 audit completed by Grant Thornton, the Council's external auditors. It includes messages arising from the audit of the financial statements and the results of the work undertaken in assessing the Council's arrangements to secure value for money in the use of its resources.
- 3.2 A copy of the 2015/16 Annual External Audit Letter is attached to the report. Grant Thornton will attend the Board to present the letter and answer any questions.

4.0 POLICY IMPLICATIONS

- 4.1 The Council is a publicly funded body and, as such, is required to receive and consider annual reports from externally appointed auditors. The external audit function provides an important contribution to the stewardship of resources and the corporate governance of public services.
- 4.2 The Annual External Audit Letter provides an unqualified opinion on the Council's 2015/16 financial statements. It also provides an unqualified conclusion that the Council has adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.

5.0 FINANCIAL IMPLICATIONS

5.1 None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Children and Young People in Halton**

6.2 **Employment Learning and Skills in Halton**

6.3 **A Healthy Halton**

6.4 **A Safer Halton**

6.5 **Halton's Urban Renewal**

The economic, efficient and effective use of the Council's resources is a major factor in delivering better and sustainable outcomes for local people and therefore contributes to all of the Council's priorities.

7.0 RISK ANALYSIS

7.1 The Annual External Audit Letter states that no significant weaknesses were identified in the Council's internal control arrangements. However, the key risks identified through the audit process are reflected in the recommendations for improvement made in the report.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

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

9.1 There are none under the meaning of the Act.

The Annual Audit Letter for Halton Borough Council

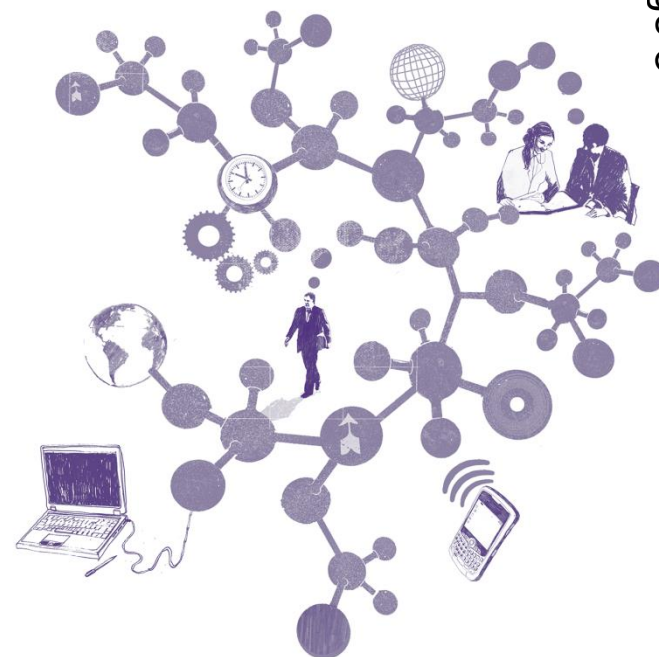
Year ended 31 March 2016

October 2016

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Appendices

A Reports issued and fees

Executive summary

Purpose of this letter

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Halton Borough Council (the Council) for the year ended 31 March 2016.

This Letter is intended to provide a commentary on the results of our work to the Council and its external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice (the Code) and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'.

We reported the detailed findings from our audit work to the Council's Business Efficiency Board as those charged with governance in our Audit Findings Report on 28 September 2016.

Our responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council's financial statements (section two)
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council's financial statements, we comply with International Standards on Auditing (UK and Ireland) (ISAs) and other guidance issued by the NAO.

Our work

Financial statements opinion

We gave an unqualified opinion on the Council's financial statements on 29 September 2016.

Value for money conclusion

We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2016. We reflected this in our audit opinion on 29 September 2016.

Certificate

We certified that we had completed the audit of the accounts of Halton Borough Council in accordance with the requirements of the Code on 29 September 2016.

Certification of grants

We also carry out work to certify the Council's Housing Benefit subsidy claim on behalf of the Department for Work and Pensions. Our work on this claim is not yet complete and will be finalised by 30 November 2016. We will report the results of this work to the Business Efficiency Board in our Annual Certification Letter.

Other work completed

We have also been engaged to provide certification of the Council's Annual Return to the Teachers' Pensions Agency and to undertake compliance audit of a grant funded affordable homes scheme, reporting to the Homes and Communities Agency. This work is yet to be completed. Additionally we have conducted a number of VAT reviews. Further detail of this other work is provided at Appendix A to this Letter.

Executive summary

Working with the Council

No significant issues arose during the course of our 2015/16 audit that we have asked management to address for the next financial year.

Looking forward, the Council has agreed to be a pilot site for early audit review work in connection with the new accounting requirements for Highways Network Asset, and we look forward to sharing the insights arising from this with you. For more detail, see pages 11 and 12 of this Letter.

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

Grant Thornton UK LLP
October 2016

Audit of the accounts

Our audit approach

Materiality

In our audit of the Council's accounts, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for our audit of the Council's accounts to be £6,173,000, which is 1.8% of the Council's gross revenue expenditure. We used this benchmark as, in our view, users of the Council's accounts are most interested in how it has spent the income it has raised from taxation and grants during the year.

We also set a lower level of specific materiality for certain areas such as disclosure of officers' remuneration, exit packages and related party transactions.

We set a lower threshold of £300,000, above which we reported errors to the Business Efficiency Board in our Audit Findings Report.

The scope of our audit

Our audit involves obtaining enough evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error.

This includes assessing whether:

- the Council's accounting policies are appropriate, have been consistently applied and adequately disclosed;
- significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the narrative report and annual governance statement to check they are consistent with our understanding of the Council and with the accounts on which we give our opinion.

We carry out our audit in line with ISAs (UK and Ireland) and the NAO Code of Audit Practice. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Council's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work (continued)

Risks identified in our audit plan	How we responded to the risk
<p>The revenue cycle includes fraudulent transactions</p> <p>Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Council, we have determined the risk of fraud arising from revenue recognition for income can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition • opportunities to manipulate revenue recognition are very limited • the culture and ethical frameworks of local authorities, including Halton Borough Council, mean that all forms of fraud are seen as unacceptable. <p>We consider the risk for revenue recognition relates to occurrence/existence of expenditure and payables.</p> <p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • identified and documented the processes and controls in place around expenditure at the Council • undertaken walkthrough testing of these controls to confirm they operate as we expect • tested a sample of non pay expenditure transactions incurred in the year • tested a sample of new year payments to ensure they were accounted for in the correct year • reviewed unusual significant transactions <p>We did not identify any issues to report</p>
<p>Management over-ride of controls</p> <p>Under ISA (UK&I) 240 it is presumed that the risk of management over-ride of controls is present in all entities.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • Identified and documented the controls in place for journal transactions • undertaken walkthrough testing to confirm the controls operate as we expect • assessed the journals processed in the year, identifying some for further detailed testing • reviewed accounting estimates, judgments and decisions made by management • reviewed unusual significant transactions <p>We did not identify any issues to report</p>

Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work (continued)

Risks identified in our audit plan	How we responded to the risk
<p>Valuation of pension fund net liability</p> <p>The Council's pension fund liability, as reflected in its balance sheet, represents a significant estimate in the accounts and comprises 21% of its total liabilities.</p> <p>The value of the pension fund net liability is estimated by a specialist actuary.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • identified the controls put in place by management to ensure that the pension fund liability is not materially misstated. • assessed whether these controls were implemented as expected and whether they are sufficient to mitigate the risk of material misstatement. • reviewed the competence, expertise and objectivity of the actuary who carried out your pension fund valuation. • gained an understanding of the basis on which the valuation is carried out. • undertaken procedures to confirm the reasonableness of the actuarial assumptions made. • reviewed the consistency of the pension fund liability and disclosures in notes to the financial statements with the actuarial report from your actuary. <p>We did not identify any issues to report</p>
<p>Valuation of property plant and equipment</p> <p>The Council's property, plant and equipment represents 63% of its total assets. The value of land and buildings is estimated by property valuation experts.</p> <p>The Council revalues these assets on a rolling basis.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • reviewed whether the experts used by the Council were sufficiently knowledgeable and independent for us to rely on their work • reviewed the Council's instructions to its valuer and the information on the assets it provided • reviewed the valuer's report to understand the valuation method used and any key assumptions. • discussed with management the key assumptions they made about the basis of valuation, to ensure these were appropriate. • checked that the valuation had been correctly reflected in the Council's asset register. • evaluated the assumptions made by management regarding those assets not revalued in the year, and considered the basis upon which management is satisfied that the carrying value of these assets is not materially different to current value <p>We did not identify any issues to report</p>

Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work (continued)

Risks identified in our audit plan	How we responded to the risk
<p>Operating expenses</p> <p>Creditors may be understated or not recorded in the correct period (Operating expenses understated)</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • identified and documented the processes and controls in place around operating expenditure at the Council • walked through a sample item to confirm our understanding • tested a sample of non-pay expenditure • reviewed the reconciliation of accounts payable systems to general ledger and financial statements • reviewed the accruals process and tested a sample of manual accruals and creditor balances • tested a sample of payments around the year-end • reviewed and tested other items of expenditure and disclosures including Minimum Revenue Provision (MRP) and members' allowances. <p>We did not identify any issues to report</p>
<p>Employee remuneration</p> <p>Employee remuneration accruals may be understated (Remuneration expenses not correct)</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • identified and documented the processes and controls in place around employee remuneration at the Council • walked through a sample item to confirm our understanding • tested a sample of payroll transactions • reviewed the reconciliation of payroll data to general ledger and financial statements • performed an analytical review of payroll costs for the year • tested senior officer remuneration disclosures • reviewed and tested other pay disclosures including exit packages note. <p>We did not identify any issues to report</p>

Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work (continued)

Risks identified in our audit plan	How we responded to the risk
<p>Welfare Benefits</p> <p>Welfare benefit expenditure may be improperly computed</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none">• identified and documented the processes and controls in place around welfare benefit payments at the Council• walked through a sample item to confirm our understanding• tested claimant eligibility for a sample of welfare benefit payments• reviewed the reconciliation between Northgate welfare benefits system, the general ledger and the financial statements and supporting notes• tested the Housing Benefit Subsidy Claim using the Audit Commission HB COUNT approach. <p>We did not identify any issues to report.</p>

Audit of the accounts

Audit opinion

We gave an unqualified opinion on the Council's accounts on 29 September 2016, in advance of the 30 September 2016 national deadline.

The Council made the accounts available for audit in line with the agreed timetable, and provided a good set of working papers to support them. The finance team responded promptly and efficiently to our queries during the course of the audit.

Issues arising from the audit of the accounts

We reported the key issues from our audit of the accounts of the Council to the Business Efficiency Board on 28 September 2016. Whilst a number of adjustments were made to the accounts as a result of the audit process, no significant issues arose that we have asked Council management to address for the next financial year.

Annual Governance Statement and Narrative Report

We are also required to review the Council's Annual Governance Statement and Narrative Report. It published them on its website with the draft accounts in line with the national deadlines.

Both documents were prepared in line with the relevant guidance and were consistent with the supporting evidence provided by the Council and with our knowledge of the Council.

Other statutory duties

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice (the Code), following the guidance issued by the NAO in November 2015 which specified the criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the key risks where we concentrated our work.

The key risks we identified and the work we performed are set out in table 2 overleaf.

Overall VfM conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2016.

Value for Money

Table 2: Value for money risks

Risk identified	Work carried out	Findings and conclusions
<p>Financial outlook The Council does not have a history of financial difficulty but the position is beginning to become more challenging. Initially a budget gap of £16m was identified for 2016/17. This has now been addressed and savings and efficiencies identified but there remain budget gaps for the following three years.</p>	<p>Review of the budget setting process for 2015/16 and how the outturn was monitored through the year.</p> <p>Review of the medium term financial plan.</p> <p>Review of savings proposals for 2016/17.</p> <p>Review of proposals for fees and charges.</p>	<p>The Council has managed its finances carefully through 2015/16 in order to produce a positive year end outturn. It has continued this approach into 2016/17 so that the savings required to deliver a balanced budget are being monitored as the year progresses. This will need to continue through the remainder of the year in order to ensure that planned savings are being delivered or that appropriate action is taken to address any slippage, in order to achieve the budgeted outturn in 2016/17.</p> <p>The Council continues to forecast that it will face significant financial challenges in the period to 2019/20. The latest update to the Medium Term Financial Strategy continues to predict a gap of £17.5m for 2017/18, £9.2m for 2018/19 and £8m for 2019/20. The Council is now working to identify further savings and efficiencies to address the gaps.</p> <p>On that basis we concluded that the risk was sufficiently mitigated and the Council has proper arrangements in place.</p>
<p>Ofsted inspection of children's services The most recent Ofsted report on children's services looked at a number of areas. The overall judgement was that children's services require improvement. This related to children who need help and protection, and leadership, management and governance. The Council did get a score of 'good' for children looked after and achieving permanence (both for adoption performance and experiences and progress of care leavers). Although the main risk would be if the mark was 'inadequate' we still need assurance that the Council is addressing the recommendations as this is a high profile area.</p>	<p>Review of action plan and monitoring reports showing progress against the action plan.</p> <p>Review of work with partner and community organisations to improve Children's Services via minutes of meetings - for example the Investing in Children and Young People Board and review of the Children in Care Council (CICC) - Halton - work plan.</p> <p>Review audits undertaken internally to monitor progress.</p>	<p>The Council put into place an action plan to address the recommendations made by Ofsted and have monitored progress against these actions throughout the time since the Ofsted report.</p> <p>There are also regular performance reports produced to aid in monitoring the overall performance of Children's Services and a specific business plan for Children's Services has been put into place to ensure that the service improves and meet requirements going forward.</p> <p>Overall the Council has responded to the 'Requires Improvement' OFSTED report appropriately. The service was assessed as 'Requires Improvement' rather than 'inadequate' and was 'good' in some of the categories, so we have assessed whether the Council has the arrangements in place to address the improvements required. The Council has put into place appropriate action plans which are monitored at a strategic and operational level and are working in partnership with other agencies and with local children themselves to improve.</p> <p>On that basis we concluded that the risk was sufficiently mitigated and the Council has proper arrangements in place.</p>

Working with the Council

Our work with you in 2015/16

We are really pleased to have worked with you over the past year. We have established a positive and constructive relationship. Together we have delivered some great outcomes.

An effective audit – we delivered the accounts audit within the 30 September deadline and in line with our agreed approach. Our audit team are knowledgeable and experienced in your financial accounts and systems. We worked with you to successfully deliver efficiencies in approach, exchanging information to good effect in a new shared electronic workspace.

Assurance over your financial processes – during the year we reviewed your financial systems and processes including employee remuneration, non- pay expenditure and property plant and equipment.

Understanding your operational health – through the value for money conclusion we provided you with assurance on your operational effectiveness.

Sharing our insight – we provided regular Business Efficiency Board updates covering best practice. Areas we covered included developments in the Local Government Pension Scheme, and issues of financial health and governance highlighted in our national report 'Reforging Local Government'.

We also shared with your finance team our insights on advanced closure of local authority accounts, in our publication "Transforming the financial reporting of local authority accounts" and will continue to provide you with our insights as you bring forward your production of your year-end accounts.

Supporting development – we worked with officers in support of their initiative to declutter and streamline the content of the 2015/16 Financial Statements.

Providing information – We provided you with a high level overview of Halton's economy, society and environment using our Place Analytics platform.

Support outside of the audit – our tax team provided VAT advice to you in respect of a number of operational schemes including Sci-Tech Daresbury and Runcorn Hill Park Café.

Working with the Council

Working with you in 2016/17 - Highways Network Asset

The Code of Practice on Local Authority Accounting (the Code) requires authorities to account for Highways Network Asset (HNA) at depreciated replacement cost (DRC) from 1 April 2016. The Code sets out the key principles but also requires compliance with the requirements of the recently published Code of Practice on the Highways Network Asset (the HNA Code), which defines the assets or components that will comprise the HNA. This includes roads, footways, structures such as bridges, street lighting, street furniture and associated land. These assets should always have been recognised within Infrastructure Assets.

The Code includes transitional arrangements for the change in asset classification and the basis of measurement from depreciated historic cost (DHC) to DRC under which these assets will be separated from other infrastructure assets, which will continue to be measured at DHC.

This is expected to have a significant impact on the Council's 2016/17 accounts, both in values and levels of disclosure, and may require considerable work to establish the opening inventory and condition of the HNA as at 1 April 2016.

Under the current basis of accounting values will only have been recorded against individual assets or components acquired after the inception of capital accounting for infrastructure assets by local authorities. Authorities may therefore have to develop new accounting records to support the change in classification and valuation of the HNA.

The nature of these changes means that Finance officers will need to work closely with colleagues in the highways department and potentially also to engage other specialists to support this work.

Some of the calculations are likely to be complex and will involve the use of external models, a combination of national and locally generated rates and a number of significant estimates and assumptions.

We have been working with the Council on the accounting, financial reporting and audit assurance implications arising from these changes. We have issued two Client Briefings which we have shared with senior members of the finance team. We will issue further briefings during the coming year to update the Council on key developments and emerging issues.

This significant accounting development is likely to be a significant risk for our 2016/17 audit, so we have already had some preliminary discussions with the Council to assess the progress it is making in this respect. We are pleased that officers have expressed interest in the Council being a pilot site for early HNA audit review work in 16/17 and, through this initiative, we should arrive at an informed early view of the Council's preparedness in this area.

The audit risks associated with this new development and the work we plan to carry out to address them will be reflected in our 2016/17 audit plan.

Appendix A: Reports issued and fees

We confirm below our final fees charged for the audit and provision of non-audit services.

Fees

	Planned £	Actual fees £	2014/15 fees £
Statutory audit of Council	105,294	105,294	140,392
Housing Benefit Grant Certification	6,828	TBC	10,740
Total fees (excluding VAT)	112,122	TBC	151,132

Reports issued

Report	Date issued
Audit Plan	June 2016
Audit Findings Report	September 2016
Annual Audit Letter	October 2016

Fees for other services

Service	Fees £
Audit related services:	
• Certification of annual Teachers' Pensions Return *	3,750
• Compliance Audit, Homes and Communities Agency**	TBC
• Certification of Mersey Gateway and Silver Jubilee Bridge grant claim **	TBC
Non-audit services	
• VAT reviews	10,375

* Teacher's Pension grant claim – fee agreed, work in progress.

** This work is anticipated, but the work programme and fee is yet to be agreed.



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REPORT TO:	Executive Board
DATE:	17 November 2016
REPORTING OFFICER:	Strategic Director, People
PORTFOLIO:	Children, Young People and Families
SUBJECT	Closure of Westfield Primary School Resource Provision Base for Pupils with Hearing Impairment and Specific Learning Difficulties
WARDS:	Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 This report provides a summary of the responses received during the representation period to the statutory consultation to close the Resource Base for pupils with Hearing Impairment and Specific Learning Difficulties at Westfield Primary School.
- 1.2 The report also outlines the decision making process which needs to be followed.

2.0 RECOMMENDATION: That

- 1) the Resource Provision Base at Westfield Primary school closes with effect from 31st December 2016;**
- 2) the Local Authority continues to provide support to the three pupils in the Resource Base at Westfield Primary school until they finish their primary education at the school; and**
- 3) funding previously allocated to fund the Resource Provision base is ring fenced and reinvested into Hearing Impaired provision and the recruitment of additional central staff both teaching and non-teaching.**

3.0 SUPPORTING INFORMATION

- 3.1 At the Executive Board meeting on 15th September 2016 it was agreed that a statutory consultation could be undertaken on the proposal to close the Resource Provision Base for pupils with Hearing Impairment and Specific Learning Difficulties at Westfield Primary School.
- 3.2 The statutory proposal was published on 21st September 2016 for four weeks closing on 19th October 2016. It was advertised in the local press

and distributed to all schools and settings, along with the feedback form. Copies were shared with parents, staff and governors of the school, trade unions, neighbouring authorities, Diocesan authorities, health, primary schools, parents / carers of pre-school children with severe and profound Hearing Impaired Loss, Halton NHS Clinical Commissioning Group the Chair of Halton Impart, the local MP, local Elected Members and the National Deaf Children's Society. Any respondents were given the opportunity to complete the feedback form distributed or respond on line.

- 3.3 The statutory notice, proposal and feedback form were all placed on the Council's website.
- 3.4 A staff and governors meeting was held at the school on 28th September 2016 followed by a parent and public meeting, to which representatives from the National Deaf Children's Society were invited. The notes from both meetings were placed on the Council's website and copies are attached at Appendix A and Appendix B.
- 3.5 Those people wishing to respond to the consultation were advised to put their views in writing to Mark Reaney, Operational Director Legal and Democratic services. They were also advised to note that the representation period was 4 weeks and the consultation would close on 19th October 2016.
- 3.6 At the close of consultation seven responses had been received. Of this number, six responses were received from parents/carers and one response was received from the National Deaf Children's Society. Five parents/carers did not support the proposal and one was unsure. The responses from the parents/carers included parents of pupils within the current provision and parents/carers of pupils in the mainstream school. A summary of the responses received is attached at Appendix C. The response from the National Deaf Children's Society is attached as Appendix D.
- 3.7 The issues raised by those who did not support the proposal were as follows:

- **children who have hearing problems should continue to go through main stream schools**
- **Fantastic unit to allow hearing impairments to remain in mainstream environments**

There are no Key Stage 1 pupils in the current Resource Base as in the main parents are opting for a mainstream setting with support from the team. New-born Hearing Screening allows the early identification of children with hearing loss, currently none of the parents of younger children have expressed an interest in the Resource Base for their child.

With the advances in technology and the right support children now make greater progress by being a part of a mainstream peer group with language support

- **all children should be taught sign-language to help them communicate with others**

This is not a primary requirement of the current Resource Provision staff – if there is sufficient capacity it may be possible to continue to offer training in sign-language.

- **the hearing unit is important to the school, however I think more children would benefit from the £60,000 put back into mainstream school.**

The majority of pupils with a hearing impairment are in mainstream provision. Reinvesting the funding to employ additional peripatetic teaching and non-teaching staff and commissioning additional places where necessary, should ensure that we can more efficiently and effectively meet the needs of pupils across the Borough with a Hearing Impairment.

- **I think it is wrong that children who need to use the resource base should have to travel miles possibly out of area away from school through no fault of their own, in order to use a resource base.**

The numbers requiring a resource base is reducing in the Borough making the current model unsustainable. Specialist out of borough provision has been commissioned for some pupils for a number of years. This practice will continue where appropriate.

- **My daughter has hearing problems and has recently started this school. We were delighted that she was allocated this school because of hearing/resource facilities. If this facility closes it will set her hearing back by years.**

New-born screening allows the earlier identification of hearing loss. Many of the babies currently have mild to moderate hearing loss. There was no support available in early years previously this is now available with children seen on either a weekly or monthly basis. As a result there is less developmental delay for children starting school. The cohort and needs of hearing impaired children has changed over the years, many children have cochlear implants earlier, the majority use FM systems other changes in IT and technology enable more children to be educated in a mainstream school. In addition, support can be provided by the Local Authority Team.

The facilities in the Resource Base will remain and any child assessed as requiring support due to hearing loss will continue to receive support from the specialist hearing impaired central team in line with NatSIP recommendations.

- 3.8 Appendix D is a copy of the response received from the National Deaf Children's Society (NDCS). A summary of the recommendation of the NDCS and the response is listed below.

Focus on outcomes for deaf children and monitor outcomes

The peripatetic specialist team will continue to monitor the outcomes of children and young people from Halton with a Hearing Impairment

Reinvest funding into peripatetic services

The funding previously invested in Westfield Resource Base will be ring fenced and reinvested into the development of the peripatetic central service.

Recruit and retain specialist staff

Halton Borough Council is committed to recruiting expert specialist teaching and non-teaching support as part of the development of the central team.

Commission resource base placements out of borough

Service level agreements are in place with an out of borough local provider for a number of pupils. We will explore the option of developing an SLA with Liverpool City Council to meet future needs.

Monitor future need for resource base provision

An annual review will be undertaken to identify levels of demand and provision.

Support children transitioning into mainstream provision

The peripatetic team will work with those children transitioning to mainstream provision to ensure they continue to receive the support they require to meet their needs.

Make reasonable adjustments to mainstream school

As part of Halton's Accessibility Strategy, schools are required to make reasonable adjustment for disabled pupils. Access funding will continue to be made available so that eligible schools can access support towards the costs of any adaptations required.

Support will continue to be provided for technological equipment.

4.0 DECISION MAKING PROCESS

4.1 The decision-maker (Executive Board) must decide the proposal within two months of the end of the representation period otherwise the decision must be referred to the Adjudicator for a decision. Any appeal to the adjudicator must be made within four weeks of the decision.

4.2 Decision makers need to be satisfied that the proposal meets the SEN Improvement test. A full list of the factors to consider are attached as Appendix E.

4.2 The decision-maker can decide to:

- Reject the proposals;
- Approve the proposals without modification;
- Approve the proposals with a modification
- Approve the proposals subject to them meeting a specific condition.

Conditional approval can only be granted in a limited number of circumstances related specifically to Academy provision or changes in admission arrangements relating to another school. A date by which the conditions should be met must be set.

4.3 Within one week of making a decision, the LA must publish the decision with the reasons for it on the website, alongside the proposal. Copies must also be sent to:

- The LA where the Schools Adjudicator is the decision-maker
- The Schools Adjudicator where the LA is the decision maker
- The Governing Body
- Local C of E Diocese
- The local Roman Catholic diocese; and
- Any other appropriate body.

4.4 Within one week of the decision being made the LA should make the necessary changes to the school's record on the department's EduBase system and must make the change by the date of implementation.

4.5 The proposal and responses to the consultation to close the Westfield Primary School Resource base for Pupils with hearing Impairment and Specific Learning Difficulties were discussed at the Children, Young People and Families Policy and Performance Board (PPB). The main concerns raised were in respect of the support for the current, and what would happen to any children who might have similar needs. Assurances were provided that current pupils would continue with the same support until they move on to secondary education and that the system of support was more effective and robust to meet similar needs without the need for such a

resource base. The Chair and the majority of the PPB supported the proposal as put forward.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The Resource Base currently receives £10,000 for each of its six places giving it a total of £60,000. £20,623 is provided for a Signer each year and an additional £5,081.73 is allocated for each pupil placed in the base.
- 5.2 Funding will continue to be provided to Westfield Primary School to support the costs of the two teaching assistants until the three current pupils have completed their primary education at the school.
- 5.3 The funding from the unit will be reinvested into employing specialist staff to support pupils across the borough with Hearing Impairment and when appropriate commissioning a place in specialist provision in a neighbouring Local Authority.
- 5.4 Schools will be invited to apply for Access funding where building adaptations are required.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

Supporting pupils with a hearing impairment in their mainstream local school is more inclusive as it allows pupils to be educated within their own community, alongside their siblings, friends and peer group.

6.2 Employment, Learning and Skills in Halton

None identified

6.3 A Healthy Halton

None identified

6.4 A Safer Halton

None identified

6.5 Halton's Urban Renewal

None identified

7.0 RISK ANALYSIS

- 7.1 As reducing numbers of parents are choosing to have their children educated in a Hearing Resource Base it is becoming more difficult for the base to be financially viable and to be able to recruit the appropriately qualified staff.
- 7.2 As the majority of families would prefer their child to be educated in a mainstream setting with support we may not be able to provide the appropriate level of support across the borough to meet need unless we can reinvest the resources saved from the closure of the Base.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 This proposal is aimed at ensuring pupils with Hearing Impairment can be educated within their own local community and is therefore more inclusive.
- 8.2 An Equality Impact Assessment will be undertaken on this proposal.

9.0 REASON FOR DECISION

- 9.1 Provide a more inclusive offer for pupils with HI giving them the opportunity to be educated with support alongside their peers.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 10.1 Retaining the current provision. This was rejected as it is less inclusive and more costly.

11.0 IMPLEMENTATION DATE

- 11.1 The implementation date is 31st December 2016.

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

Document	Place of Inspection	Contact Officer
January Statutory Notice	Rutland House	ann.mcintyre@halton.gov.uk
Executive Board Report 14/07/2016	Municipal Building	As above
Executive Board Report 15 th September 2016	As above	As above
Halton Borough Council – Children and Young People’s Services – Accessibility Strategy 2015-2018	Local Offer Website	As above

Statutory Consultation on the proposal to close the Resource Base for Pupils with Hearing Impairment and Specific Learning Difficulties at Westfield Primary School.

Wednesday, 28th September 2016 at 2.30pm

School Consultation

In attendance:

Ann McIntyre	Operational Director – Education, Inclusion and Provision (HBC)
Anita Parkinson	Divisional Manager – Inclusion (HBC)
Julie Metcalf	Lead Teacher for Hearing Impairment (HBC)
Lyndsey Hignett	Teacher for Hearing Impairment (HBC)
Catriona Gallimore	Capital Programme Planner – Education, Inclusion and Provision (HBC) (note taker)
Claire Dawes	Headteacher Westfield Primary School
James Parker	Assistant Headteacher Westfield Primary School
Leslie Le-Surf	Chair of Governors Westfield Primary School
Ian McIntyre	Associate Govern Westfield Primary School or Westfield Primary School
Joyce Docherty	Governor Westfield Primary
Denise Gough	Teaching Assistant/signer - Hearing Impaired Unit Westfield Primary School
Joanne Berry	Teaching Assistant - Hearing Impaired Unit Westfield Primary School

Ann McIntyre welcomed everyone to the meeting and introductions were made.

Purpose of the Meeting

It was explained that the purpose of the meeting was to allow questions to be raised regarding the second stage of the process (Statutory Consultation) on the Local Authority's (LA) proposal to close the Resource Base for pupils with Hearing Impairment (HI) and Specific Learning Difficulties (SpLD) at Westfield Primary School. The rationale behind the proposal would be explained and there would be the opportunity for questions.

A four week pre-statutory consultation took place between 22nd June and 20th July 2016 and on the 15th September 2016 the Executive Board approved progression to the next stage, known as Statutory Consultation.

It was explained that many parents with children with a hearing impairment are now choosing a mainstream school with a package of support. Removing the Resource Base will allow this funding to be invested into increasing the level of peripatetic specialist teaching and non-teaching in Halton, so that the needs of those children educated in a mainstream setting that require additional support can best be met. It was noted that some profoundly deaf pupils whose needs cannot be met in Halton, attend a specialist school in Knotty Ash.

There are no savings with this proposal as the funding will be reinvesting in providing peripatetic support across schools in Halton and when appropriate commission specialist provision in a neighbouring Local Authority.

It was asked whether there would be a negative impact on other schools. It was explained that it should make other schools more accessible for pupils with a hearing impairment.

The Resource Base has the capacity for six pupils with hearing impairment and specific learning difficulties. Demand had decreased and there are currently only 3 KS2 pupils accessing provision.

There would be no change to the support provided to the three pupils currently in the Resource Base. The Local Authority would continue to fund the costs of the Teaching Assistant and the Signer and would provide teaching support from the LA Peripatetic Hearing Impaired Specialist Teachers until all three pupils had completed their primary education.

The statutory consultation is for four weeks from the 21st September until 19th October 2016. The LA does not respond to individual responses to a consultation. All responses will be summarised and the LA will provide a written response to queries/comments raised and submit this to the Executive Board as part of the report which will be tabled on the 17th November 2016. Executive Board will then determine whether they wish to approve the proposal.

All those that attended the meeting were advised to comment again as this is a separate consultation to the pre-statutory consultation which took place in June. Paper copies of the feedback form were offered, and they were also advised that responses can be made via an online form by following the link www.halton.gov.uk/westfield.

Questions

1) How will the funding be reinvested?

We will ensure that Westfield Primary has sufficient money to pay the staff supporting the 3 children still in the base, and will advertise for a Peripatetic teacher to teach at Westfield Primary and across Halton.

The funding will enhance the current peripatetic team to support HI children and funding will be ring fenced for this purpose.

2) Is it easy to recruit a HI Teacher?

HI teachers are often more attracted to working within a central peripatetic team than in a Resource Base so it should be easier to recruit to than it has been to fill the vacancy at the school.

3) The notice mentions that the unit is for pupils with Specific Learning Difficulties (SpLD), what about the children that are SpLD and not HI, why are you closing the unit when we still have pupils with SpLD?

*This unit was for pupils with Hearing Impairment **AND** Specific Learning Difficulties, with the hearing impairment being the primary need.*

All schools have pupils with specific learning difficulties the Headteacher and governors determine how to support these pupils within the schools resources.

It was noted that Westfield is widely recognised as providing excellent support for SEN pupil. The head said that currently 42% of the school population are SEN.

In 2015/16 all school budgets were cut by 5% because the SEN budget was overspent. This is one of the reasons why Halton would rather schools support/retain their pupils rather than send them to a specialist provision. However, if a child required specialist provision, the LA would secure that.

4) What if a 4th child came to the school with HI before the end of December 2016?

If a child was identified, Halton would look at Peripatetic support or secure specialist provision.

Parents are asking for their HI children to be taught in their mainstream school which supports this new peripatetic model. Where appropriate pupils may have an EHC Plan and receive enhanced provision.

Some schools identify children as SEN differently to other schools and it is not consistent. Over all, Halton has a high proportion of children with SEN but there is only so much funding. Halton are now looking as how best we allocate the funding and will be consulting on this shortly.

5) How many preschool aged HI children are there?

Four children have been identified. They currently attend the Cochlea Implant Centre in Manchester, by the time they are 5 they will be able to hear.

6) How many primary school aged children are there with severe Hearing Impairment?

There are seven children; four attend mainstream schools and three attend Westfield.

7) Are the 3 children attending Westfield from Halton?

Yes, two are from Runcorn and one is from Widnes.

8) How does the Specialist Teacher support HI pupils in schools?

For profound/severely deaf children, the Specialist Teacher initially meets with all staff at the mainstream school and talks through the National Sensory Impaired Partnership (NSIP) criteria, so that the staff know about the child. Following this, the Specialist Teacher will spend an hour a week with the child and school staff.

9) What is the current staffing provision in Halton?

Currently Halton have 3 Specialist Teachers and 2 teaching assistants.

If the statutory consultation proposal is approved, the LA would then look to recruit an additional Specialist Teacher to enhance the current Peripatetic team.

10) How many HI pupils are there in Halton?

There are 137 pupils that have a hearing impairment. Only profoundly deaf pupils get support, of which there are 14. Severely hearing impaired pupils are in a specialist provision.

11) Will the school budget be affected from the 1st January 2017?

The LA will provide the figures to the school. Halton will continue to provide financial support for the salaries of the 2 members of staff at the school that support the 3 pupils in the unit until the pupils leave.

12) With regards to Specialist Teacher support, is it an hour per pupil per week in the unit?

Yes.

13) How do I view the LA response to my comments from the last consultation?

Go to the Halton Website and look up the Executive Board meeting for the 15th September 2016. Appendix D of the papers contains a summary of the feedback and the LA's response.

Statutory Consultation on the proposal to close the Resource Base for Pupils with Hearing Impairment and Specific Learning Difficulties at Westfield Primary School.

Wednesday, 28th September 2016 at 3.30pm

Parents/Carers and Public Consultation

In attendance:

Ann McIntyre	Operational Director – Education, Inclusion and Provision (HBC)
Anita Parkinson	Divisional Manager – Inclusion (HBC)
Julie Metcalf	Lead Teacher for Hearing Impairment (HBC)
Lyndsey Hignett	Teacher for Hearing Impairment (HBC)
Catriona Gallimore	Capital Programme Planner – Education, Inclusion and Provision (HBC) (note taker)
Claire Dawes	Head teacher Westfield Primary School
James Parker	Assistant Head teacher Westfield Primary School
Joyce Docherty	Governor Westfield Primary
Chris Harvard	Westfield Primary
Hazel Badjie	National Deaf Children Society
Sally Etchelis	National Deaf Children Society
N Magdy	Parent

Ann McIntyre welcomed everyone to the meeting and introductions were made.

Purpose of the Meeting

It was explained that the purpose of the meeting was to allow questions to be raised regarding the second stage of the process (Statutory Consultation) on the Local Authority's (LA) proposal to close the Resource Base for pupils with Hearing Impairment (HI) and Specific Learning Difficulties (SpLD) at Westfield Primary School. The rationale behind the proposal would be explained and there would be the opportunity for questions.

A four week pre-statutory consultation took place between 22nd June and 20th July 2016. On the 15th September 2016, the Executive Board was provided with a report, notes of the previous consultation meetings and a summary of the responses received. Progression to the next stage was approved – this is known as a Statutory Consultation.

The Statutory Consultation is for four weeks from the 21st September until 19th October 2016. The LA does not respond to individual responses to a consultation. All responses will be summarised and the LA will provide a written response to queries/comments raised and submit this to the Executive Board as part of the report which will be tabled on the 17th November 2016. Executive Board will then determine whether the Resource Base will close on the 31st December 2016.

The notice was summarised by Ann McIntyre and it was explained that the demand has reduced for the Resource Base but that there is an increasing demand for support for children and young people with a hearing impairment in mainstream schools. There are no savings to be made as funding will be ring fenced to continue to support the three children that currently attend the Resource Base at Westfield Primary until they finish Primary School. Halton will also reinvest the funding in order to provide Peripatetic support across Halton and should it be necessary commission specialist placements from another local authority.

If the proposal is agreed, from the 31st December 2016 Halton will cease to admit any pupils to the base and will begin recruitment for a specialist Peripatetic Teacher.

The current pupils that attend the base will continue to be supported until they leave Primary School, in exactly the same way as they are now, with a signer, a Teaching Assistant and support from one of the Specialist Teacher,

All those that attended the meeting were advised to comment again as this is a separate consultation to the pre-statutory consultation which took place in June. The deadline for response is the 19th October 2016. Paper copies of the feedback form were offered, and they were also advised that responses can be made via an online form by following the link www.halton.gov.uk/westfield.

Questions/Comments

1) I am a parent of a pupil that is in the base and I think it's a travesty that you are closing the base and penny pinching. The base is the best place for HI children to learn.

Halton have an Early Years Team who supports the HI children and their families, and a Teaching Assistant does Speech and Language work with them.

There are 14 children in Halton who are profoundly deaf, 3 attend Westfield Primary and the remaining 11 are in mainstream school. All 14 children are doing well with the Peripatetic support they are provided with.

This is not about penny pinching. There are a lot of children in mainstream schools who require support. This is not a disinvestment; it is about targeting the funding to need. Removing the Resource Base will allow this funding to be invested into increasing the level of peripatetic specialist teaching and non-teaching available across Halton, so that the needs of those children educated in a mainstream setting that require additional support can best be met.

2) What about the future?

We will be putting investment into strengthening the support for HI pupil's mainstream schools.

Based on information available and conversations with parents of HI children, they are opting for mainstream schools, therefore there is not the demand for a Resource Base.

3) Hazel from National Deaf Children's Society (NDCS) thanked Halton for keeping them involved and praise was given for how well the process has been communicated at each stage.

The NDCS have noticed a change across all LAs and are seeing two main routes either to 'mothball' the bases or reinvest into a Peripatetic service. They do not want the outcome for deaf children to change. An 'outcome' driven decision is more palatable to a 'financial' driven decision.

It was confirmed that the outcome of this proposal will allow children to stay in schools within their local community.

4) Hazel commented that parents need to know that although the base will close, parents still have a choice.

She also advised that acoustic investment is important in schools and capital investment should be made.

The LA stated that the money saved during the recruitment exercise can be reinvested into any capital improvements required.

The authority also has a capital fund that schools can bid for to address accessibility issues.

5) Hazel also recommended in the Equality Impact Assessment that the LA has completed, reference could be made to the steps that will be taken to retain the member of staff who is a Level 6 in Sign Language. Everything should be done to retain these skills.

This was acknowledged by the LA.

RESPONSES TO WESTFIELD STATUTORY CONSULTATION

Response	Sector	If other please state	Comments
Strongly Disagree	Parent/Carer		I feel the children who have hearing problems should continue to go through main stream schools and I feel strongly that all children should be taught sign-language to help them communicate with others
Strongly Disagree	Parent/Carer		None
Unsure	Parent/Carer		I feel the hearing unit is important to the school, however I think more children would benefit from the £60,000 put back into mainstream school.
Strongly Disagree	Parent/Carer		I think it is wrong that children who need to use the resource base should have to travel miles possibly out of area away from school through no fault of their own, in order to use a resource base.
Strongly Disagree			My daughter has hearing problems and has recently started this school. We were delighted that she was allocated this school because of hearing/resource facilities. If this facility closes it will set her hearing back by years.
Strongly Disagree	Parent/Carer		Fantastic unit to allow hearing impairments to remain in mainstream environments
	Other	National Deaf Children's Society	See Appendix D



www.ndcs.org.uk

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Chief Executive
Susan Daniels OBE

President
Sir Christopher Benson
FRICS DL

Mr M Reaney
Operational Director Legal and Democratic Services
Municipal Building
Kingsway
Widnes
WA8 7QF

13 October 2016

RECEIVED

17 OCT 2016

LEGAL SERVICES

Dear Mr Reaney,

Please find enclosed a response from the National Deaf Children's Society to the consultation to close the resource base for pupils with hearing impairment and specific learning difficulties at Westfield Primary School.

I would greatly appreciate it if you could please confirm receipt by emailing campaigns@ndcs.org.uk

Yours sincerely,

A handwritten signature in black ink that reads 'Hazel Badjie'.

Hazel Badjie
Regional Director, North West England
National Deaf Children's Society
Email: hazel.badjie@ndcs.org.uk
Mobile: 07890318724 (voice)
Direct line: 01706 82 5022



**Consultation to close the resource
base for pupils with hearing
impairment and specific learning
difficulties at Westfield Primary
School**

**A response by the National Deaf
Children's Society**

October 2016

The National Deaf Children's Society
Ground Floor South, Castle House
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Tel: +44 (0) 20 7490 8656 (voice and text)
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Email: campaigns@ndcs.org.uk
www.ndcs.org.uk



1. Introduction

NDCS welcomes the opportunity to respond to this statutory consultation on the proposals to close the resource base for pupils with hearing impairment and specific learning difficulties at Westfield Primary School. This submission highlights key concerns and makes recommendations, in order to ensure that deaf children in the local area continue to receive high quality education support.

NDCS is the national charity dedicated to creating a world without barriers for deaf children and young people. We represent the interests and campaign for the rights of all deaf children and young people from birth until they reach independence. There are over 45,000 deaf children in the UK and three more are born every day.

2. Key concerns

We are seeking reassurance from Halton Borough Council around various key areas of concern, in order to ensure that deaf children in the area are able to access the best possible support in order for them to thrive.

Concern 1: Monitoring attainment and outcomes

It is possible that the attainment and progress of the pupils transitioning from the resource base to full time mainstream school could be affected. It will be important to closely track the progress of these pupils and offer additional support or alternative education provision if this is needed.

Concern 2: Reinvestment of funding

NDCS has been assured that the funding that Westfield Primary School currently receives to support pupils in the resource base will be reinvested into the peripatetic specialist teaching support service. It is vital that the full amount of funding, or an increased amount, is invested in the peripatetic service in order for deaf children to be sufficiently supported. We would like to see formal written confirmation of the amount of budget to be reinvested in the peripatetic service.

Concern 3: Retention of qualified staff

Halton Borough Council has committed to recruiting specialist staff in order to provide educational support to deaf children. As part of the teaching assistant team, Halton Borough Council employs a communication support worker with a Level 6 qualification in British Sign Language (BSL). NDCS recognises this as a particularly valuable post and an asset that Halton Borough Council should strive to retain. We would hope that Halton Borough Council makes a commitment to retain this post.

Concern 4: Future commissioning of resource base placements

The closure of the resource base at Westfield Primary School would mean that there would no longer be a primary resource base in the borough of Halton. This removes the option of local resource base provision for deaf children in Halton. There may well be deaf children in Halton, now and in the future, who would like to access a resource base and who may benefit educationally and socially from doing so. Therefore, it is imperative that Halton Borough Council has a Service Level Agreement in place with Liverpool City Council to commission places at Knotty Ash resource base on an as-and-when basis. For children who attend an out-of-borough resource base, transport arrangements which are acceptable for the families would need to be put in place.

Furthermore, the availability of resource base provision at Knotty Ash Primary School in Liverpool should be fully communicated to parents of deaf children in Halton. When making decisions about their child's education, parents should be made aware of the full spectrum of support which Halton Borough Council can offer and then be in a position to be able to choose what is most appropriate for their child.

Concern 5: Monitoring the need for a reestablishment of a resource base

It is entirely possible that the demand for local resource base provision may increase again in the future. Halton Borough Council has predicted, through results of the new-born hearing screening programme, that there are no deaf infants in Halton who will require a resource base. NDCS disagrees with this statement. This is because we are concerned that this approach does not allow for children moving in to the borough or children developing deafness in their early years, for instance as a result of meningitis.

The future demand for a resource base in Halton should be continuously monitored and re-establishing the provision should be a real consideration if there is sufficient demand.

Concern 6: Transition from the resource base into mainstream

It has been proposed that the three pupils who currently spend time at the resource base will be supported in full time mainstream school. These pupils may feel more familiar with certain styles and levels of support and this may need to be replicated in the mainstream classrooms. For instance, when undertaking group work or discussions deaf children may find it beneficial for their group to move to a quieter place. It is also a concern that deaf pupils may feel less of a sense of a deaf peer group when they no longer attend the resource base. The emotional and social wellbeing of deaf pupils should be monitored.

Concern 7: Making reasonable adjustments to mainstream setting

Halton Borough Council has undertaken an Equalities Impact Assessment to outline how the closure of the base may impact on deaf children. NDCS feels that this Assessment should have mentioned the need for possible reasonable

adjustments to be made to the mainstream school to make conditions optimum for deaf pupils. Good acoustics are incredibly important in ensuring that the learning environment is appropriate for deaf children. Furthermore, the technology and specialist equipment for deaf children should be retained and managed by the central peripatetic team.

3. Summary of recommendations:

Recommendation 1: To focus on outcomes for deaf children and monitor progress

Halton Borough Council's primary focus when making alterations to education provision for deaf children should be on outcomes. The progress and attainment of the pupils transitioning from the resource base into full time mainstream school should be tracked closely to ensure that mainstream provision is productive for these children. If progress is negatively impacted, alternative provision should be offered and explored.

Recommendation 2: To reinvest funding into peripatetic service

The entire budget, or more, that is currently funding the resource base, should be reinvested in the specialist teaching support service for hearing impaired pupils in mainstream school. Funding should also be allocated to recruiting and training specialist staff.

Recommendation 3: To recruit and retain specialist staff

Halton Borough Council has indicated an intention to recruit an additional Teacher of the Deaf. A commitment should be made to recruit this additional staff resource. A commitment should also be made to retain current posts, particularly a communication support worker who is highly qualified in BSL.

Recommendation 4: To commission resource base placements out-of-borough

A Service Level Agreement should be put in place with Liverpool City Council to enable deaf children in Halton who require resource base provision to access this out-of-borough. The full continuum of available support, including the availability of resource base provision, should be fully communicated to parents when making decisions and drawing up Education Health and Care plans.

Recommendation 5: To monitor future need for resource base provision

The future demand for a resource base in Halton should be closely monitored. If at some point in the future, demand for resource base placements increases, a plan should be in place that triggers a process of re-evaluating whether a local resource base should be re-established. From taking new born hearing screening results into account, Halton Borough Council has asserted that there are no deaf infants who would require a resource base in the near future. It must be fully

considered that deaf children requiring a resource base may move into the local area and children may develop deafness in the early years, for instance as result of meningitis. A future increased need for a local resource base cannot be ruled out.

Recommendation 6: To support children transitioning into mainstream school

Each pupil transitioning from spending time at the resource base into full time mainstream school should be supported emotionally and educationally. It should be considered that children may feel that they have less of a sense of a deaf peer group or identity. The additional needs of deaf children in a mainstream school setting should be carefully considered. For instance, there should be an understanding that deaf pupils may need to undertake group work and discussions in quieter areas.

Recommendation 7: To make reasonable adjustments to mainstream school

Reasonable adjustments should be made to the mainstream school setting to make it as optimum as possible for all deaf children's education and learning. Sufficient investment in good acoustics and technological equipment should be made.

For further details please contact:

Hazel Badjie, Regional Director, North West England
Direct line: 01706825022 (voice)
Mobile: 07890318724
Email: hazel.badjie@ndcs.org.uk

Sally Etchells, Policy and Campaigns Officer
Direct line: 02070141179 (voice)
Email: sally.etchells@ndcs.org.uk

FACTORS FOR CONSIDERATION

FACTORS	STATUTORY PROPOSAL TO CLOSE WESTFIELD PRIMARY RESOURCE BASE FOR PUPILS WITH HEARING IMPAIRMENTS AND SPECIFIC LEARNING DIFFICULTIES
Complies with requirements	Published statutory notice in line with the advice DFE Guidance and Legal advice
Prior Consultation	Two rounds of consultation have been held 22 nd June 2016 to 20th July 2016 21 st September 2016 to 19 th October 2016
Take account of parental preference for particular types of provision or education settings	A specialist teacher for Hearing Impairment has spoken to parents and carers of pre-school children and there are currently no parents expressing a preference for Westfield Resource Base. Parents are opting to have their child educated in a mainstream setting with support.
Ensures sufficient capacity to accommodate displaced pupils – including future demand for places	The three current pupils in the Resource Base will continue to receive the same support they do currently with support from the Signer, teaching assistant and peripatetic specialist teacher in line with NatSIP. There have been no new admissions to the Resource Base for a number of years. The level of demand will be monitored on an annual basis.
Consider the travel and accessibility for all	Providing support for pupils with a hearing impairment in their local mainstream school increases accessibility for all by allowing children to remain within the local community and be educated alongside their peers. It reduces the need for pupils and parents travel to one provision. Where a specialist out borough placement is required transport support will be provided in line with the transport policy.
Take account of any relevant local offer for children and young people with SEN and disabilities and the views expressed on it	The resources available to support pupils with a hearing impairment will be ring fenced and invested back into the service so that additional peripatetic teaching and non-teaching staff can be employed and specialist out of borough provision commissioned where appropriate. Parents and carers of pupils currently accessing the Resource Base would like to see it continue parents of younger children prefer their child to attend mainstream provision with support. This support would need to be funded from the Resources previously allocated to Westfield.

<p>Offer a range of provision to respond to the needs of individual children and young people taking account of collaborative arrangements (including between special and mainstream) extended school and Children's Centre provision; regional centres (of expertise) and regional and sub-regional provision; out of LA day and residential special provision Take full account of educational considerations, in particular the need to ensure a broad and balanced curriculum, within a learning environment where children can be healthy and stay safe</p>	<p>There will be a range of provision available for primary pupils with HI. Parents can opt for their child to be educated in a mainstream setting with support. In cases where pupils have a range of complex needs including HI but this is not the primary need pupils may be educated in one of Halton's Special schools with support from the specialist peripatetic team. Where a specialist HI provision place is required this will be commissioned from a neighbouring authority. Through increasing the investment in the peripatetic team, recent technological developments and minor adaptations to the schools accommodation where required most pupils will be able to work in a mainstream school alongside their peers accessing the full curriculum.</p>
<p>Support the LA's strategy for making schools and settings more accessible to disabled children and young people and their scheme for promoting equality of opportunity for disabled people</p>	<p>As part of the Strategy all schools are required to increase the extent disabled pupils can participate in the school curriculum. The work of the peripatetic team will be to ensure that HI pupils receive the support they need to access the school curriculum. Schools are also required to improve their physical environment – advice and support can be provided to schools on the adaptations required. The Local Authority continues to invest in improving access, holding a small budget which can be used as a contribution to approved applications for support. Information is provided on services through the local offer and the peripatetic team support advise and support on the equipment needed its maintenance and funding.</p>

<p>Provide access to appropriately trained staff and access to specialist support and advice, so that individual pupils can have the fullest possible opportunities to make progress in their learning and participate in their school and community</p>	<p>The funding released from the closure of the Resource Base will be reinvested in increasing both teaching and non-teaching peripatetic staff. The increased capacity of the team mean that their expertise can be used to support more pupils and schools. By supporting pupils in their local mainstream school they will have the opportunity to be educated alongside their peers and develop close links within their local community.</p>
<p>Views of interested parties</p>	<p>Extensive consultation has been undertaken and all stakeholders have been given the opportunity to respond during the first phase and second phase of the consultation.</p>

REPORT TO:	Executive Board
DATE:	17 November 2016
REPORTING OFFICER:	Director of Public Health
PORTFOLIO:	Health and Wellbeing
SUBJECT:	Public Health Annual Report: Assessing Needs and Taking Action
WARD(S)	Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide some background information for the presentation on the Public Health Annual Report (PHAR).

2.0 RECOMMENDED: That the Board note the contents of the report and supports the recommendations.

3.0 SUPPORTING INFORMATION

- 3.1 Since 1988 Directors of Public Health (DPH) have been tasked with preparing annual reports - an independent assessment of the health of local populations. The annual report is the DPH's professional statement about the health of local communities, based on sound epidemiological evidence, and interpreted objectively.
- 3.2 The annual report is an important vehicle by which a DPH can identify key issues, flag problems, report progress and, thereby, serve their local populations. It will also be a key resource to inform local inter-agency action. The annual report remains a key means by which the DPH is accountable to the population they serve.
- 3.3 For 2015-16 the Public Health Annual Report focusses on the work of the Public Health Evidence and Intelligence Team. This topic has been chosen to highlight some strategic pieces of work, their key findings and how they have been used or will be used by Halton Borough Council and its partner organisations.
- 3.4 The report uses a life-course approach around the following chapters:
- Starting Well
 - Living Well
 - Ageing Well

3.5 Each chapter covers the following areas:

- Summary of piece of work
- Why and how it was done
- How the work has been or will be used

3.6 The pieces of work highlighted in the report are:

- Children's Joint Strategic Needs Assessment (JSNA)
- GP JSNA
- JSNA on Long Term Conditions
- Older People's JSNA

3.7 The report uses infographics and other methods to highlight key achievements in an easy to read format. Notable among the successes are:

- Reduction in under 18 alcohol admissions
- Reduction in teenage pregnancy
- Better flu vaccination uptake in over 65s compared to England average
- Older people aged 65 - 74 have the highest level of wellbeing in the UK

3.8 The Public Health Annual Report 2015-16 is available in in hard copy and online at www.halton.gov.uk/PHAR.

4.0 POLICY IMPLICATIONS

4.1 The Public Health Annual Report should be used to inform commissioning plans and collaborative action for the NHS, Social Care, Public Health and other key partners as appropriate.

5.0 OTHER/FINANCIAL IMPLICATIONS

5.1 None identified at this time.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

Improving the Health and Wellbeing of Children and Young People is a priority in Halton. The PHAR will highlight the Children's JSNA, which is a key piece of work for commissioners.

6.2 Employment, Learning & Skills in Halton

The above priority is a key determinant of health. Therefore improving outcomes

in this area will have an impact on improving the health of Halton residents

6.3 **A Healthy Halton**

All issues outlined in this report focus directly on this priority.

6.4 **A Safer Halton**

Reducing the incidence of crime, improving Community Safety and reducing the fear of crime have an impact on health outcomes particularly on mental health.

There are also close links between partnerships on areas such as alcohol and domestic violence.

6.5 **Halton's Urban Renewal**

The environment in which we live and the physical infrastructure of our communities has a direct impact on our health and wellbeing.

7.0 **RISK ANALYSIS**

7.1 There is no risk associated with the publication of the Public Health Annual Report.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 This is in line with all equality and diversity issues in Halton.

9.0 **REASON(S) FOR DECISION**

The Public Health Annual Report is a statutory document.

10.0 **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

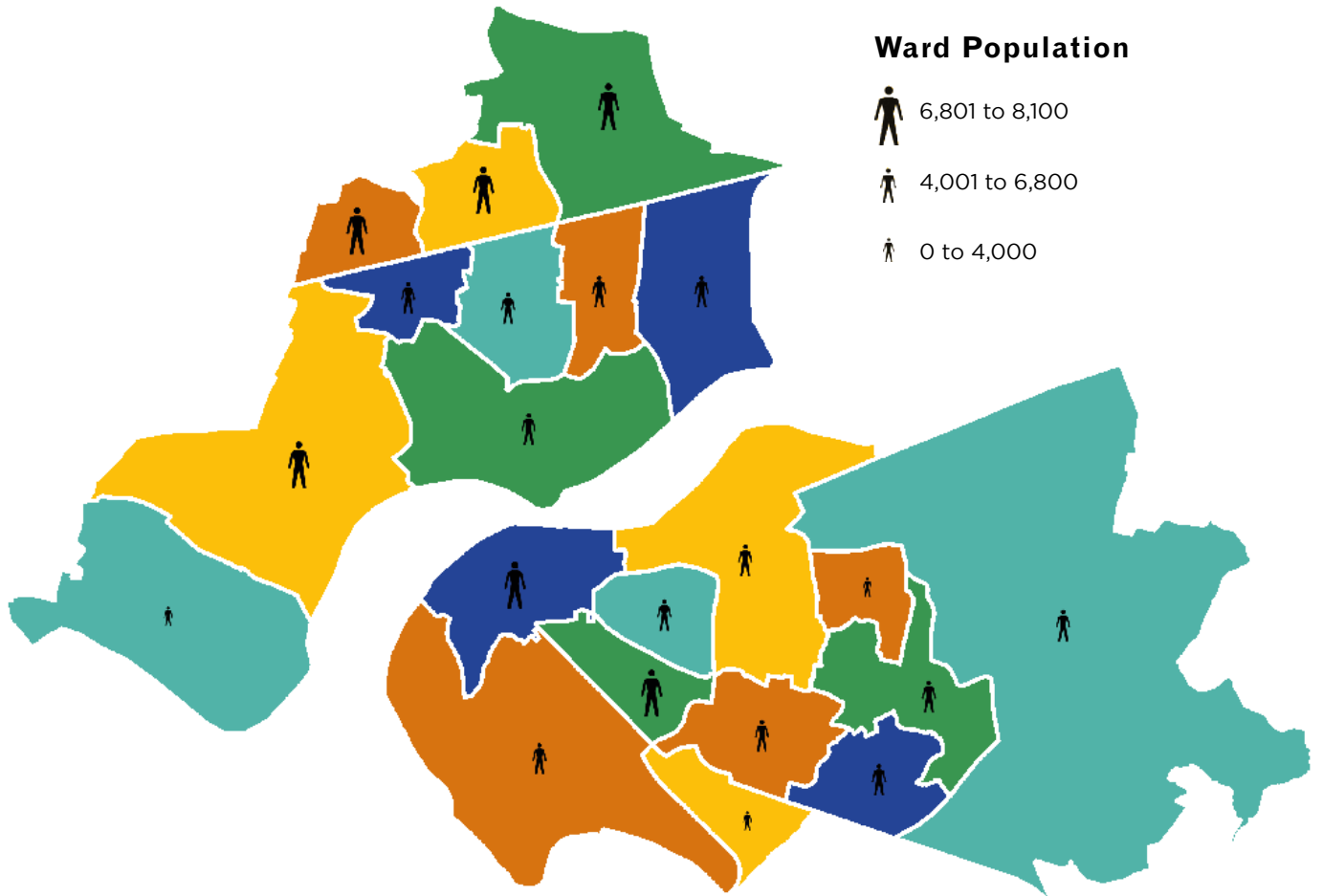
No alternative options to be considered.

11.0 **IMPLEMENTATION DATE**

With immediate effect following approval by Executive Board.

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

Document	Place of Inspection	Contact Officer
Public Health Annual Report 2015-16- Assessing Needs and Taking Action	Runcorn Town Hall	Katherine Woodcock Katherine.Woodcock@halton.gov.uk



PUBLIC HEALTH ANNUAL REPORT 2015 - 16



Assessing Needs and Taking Action



ACKNOWLEDGEMENTS

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The Annual Report editorial board would like to acknowledge and thank all who contributed to the production of this year's report, as well as all those involved in the pieces of work highlighted.

We welcome your comments about this report.

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Further copies of this report may be obtained via the contact details above or accessed online at

www.halton.gov.uk/PHAR

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FOREWORD

This year, the Annual Report of the Director of Public Health focuses on how we use data, information and intelligence to influence health outcomes in the borough. Much of the data on local health is drawn together, analysed and presented in the Joint Strategic Needs Assessment (JSNA). The JSNA is not one static document, rather it is a collection of reports that cover a wide range of information about the current and future health and wellbeing needs of the local population. It looks to the future so that we can plan now for likely changes in needs. The data and intelligence we derive from it have a direct influence on deciding the services we commission.

Public Health has a long tradition of relying on data, which in turn depended on a system for routine collection and monitoring, something we refer to as 'health surveillance'. One such source of data was the Bills of Mortality established in London in 1532. Later, in 1842, Edwin Chadwick was able to link poor living conditions with the occurrence of disease and death. Following this, in 1854 John Snow used data to correctly work out that an outbreak of cholera could be linked to a particular water supply in a district of London. Both these events led to improvements in health and sanitation.

Nowadays data is used to describe the health of the local population, highlighting the key health improvement challenges and priorities and showing where action needs to take place to improve health outcomes. Producing a clear description of health issues locally is the first step in having a shared understanding of where action should be focused. This is achieved by:

- monitoring and analysing the changing population, including inequalities.
- investigating patterns of disease and health of the population.
- identifying vulnerable groups at risk of social disadvantage and poorer health outcomes.
- analysing patterns of health and social care service use to inform changes to services.
- ensuring decisions on which services to fund are based on a balance of up-to-date, high-quality research evidence alongside professional expertise.
- investigating variations in service activity to improve health outcomes.
- assessing future trends in population health and impact of services.

This report is divided into three sections using a life course approach which looks at the various factors that influence a person's health throughout the course of their life. Because we are always striving for improvement we call these stages **starting well, living well** and **ageing well**.

The approach taken in this report means that you will only have an overview of what goes in to creating any one of the JSNA reports. It will however give you a flavour of what the JSNA is, what is involved in developing one, who it is used by and what the results of this are. For those looking for further information on the JSNA please see www.halton.gov.uk/jsna.

Health data, information and intelligence are key ingredients in the work we do in Public Health and this year's report is intended to showcase the range of content that is available.



E O'Meara

Eileen O'Meara

"I never guess. It is a capital mistake to theorize before one has data. Insensibly one begins to twist facts to suit theories, instead of theories to suit facts."

Sir Arthur Conan Doyle,
Author of Sherlock Holmes stories



“Welcome to the 2015-2016 Public Health Annual Report for Halton. All Directors of Public Health are required to produce an independent annual report on the health of their population, highlighting key issues.

This year, Eileen O’Meara, Director of Public Health, has chosen to focus attention on the very important Joint Strategic Needs Assessment, that continuously reports on the health of local people and influences the strategic planning for health.

The strategies are of crucial importance in making Halton a better place to be born, live and grow old in.”

Councillor Rob Polhill

Halton Borough Council Leader and Chair of Halton Health and Wellbeing Board

“This focus is particularly important when set against a background of decreasing resources and highlights the importance for having a clear evidence base for making decisions that will affect the future health of people in Halton.”

Councillor Marie Wright

Halton Borough Council portfolio holder for Health



RECOMMENDATIONS



The Joint Strategic Needs Assessment (JSNA) is used to underpin the planning and development of key local health plans including Halton's five year Sustainability and Transformation Plan.

The findings of the JSNA are used to support Devolution planning and priorities from a Halton perspective.

The JSNA is used to support the development of local health and social care improvement plans and strategic developments including providing the evidence to support a reduction in health inequalities.

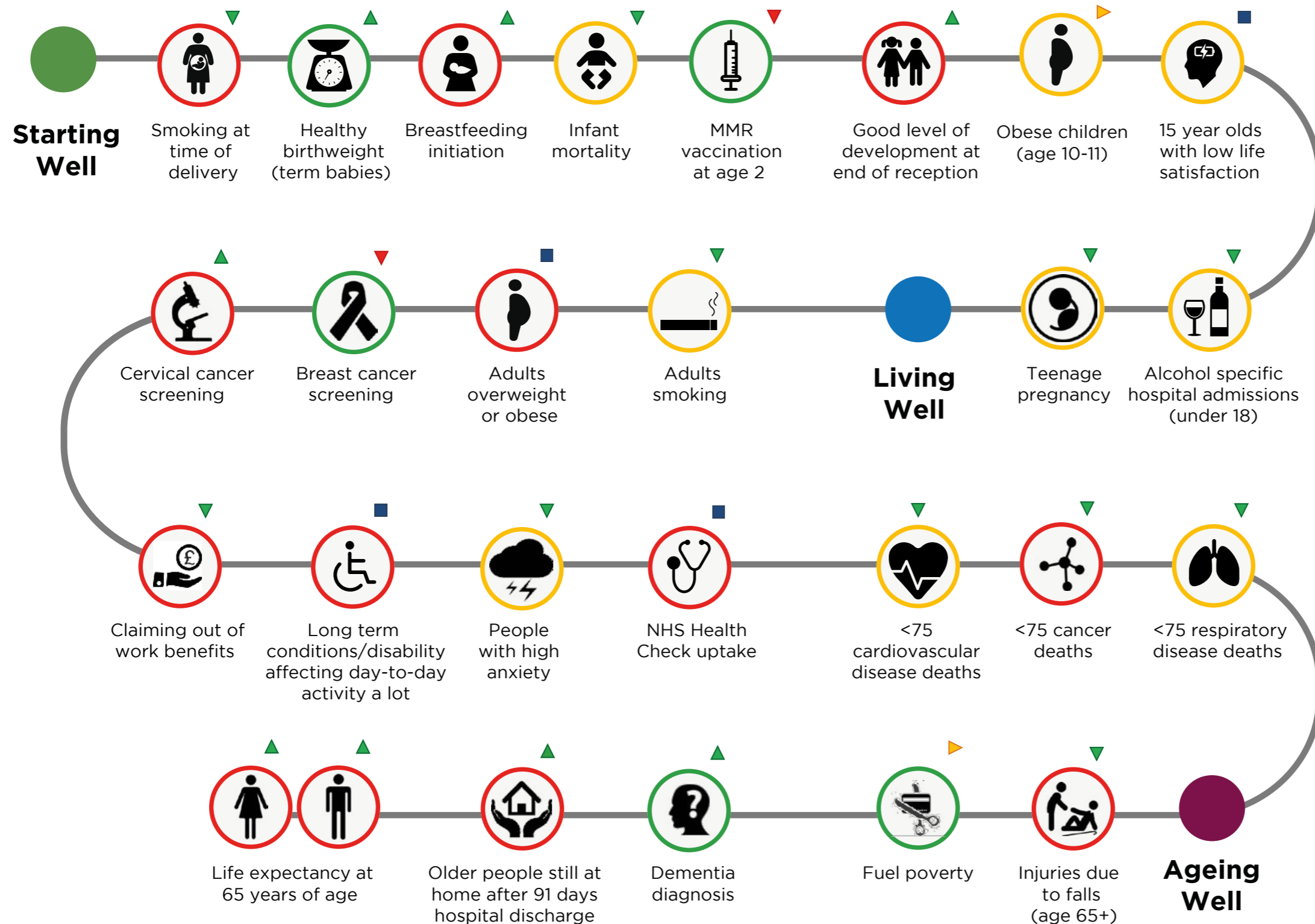
The JSNA is accessible to the public and works to incorporate the voices of local groups and people through specific research and consultation projects that help identify the needs of local communities and explore topics of interest or priority.

The findings of the JSNA are used to support One Halton planning and commissioning priorities.

The Public Health Evidence and Intelligence Team continue to work with partners to improve access to data in order to provide robust information to support the JSNA as well as health planning and priorities.

Halton's Life Course Statistics 2015-16

A comparison to the North West



HALTON FACTS

Population

About **126,350** people live in Halton. By 2030, this is projected to change:

age 0 - 18 ↓ 3.7%
 age 19 - 64 ↓ 7.6%
 age 65+ ↑ 46.4%

Deprivation

48% of Halton's population live in the top **20%** most deprived areas in England.

Child Poverty

24.5% of children aged 0 - 15 live in poverty in Halton

KEY

Direction of travel

- ▲ Improved since last period
- ▶ Similar to last period
- ▼ Worse than last period
- No Comparator

Statistical significance to North West

- Better
- No different
- Worse

For more information & data sources

Please contact Halton Borough Council's Public Health Intelligence Team:
health.intelligence@halton.gcsx.gov.uk

Icons made by Flaticon and available here:

www.flaticon.com

Concept developed from Gateshead PHAR 2013/14 and Leicestershire PHAR 2015

STARTING WELL

CHILDREN'S JOINT STRATEGIC NEEDS ASSESSMENT



This piece of work involved multiple organisations coming together to contribute. It took over a year to produce and one of its strengths is how comprehensively it covers subjects identified. This is an example of a completed JSNA that covers a range of issues with the ability to inform long term planning.

WHY DID WE DO IT?

In 2010 a major national report 'Fair Society Healthy Lives' (The Marmot Review) looked at inequalities in health across England. It underlined the vital role having a good start in life makes to children and young people's health and social experience and also that this follows people into adulthood. Unfortunately the reverse is also true, with the impact of a poorer start having impacts in later life. Halton Children's Trust is a partnership of staff representing many different organisations across the borough, all working to a common goal. As such they wanted to know more about some of the issues highlighted in the Marmot Review and to what extent Halton's children and young people were getting that all important 'best start in life'.

"Halton's ambition is to build stronger, safer communities which are able to support the development and learning of children and young people so they grow up feeling safe, secure, happy, healthy and ready to be Halton's present and Halton's future."

Halton Children and Young People's Plan 2014-17, page 6

HOW DID WE DO IT?

A team was set up to bring together a wide range of different data, information and expert knowledge. More than 60 people were involved in developing the Children's JSNA and its two supplementary reports: speech and language needs and the health of young offenders. The work was coordinated and led by the Public Health Evidence and Intelligence Team. It reported back regularly to the Children's Trust and the Halton Safeguarding Children Board.

The interpretation of this information allowed us to understand where health is good and progress has been made but it also identified gaps and poor performance that needed to change.

The Children's JSNA looks at the overall health and social needs of children and young people, but considered inequalities in outcomes and experience for specific groups. This relates to children living in areas of deprivation, age and gender, disability, and to vulnerable groups.

A life course approach was followed, as advocated by The Marmot Review. There are chapters for:

- Maternal health
- Early years
- School age
- Education and employment
- Safeguarding
- Disabilities and complex needs
- Children in care

Go online to view the complete JSNA www.halton.gov.uk/jsna or the dedicated page for the childrens JSNA on www.haltonchildrenstrust.co.uk/jsna

as well as the supplementary reports on:

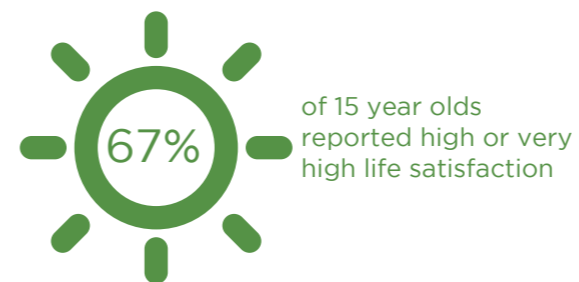
- Speech, Language and Communication Needs
- Health Needs of Young Offenders

KEY FINDINGS

Most children lead happy, healthy lives with good relationships with family and friends. However, some do experience ill health or exhibit behaviours which put them at risk of harm or development of ill health. Whilst many findings and priorities are specific to a particular life course stage or group, issues such as emotional health and unintentional injuries cut across all ages. Issues such as smoking at time of delivery and breastfeeding remain significant and resistant to change. Even for areas that have improved, such as education attainment for children in care compared to general population, there remain inequalities across the borough that need to be addressed. The major contributory factor is the high level of deprivation experienced over years due to a range of historical and more recent social and economic factors.

CHILDREN'S JSNA KEY THEMES

MENTAL HEALTH



10% of children are estimated to have a mental health disorder



The rate is higher than the England and North West averages

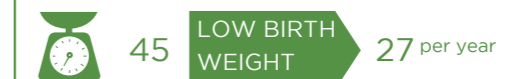
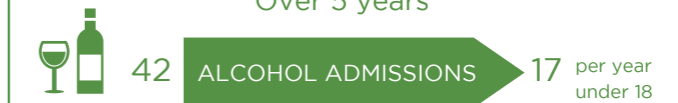
ACCIDENTS



The rate is higher than the England average

IMPROVEMENTS

Over 5 years

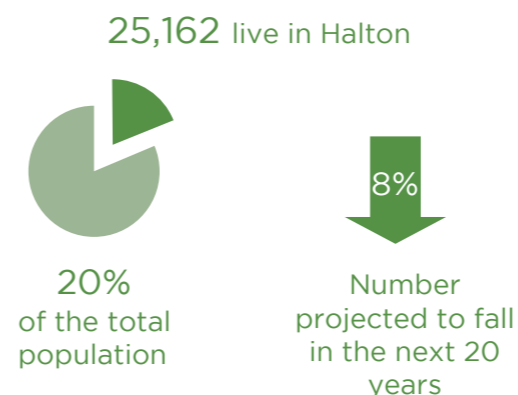


TIME OF CHANGE

welfare reforms
organisational change
economic hardship

POPULATION

CHILDREN AGED 0-15



Icons made by Flaticon and available at www.flaticon.com

HOW HAS THE CHILDREN'S JSNA BEEN USED?

The two major health issues that emerged across the Children's JSNA were mental health and wellbeing and accidental injuries. There was also recognition that there have been a lot of improvements in health. It was agreed that we must maintain these and continue to improve some of our health, educational and social indicators. To do this the Children's Trust and all partner organisations have been using the JSNA in a number of ways:

- To evidence need and level of partnership working during the Ofsted inspection of children in care and safeguarding in Halton.

“Good interagency working in Halton is exemplified by the very high quality children's Joint Strategic Needs Assessment (JSNA), which is focused, detailed and up-to-date and which clearly informs the priorities within the children and young people's plan”... it is being “used effectively to drive improvement.”

Ofsted inspection report, 2015

- Informing the development of a range of strategies including the Infant Nutrition Strategy.
- It has been used by Children's Centres and service providers to develop their services.

“Young Addaction deliver a wide variety of services across the Borough, delivery is creative and innovative with a targeted approach on outcomes. There are areas of the provision that map to the JSNA, Ward & School Profiles and using the data provided in these reports allows the service to deliver tailored packages of support in areas where it is needed.”

Manager, Young Addaction

- Informing the recommissioning of mental health services for young people.
- Influenced the development of the Children's Trust priorities.
- As part of the business case to secure a member of staff to work with young offenders with mental health problems.

“Partners in Halton have used the recommendations to inform and influence local decision making to enhance the local offer with regards to health, and this has resulted in the commissioning of a dedicated Mental Health worker who will be embedded within the YOS service.”

Commissioning Manager, Halton Borough Council (talking about the influence of the health needs assessment of young offenders)

- Informed marketing of services available for children e.g. Children's Centre magazines and Feeding Your Baby magazines (Wellbeing Web Mags).
- Emphasised the importance of early interventions and development during the early years of life. A new programme of work has been developed to tackle the issues it raised in these areas.
- It has informed how schools tackle mental health and healthy eating issues.

“A regular supplement of the Children's JSNA is the annual National Child Measurement Programme (NCMP) report. Schools identified in the higher end category of overweight/obesity are targeted for our schools Fit4Life programme”.

Health Improvement Manager,
Halton Health Improvement Team

LIVING WELL



GP JOINT STRATEGIC NEEDS ASSESSMENT

In this instance a shorter piece of work pulls together data and information from a large number of sources to allow easy cross reference and support planning decisions around primary care. As the data is regularly updated and new data sources can become accessible, it is an example of work that needs to be refreshed regularly. This is done annually.

WHY DID WE DO IT?

As general practice is one of the chief locations that people have conversations and make key decisions about their health, it is very clear that there is a wealth of useful information that can be collected and fed back to GPs to help their planning and organisation of health services. While practices see individual people, pulling together a collection of data can enable GPs to understand their local population and how they compare to other practices in Halton as well as the national average.

HOW DID WE DO IT?

Each practice receives a Halton level information pack, including data from all practices, targets, as well as local and national averages for comparison. A separate pack summarises intelligence for their individual practice and includes information on previous performance and tailored recommendations. For example, where applicable, the report highlights the outstanding numbers required to achieve set standards and targets. Ward health, economic, academic and crime indicators are also included.

The packs provide a directory of services and summary data for a range of topics including:

- Levels of deprivation
- Cancer screening uptake & coverage
- Immunisation uptake
- How many people have conditions e.g. cardiovascular disease
- How many people smoke, drink alcohol and are obese
- Hospital activity for key conditions e.g. COPD & cancer
- Breastfeeding

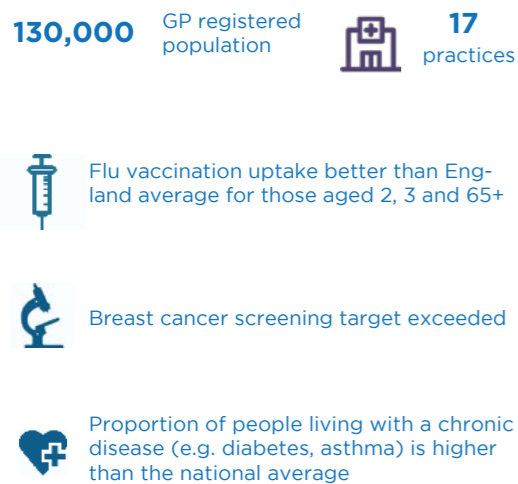
The combined GP JSNA covering all practices can be accessed online www.halton.gov.uk/jsna.

KEY FINDINGS

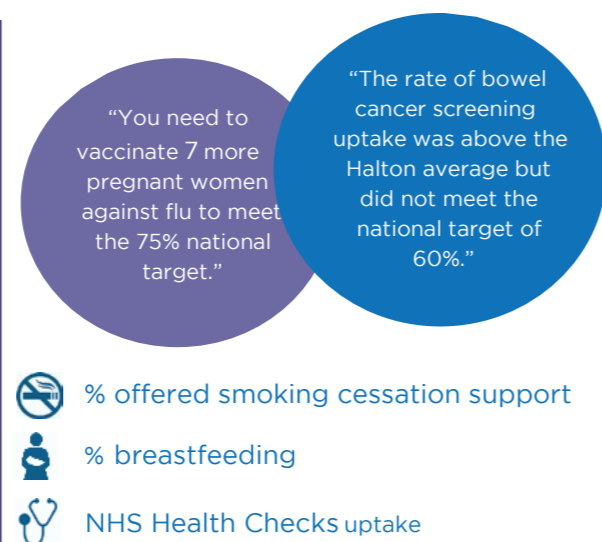
The findings are fed back to each practice and would relate to their own practices. Summary findings from combining the data indicates that Halton residents do take up screening services at a similar level as the England average for breast, bowel and cervical screening. There is a high level of long term conditions seen in general practice and this includes diabetes, hypertension and COPD; all of which are higher than the England average. Overall, Halton performed above the national average for flu vaccinations in the over 65s, flu vaccination in 2 and 3 year old children, and blood pressure checks on those aged 45 and over. There was a similar take up of flu vaccination in comparison to the England average for people with at risk chronic health conditions such as asthma or diabetes aged under 65 and pregnant women; however these are still well below the national target.

SUMMARY: GP JSNA

HALTON SUMMARY

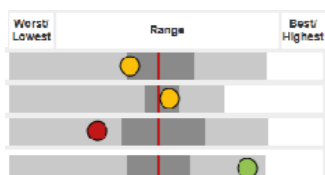


PRACTICE SUMMARY



WARD PROFILE

Unemployment
Education
Mortality
Hospital admissions
Crime
Life expectancy



DIRECTORY OF SERVICES



and many more...

Icons made by Flaticon and available at www.flaticon.com

HOW HAS THE GP JSNA BEEN USED?

- Motivation to effect a positive health change.
- Used as a source of evidence during Care Quality Commission inspections.

"We used the GP JSNA for CQC preparation and found it helpful to highlight the needs of our population."

Primary Care Clinical Lead, NHS Halton Clinical Commissioning Group

- Influenced receptionist to give reminders e.g. Health Checks, flu clinics.
- Used to plan campaigns and targeted wellbeing work by Wellbeing Enterprises CIC.

"We use the GP JSNAs to inform our practice action plans for delivering community wellbeing and health initiatives...We try to theme our community wellbeing approaches around identified priorities (as identified in the GP JSNAs) for each practice population."

Chief Executive Officer, Wellbeing Enterprises CIC

- As a local signposting resource to refer patients to a range of local services.
- Inform GP priorities and internal planning.

“We use it as a benchmark for our performance; we often reflect on the contents and as a result has often influenced changes in the way we work.”

Practice Manager

- Used by Senior Primary Care Engagement Facilitator to support practices on cancer referrals and screening.
- Inform CCG service development group of general practice demography.

The GP JSNA “has enabled an understanding of the local population and the inequalities within the practice population. NHS Halton CCG has developed and supported through its commissioning programme in 14/15 the on-going development and embedding of a Multi-Disciplinary Team approach to the identification of high risk patients and a proactive case management system...This approach of using the JSNA has enabled local teams to target certain areas and patient/population groups to improve the health and wellbeing of those identified at risk.”

Forward View and 2015/16 Operational Plan, NHS Halton Clinical Commissioning Group



JOINT STRATEGIC NEEDS ASSESSMENT ON LONG TERM CONDITIONS

The JSNA contains a number of short chapters or profiles on a range of long term conditions. This approach allows the various conditions to have an in depth review often involving local people who responded to surveys, attended focus groups or through having their views represented by interested voluntary sector organisations.

WHY DID WE DO IT?

Long term conditions is a general term for a range of health problems that can't be cured but can be controlled by medication or other treatments. There is increasing concern both nationally and locally about the rise in the number of people with long term conditions and especially those who have more than one of these conditions. Both the local authority and CCG wanted to understand what was happening in Halton around this issue. We worked together to look in detail at both long term conditions as a collective group of conditions and also at some of the main conditions separately, including heart disease and diabetes. For the first time in the JSNA we also looked at musculoskeletal conditions such as arthritis and back problems and long term neurological conditions such as Multiple Sclerosis (MS) and Parkinson's Disease.

HOW DID WE DO IT?

The Public Health Evidence and Intelligence Team worked with colleagues in NHS Halton Clinical Commissioning Group (CCG) and social care to gather data, information and local people's views on both the prevention and management of long term conditions. This included:

- How many people have long term conditions
- How many people smoke, are obese and use alcohol (avoidable risk factors)
- GP data
- Data on admissions to hospital
- Data on how many people die from long term conditions
- Social care packages for people with long term conditions
- Results from a variety of local engagement sessions

The full JSNA can be accessed online at www.halton.gov.uk/jsna.

In addition to this general chapter, there are other specific sections of the JSNA or health profiles relating to:

- Cardiovascular disease
- Coronary Heart Disease
- Stroke and transient ischaemic attack (TIA)
- Hypertension
- Diabetes
- Chronic obstructive pulmonary disease
- Severe mental health conditions (e.g. schizophrenia, bipolar affective disorder and other psychoses)
- Dementia
- Asthma
- Epilepsy
- Parkinson's Disease
- Multiple Sclerosis

KEY FINDINGS

In Halton there are a higher proportion of people with more than one long term condition, than both the North West and England averages.





Most people who develop long term conditions do so from middle-age (40 years of age and over). Older people, those in their 60s and above, are most likely to have more than one long term condition. Not everyone who has a long term condition knows they have it. Yet it is important to have a diagnosis as early as possible as this reduces the risk of complications developing and the person having to have an admission to hospital. Halton has had a lot of success finding people who have long term conditions and putting them on the best treatments. Despite this there is variation in the level of diagnosis and proportions on best available treatment; reducing this remains a key priority locally. Nevertheless the gap between the total numbers we estimate have long term conditions and those who have a diagnosis has narrowed over the last five years.

There are still people who have a long term condition but have not been diagnosed. Therefore continued public awareness raising is needed.

SUMMARY: LONG TERM CONDITIONS JSNA

PREVENTION

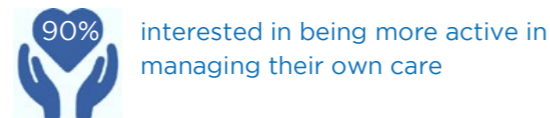
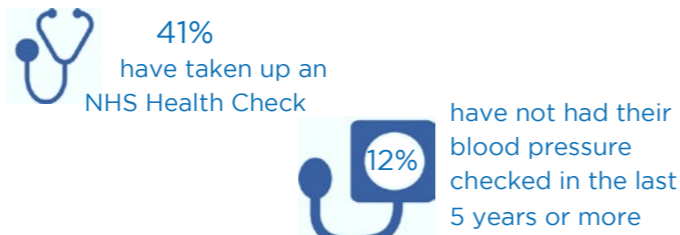
Many long term conditions are preventable through:

- healthy eating  physical activity 
- limited alcohol  not smoking 

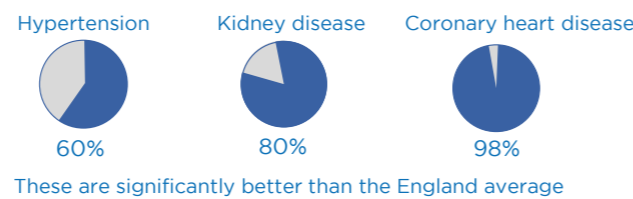
Organisations should:

- Focus on wider determinants of health
 - access to green space  housing  air quality 
 - low cost healthy food  access to services 
- Offer evidence - based interventions

DIAGNOSIS



Population diagnosed (of those expected)



WHO HAS LONG TERM CONDITIONS?

1 in 3 have one or more long term condition

these make up

-  50% GP appointments
-  64% outpatient appointments
-  70% inpatient bed days
-  70% health & social care spend in England

DEPARTMENT OF HEALTH
 "The increasing number of people who have more than one long term condition is one of the most important issues facing health systems".

Icons made by Flaticon and available at www.flaticon.com

HOW HAS THE JSNA ON LONG TERM CONDITIONS BEEN USED?

- To undertake service reviews such as the review of physiotherapy services for people with musculoskeletal conditions.
- To start conversations around the needs of people with long term neurological conditions.

"The report on long term neurological conditions was useful in developing my understanding ... it was useful to see medical data put alongside some of the potential social consequences of neurological conditions such as data linked to benefits claimed. The report is a report for other CCGs to benchmark themselves against as they pick up more of the commissioning role for neurological conditions."

Regional Officer, MS Society

- To support the development of local strategies such as the Respiratory Strategy.
- To inform priorities for the 5 Year Forward View and Halton Sustainable Transformation Plan.

"When starting a significant transformational programme called One Halton, the first place I went to for my research was the JSNAs and the Health & Wellbeing Strategy. Each provided me with the necessary demographic, population based information that I needed to progress this work. The information was succinct, clear and concise. The data was presented in an easy to read format and illustrated the variance in health outcomes for our local population benchmarked against the national average."

Director of Commissioning & Service Delivery, NHS Halton Clinical Commissioning Group

"This is a great example of Halton working in a clear integrated manner. The alliance of research and data adds to clear vision direction. This also adds to a robust planning system in which the JSNA has helped prioritise our major health issues."

Director of Transformation, NHS Halton Clinical Commissioning Group & Halton Borough Council

AGEING WELL



OLDER PEOPLE'S JOINT STRATEGIC NEEDS ASSESSMENT

This final example illustrates a piece of work in progress and highlights again the importance of bringing together a range of stakeholders who can advise and support the gathering of information and more importantly understand what's required to make sure that where needs are identified, solutions are also found.

WHY DID WE DO IT?

The number of older people (those aged 65 and over) living in Halton has been rising for over a decade and this trend is set to continue. This is likely to have an impact on how we provide health and social care services. To this end, the Health & Wellbeing Board asked the Public Health Evidence and Intelligence Team to lead on the development of JSNA work on older people during 2015/16.

HOW HAVE WE DEVELOPED IT?

There has been a lot of interest in this work from across the borough which resulted in the establishment of a multi-agency steering group.

The group adapted the 'life course' approach that has been the cornerstone of local action since the Marmot Review was published in 2010. The JSNA has been divided into a 'functional' life course from being generally fit and well; to being unwell and needing support to remain independent; to needing to live in a care home. Safeguarding and end of life care were also included looking at the needs of all adults around these issues.

Steering Group membership includes:

- Halton Borough Council (HBC) Public Health
- HBC Adult Social Care Commissioners, Policy leads and performance team
- HBC Health Improvement Team
- NHS Halton Clinical Commissioning Group Commissioners
- Halton & St Helens Voluntary Action
- Halton Healthwatch
- Age UK Mid-Mersey
- Halton Older People's Empowerment Network (OPEN)

And lots of others have helped too.

EMERGING THEMES

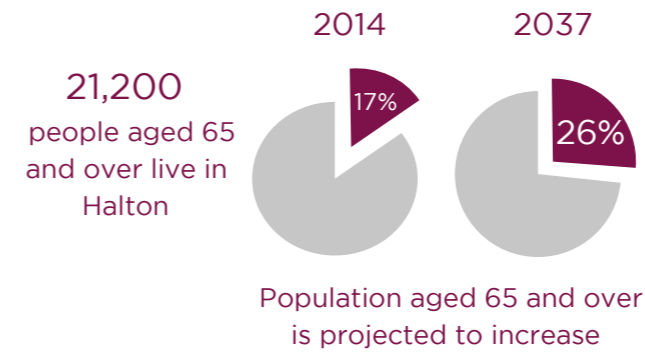
At the time of writing this Public Health Annual Report, the JSNA for older people is not yet completed. However, a number of themes are emerging.

Older people are a key local resource. Many older people remain in paid employment past age 65 and this is likely to continue as the state pension age rises. They offer skills and experience to their employer and colleagues. Yet they may also have specific support needs to help them remain productive members of the local workforce. These are likely to relate to the level of long term conditions in this age group and also that a significant portion of them will also be unpaid carers. The number of unpaid carers is larger than the NHS and social care workforce. A substantial number of these are older people, especially those providing over 50 hours of care per week. Older people are also the mainstay of volunteering.

Yet, many older people do have a number of health and social care needs. They are more likely to have long term conditions and especially to have more than one condition. They have higher levels of hospital admissions than younger people. Many also need informal (unpaid) or formal (paid) support at home to carry out daily tasks like washing, dressing and preparing food. For some, these issues combine to form complex needs requiring health and social care to work together to provide personalised care packages. Being able to remain independent and living in their own homes continues to be one of the main issues older people identify as being of concern to them.

SUMMARY: OLDER PEOPLE'S JSNA

POPULATION



Life expectancy at age 65 (years)



LIVING & WORKING

1 in 5 provide some unpaid care (aged 65+)

This is higher than the national average

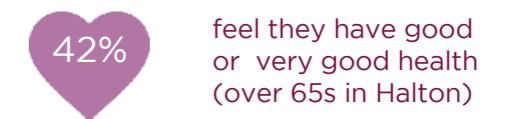


aged 85+ live at home

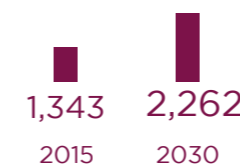


HEALTH & WELLBEING

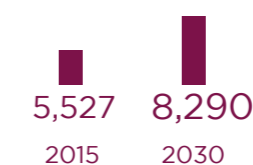
Older people are more likely to have one or more long term condition



Cases of dementia estimated to rise



Number of falls estimated to rise



Older people aged 65 - 74 have the highest level of wellbeing in the UK

This is mainly due to the ageing population

HOW DO WE INTEND TO USE IT?

Whilst the work is still developing at time of writing, a number of uses of the older people's JSNA have already been identified.

- To help commissioners to understand the needs of local people.

"It's great to see an older person specific section in the JSNA. It demonstrates Public Health's commitment to the older citizens of Halton and will inform our older people's service plan."

Principal Manager, Halton Borough Council

"I foresee the Older People's JSNA being a vital piece of the underlying evidence base on which the future revision of the Halton Dementia Strategy will be developed. (The strategy is until 2018, but likely that a refresh will be done before then)."

I would promote the JSNA to any member organisation of the Halton Dementia Alliance seeking funding, to help them identify dementia related support opportunities and support their business case though local evidence."

Policy Officer, Halton Borough Council

- As the basis for a range of work programmes to improve the health and social care of people living in care homes.
- To support the One Halton older people priority work stream.
- To support the development of the Adult Safeguarding Board business plan.

"Halton Safeguarding Adults Board will use the Older People's JSNA to inform its Prevention Strategy and associated Action Plan in order to identify key priority areas to target preventative work in relation to adult safeguarding. The Older People's JSNA will also help to identify and inform other key safeguarding work streams for the Board in relation to the needs of the local population."

Adult Safeguarding Executive

- To support the development of the Adult Social Care Market Position Statement.
- To support the development of the Dementia Delivery Group's business plan.

"The Older People's JSNA will be of tremendous benefit when working with the local voluntary sector to develop new activities and services for older folk. The JSNA allows us to align real grassroots neighbourhood level work with the wider priorities for the borough, it helps us to all pull in the same direction and focus our work on the real areas of need. In addition the document can act as a platform for partnership work as it helps to align the priorities of the many excellent organisations that benefit Halton's elders."

Halton & St Helens Council for Voluntary Services

"As the voice for older people in the Borough, Halton OPEN has been pleased to contribute to the JSNA by submitting its two most recent surveys which have been directly utilised in the relevant section. These surveys provide a qualitative snap shot of the issues and priorities of our membership and we hope that this will inform decision makers at a local level so that we can continue to work collaboratively to improve the health and wellbeing of older residents."

Halton Open Development Officer, AGE UK Mid Mersey

FUTURE STRATEGIC DIRECTION

Needs do not exist in isolation, the health and wellbeing of any person is shaped by the social and environmental determinants they experience throughout their life. The challenge of persistent health inequalities and complex or multiple needs cannot be satisfactorily addressed by any single agency acting alone. Partnership is the only workable solution to the big challenges that we face. A clearer picture of needs from the JSNA means stronger partnerships. The NHS England Five Year Forward View sets out a clear direction for the health economy: the first of these is a radical upgrade in prevention and public health. All partners in Halton are working together to achieve this aim, the creation of a joint plan illustrates the integration that exists in Halton and the willingness for the CCG, Local Authority and other local providers to work together to improve services relating to prevention. This ethos of joint working is captured in the One Halton Vision.

One Halton is a new approach that will involve joining up all the services that deliver care and wellbeing to the people of Halton ensuring that they have the right support, at the right time, in the right way to provide the best possible outcomes. By joining resources and working together across the Borough, One Halton aims to simplify the current system. Effective JSNA will help local leadership to decide on priorities in a more joined-up, effective and efficient way. It will underpin the future strategic direction of health planning and highlight where improvements in health can be achieved and inequalities reduced. The JSNA process also ensures that all partners were able to contribute to the JSNA and jointly own the strategic direction of travel identified through the process.

We invite you to get involved and contribute to this too by completing a short online survey at www.halton.gov.uk/PHAR.

“The Halton Joint Strategic Needs Assessment has enabled NHS Halton CCG to inform their strategic direction in terms of priorities and planning for the future.”

Simon Banks, Chief Officer, NHS Halton Clinical Commissioning Group

“The voluntary sector really benefits from using the Halton JSNA to highlight vulnerable groups in our community and recognise our local assets.”

Sally Yeoman, Chief Executive, Halton & St Helens Voluntary and Community Action

“Halton Borough Council uses Health Needs Assessments to provide insight into local health inequalities, gaps between areas of the borough and where we need to place our resources.”

David Parr, Chief Executive, Halton Borough Council

UPDATE ON RECOMMENDATIONS FROM 2013-14

ALCOHOL FREE PREGNANCY

Recommendation	Commentary on progress
Develop a local education campaign to increase the awareness of the harm of drinking alcohol when pregnant or trying to conceive.	Public Health and the Halton Health Improvement Team developed an awareness campaign to educate women of the harm that drinking alcohol in pregnancy can cause, in order to reduce alcohol related harm to the unborn baby. The campaign launched on the 20th February 2015 and ran until July 2015, and included billboards, posters in supermarkets and on buses plus social media activity. Campaign materials have been distributed across the borough including GP surgeries, children centres, and community centres.
Ensure staff in Halton who come into contact with women planning for a baby or pregnant consistently give the advice that the healthiest and safest option is not to drink alcohol when trying for a baby or when pregnant.	As part of the awareness campaign to educate women of the harm that drinking alcohol in pregnancy can cause, a new leaflet was developed for midwives to assist them in delivering key messages around alcohol harm, this will continue to be used on an ongoing basis. Feedback from local women is that the leaflet provides them with a good understanding of alcohol harm and means they are less likely to drink during pregnancy.
Review alcohol treatment pathways for pregnant women identified as misusing alcohol.	Public Health are working in partnership with primary care, midwifery, Halton Health Improvement Team and CRI to review alcohol treatment pathways for pregnant women identified as misusing alcohol. The pathway will ensure that all professionals are aware of how to support local women to stop drinking during pregnancy.

PROTECTING BABIES AND TODDLERS FROM ALCOHOL-RELATED HARM

Recommendation	Commentary on progress
Ensure local parenting programmes include messages of the harms of parental drinking may have upon young children.	Local parenting programmes have been mapped and work has commenced to ensure that programmes include information about the low risk weekly guidelines and the impact of parental drinking upon young children.

Develop an information resource for new parents which includes key messages around safe drinking guidelines, safe sleeping and reducing the risk of accidents.	The public health team are currently undertaking work to better understand the causes of childhood accidents in Halton. As part of this work messages will be delivered by midwives and health visitors for new parents around safe drinking, safe sleeping and reducing the risk of accidents.
Develop referral pathways between alcohol services and children and family services (to include the early identification, assessment and referral of children who need to be safeguarded).	Referral pathways between alcohol treatment services and children and family services have been reviewed and a local protocol developed.

SCHOOL AGE CHILDREN

Recommendation	Commentary on progress
Work to ensure all local schools take up the offer of alcohol education programmes.	The Halton Health Improvement Team continues to deliver the Healthitude programme in primary and secondary schools across the Borough. In addition Young Addaction deliver programmes across the 2 colleges in Halton focusing on risk taking behaviour, knowing your limits and the impact of alcohol.
Promote a family approach to alcohol treatment to ensure that young people affected by family alcohol misuse are well supported.	In Halton we believe that all professionals who come in contact with alcohol misusers and/or their children have a responsibility to ensure that children in these circumstances are identified as early as possible and are given appropriate support and protection. Young Addaction and CRI are working in partnership to promote the early identification and effective support of both parents and children.
Review alcohol treatment pathways for young people who misuse alcohol in Halton (to include pathways for vulnerable young people including truants and those excluded from school, young offenders, looked after children, children with special educational needs).	Public Health are working in partnership with Halton Health Improvement Team, Young Addaction, School Nursing, local schools and Halton community safety to review alcohol treatment pathways for children and young people identified as misusing alcohol. The pathway will ensure that all professionals are aware of how to support children and young people to delay the onset of drinking or reduce their alcohol intake if they are already drinking.

WORKING AGE ADULTS

Recommendation	Commentary on progress
Develop a coordinated alcohol awareness campaign aimed at working age adults to include supporting the local promotion of national alcohol awareness campaigns e.g. Dry January, Alcohol awareness week and Drink Wise campaigns.	Public Health and the Halton Health Improvement Team have been reviewing alcohol awareness messages in light of the newly published guidelines for safe alcohol consumption. Halton Borough Council and local partners promoted the Alcohol Concern Dry January campaign. Further joint campaigns are planned for 2016.
Support local workplaces in developing workplace alcohol policies.	The Halton Health Improvement Team have been working with local businesses across Halton Borough to develop alcohol workplace policies.
Review alcohol treatment pathways for working age adults (aged 18 to 64) in Halton. To include a review of pathways for vulnerable adults e.g. the unemployed, veterans, offenders, people with mental health problems, the homeless.	Public Health are working in partnership to review alcohol treatment pathways for working age adults identified as misusing alcohol. The pathway will ensure that all professionals are aware of how to support local people to reduce their alcohol intake in line with the new national guidelines.

OLDER ADULTS

Recommendation	Commentary on progress
Undertake insight work with older people to better understand the nature of the problem and what prevention strategies and treatment approaches work best with older drinkers.	Work is currently being planned to engage with local older people via community groups to identify current drinking habits and motivations to reduce their alcohol intake.

Develop an alcohol awareness campaign aimed at older people – to be targeted at older peoples settings (social groups, bingo etc), general practice, local faith groups. To include experienced based interventions (peer to peer).	The community insight work being undertaken will be used to inform a local alcohol awareness campaign aimed at older people in Halton. We also plan to train community champions to deliver peer to peer advice and support.
Develop and train key staff who work with older people in delivering brief interventions which focus on motivating factors for older people.	The Halton Health Improvement Team have been training staff working with older adults to enable them to identify those at risk as a result of their drinking. This enables people to receive brief alcohol advice based on their screening result and/or a referral into specialist alcohol services can be made if appropriate.

COMMUNITIES

Recommendation	Commentary on progress
Work with partners to influence the Government and other key decision makers in relation to issues such as introducing a minimum unit price for alcohol and restricting alcohol promotions and advertising.	Work continues to push for policies at a regional and national level to reduce alcohol-related harm. The Directors of Public Health across the North West fund Tobacco free futures to influence the Government and other key decision makers in relation to issues such as introducing a minimum unit price for alcohol and restricting alcohol promotions and advertising.
Work in partnership to review Halton Borough Council's statement of licensing policy to ensure it supports the alcohol harm reduction agenda.	The legal services department in Halton Borough Council led on refreshing the Halton Statement of Licensing Policy. They worked in partnership with local Responsible Authorities (Halton Council Licensing Team, Cheshire Police, Public Health, Trading Standards) to ensure Halton's Statement of Licensing Policy reflects national best practice in protecting children from harm and reducing crime and antisocial behaviour.
Work towards the completion of a self-assessment / gap analysis for the town centre areas in Widnes and Runcorn, using the Purple Flag criteria as a guide Benchmark.	Benchmarking has been undertaken against Purple Flag criteria and an action plan for diversification of the night time economy is being developed.

DATA ON HEALTH AND WELLBEING IN HALTON

Data on health and wellbeing in Halton is available in the various chapters of the Joint Strategic Needs Assessment (JSNA).

The JSNA and Children's JSNA are available from:

www.halton.gov.uk/JSNA

For further information contact the Public Health Intelligence Team:

Health.Intelligence@halton.gcsx.gov.uk

REPORT TO:	Executive Board
DATE:	17 November 2016
REPORTING OFFICER:	Strategic Director – Enterprise, Community and Resources
PORTFOLIO:	Resources
SUBJECT:	Boundary Review 2018 – Initial Proposals for New Parliamentary Constituency Boundaries
WARDS:	Borough-Wide

1.0 PURPOSE OF THE REPORT

- 1.1 To introduce the proposals of the Boundary Commission for England, and to seek Members' views on how to respond.

2.0 RECOMMENDATION: Members' views are sought as to how the Council might respond to the proposals of the Boundary Commission for England.

3.0 SUPPORTING INFORMATION

- 3.1 The Boundary Commission for England is currently conducting a review of parliamentary constituency boundaries on the basis of rules set by parliament in 2011. The rules require the reduction of a number of constituencies in the UK, and to make more equal the number of electors in each constituency. The rules in the legislation stipulate that there should be 600 Parliamentary constituencies covering the UK, a reduction of 50 from the current number. Therefore, the number of constituencies in England must be reduced from 533 to 501. Each constituency must have no fewer than 71,031 electors, and no more than 78,507.

3.2 Timetable for the review:

- A. Stage 1 – Development of initial proposals.

The Review was commenced in February 2016, and initial proposals for consultation for each of England's 9 regions were published on 13th September 2016.

- B. Stage 2 – Consultation on initial proposals.

The consultation on the initial proposals takes place for a period of 12 weeks until 5th December 2016. Once the consultation has closed, the Commission will collate all of the responses received.

- C. Stage 3 – Consultation on representations received.

The Commission is required to publish all of the responses received on their initial

proposals. This will mark the start of a 4 week “secondary consultation” period, likely to take place in Spring 2017. This will enable people to see what others have said and to make comments on their views.

D. Stage 4 – Development and publication of revised proposals.

Once the Commission have received all comments from the initial and secondary consultation stages, they will analyse those representations and decide whether changes should be made to the initial proposals. If changes are required, then they must publish revised proposals for the areas concerned and consult on them for a further period of 8 weeks. This is likely to be towards the end of 2017.

E. Stage 6 – Development and publication of the final report and recommendations.

Finally, the Commission will consider all of the evidence received throughout the review and determine final recommendations. These will be set out in a published report to the Government who will present it, without amendment, to Parliament. The Boundary Commission must report to the Government in September 2018.

- 3.3 In terms of the North West, the Boundary Commission for England has sought to produce initial proposals in which 68 constituencies (each with an electorate within 5% of the electoral quota) will be proposed, and considered how the local areas could be grouped into sub regions. They have divided the North West into sub regions as a practical approach, and they have included Halton in a sub region comprising Greater Manchester, Cheshire and Wirral.
- 3.4 The Initial Proposals Report for the North West is set out here https://www.bce2018.org.uk/download_document?type=0&document_id=14171 and paragraph 63 deals specifically with suggestions relevant to Halton. It has been considered by the Boundary Commission of England that there would need to be a considerable degree of change to the existing Weaver Vale constituency as a result of the changes elsewhere in Cheshire. It is proposed that the Halton Borough Ward of Halton Lea should be transferred and included in the Halton constituency and that the Wards containing Northwich should no longer be in the Weaver Vale constituency. The proposed new Weaver Vale constituency will include the Marbury Ward from the existing Tatton constituency and Wards from the Eddisbury constituency. These changes would result in the new Weaver Vale extending considerably further south to the border with Wales. The Commission still feels that the name of Weaver Vale remains appropriate but they are willing to consider alternatives.
- 3.5 The consultation period runs until 5th December 2016 and Boundary Commission for England are encouraging everyone to give views on the proposals. There is an Interactive Consultation Website, www.bce2018.org.uk and views can be given in writing. There are a series of public hearings being held within the consultation period.
- 3.6 Members are asked to consider how the Council might best respond.

4.0 POLICY IMPLICATIONS

4.1 There are no specific implications as far as Council policy is concerned. The principle of review of Parliamentary Constituency Boundaries has been established by Parliament.

5.0 FINANCIAL IMPLICATIONS

5.1 There are no financial implications arising directly from this report.

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

None.

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

7.1 N/a

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no specific issues in respect of equality and diversity arising directly from this report.

9.0 A 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: 17 November 2016

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

TITLE: Treasury Management Half Year Position 2016-17

WARDS: Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to provide an update regarding activities undertaken on the money market as required by the Treasury Management Policy.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Economic Outlook

3.1 The following analysis of the economic situation has been provided by Capita Asset Services, the Council's treasury management advisors.

3.2 During the quarter ended 31st March 2016:

- The UK voted to leave the EU
- Sharp fall in sterling following the referendum result
- The economic recovery lost some momentum ahead of the vote but has remained surprisingly robust since Brexit
- Growth remained highly dependent on consumer spending
- The jobs recovery slowed, but wage growth picked up as household and firms shrugged off referendum uncertainty
- Inflation had remained stuck at very low levels but has started to pick up
- The Bank of England cut interest rates and expanded their asset purchases
- The ECB and the US Fed kept policy unchanged

3.3 UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were strong but 2015 was disappointing at 1.8%, though it still remained one of the leading rates among the G7 countries. Growth improved in quarter 4 of 2015 from +0.4% to 0.7% but fell back to +0.4% (2.0% y/y) in quarter 1 of 2016 before bouncing back again to +0.7% (2.1% y/y) in quarter 2. During most of 2015, the economy had faced headwinds for exporters from the appreciation during the

year of sterling against the Euro, and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June this year delivered an immediate shock fall in confidence indicators and business surveys, pointing to an impending sharp slowdown in the economy. However, subsequent surveys have shown a sharp recovery in confidence and business surveys, though it is generally expected that although the economy will now avoid flat lining, growth will be weak through the second half of 2016 and in 2017.

- 3.4 The Bank of England meeting on August 4th addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report included an unchanged forecast for growth for 2016 of 2.0% but cut the forecast for 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting and suggested that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 will be eased in the Autumn Statement on November 23.
- 3.5 The Inflation Report also included a sharp rise in the forecast for inflation to around 2.4% in 2018 and 2019. CPI has started rising during 2016 as the falls in the price of oil and food twelve months ago fall out of the calculation during the year and, in addition, the post referendum 10% fall in the value of sterling on a trade weighted basis is likely to result in a 3% increase in CPI over a time period of 3-4 years. However, the Monetary Policy Committee is expected to look thorough a one off upward blip from this devaluation of sterling in order to support economic growth, especially if pay increases continue to remain subdued and therefore pose little danger of stoking core inflationary price pressures within the UK economy.
- 3.6 The American economy had a patchy 2015 with sharp swings in the growth rate leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 disappointed at +0.8% on an annualised basis while quarter 2 improved, but only to a lacklustre +1.4%. However, forward indicators are pointing towards a pickup in growth in the rest of 2016. The Federal Reserve embarked on its long anticipated first increase in rates at its December 2015 meeting. At that

point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December this year.

- 3.7 In the Eurozone, the European Central Bank commenced in March 2015 its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected Euro Zone countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise from around zero towards the target of 2%. GDP growth rose by 0.6% in quarter 1 2016 (1.7% y/y) but slowed to +0.3% (+1.6% y/y) in quarter 2. This has added to comments from many forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in the their economies and economic growth.
- 3.8 Japan is still bogged down in anaemic growth and making little progress on fundamental reform of the economy while Chinese economic growth has been weakening and medium term risks have been increasing.

Interest Rate Forecast

- 3.9 The following forecast has been provided by Capita Asset Services.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Bank rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%
5yr PWLB rate	1.00%	1.00%	1.10%	1.10%	1.10%	1.10%	1.20%	1.20%	1.20%	1.20%	1.30%
10yr PWLB rate	1.50%	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.70%	1.80%
25yr PWLB rate	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%	2.60%
50yr PWLB rate	2.10%	2.10%	2.20%	2.20%	2.20%	2.20%	2.30%	2.30%	2.30%	2.30%	2.40%

Short Term Borrowing Rates

3.10 The bank base rate remained dropped from 0.50% to 0.25% in August 2016

	Mar	Apr	May	Jun	Jul	Aug	Sep
	%	%	%	%	%	%	%
Call Money (Market)	0.48	0.48	0.48	0.48	0.47	0.23	0.22
1 Month (Market)	0.51	0.51	0.52	0.51	0.43	0.27	0.27
3 Month (Market)	0.59	0.59	0.59	0.56	0.49	0.39	0.38

Longer Term Borrowing Rates

	Mar	Apr	May	Jun	Jul	Aug	Sep
	%	%	%	%	%	%	%
1 Year (Market)	1.00	1.02	1.01	0.92	0.80	0.74	0.76
10 Year (PWLB)	2.36	2.51	2.41	1.82	1.69	1.49	1.57
25 Year (PWLB)	3.15	3.22	3.09	2.63	2.47	2.11	2.27

3.11 Market rates are based on LIBOR rates and PWLB rates are for new loans based on principal repayable at maturity. The rates are shown for the end of each month.

Borrowing and InvestmentsTurnover During the Period

	No of deals	Turnover £m
Short Term Borrowing	2	5
Short Term Investments	17	158

Position at Month End

	Apr £m	May £m	Jun £m	Jul £m	Aug £m	Sep £m
Total Borrowing	165	163	163	163	163	163
Total Investments	(163)	(163)	(163)	(163)	(163)	(153)
Call Account Balance	(20)	(13)	(11)	(14)	(15)	(27)

Investment Benchmarking

Benchmark	Benchmark Return %	Performance Apr - Sep %	Investment Interest Earned £000
7 day	0.28	0.42	36
1 month	0.30	0.00	-
3 month	0.38	0.72	67
6 month	0.52	0.72	308
12 month	0.76	0.76	217
Property Fund		4.30	87
Total			715

- 3.12 This shows the Council has over achieved or matched the benchmark for all maturities for the first 6 months of the year.
- 3.13 At 30th September 2016 Halton Borough Council holds £5m in the CCLA Local Authority Property Fund. There is no benchmark available for this income.

Budget Monitoring

Net Interest at 31st March 2016				
	Budget Year to Date £000	Actual Year to Date £000	Variance (o/spend) £000	Actual inc M Gateway £000
Investment	(204)	(438)	234	(715)
Borrowing	571	636	(66)	2,947
Total	367	198	169	2,232

- 3.14 As the borrowing and investments in relation to the Mersey Gateway scheme are to be capitalised they will have no effect on the revenue budget and have therefore been excluded from the budget monitoring figures above.

New Long Term Borrowing

- 3.15 A £10m loan was taken from the PWLB (Public Works Loan Board) in April 2016. This was to take advantage of historically low 50 year interest rates and is needed to fund the Council's ongoing Capital Programme.

Policy Guidelines

- 3.16 The Treasury Management Strategy Statement (TMSS) for 2016/17, which includes the Annual Investment Strategy, was approved by the Council on 11 February 2016. It sets out the Council's investment priorities as being:
- Security of capital;
 - Liquidity; and
 - Yield
- 3.17 The Council will also aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate and the heightened credit concerns it is considered appropriate to keep the majority of investments short term and to ensure all investments are in line with Sector's credit rating methodology.

Treasury Management Indicators

- 3.18 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators were set out in the Treasury Management Strategy Statement and are reviewed in Appendix 1.
- 3.19 During September 2016 the Council held over 50% of its investments in variable rate instruments, breaking the 30% prudential indicator specified in the Treasury Strategy. This was only a temporary measure due to the payment of the first £35m milestone payment to Merseylink in respect of the Mersey Gateway Project. The Council will be within the 30% limit once this payment is made.

Debt Rescheduling

3.20 No debt rescheduling was undertaken during the quarter.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 FINANCIAL IMPLICATIONS

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

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

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

7.0 RISK ANALYSIS

7.1 The main risks with Treasury Management are security of investment and volatility of return. To combat this, the Authority operates within a clearly defined Treasury Management Policy and annual borrowing and investment strategy, which sets out the control framework

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

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

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

Treasury and Prudential Indicators – 2016/17 – Quarter 2

Prudential Indicators	2015/16	2016/17	
	Full Year Actual £000	Original Estimate £000	Quarter 2 Estimate £000
Capital Expenditure	29,841	107,715	128,275
Net Financing Need for the Year <i>(Borrowing Requirement)</i>	7,094	87,613	100,104
Increase / (Decrease) in CFR <i>(Capital Financing Requirement)</i>	3,946	84,417	97,110
Ratio of Financing Costs to Net Revenue Stream <i>(Proportion of cost of borrowing to Council's net revenue)</i>	3.2%	2.2%	2.5%
Incremental Impact on band D Council Tax (£) <i>(net cost of borrowing compared to tax base)</i>	9.43	2.64	2.42
External Debt	183,000	153,000	163,000
Operational Boundary <i>(Limit of which external debit is not expected to exceed)</i>	252,600	255,313	255,313
Authorised Limit <i>(Limit beyond which external debit is prohibited)</i>	270,000	270,000	270,000

Upper Limit for Interest Rate Exposure	Exposure Limit %	2015/16 Actual %	2016/17 Estimate %
Fixed Rate	100	100	88
Variable Rate	30	-	12

Maturity Structure of Fixed Rate Borrowing	Exposure Limit %	2015/16 Actual %	2016/17 Estiamte %
Under 12 months	40	7	7
12 months to 24 months	40	7	0
24 months to 5 years	40	0	0
5 years to 10 years	40	0	0
10 years and above	100	86	93

Maximum Principal invested > 365 days	Investment	2015/16	2016/17
	Limit £000	Actual £000	Estimate £000
Principal Sums Invested over 365 days	30,000	10,000	10,000

REPORT TO: Executive Board

DATE: 17 November 2016

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

SUBJECT: 2016/17 Quarter 2 Spending

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To report the Council's overall revenue and capital spending position as at 30 September 2016.

2.0 RECOMMENDED: That

- 1) All spending continues to be limited to the absolutely essential;**
- 2) Strategic Directors take all reasonable steps to ensure overall spending is contained within their total operational budget by year-end; and**
- 3) Executive Board be asked to recommend Council to approve the revised Capital Programme as set out in Appendix 3.**

3.0 SUPPORTING INFORMATION

Revenue Spending

- 3.1 Appendix 1 presents a summary of spending against the revenue budget up to 30 September 2016, along with individual statements for each Department. In overall terms revenue expenditure is £0.442m above the budget profile. Whilst the budget profile is only a guide to expected spending, historically spend is lower in the first half of the year and accelerates towards year-end. There is therefore a significant risk that the Council may overspend its budget for the year.
- 3.2 Given the overall adverse variance position and continuing budget pressures, Directorates should continue to limit all spending to absolutely essential items only. In addition, it is proposed that for those Departments experiencing net overspends to date, Strategic Directors report back to Management Team within a month with details of what steps they are taking to bring spending back in line with budgets as far as possible.
- 3.3 The main budget pressure facing the Council continues to be within the Children & Families Department, in particular out of borough residential placements and out of borough fostering. Latest available information

shows that children in care numbers have been increasing steadily since November 2015. The cost of out of borough residential placements continues to grow, spend for the year to date is up 19% compared to the same period last year.

- 3.4 To help manage these pressures over the past two years, £2.3m of additional financial resources have been provided. Despite this the forecast for year-end outturn has been re-calculated upwards and it is expected net spend will be approximately £2.8m over the budget provision.
- 3.5 The weekly rate for free nursing care as set by Government has recently been increased retrospectively back to April 2016, the new charge is £156.25, a 40% increase from the previous rate of £112. No additional funding has been received from Government for this. It has the impact of increasing costs for externally provided health and social care packages. This has resulted in the Complex Care Pool budget being overspent by £0.295m for the year to date; the share of this liability to the Council is approximately £0.148m. Budgets are being reviewed to consider how the pool can achieve a balanced budget position at year end.
- 3.6 The Community and Environment Department continues to experience shortfalls in various sources of income. The shortfall in income at the end of quarter 2 is £0.201m and relates to a variety of income sources including, sales, fees & charges and catering fees. This is currently being largely offset by a number of managed underspends elsewhere across the Department's budget. It is expected the income shortfalls will continue to be a budget pressure for the remainder of the financial year.
- 3.7 Total spending on employees is £0.526m below budget profile at the end of the quarter. This is mainly due to posts being held vacant within a number of departments and in some cases being put forward as proposed savings for 2017/18. The underspend to date on staffing is less than at this point last year (£0.624m). Posts being held vacant for as long as is possible will help the Council achieve a balanced budget position at year-end.
- 3.8 As a result of the four days unpaid leave terms and conditions saving not being in place prior to April 2016, the full budget saving for the year will not be realised, with a shortfall of approximately £125,000.
- 3.9 Included within the employees budget is a staff turnover savings target of 3.0% which reflects the saving made between a member of staff leaving a post and the post being filled. The target for the quarter has been achieved in most Departments with the exception of Community & Environment, Economy, Enterprise & Property, Legal & Democratic Services and Children & Families.
- 3.10 Expenditure on general supplies and services is £155,000 below the budget to date figure of £4.7m as at 30 September 2016. Given the overall net budget position and this being an area of spend that budget

managers have more control of, it is vital that spend on supplies and services is restricted to essential needs only.

- 3.11 The council tax collection rate for the first quarter of 55.8% is marginally lower (0.3%) than at this stage last year. However, the collection rate for business rates of 56.0% is up by 1.2% from last year. The forecast retained element of business rates for the year is approximately £2m higher than forecast when the budget was set, although this amount has been earmarked to use in setting a balanced budget position for 2017/18. Forecasting retained business rates remains difficult due to the number of appeals outstanding with the Valuation Office Agency; therefore the position will be reviewed on a monthly basis through to the end of the year.

Capital Spending

- 3.12 The Capital Programme has been revised to reflect a number of changes in spending profiles and funding as schemes have developed. These are reflected in the Capital Programme presented in Appendix 3. The schemes which have been revised within the Programme are as follows;

1. Bridge & Highway Maintenance
2. Integrated Transport & Network Management
3. Crow Wood Park Play Area
4. The Glen Play Area
5. Mersey Gateway Construction Costs
6. Mersey Gateway Development Costs
7. Mersey Gateway Loan Interest During Construction
8. STEPS Programme
9. St Edwards Catholic Primary
10. School Modernisation Projects
11. Mersey Gateway Land Acquisition
12. Norton Priory
13. Bredon reconfiguration
14. Disabled Facilities Grant
15. Stairlifts (Adaptations Initiative)
16. RSL Adaptations (Joint Funding)

Capital spending at 30 September 2016 totalled £20.7m, which is 98% of the planned spending of £21.0m at this stage. This represents 17.8% of the total Capital Programme of £116.6 (which assumes a 20% slippage between years).

Balance Sheet

- 3.13 The Council's Balance Sheet is monitored regularly in accordance with the Reserves and Balances Strategy which forms part of the Medium Term Financial Strategy. The key reserves and balances have been

reviewed and are considered prudent and appropriate at this stage in the financial year and within the current financial climate.

4.0 POLICY AND OTHER IMPLICATIONS

4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 There are no direct implications, however, the revenue budget and Capital Programme support the delivery and achievement of all the Council's priorities.

6.0 RISK ANALYSIS

6.1 There are a number of financial risks within the budget. However, the Council has internal controls and processes in place to ensure that spending remains in line with budget.

6.2 In preparing the 2016/17 budget, a register of significant financial risks was prepared which has been updated as at 30 September 2016.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

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

Directorate / Department	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
Community & Environment	19,042	6,022	6,117	(95)
Economy, Enterprise & Property	1,231	57	-28	85
Finance	4,104	4,180	4,130	50
ICT & Support Services	2	-53	-337	284
Legal & Democratic Services	602	273	225	48
Planning & Transportation	8,231	4,550	4,367	183
Policy, People, Performance & Efficiency	0	-247	-249	2
Enterprise, Community & Resources	33,212	14,782	14,225	557
Adult Social Care, Prevention & Assessment	26,349	10,620	10,731	(111)
Children & Families	19,861	10,117	11,499	(1,382)
Commissioning & Complex Care	9,385	4,980	4,993	(13)
Education, Inclusion & Provision	8,923	2,993	2,931	62
Public Health & Public Protection	458	2,703	2,629	74
People	64,976	31,413	32,783	(1,370)
Corporate & Democracy	272	-2,080	-2,451	371
Net Total	98,460	44,115	44,557	(442)

ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE**Community & Environment**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend)

				£'000
<u>Expenditure</u>				
Employees	13,770	6,857	6,918	(61)
Other Premises	2,087	1,195	1,176	19
Supplies & Services	1,733	903	869	34
Book Fund	170	85	86	(1)
Hired & Contracted Services	1,159	390	372	18
Food Provisions	608	351	344	7
School Meals Food	2,059	767	753	14
Transport	59	27	23	4
Other Agency Costs	557	204	105	99
Waste Disposal Contracts	5,119	1,050	1,094	(44)
Grants To Voluntary Organisations	254	116	102	14
Grant To Norton Priory	172	86	88	(2)
Open Space Projects	70	51	51	0
Transfers To Reserves	133	0	0	0
Capital Financing	30	25	20	5
Total Expenditure	27,980	12,107	12,001	106
<u>Income</u>				
Sales Income	-2,410	-1,207	-1,114	(93)
School Meals Sales	-2,179	-901	-930	29
Fees & Charges Income	-5,141	-3,094	-2,986	(108)
Rents Income	-267	-204	-211	7
Government Grant Income	-1,186	-754	-754	0
Reimbursements & Other Grant Income	-643	-301	-301	0
Schools SLA Income	-83	-77	-80	3
Internal Fees Income	-194	-53	-46	(7)
School Meals Other Income	-2,350	-2,198	-2,223	25
Catering Fees	-187	-94	-31	(63)
Capital Salaries	-53	-13	-19	6
Open Space Projects	-70	-21	-21	0
Transfers From Reserves	-75	-67	-67	0
Total Income	-14,838	-8,984	-8,783	(201)
Net Operational Expenditure	13,142	3,123	3,218	(95)
<u>Recharges</u>				
Premises Support	1,915	934	934	0
Transport Recharges	1,942	825	825	0
Departmental Support Services	9	0	0	0
Central Support Services	2,481	1,280	1,280	0
HBC Support Costs Income	-447	-140	-140	0
Net Total Recharges	5,900	2,899	2,899	0
Net Department Expenditure	19,042	6,022	6,117	(95)

Economy, Enterprise & Property

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	4,523	2,172	2,217	(45)
Repairs & Maintenance	2,561	802	800	2
Premises	49	43	43	0
Energy & Water Costs	644	247	233	14
NNDR	544	507	471	36
Rents	354	259	257	2
Economic Regeneration Activities	49	4	4	0
Supplies & Services	2,071	705	684	21
Grants to Non Voluntary Organisations	232	191	191	0
Total Expenditure	11,027	4,930	4,900	30
<u>Income</u>				
Fees & Charges	-289	-135	-137	2
Rent – Markets	-779	-387	-389	2
Rent – Industrial Estates	-49	-49	-112	63
Rent – Investment Properties	-855	-406	-415	9
Transfer to /from Reserves	-1,284	-828	-828	0
Government Grant – Income	-2,033	-671	-671	0
Reimbursements & Other Income	-185	-95	-98	3
Recharges to Capital	-224	-43	-18	(25)
Schools SLA Income	-507	-470	-471	1
Total Income	-6,205	-3,084	-3,139	55
Net Operational Expenditure	4,822	1,846	1,761	85
<u>Recharges</u>				
Premises Support Costs	1,920	942	942	0
Transport Support Costs	18	8	8	0
Central Support Service Costs	2,066	1,035	1,035	0
Repairs & Maintenance Recharge Income	-2,703	-1,351	-1,351	0
Accommodation Recharge Income	-2,897	-1,449	-1,449	0
Central Support Service Recharge Income	-1,995	-974	-974	0
Net Total Recharges	-3,591	-1,789	-1,789	0
Net Department Expenditure	1,231	57	-28	85

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	6,664	3,394	3,326	68
Supplies & Services	356	230	219	11
Other Premises	69	53	53	0
Insurances	1,456	831	831	0
Concessionary Travel	2,120	1,060	1,090	(30)
Rent Allowances	53,100	25,976	25,976	0
Non HRA Rebates	77	31	31	0
Discretionary Housing Payments	387	266	266	0
Local Welfare Payments	150	67	67	0
Total Expenditure	64,379	31,908	31,859	49
<u>Income</u>				
Fees & Charges	-332	-98	-89	(9)
SLA to Schools	-818	-818	-802	(16)
NNDR Administration Grant	-166	0	0	0
Hsg Ben Administration Grant	-642	-321	-321	0
Council Tax Admin Grant	-232	-232	-233	1
Rent Allowances	-52,700	-23,855	-23,855	0
Clerical Error Recoveries	-398	0	0	0
Non HRA Rent Rebates	-77	-26	-26	0
Discretionary Housing Payments Grant	-387	-130	-130	0
Reimbursements & Other Grants	-362	-236	-261	25
Liability Orders	-421	-357	-357	0
Transfer from Reserves	-410	0	0	0
Total Income	-56,945	-26,073	-26,074	1
Net Operational Expenditure	7,434	5,835	5,785	50
<u>Recharges</u>				
Premises	340	170	170	0
Transport	8	4	4	0
Central Support Services	2,511	1,255	1,255	0
Support Services Income	-6,189	-3,084	-3,084	0
Net Total Recharges	-3,330	-1,655	-1,655	0
Net Department Expenditure	4,104	4,180	4,130	50

ICT & Support Services

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	5,440	2,721	2,535	186
Supplies & Services	773	413	343	70
Computer Repairs & Software	615	301	292	9
Communications Costs	385	193	192	1
Other Premises	32	11	9	2
Other Transport	6	3	4	(1)
Capital Financing	376	205	200	5
Transfers to Reserves	29	0	0	0
Total Expenditure	7,656	3,847	3,575	272
<u>Income</u>				
Fees & Charges	-848	-250	-257	7
Reimbursements & Other Grants	0	0	-7	7
SLA to Schools	-534	-514	-512	(2)
Total Income	-1,382	-764	-776	12
Net Operational Expenditure	6,274	3,083	2,799	284
<u>Recharges</u>				
Premises	353	177	177	0
Transport	8	4	4	0
Central Support Services	626	313	313	0
Support Service Income	-7,259	-3,630	-3,630	0
Net Total Recharges	-6,272	-3,136	-3,136	0
Net Department Expenditure	2	-53	-337	284

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend) £'000
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	1,787	948	964	(16)
Supplies & Services	434	166	161	5
Civic Catering & Functions	27	13	11	2
Mayoral Allowances	22	15	15	0
Legal Expenses	223	120	120	0
Total Expenditure	2,493	1,262	1,271	(9)
<u>Income</u>				
Land Charges	-103	-41	-39	(2)
License Income	-256	-114	-114	0
Schools SLA's	-66	-66	-89	23
Government Grants	-33	-33	-52	19
Other Income	-28	-15	-32	17
Transfers from Reserves	-68	-50	-50	0
Total Income	-554	-319	-376	57
Net Operational Expenditure	1,939	943	895	48
<u>Recharges</u>				
Premises Support	158	79	79	0
Transport Recharges	11	5	5	0
Central Support Recharges	361	180	180	0
Support Recharges Income	-1,867	-934	-934	0
Net Total Recharges	-1,337	-670	-670	0
Net Department Expenditure	602	273	225	48

Planning & Transportation

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend) £'000
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	4,271	2,136	2,041	95
Other Premises	213	69	69	0
Contracted Service	241	117	117	0
Supplies & Services	197	152	151	1
Street Lighting	1,901	951	809	142
Highways Maintenance	2,254	1,131	1,131	0
Bridges	99	1	1	0
Fleet Transport	1,201	489	488	1
Lease Car Contracts	316	90	90	0
Bus Support – Hopper Tickets	184	104	104	0
Bus Support	574	338	338	0
Out of Borough Transport	51	0	0	0
Finance Charges	145	96	96	0
Grants to Voluntary Organisations	68	34	34	0
Contribution to Reserves	223	223	223	0
NRA Levy	61	61	61	0
Total Expenditure	11,999	5,992	5,753	239
<u>Income</u>				
Sales	-415	-136	-139	3
Planning Fees	-541	-271	-206	(65)
Building Control Fees	-205	-102	-106	4
Other Fees & Charges	-533	-424	-424	0
Rents	-8	-4	-1	(3)
Grants & Reimbursements	-498	-246	-246	0
Government Grant Income	-7	-7	-6	(1)
Efficiency Savings	-60	0	0	0
Schools SLAs	-41	-41	-47	6
Capital Salaries	-312	0	0	0
Transfers from Reserves	-100	0	0	0
Total Income	-2,720	-1,231	-1,175	(56)
Net Operational Expenditure	9,279	4,761	4,578	183
<u>Recharges</u>				
Premises Recharges	858	362	362	0
Transport Recharges	512	205	205	0
Central Recharges	1,584	792	792	0
Borrow to Save Cost	281	281	281	0
Transport Recharge Income	-3,358	-1,500	-1,500	0
Central Recharge Income	-925	-351	-351	0
Net Total Recharges	-1,048	-211	-211	0
Net Department Expenditure	8,231	4,550	4,367	183

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance to Date (Overspend) £'000
<u>Expenditure</u>				
Employees	1,717	846	841	5
Employee Training	133	40	40	0
Supplies & Services	122	54	61	(7)
Total Expenditure	1,972	940	942	(2)
<u>Income</u>				
Fees & Charges	-110	-110	-114	4
Reimbursements & Other Grants	-10	-7	-7	0
School SLA's	-386	-386	-386	0
Transfers from Reserves	-98	0	0	0
Total Income	-604	-503	-507	4
Net Operational Expenditure	1,368	437	435	2
<u>Recharges</u>				
Premises Support	67	34	34	0
Central Support Recharges	265	132	132	0
Support Recharges Income	-1,700	-850	-850	0
Net Total Recharges	-1,368	-684	-684	0
Net Department Expenditure	0	-247	-249	2

Adult Social Care, Prevention & Assessment

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	7,921	3,753	3,699	54
Other Premises	80	34	45	(11)
Supplies & Services	400	182	187	(5)
Aids & Adaptations	113	14	14	0
Transport	18	14	14	0
Food Provision	28	13	13	0
Other Agency	23	3	0	3
Contribution to Complex Care Pool	18,692	6,678	6,826	(148)
Total Expenditure	27,275	10,691	10,798	(107)
<u>Income</u>				
Fees & Charges	-306	-151	-149	(2)
Reimbursements & Grant Income	-212	-145	-141	(4)
Transfer from Reserves	-1,168	-34	-34	0
Capital Salaries	-111	-55	-55	0
Government Grant Income	-137	-137	-137	0
Total Income	-1,934	-522	-516	(6)
Net Operational Expenditure	25,341	10,169	10,282	(113)
<u>Recharges</u>				
Premises Support	389	186	186	0
Central Support Services	1,874	889	889	0
Internal Recharge Income	-1,284	-637	-637	0
Transport Recharges	29	13	11	2
Net Total Recharges	1,008	451	449	2
Net Department Expenditure	26,349	10,620	10,731	(111)

Children & Families

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
<u>Expenditure</u>				
Employees	8,639	4,195	4,243	(48)
Premises	271	132	123	9
Supplies & Services	901	462	504	(42)
Transport	6	2	23	(21)
Direct Payments/Individual Budgets	161	80	214	(134)
Commissioned Services	318	82	82	0
Residential Placements	3,387	2,042	2,721	(679)
Out of Borough Adoption	133	48	48	0
Out of Borough Fostering	452	367	715	(348)
In House Adoption	242	183	259	(76)
Special Guardianship	1,092	586	675	(89)
In House Foster Carer Placements	2,010	1,011	1,010	1
Care Leavers	184	84	48	36
Family Support	82	31	31	0
Agency Related Expenditure	89	21	19	2
Capital Financing	6	0	0	0
Total Expenditure	17,973	9,326	10,715	(1,389)
Adoption Placements	-98	-53	-53	0
Fees & Charges	-123	-65	-68	3
Dedicated Schools Grant	-77	-59	-59	0
Reimbursements & Other Grant Income	-356	-207	-211	4
Government Grants	-106	-106	-106	0
Transfer from Reserves	-6	-6	-6	0
Total Income	-766	-496	-503	7
Net Operational Expenditure	17,207	8,830	10,212	(1,382)
Recharges				
Premises Support Costs	434	217	217	0
Transport Support Costs	42	18	18	0
Central Support Service Costs	2,178	1,052	1,052	0
Total Recharges	2,654	1,287	1,287	0
Net Department Expenditure	19,861	10,117	11,499	(1,382)

Commissioning & Complex Care

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	6,282	3,120	3,047	73
Other Premises	243	129	139	(10)
Supplies & Services	342	176	190	(14)
Other Agency Costs	620	297	295	2
Transport	190	95	77	18
Contracts & SLAs	151	87	89	(2)
Emergency Duty Team	94	47	48	(1)
Payments To Providers	3,031	1,024	1,024	0
Total Expenditure	10,953	4,975	4,909	66
<u>Income</u>				
Sales & Rents Income	-198	-130	-147	17
Fees & Charges Income	-232	-116	-77	(39)
Reimbursements & Other Grant Income	-492	-181	-190	9
CCG Contribution To Service	-360	-133	-86	(47)
Transfer From Reserves	-1,351	0	0	0
Total Income	-2,633	-560	-500	-60
Net Operational Expenditure	8,320	4,415	4,409	6
<u>Recharges</u>				
Premises Support	236	118	118	0
Transport	390	195	214	(19)
Central Support Services	1,088	521	521	0
Internal Recharge Income	-649	-269	-269	0
Net Total Recharges	1,065	565	584	(19)
Net Department Expenditure	9,385	4,980	4,993	(13)

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	6,355	2,919	2,772	147
Premises	442	50	50	0
Supplies & Services	2,996	1,245	1,194	51
Transport	5	3	3	0
School Transport	934	277	427	(150)
Commissioned Services	2,647	882	882	0
Agency Related Expenditure	1,474	683	670	13
Independent School Fees	2,463	1,466	1,466	0
Inter Authority Special Needs	175	15	15	0
Pupil Premium Grant	191	30	30	0
Nursery Education Payments	2,980	2,020	2,020	0
Schools Contingency	469	219	219	0
Special Education Needs Contingency	2,016	838	838	0
Capital Finance	3	1	0	1
Early Years Contingency	50	0	0	0
Total Expenditure	23,200	10,648	10,586	62
<u>Income</u>				
Fees & Charges	-351	-61	-59	(2)
Government Grant	-569	-569	-569	0
Reimbursements & Other Income	-1,112	-556	-557	1
Schools SLA Income	-252	-249	-250	1
Transfer to / from Reserves	-781	-574	-574	0
Dedicated Schools Grant	-12,938	-6,631	-6,631	0
Inter Authority Income	-578	-99	-99	0
Sales Income	-38	0	0	0
Rent	-102	0	0	0
Total Income	-16,721	-8,739	-8,739	0
Net Operational Expenditure	6,479	1,909	1,847	62
<u>Recharges</u>				
Central Support Services Costs	1,982	878	878	0
Premises Support Costs	288	142	142	0
Transport Support Costs	253	64	64	0
HBC Support Costs Income	-79	0	0	0
Net Total Recharges	2,444	1,084	1,084	0
Net Department Expenditure	8,923	2,993	2,931	62

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	3,385	1,621	1,564	57
Supplies & Services	265	96	92	4
Other Agency	21	21	16	5
Contracts & SLA's	7,561	3,552	3,550	2
Total Expenditure	11,232	5,290	5,222	68
<u>Income</u>				
Other Fees & Charges	-59	-37	-36	(1)
Sales Income	-44	-44	-46	2
Reimbursements & Grant Income	-161	-131	-136	5
Government Grant	-10,718	-2,691	-2,691	0
Transfer from Reserves	-500	0	0	0
Total Income	-11,482	-2,903	-2,909	6
Net Operational Expenditure	-250	2,387	2,313	74
<u>Recharges</u>				
Premises Support	162	81	82	(1)
Central Support Services	592	226	226	0
Transport Recharges	18	9	8	1
Support Income	-64	0	0	0
Net Total Recharges	708	316	316	0
Net Department Expenditure	458	2,703	2,629	74

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance to Date (Overspend) £'000
<u>Expenditure</u>				
Employees	338	159	148	11
Other Premises	86	43	99	(56)
Contracted Services	63	45	44	1
Supplies & Services	144	96	95	1
Mersey Gateway Crossings Board Ltd	776	476	401	75
Members Allowances	785	387	387	0
Interest Payable	2,047	1,024	727	297
Bank Charges	78	33	33	0
Audit Fees	142	56	56	0
Contingency	1,000	0	0	0
Capital Financing	1,719	933	837	96
Contribution to Reserves	751	0	0	0
Precepts & Levies	181	0	0	0
Corporate Property Savings Target	-670	-335	0	(335)
Total Expenditure	7,440	2,917	2,827	90
<u>Income</u>				
Interest Receivable	-436	-218	-329	111
Other Fees & Charges	-111	-17	-18	1
Grants & Reimbursements	-1,075	-711	-881	170
Government Grant Income	-5,257	-4,566	-4,566	0
Transfer from Reserves	-1,081	0	0	0
Total Income	-7,960	-5,512	-5,794	282
Net Operational Expenditure	-520	-2,595	-2,967	372
<u>Recharges</u>				
Premises Recharges	5	2	2	0
Central Recharges	1,157	698	699	(1)
Central Recharge Income	-370	-185	-185	0
Net Total Recharges	792	515	516	(1)
Net Department Expenditure	272	-2,080	-2,451	371

Note – Halton BC's net contribution towards the Complex Care Pooled Budget is included within the Adult Social Care, Prevention and Assessment Department statement shown in Appendix 1.

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
Expenditure				
Intermediate Care Services	4,196	1,366	1,314	52
End of Life	192	74	97	(23)
Sub Acute	1,727	800	792	8
Urgent Care Centres	815	48	48	0
Joint Equipment Store	847	157	115	42
Contracts & SLA's	987	354	382	(28)
Intermediate Care Beds	596	298	339	(41)
BCF Schemes	1754	651	651	0
Adult Care:				
Residential & Nursing Care	21,695	9,402	9,149	253
Domiciliary & Supported Living	9,403	4,712	5,153	(441)
Direct Payments	5,284	2,849	3,297	(448)
Day Care	437	140	161	(21)
Carers Breaks	431	230	230	0
Meals on Wheels	227	106	98	8
Frailty Pathway	155	0	0	0
Contingency	518	0	0	0
Total Expenditure	49,264	21,187	21,826	(639)
Income				
Residential & Nursing Income	-5,059	-2,200	-2,533	333
Community Care Income	-1,840	-701	-659	(42)
Meals on Wheels Income	-245	-102	-76	(26)
Direct Payments Income	-254	-98	-180	82
BCF	-9,491	-4,745	-4,745	0
CCG Contribution to Pool	-12,846	-6,423	-6,423	0
Other CCG income	-114	-59	-56	(3)
ILF Grant	-723	-181	-181	0
Liability as per Joint Working Agreement	0	0	-147	147
Total Income	-30,572	-14,509	-15,000	491
Net Department Expenditure	18,692	6,678	6,826	(148)

Capital Expenditure to 30 September 2016

Directorate/Department	Actual Expenditure to Date £'000	2016/17 Cumulative Capital Allocation			Capital Allocation 2017/18 £'000	Capital Allocation 2018/19 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £'000		
Enterprise Community & Resources Directorate						
Community and Environment						
Stadium Minor Works	194	200	240	280	30	30
Leisure Centres Refurbishment	275	267	275	275	0	0
Widnes Recreation Site	51	60	156	156	0	0
Norton Priory	2,759	2,760	2,800	2,830	327	0
Norton Priory Biomass Boiler	0	0	0	107	0	0
Open Spaces Schemes	51	50	150	200	0	0
Children's Playground Equipment	1	0	30	65	91	65
Upton Improvements	0	0	0	13	0	0
The Glen Play Area	26	30	64	64	4	0
Runcorn Hill Park	118	120	200	210	150	75
Crow Wood Play Area	2	0	6	35	450	75
Runcorn Cemetery Extension	0	0	0	0	9	0
Peelhouse Lane Cemetery	1	0	100	105	1,000	293
Peelhouse Lane Cemetery – Enabling Works	35	35	43	46	0	0
Landfill Tax Credit Schemes	0	0	10	340	340	340
Litter Bins	11	10	20	20	20	20
ICT & Support Services						
ICT Rolling Programme	780	780	940	1,100	1,100	1,100

Directorate/Department	Actual Expenditure to Date £'000	2016/17 Cumulative Capital Allocation			Capital Allocation 2017/18 £'000	Capital Allocation 2018/19 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £'000		
Economy, Enterprise & Property						
Castlefields Regeneration	14	14	60	179	0	0
3MG	249	249	1,370	2,809	0	0
Widnes Waterfront	0	0	0	0	1,000	0
Johnsons Lane Infrastructure	0	0	302	302	0	0
Decontamination of Land	0	0	0	6	0	0
SciTech Daresbury – Tech Space	7,845	8,000	8,000	10,953	0	0
Venture Fields	0	0	0	0	6,000	0
Former Crosville Site	808	1,000	1,800	2,618	0	0
Police Station Site	288	219	341	341	0	0
Travellers' Site Warrington Road	0	0	48	48	0	0
Signage at The Hive	0	0	95	100	0	0
Advertising Screen at The Hive	0	0	0	100	0	0
Widnes Town Centre Initiative	0	0	11	16	0	0
Widnes Market Refurbishment	30	0	918	1,052	370	10
Widnes Land Purchases	0	0	0	235	0	0
Equality Act Improvement Works	0	0	100	150	450	300
Mersey Gateway						
Land Acquisitions	919	919	9,256	9,319	2,241	3,863
Development Costs	980	980	1,647	2,650	2,649	0
Loan Interest During Construction	1,833	1,833	2,815	3,811	1,927	0
Construction Costs	0	0	35,000	70,000	32,500	0
Mersey Gateway Liquidity Fund	0	0	0	0	10,000	0

Directorate/Department	Actual Expenditure to Date £'000	2016/17 Cumulative Capital Allocation			Capital Allocation 2017/18 £'000	Capital Allocation 2018/19 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £'000		
Other						
Risk Management	1	0	60	125	120	120
Fleet Replacements	370	350	2,010	2,959	624	556
Policy, Planning & Transportation						
Bridge & Highway Maintenance	465	470	2,200	3,433	3,231	1,546
Integrated Transport & Network Management	68	70	400	736	908	0
Street Lighting – Structural Maintenance & Upgrades	282	280	600	2,751	1,700	200
STEPS Programme	5	5	5	670	0	0
S106 Schemes	0	0	125	256	0	0
Peelhouse Lane Cemetery - Highways	0	0	0	101	0	0
Hale Road Bus Priority Route	0	0	75	150	0	0
Total Enterprise Community & Resources	18,461	18,701	72,272	121,716	67,241	8,593
Directorate/Department	Actual Expenditure to Date	2016/17 Cumulative Capital Allocation			Capital Allocation 2017/18	Capital Allocation 2018/19

	£'000	Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £'000	£'000	£'000
People Directorate						
Commissioning & Complex Care						
ALD Bungalows	0	0	200	299	100	0
Grangeway Court	193	200	343	343	0	0
Community Capacity Grant	0	0	0	57	0	0
Bredon reconfiguration	7	7	180	356	0	0
Complex Pool						
Disabled Facilities Grant	190	315	400	635	0	0
Stairlifts (Adaptations Initiative)	164	125	135	250	0	0
RSL Adaptations (Joint Funding)	96	100	150	200	0	0
Madeline McKenna Residential Home	0	0	450	450	0	0
Prevention & Assessment						
Community Meals Oven	0	0	0	10	0	0
Lifeline Telecare Upgrade	45	50	75	100	0	0
Public Health & Public Protection						
Halton Recovery & Wellbeing Hub	45	45	45	45	0	0
Directorate/Department	Actual Expenditure to Date	2016/17 Cumulative Capital Allocation			Capital Allocation 2017/18	Capital Allocation 2018/19

	£'000	Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £'000	£'000	£'000
Schools Related						
Asset Management Data	1	1	3	7	0	0
Fire Compartmentation	25	25	37	37	2	0
Capital Repairs	432	432	600	735	0	0
Asbestos Management	4	4	10	20	0	0
Schools Access Initiative	40	40	70	80	0	0
Education Programme (General)	25	25	50	110	0	0
Basic Need Projects	0	0	0	848	71	0
School Modernisation Projects	59	59	400	490	16	0
Early Education for 2 Year Olds	30	30	45	52	0	0
Universal Infant School Meals	0	0	0	2	0	0
Halebank	20	20	20	20	0	0
St Edwards Catholic Primary	32	32	32	32	0	0
Hale Primary	97	97	108	118	0	0
Fairfield Primary School	740	740	900	1,194	841	0
Weston Point Primary	0	0	0	45	0	0
Total People Directorate	2,245	2,347	4,253	6,535	1,030	0
TOTAL CAPITAL PROGRAMME	20,706	21,048	76,525	128,251	68,271	8,593
Slippage (20%)				-11,650	-5,154	-1,719
					11,650	5,154
TOTAL	20,706	21,048	76,525	116,601	74,767	12,028

REPORT TO: Executive Board

DATE: 17 November 2016

REPORTING OFFICER: Operational Director, Finance

PORTFOLIO: Resources

SUBJECT: Determination of Council Tax Base 2017/18

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 The Council is required to determine annually the Council Tax Base for its area and also the Council Tax Base for each of the Parishes.
- 1.2 The Council is required to notify the Council Tax Base figure to the Cheshire Fire Authority, the Cheshire Police & Crime Commissioner and the Environment Agency by 31st January 2017. The Council is also required to calculate and advise if requested, the Parish Councils of their relevant Council Tax Bases.

2.0 RECOMMENDED: That

- (1) **Council set the 2017/18 Council Tax Base at 33,818 for the Borough, and that the Cheshire Fire Authority, the Cheshire Police & Crime Commissioner, and the Environment Agency be so notified; and**
- (2) **Council set the Council Tax Base for each of the Parishes as follows:**

Parish	Tax Base
Hale	662
Halebank	522
Daresbury	174
Moore	328
Preston Brook	332
Sandymoor	1,020

3.0 SUPPORTING INFORMATION

- 3.1 The Council Tax Base is the measure used for calculating council tax and is used by both the billing authority (the Council) and the major precepting authorities (Cheshire Fire Authority and the Cheshire Police & Crime Commissioner), in the calculation of their council tax requirements.
- 3.2 The Council Tax Base figure is arrived at in accordance with a prescribed formula, and represents the estimated full year number of chargeable dwellings in the Borough, expressed in terms of the equivalent of Band 'D' dwellings.
- 3.3 The Council Tax Base is calculated using the number of dwellings included in the Valuation List, as provided by the Valuation Office Agency, as at 17th October 2016. Adjustments are then made to take into account the estimated number of discounts, voids, additions and demolitions during the period 17th October 2016 to 31st March 2017.
- 3.4 From 2013/14 onwards, the tax base calculation has included an element for the Council Tax Reduction Scheme (the replacement for Council Tax Benefit). The estimated amount of Council Tax Support payable for 2017/18 is converted into the equivalent number of whole properties which are deducted from the total. The reduced tax base will not result in an increase in Council Tax, as the Council's budget requirement will be reduced by payment of a grant in lieu of Council Tax Support.
- 3.5 An estimated percentage collection rate is then applied to the product of the above calculation, to arrive at the Council Tax Base for the year.
- 3.6 Taking account of all the relevant information and applying a 97.0% collection rate, the calculation for 2017/18 provides a tax base figure of **33,818** for the Borough as a whole.
- 3.7 Taking account of all the relevant information and applying a 97.0% collection rate, the appropriate Council Tax Base for each of the Parishes is as follows;

Parish	Tax Base
Hale	662
Halebank	522
Daresbury	174
Moore	328
Preston Brook	332
Sandymoor	1,020

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 FINANCIAL IMPLICATIONS

5.1 The Council Tax Base will enable the Council to set the level of council tax to be charged for 2017/18.

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

None.

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

7.1 There would be significant loss of income to the Council if the Council Tax Base were not agreed, as it would not be possible to set the level of council tax to be charged for 2017/18.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

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

Document	Place of Inspection	Contact Officer
Working Papers	Kingsway House	

REPORT TO:	Executive Board
DATE:	17 November 2016
REPORTING OFFICER:	Operational Director, Finance
PORTFOLIO:	Resources
SUBJECT:	Medium Term Financial Strategy 2017-2020
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

1.1 To establish the Medium Term Financial Strategy for the period 2017/18 to 2019/20.

2.0 RECOMMENDATION: That

- i) the Medium Term Financial Strategy be approved;**
- ii) the 2017/18 base budget be prepared on the basis of the underlying assumptions set out in the Strategy;**
- iii) the Budget Strategy and Capital Strategy be approved;**
- iv) the Reserves and Balances Strategy be approved;**
- v) the award of Council Tax Support for 2017/18 remains at the 2016/17 level of 21.55%;**
- vi) the Council's 2017/18 Council Tax Support grant is not shared with the Parish Councils.**

3.0 SUPPORTING INFORMATION

3.1 The Medium Term Financial Strategy (MTFS) sets out a three-year projection of the Council's resources and spending. It has been based on information that is currently available but there is information yet to be received, primarily from Government.

3.2 Although the projections in the Strategy must be treated with a considerable degree of caution, they clearly show there is need to make a significant level of savings over the next three years. This is an effect of the projections of public spending through to 2020 resulting from the 2015 Comprehensive Spending Review. The strategy takes into account the:

- Budget 2016 announced by the Chancellor of the Exchequer on 16 March 2016.
- Autumn Statement 2016 announced by the Chancellor of the Exchequer on 25 November 2016.
- Comprehensive Spending Review 2015 announced by the Chancellor of the Exchequer on 25th November 2015.
- Technical consultation on the future of New Homes Bonus dated December 2015.
- Announcement on schools revenue funding 2017/18 dated July 2016

3.3 The strategy provides initial guidance to the Council on its financial position into the medium term. The strategy identifies that revenue savings of approximately £11.7m, £11.7m, and £9.2m are required over the next three years. As a result a total of £33m will need to be removed from the Council's budget, by reducing spending or increasing income. This represents 21.6% of the gross expenditure budget. It continues to be a significant challenge to find sufficient savings over the medium term in order to balance the budget.

3.4 The Council's current financial position is sound. There are sufficient reserves and balances to meet existing known risks. In their report titled 'The Audit Findings for Halton Council', for the year ended 31 March 2016, the External Auditor (Grant Thornton LLP) stated that the Council has:

- Managed its finances carefully through 2015/16 in order to produce a year-end outturn.
- Mitigated the risk of the financial challenge in setting future balanced budgets by having proper arrangements in place in all significant respects to ensure it delivered value for money in its use of resources.

3.5 In setting its revenue and capital budgets, the Council will need to have regard to its priority areas, namely:

- Healthy Halton
- Environment & Regeneration in Halton
- Children and Young People in Halton
- Employment Learning and Skills in Halton
- Safer Halton; and
- Corporate Effectiveness and Business Efficiency

3.6 These priorities are set out in more detail in the Council's Corporate Plan.

3.7 In summary, the Council's Medium Term Financial Strategy (MTFS) has the following objectives:

- To deliver a balanced and sustainable budget.
- To prioritise spending towards the Council's priority areas.
- To avoid excessive council tax increases.

- To achieve significant cashable efficiency gains.
- To protect front line services and vulnerable members of the community as far as possible.
- To deliver improved procurement.

Budget Strategy

3.8 The MTFFS shows that in order to balance the budget over the medium term there is a requirement to make significant cost savings. In making these savings the Council will need to have in mind the objectives of the Medium Term Financial Strategy set out above.

3.9 The Council will identify further savings by:

- Progressing the Efficiency Programme.
- Reviewing the portfolio of land and other assets, including its use of buildings in accordance with the Accommodation Strategy.
- Continuing to drive improved procurement across the Council.
- Identifying opportunities to generate new or additional sources of income.
- Exploring opportunities for shared services and joint working with partner organisations.
- Offering staff voluntary redundancy or early retirement under the terms of the Staffing Protocol, where there is a clear benefit to the Council.
- Delivering services in more efficient and effective ways such as via greater use of technology.
- Reducing the cost of services either by reducing spend or increasing income.
- Utilising cost and performance benchmarking data from comparable authorities, to highlight potential areas where savings might be achieved.
- Considering alternative approaches to address high demand and high cost services.
- Using the Invest to Save Reserve to invest in initiatives which will deliver revenue budget savings through improved efficiency, reduced costs, and/or increased income.
- Continuing to facilitate economic development and regeneration across the Borough, particularly in light of the opportunities provided by the opening of the Mersey Gateway Bridge, in order to deliver new jobs, generate additional business rates income and additional council tax income.
- Reducing or ceasing the delivery of some lower priority services.

3.10 Over the years the Council has prided itself that compulsory redundancies have been minimised through the effective use of the Staffing Protocol developed with the Trade Unions. But given the scale of savings facing the Council, this will be difficult to achieve over the next three years.

Capital Strategy

- 3.11 The Asset Management Strategy sets out how the land and buildings that are in Council ownership or occupation are structured to support the Council's priorities. The capital programme is a major part of the Strategy.
- 3.12 The MTFS shows that there is sufficient resource to cover the cost of the current Capital Programme. However, the scope for the Council to generate capital receipts is becoming limited. Therefore, it is likely that proposals for new capital schemes will need to include their own funding.
- 3.13 Prudential borrowing remains an option for funding capital schemes, but the capital financing costs as a result of that borrowing will increase the Council's revenue budget gap and would therefore require greater revenue savings to be found by the relevant Directorate.

4.0 POLICY IMPLICATIONS

- 4.1 The MTFS represents the "finance guidelines" that form part of the medium term corporate planning process. These guidelines identify the financial constraints which the Council will face in delivering its key objectives, and are an important influence on the development of the Corporate Plan, Service Plans and Strategies.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The MTFS provides a guide to projected receivable funding resources over the three year term. The grant amounts included in the MTFS are based on the latest information provided by Government. As new information comes to light the forecast of future income streams will be updated. Decreases to funding resources will create further budget pressures for the Council in delivering its key objectives.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 The revenue budget and capital programme support the delivery and achievement of all the Council's priorities. Reductions of the magnitude identified within the Strategy are bound to have a negative impact upon the delivery of those priorities.

7.0 RISK ANALYSIS

- 7.1 The MTFS is a key part of the Council's financial planning process, and as such minimises the risk that the Council fails to achieve a balanced budget.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no direct equality and diversity issues.

9.0 REASON FOR THE DECISION

9.1 To seek approval for the Council’s Medium Term Financial Strategy for 2017/18 to 2019/20.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10.1 The alternative option of not maintaining a Medium Term Financial Strategy has been considered. However, this would not follow good financial management practice, as the Medium Term Financial Strategy is a key element in informing the Council’s financial planning and budget setting processes.

11.0 IMPLEMENTATION DATE

11.1 The Medium Term Financial Strategy 2017-20 will be implemented from 1st April 2017.

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

Document	Place of Inspection	Contact Officer
Formula Grant Settlement 2016/17	Financial Management Division, Kingsway House, Widnes	Steve Baker
Autumn Statement and Spending Review 2015	“ “	“ “
Technical Consultation on the Future of New Homes Bonus	“ “	“ “

MEDIUM TERM FINANCIAL STRATEGY

2017/18 to 2019/20

**Finance Department
November 2016**

1.0 INTRODUCTION

- 1.1 The Medium Term Financial Strategy (MTFS) sets out a three-year projection of the Council's resources and spending covering the period 2017/18 to 2019/20. The projections made within the MTFS must be treated with caution and require continuous updating as the underlying assumptions behind them become clearer.
- 1.2 The MTFS represents the "finance guidelines" that form part of the medium term corporate planning process. These guidelines identify the financial constraints which the Council will face in delivering its key objectives, and are an important influence on the development of the Corporate Plan, Service Plans and other Strategies.

2.0 SPENDING REVIEW AND AUTUMN STATEMENT 2015

- 2.1 The 2015 Spending Review and Autumn Statement was announced by the Chancellor of the Exchequer on 25 November 2015. The main points impacting on Local Government finances included:
- a) Local Government settlement funding will be cut by approximately 30% over the 4 years of the spending review, cuts will be weighted towards the earlier years. Revenue Support Grant will be gradually phased out over the course of this period.
 - b) An option for Councils to set a precept of an additional 2% over the council tax referendum threshold to help meet the increased needs of Adult Social Care. The option will be made available in each of the 4 years of the spending review.
 - c) An additional £1.5 billion being made available to local authorities within the Better Care Fund by 2019/20.
 - d) The ring-fence on Public Health spending will be maintained in 2017/18. Although Government will make savings in Public Health spending with annual real-term savings of 3.9% over the next five years.
 - e) There will be a consultation to the New Homes Bonus grant. The aim will be to "sharpen" the incentive to reward communities for additional homes whilst reducing the length of payments from 6 years to 4 years.
 - f) £250m to be provided nationally over the next 5 years to tackle potholes on local roads. In addition the roads maintenance capital budget will increase by £300m nationally.
 - g) An apprenticeship levy will be applied to larger employers from April 2017, the cost of which will be 0.5% of the employer's wage bill.

- h) A national funding formula for schools will be introduced, the intention for which was a start date of April 2017 but has now been pushed back to April 2018.

3.0 Local Government Finance Settlement 2016/17

- 3.1 Government announced the 2016/17 final Local Government Finance Settlement on 08 February 2016. The Settlement Fund Assessment for the Council was £55.3m a reduction of £6.5m (10.5%) from the previous year.
- 3.2 Government also issued indicative Settlement Funding Assessment figures for the following three years which show a reduction of £16.7m (30%) over the four year period.
- 3.3 As part of the settlement announcement and included within the Council's spending power calculations for the next four years were amounts for the additional Better Care Fund payable from 2017/18 to 2019/20. Indicative figures show this will be worth £0.5m (17/18), £3.0m (18/19) and £5.2m (19/20) to the Council in each of the next three years. How the additional Better Care Fund will be funded; how the funds will be distributed and any additional responsibilities that come with the funds are very unclear at this stage. Therefore it has been considered prudent to exclude these additional funds from the medium term forecast until further information is known.
- 3.4 Announced as part of the final 2016/17 settlement was the offer of a four year settlement to local government which included the following:
 - a) Minimum grant funding for a four year settlement period from 2016/17 to 2019/20. Includes the Settlement Funding Assessment but excludes New Homes Bonus and additional Better Care Funds.
 - b) If significant unforeseen financial changes occur over the period it may not be guaranteed. Those who don't accept the offer could shoulder a disproportionate share of unforeseen costs.
 - c) Councils must have signed up to the offer by 14 October 2016; in addition a council must publish a four year efficiency plan showing how efficiency will be increased and how the 4 year settlement offer will be beneficial.
 - d) On 15 September 2016, Executive Board approved necessary steps to be taken to accept the 4 year settlement offer and publish the associated Efficiency Plan.

4.0 Budget 2016

- 4.1 The Chancellor of the Exchequer made his 2016 budget announcement on 16 March 2016. A number of announcements were made on business rates including:

- a) From April 2017 permanently doubling small business rate relief from 50% to 100%.
- b) From April 2017 increasing the threshold for the standard business rate multiplier to a rateable value of £51,000.
- c) From April 2020 the business rate multiplier will be linked to the CPI inflation rate rather than RPI. This will impact on local government finances as councils move towards 100% business rate retention.

5.0 New Homes Bonus Grant

5.1 A technical consultation was published on 17 December 2015 regarding the future of the New Homes Bonus (NHB) scheme. In 2016/17 the value of the grant to the Council was worth £2.677m.

5.2 The amount of NHB that each authority receives is dependent on several elements:

- The council tax band of each additional property built, multiplied by the national average council tax level from the preceding year i.e. the 2016/17 allocations are based upon the average Band D council tax set in 2015/16 at £1,484.
- A payment of £350 for each affordable home.
- Each additional annual allocation is paid for 6 years. The first payment was received in April 2011 with the current financial year being the last payment for additional properties built and brought back into use in 2010/11.

5.3 It is the Government's preferred option to create savings of at least £800m from NHB which can be used to partially fund the additional Better Care Fund. Whilst NHB will continue indefinitely the proposal is to change the scheme from 2017/18. The proposal is to:

- a) Reduce the scheme from 6 to 4 years.
- b) Reform the bonus amount awarded to reflect local authorities' performance on housing growth.
- c) Keep with the announced funding amounts even if there was an increase in housing growth beyond that forecast.

5.4 Government haven't yet confirmed the final changes to the NHB scheme although the financial forecast assumes changes will be in line with the proposals from Government and includes reductions in NHB of £0.315m in 2017/18 and a further £0.627m in 2018/19.

6.0 COUNCIL TAX SUPPORT

6.1 Support funding for council tax discounts is funded from Government through a grant included in the settlement funding assessment. Every council is responsible for implementing a local scheme to offer council

tax discounts to those residents who may have been eligible to this previously through Council Tax Benefit.

- 6.2 The Halton scheme uses as a basis the previous Regulations relating to Council Tax Benefit, which ensures that support for claimants with disabilities, claimants with children and claimants who are working is maintained. At the end of the existing support calculation, a reduction of 21.55% is made from every non pensioner award of benefit, to cover the shortfall in the Government grant funding for Halton's Scheme.
- 6.3 In 2013/14 the level of grant awarded was shown separately within the formula for Settlement Funding Assessment but from 2014/15 the grant is no longer separately identifiable. It is assumed the level of funding will reduce in line with the Council's overall Settlement Funding Assessment.
- 6.3 The MTFS assumes that the level of council tax support given to existing claimants will remain at the rate of 21.55% for the period of the MTFS. It also assumes that council tax support funding will not be shared with Parish Councils.

7.0 BUSINESS RATES RETENTION SCHEME

- 7.1 The Business Rates Retention scheme was introduced in April 2013, the intention of which was to reward councils for promoting economic development and generating future growth in business rates. At the time of the 2015/16 finance settlement the Government issued Halton with a retained (local share) business rates baseline of £25.3m. The intention is if Halton increases its local share of business rates above the baseline the increase is fully retained by the Council.
- 7.2 The mid-year forecast of retained business rates for 2016/17, indicates that by year-end there will be a surplus of £2.0m (excluding Police and Fire shares) relating to the Council within the Collection Fund. This has therefore been included in the forecast for 2017/18 as one-off funding (given the difficulties with predicting future business rates income) to help achieve a balanced budget position.
- 7.3 An estimate of the Council's share of retained business rates will be provided to DCLG in January 2017. It is currently forecast that the 2017/18 retained amount will be in line with the baseline figure. It is difficult to predict the level of business rates for future years due to the unpredictability of the economic climate and the high level of appeals received on the rateable value of properties.
- 7.4 On 05 October 2015 and subsequently confirmed by the Comprehensive Spending Review, the Chancellor of the Exchequer announced local government would gain new powers with regard to the retention of local business rates. He pledged that by the end of the current Parliament local government will be able to retain 100% of

business rates compared to 49% it currently retains. The first consultation on how 100% business rate retention will develop was published in July 2016 and Halton as part of the Liverpool City Region and through Sigoma has contributed towards a consultation response. Further consultations will take place in 2017.

100% Business Rate Retention – Pilot Scheme

- 7.5 As part of the Liverpool City Region the Council has signed up to being a member of a pilot scheme for 100% business rate retention. The pilot scheme is due to operate from April 2017.
- 7.6 The pilot scheme will result in Halton no longer being in receipt of Revenue Support Grant (RSG) through the Settlement Funding Assessment. RSG will be replaced by the additional business rates retained, in addition other grants (e.g. - Public Health) may also be replaced by the additional rates retained. A proposition paper on how the Liverpool City Region envisages the pilot scheme working was submitted to DCLG in September 2016, although at the time of preparing this report no response has been received from DCLG.
- 7.7 DCLG has confirmed the operation of the pilot scheme should be at no financial detriment to participating councils. Therefore for as long as the pilot scheme operates Halton will be no worse off financially than it would have been if it is was still operating under 49% rate retention.
- 7.8 Pending further clarity and confirmation on how the 100% rate retention pilot scheme will operate the financial forecast included within the MTFs is based on rates retention of 49% and receipt of Revenue Support Grant.

Business Rate Revaluation 2017

- 7.9 From April 2017 and as part of the revaluation cycle undertaken by the Valuation Office Agency (VOA) there will be changes to the rateable value of business properties within Halton. The rateable value of each property is applied to the business rate multiplier which results in the business rate amount each business pays on an annual basis, less any reliefs granted. As previously reported the Council currently retains 49% of business rates but from April 2017 will retain 100%.
- 7.10 Early indications show the rateable values for businesses within Halton will reduce by approximately 6.2% to £127.4m. This will result in a reduced amount of business rates collected by the Council in 2017/18 but should not have a financial impact. The loss in business rates will be replaced by an increase in top-up grant the Council receives as part of the settlement funding assessment.

7.11 Further details are still to be clarified on the final extent of the revaluation, therefore the forecast assumes business rate retention based on valuations for the current financial year rather than 2017.

8.0 EXTERNAL SUPPORT

Settlement Funding Assessment

8.1 In 2016/17 DCLG allocated Halton a Settlement Funding Assessment of £55.292m. This was made up of £22.251m Revenue Support Grant and £33.041m business rates baseline funding. The business rates baseline funding includes £25.530m as the business rates baseline and £7.511m of top-up grant funding. Top-up grant funding is received as the Council's funding baseline is greater than the business rate baseline ie. the Council's needs are greater than business rates it can generate. Prior to the LCR business rates retention pilot scheme the business rates baseline and funding level is set in the system until 2020 and uplifted each year by the Retail Price Index (RPI) only. As part of the pilot scheme and 2017 Revaluation it is expected the business rate baseline and top-up grant will be amended although at no cost to the Council.

8.2 Table 1 shows the expected Settlement Funding Assessment for the next three years based on the indicative settlement announcement published at the same time as the 2016/17 final grant settlement. This will form part of the 4 year grant settlement and whilst amounts may change as part of the pilot scheme and 2017 Revaluation there should be no impact on the total line.

Table 1 – Halton's Settlement Funding Assessment

	16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	% change from 16/17 to 19/20
Revenue Support Grant	22,251	16,790	13,082	9,339	-58.03%
Baseline Funding Level consisting of:					
Business Rates Baseline	25,530	26,033	26,801	27,657	8.33%
Top Up Grant	7,511	7,659	7,885	8,137	8.33%
Total Baseline Funding Level	33,041	33,692	34,686	35,794	
Total Settlement Funding Assessment	55,292	50,482	47,768	45,133	-18.37%

Specific Grants

- 8.3 The level of specific revenue grants received by Halton in 2016/17 is approximately £150m, including Housing Benefit Subsidy of £53.2m, the Dedicated School Grant of £76.3m and Public Health Grant of £10.7m.
- 8.4 Halton was allocated a New Homes Bonus grant of £2.677m for 2016/17 which was used to balance the budget. Halton will receive additional allocations in each year of the scheme, based upon the number of new homes entering the council tax register in each year. The allocation for 2017/18 has not been announced although based on proposed changes to how the New Homes Bonus scheme operates it is forecast the Council will lose £0.987m over the three years of the financial forecast
- 8.5 Education Services Grant (ESG) was introduced in April 2013 as a means of passing funding to academy schools to fund central education services previously the responsibility of the Council but now the responsibility of academy schools. No new money was provided to fund the grant; instead it came from a top-slice from the Revenue Support Grant.
- 8.6 As part of the Schools National Funding Formula published in March 2016 the Government announced savings of approximately £600m would be made by removing the general element of ESG paid to councils and academies. Funding is due to be removed from September 2017, it is estimated the Council will lose £0.655m in 2017/18 and a further £0.468m in 2018/19. Government advises the reduction in grant will be met from efficiencies, removal of duties and amending regulations to allow local authorities to retain some of their maintained schools DSG to cover the statutory duties they carry out for maintained schools. It is expected the reduction in costs will be met from within services provided to schools and use of DSG and therefore excluded from the financial forecast.
- 8.7 In addition to the above, the retained element of ESG paid to fund central support for both maintained and academy schools will transfer to Dedicated Schools Grant funding from April 2017. The value of which to the Council in 2016/17 is £0.284m.
- 8.8 At the time of the 2016/17 final local government settlement, indicative allocations were shown for Public Health funding for 2017/18. These show a reduction of 2.5% to the 2016/17 grant allocation, a loss of £0.264m to the Council. Further reductions of 2.6% are expected to be applied in each of the following two years. The forecast assumes Public Health grant reductions will be contained within the overall spend for Public Health.

- 8.9 The forecast decrease in the level of formula and specific grant funding for Halton is shown in Table 2:

Table 2 – Reduction in Grant 2017/18 to 2019/20

	2017/18	2018/19	2019/20
	£000's	£000's	£000's
Reduction in Settlement Funding Assessment	-4,810	-2,714	-2,635
Decrease to New Homes Bonus	-315	-627	-45
Total Reduction	-5,125	-3,341	-2,680

- 8.10 The table shows that over the next three years Halton will lose £11.146m as part of the Settlement Funding Allocation and decrease to New Homes Bonus.

9.0 COUNCIL TAX FORECAST

- 9.1 For 2016/17 the Council Tax for a Band D property in Halton is £1,250.97 (excluding Police, Fire and Parish precepts), which will generate income of £41.217m.

- 9.2 When setting Council Tax levels it is clear that higher increases reduce the requirement to make savings. However, there are other factors that need to be considered when determining the appropriate increase in Council Tax. These factors include:

- Halton has the 4th lowest Council Tax level in the North West for 2016/17,
- Halton's 2016/17 Council Tax is £43.44 (3.5%) below the average Council Tax set by unitary councils in England.
- Inflation - the Consumer Price Index (CPI) as at September 2016 (latest available) is currently at 1.0% and the Retail Price Index (RPI) is at 2.0%.
- The spending review, welfare reforms and high needs, which are all placing pressure upon the Council's funding and demand for the Council's services.

- 9.3 The consultation on the 2017/18 Local Government finance settlement dated September 2016 detailed the Government's proposals for 2017/18 council tax referendum principles. The proposal is for a core

referendum principle of 2% with a continuation of the adult social care precept of an additional 2%.

- 9.4 The 2017/18 Council Tax Base shows an increase of 870 Band D equivalent properties to a total of 33,818 assuming a collection rate of 97%. The increase in the Tax Base will generate an additional £1.088m of council tax income.
- 9.5 Table 3 below estimates the net amount of council tax income that will be produced for various percentage increases in Halton's Band D Council Tax for the next three years and assumes no change in council tax base beyond 2017/18.

Table 3 – Additional Council Tax Income 2017/18 to 2019/20

Projected Increases in Council Tax Income (£'000)	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
0%	-	-	-	-
1%	423	427	432	1,282
2%	846	863	880	2,589
3%	1,269	1,307	1,347	3,923
4%	1,692	1,760	1,830	5,282

- 9.6 Over the past few years the amount of council tax collected has been greater than forecast. As at 31 March 2016 there was a surplus of £3.327m of council tax held as part of the Collection Fund relating to the Council only (excluding Police and Fire). In 2016/17 £1.808m of this was used in balancing the budget. This strategy assumes that an amount of £1.519m will be released in 2017/18 to provide a one-off budget saving.

10.0 SPENDING FORECAST

- 10.1 The spending forecast provides an estimate of the increase in revenue expenditure that will be required over the next three years in order to maintain existing policies and programmes. In effect this represents an early estimate of the standstill budget requirement using the information that is currently available.
- 10.2 The scope of the forecast covers General Fund revenue activities that are financed through the Settlement Funding Assessment, Specific Grants and Council Tax.
- 10.3 The forecast includes the budgetary consequences of previous budget decisions, including one-off savings used to balance the 2016/17 budget. This adds £8.175m to the spending forecast for 2017/18.

- 10.4 Pay and price inflation is the biggest uncertainty in the spending forecast. As part of the Summer Budget 2015 it was announced that public sector pay awards would be restricted to 1% for four years from 2016/17. Agreed NJC pay rates for 2017/18 are included within the forecast.
- 10.5 The Consumer Price Index (CPI) for September 2016 – the index by which the Government measures inflation - stands at 1.0% which is below the Government's 2% target. The spending forecast assumes that many items of supplies and services expenditure will continue to be cash limited. In other cases the forecast assumes an appropriate rate that reflects current and estimated future prices.
- 10.6 The Council has a significant capital programme and the spending forecast includes the financing costs of the existing programme. The net revenue costs associated with the capital programme are included in the forecast at a reduction of £0.270m in 2017/18, followed by a reduction of £0.15m in 2018/19. The MTFs assumes that any new capital projects which are approved over the medium term will be self-funded through capital grant, capital receipts or will generate revenue savings to fund the cost of borrowing.
- 10.7 During the period of the MTFs, construction will finish and the operation of the Mersey Gateway bridge will commence. The Council will make a contribution towards the construction costs of the bridge funded by prudential borrowing, the financing costs of which will be met from future toll revenues and DfT grant. The Mersey Gateway Crossing Board will continue to manage the Mersey Gateway, their costs will be met from future toll revenues and DfT grant.
- 10.8 It is expected operation of the Mersey Gateway bridge will commence in October 2017 at which point the Council will have costs relating to service vehicles and staff crossing the bridge on Council business. The forecast provides for estimated annual costs of £0.150m to cover this.
- 10.9 A key assumption that has been used in constructing the MTFs is that total spending in the current year is kept within the overall budget. In particular it can be difficult to control 'demand led' budgets such as children in care and care in the community. In this context it is important to consider the contingency for uncertain and unexpected items. Due to the considerable uncertainty in interest rates, demand led budgets, impact of spending cuts and loss of income, the spending forecast includes a contingency of £1m in 2017/18, £1.5m in 2018/19 and £2.0m in 2019/20.
- 10.10 The Children and Families Department is continuing to experience significant budget pressures and for the current financial year is expected to be approximately £2.8m over budget by year-end. There is high demand for a number of services within the Department including residential placements, direct payments, out-of-borough fostering,

special guardianship orders and in-house foster carer placements. Significant sums have been provided in previous years from contingency budgets and initiatives are in place to help reduce the overspend position. The MTFs also includes a further £0.5m over the next two years, to assist with bringing the budget and spending back into a balanced position.

- 10.11 The Chancellor stated in his 2015 Summer Budget that a new compulsory National Living Wage (NLW) for over 25s was to be introduced from April 2016. This was set at £7.20 per hour from April 2016 and will then rise each financial year until 2020 when it will reach £9.00. The forecast includes a amount of £0.500m to cover contract costs which will increase as a result of care providers meeting NLW rates.
- 10.12 The apprenticeship levy requires all employers with a pay bill over £3m each year to make an investment in apprenticeships. The levy charged will be at a rate of 0.5% of the total annual pay bill and is effective from 06 April 2017. The forecast includes an amount of £0.3m to cover the cost of the levy.
- 10.13 The Council has adopted an Apprenticeship Policy to offer younger people opportunities to study for relevant national qualifications at the same time as earning a salary and contributing effectively to the Borough`s economy. An annual fund of £0.2m will be created to help fund the cost of new apprentices, but only where other sources of funding have been exhausted.
- 10.14 The final staging date for the Council to auto-enrol employees into pension schemes is October 2017. It is likely that some staff who are not currently members of the Local Government Pension Scheme will decide to remain in the scheme when auto-enrolled. Based upon modelling of the age profile of relevant staff and experience of earlier auto-enrolment elsewhere, the forecast estimates a total additional pension contribution cost of £0.3m over 2017/18 and 2018/19.
- 10.15 From October 2016 the Council, along with Merseyside Recycling and Waste Authority (MRWA), will commence a Resource Recovery Contract (RRC) for treatment of waste disposal. The latest estimates of tonnages and costs indicate that costs may be higher in the early years of the contract, but savings are expected in later years. An additional £0.5m has therefore been included within the financial forecast to cover the initial cost increase.

10.16 Table 4 summarises the Spending Forecast.

Table 4 – General Fund Medium Term Standstill Spending Forecast

Increase in spending required to maintain existing policies and services	Year on year change (£'000)		
	2017/18	2018/19	2019/20
Full Year Effect of Previous Year Budget	8,175	5,386	1,653
Capital Programme	-270	-15	0
Pay and Price Inflation	2,241	2,226	2,386
Contingency	1,000	1,500	2,000
Mersey Gateway Vehicle Tolling	75	75	0
Children & Families Department Demand Pressures	250	250	0
National Living Wage – Contracts	500	500	500
Apprenticeship Levy and Policy	500	0	0
Waste Contract	500	0	0
Pension Auto Enrolment	150	150	0
Reduction to Pension Actuarial Costs	-80	0	0
TOTAL INCREASE	13,041	10,072	6,539

11.0 THE FUNDING GAP

11.1 At this level of spending there is a funding gap with the forecast level of resources. Table 5 demonstrates the forecast gap between spending and forecast resources at different levels of Council Tax increase.

Table 5: Funding Gap with a given % increase in Council Tax

	2017/18 £'000	2018/19 £'000	2019/20 £'000
Increase in Spending Forecast	13,041	10,072	6,539
Reduction in Grant	5,125	3,341	2,680
Increase in Council Tax Base	-1,088	0	0
Council Tax Surplus	-1,519	-1,088	0
Business Rate Surplus	-2,039	0	0
Use of Reserves	-1,828	-565	0
Funding Gap Before Council Tax	11,692	11,760	9,219
Funding Gap After Council Tax Increase at Various Levels			
0%	11,692	11,760	9,219
1%	11,269	11,333	8,787
2%	10,846	10,897	8,339
3%	10,423	10,453	7,872
4%	10,000	10,000	7,389

- 11.2 The table shows that total savings of £11.7m are forecast to be needed to balance next year's budget after the use of one-off surplus council tax & business rate funds and use of reserves but before any increase to council tax.
- 11.3 The use of reserves and surplus council tax and business rate funds add to the deficit position for the following year and are included in the above table under 'Increase in Spending Forecast'
- 11.4 Further savings of £11.7m in 2018/19 and £9.2m in 2019/20, are required before any increase to Council Tax. The total funding gap is approximately £33m and represents 21.6% of the Council's gross 2016/17 expenditure budget.
- 11.5 This represents a significant challenge for the Council to balance its budget. As a result every aspect of the Council's budget needs to be scrutinised to identify potential savings. In addition, all opportunities will continue to be taken to generate additional income from charging for services, in order to reduce costs whilst maintaining levels of service delivery.

12.0 CAPITAL PROGRAMME

- 12.1 The Council's capital programme is updated regularly throughout the year. Table 6 summarises the fully funded capital programme.

Table 6 – Capital Programme

	2017/18 (£'000)	2018/19 (£'000)	2019/20 (£'000)
Spending	128,250	68,271	8,593
Funding:			
Prudential Borrowing	100,104	57,186	4,541
Grants	17,952	6,139	1,845
Revenue Financing	1,204	8	35
Capital Receipts	8,990	4,938	2,172
Total Funding	128,250	68,271	8,593

- 12.2 The current system of capital controls allows councils to support and fund the capital programme by way of prudential borrowing. Such borrowing is required to be:
- prudent
 - affordable, and
 - sustainable
- 12.3 The Council has used prudential borrowing provided that the cost of borrowing has been covered by revenue budget savings and the spending forecast continues this assumption.

- 12.4 In previous years the Council has been extremely successful in attracting capital grants and contributions. In this way the Council has been able to undertake significant capital expenditure without financing costs falling on the revenue budget and this approach will continue.

13.0 RESERVES AND BALANCES

- 13.1 The Council's Reserves and Balances Strategy is attached in the Appendix. It sets out the Council's strategy in respect of the level of reserves and balances it wishes to maintain, by reference to the financial needs and risks associated with the Council's activities.
- 13.2 The level of balances and reserves will be reviewed as part of the budget and final accounts processes.

14.0 SCHOOLS BUDGET

- 14.1 Schools are fully funded by the Dedicated Schools Grant (DSG). The DSG is used to fund the Individual Schools Budget (ISB) which is allocated to schools by way of a formula and the central allocation in accordance with the revised Department for Education (DfE) guidelines.
- 14.2 The Schools Forum assesses and considers current and future arrangements and changes to schools funding, agreeing any formula changes following consultation with schools and academies.
- 14.3 In April 2013 schools received budgets based on the new funding formula which is the first step in a proposed move towards a National Funding Formula. It is expected the National Funding Formula will start to be implemented in April 2018 for primary and secondary schools.
- 14.4 Since April 2013 funding has been divided into three separate blocks within the Dedicated Schools Budget. These are the Schools Block, High Needs Block and Early Years Block. As part of the National Funding Formula a fourth block, the Centrally Retained Schools Block will be set up. All grant funding allocated by the EFA to the Schools Block will have to be allocated to schools through the formula.
- 14.5 Under the new funding guidelines, the amount of centrally held monies is tightly restricted for anything other than Early Years and High Needs provision. The proposals for the Early Years National Funding Formula put a restriction on the amount of funding that can be centrally retained. The Council is already within this target.
- 14.6 Funding for schools converting to academies is paid directly to the academy from the Education Funding Agency rather than going through the Council. Included within the grant paid to the schools are

monies that previously funded educational support services which the Council provides. There is an element of financial risk to the Council in future years if other schools transfer to academy status which will lead to a shortfall in income to fund the expenditure for the central services.

- 14.7 Consultations on changes to the Schools Block, Centrally Retained Schools Block, Early Years Block and High Needs Block are due to be released during Autumn 2016. Some of these proposals, alongside the transfer of the Education Services Grant retained element to DSG have raised concerns regarding the financial sustainability of some services funded by DSG.

15.0 PARTNERSHIPS/JOINT WORKING/SHARED SERVICES

- 15.1 In 2015/16 the Government introduced a £3.8 billion fund to support the pooling of budgets for health and social care services, shared between the NHS and local authorities. This was intended to deliver better outcomes and greater efficiencies through more integrated services for older and disabled people. The Better Care Fund (BCF) provides an opportunity to improve the lives of some of the most vulnerable people in our society, to provide them with a better service and better quality of life. The Fund will be an important enabler for integrated care, acting as a significant catalyst for change.

- 15.2 The Council has been the host body in a Complex Care Pooled budget for a number of years. From 1st April 2015 the Better Care Fund was included within the pooled budget arrangements, working jointly with Halton Clinical Commissioning Group (HCCG). The value of the pooled budget for 2016/17 is approximately £48m.

- 15.3 The Council has established partnerships and shared service arrangements with a number of councils and other organisations over recent years for activities including, Children Services, Adult Social Services, Procurement and ICT Services. The Council is also part of the Liverpool City Region Combined Authority and the agreement with Government regarding devolution of powers and resources to the City Region. These arrangements should provide opportunities to achieve significant on-going savings from alternative ways of working and improved service delivery across the City Region.

16.0 EFFICIENCY STRATEGY

- 16.1 In order to maintain the level of performance across services delivered by the Council, it needs to find new and innovative ways to deliver services whilst making efficiency savings. The Council recognises the need to look more radically at the way it does business in order to achieve the level of savings that will protect key services.

- 16.2 The Council has published an Efficiency Plan linked to the four year settlement referred to in section 3.4.
- 16.3 The Council has an established Efficiency Programme in place to review services in a consistent way. This enables the identification of opportunities to enhance productivity, reduce costs, explore alternative delivery mechanisms and ensure that services are configured in the most appropriate way to meet the needs of service users.
- 16.4 The Council has proper arrangements for challenging how it secures economy, efficiency and effectiveness. This is strengthened and improved by the centrally coordinated procurement arrangements established via the Procurement Division. Procurement is considered a key mechanism for delivering efficiencies across the Council.
- 16.5 The Council's strategy regarding accommodation aims to rationalise the land and property portfolio and wherever possible to locate staff in Council owned buildings. Progress continues to be made with implementation of the strategy, which has and will continue to result in revenue budget savings during the period of the forecast.

17.0 MONITORING

- 17.1 Spending against each Department's revenue budget and capital programme is monitored and reported to the Policy and Performance Boards, alongside service outcomes, within the quarterly performance management reports. The Council-wide position is also reported quarterly to Executive Board.

18.0 SUMMARY

- 18.1 The 2015 Comprehensive Spending Review followed the approach Government have taken since 2010 in implementing the public spending austerity programme. This strategy highlights that considerable savings will be required over the next three years, and despite the Governments offer of a multi-year settlement there remains great uncertainty to the future funding of services.
- 18.2 The Business Rates Retention Scheme and localisation of Council Tax Support carry further risk to the funding available to the Council over the medium and longer term. Whilst there may be opportunity to take advantage of growth, there will be circumstances outside of the Council's control such as decline in the national economy which could be at the detriment of business rates and council tax collected.
- 18.3 Future levels of growth and savings required will be directly influenced by the decisions made concerning council tax increases. Council tax increases will reduce the level of savings required, although the legislative requirements regarding council tax referendums will restrict the Council's scope to increase council tax.

18.4 The Medium Term Financial Strategy has been based on information that is currently available. Revisions will need to be made as new developments take place and new information becomes available.

APPENDIX

RESERVES AND BALANCES STRATEGY

1.0 INTRODUCTION

- 1.1 The following sets out the Council's Strategy in respect of the level of reserves and balances it wishes to maintain, by reference to the financial needs and risks associated with the Council's activities.
- 1.2 The overall strategy is to provide the Council with an appropriate level of reserves and balances in relation to its day to day activities and to ensure the Council's financial standing is sound and supports the achievement of its long term objectives and corporate priorities.
- 1.3 The Operational Director, Finance will undertake quarterly reviews of the level of reserves and balances and take appropriate action in order to ensure the overall strategy is achieved. The outcome of the reviews will be reported to the Executive Board and will be used to inform the Medium Term Financial Strategy (MTFS), the annual budget setting process and the final accounts process.
- 1.4 The Strategy concentrates upon the Council's key reserves and balances, being those which may potentially have a significant affect upon the Council's financial standing and its day to day operations.

2.0 GENERAL BALANCES

- 2.1 It has been the Council's policy to maintain general balances at a reasonable level, based upon the financial risks and challenges it faces. This is particularly important at the current time given the increasing demand-led pressures upon Children's Services and Adult Social Care. Close monitoring and control of budgets has meant this policy has been successfully achieved. As at 31 March 2016 the balance of the Councils general reserve was £5.4m.

3.0 PROVISIONS

Sundry Debtors

- 3.1 The Council makes provision for bad and doubtful debts based upon an annual review of outstanding debts profiled by age and the associated risks of non-payment, depending upon the types of debt.
- 3.2 Past experience has shown that after 43 days (the period covering the initial stages of recovery action) the likelihood of sundry debts being paid reduces significantly and therefore the risk of them not being recovered increases greatly. Full provision will therefore be made for all sundry debts outstanding for more than 43 days.

- 3.3 The bad debt provisions in respect of sundry debtors at 31 March 2016 totals £2.9m.

Council Tax / Business Rates (NNDR)

- 3.4 Bad debt provisions are made in respect of Council Tax and National Non Domestic Rate (NNDR) debts. The bad debt provisions in respect of Council Tax and NNDR debtors at 31 March 2016 totals £4.2m.
- 3.5 The levels of bad debt provisions held are considered prudent in relation to the current level and age profile of outstanding debts. But they will be reviewed annually, particularly in the light of the prevailing economic climate and reductions in Council Tax Support payments and empty property discounts which may affect collection rates. Therefore appropriate provisions will be made to minimise the risk of financial loss to the Council.
- 3.6 The Council is required to hold a provision for NNDR valuation appeal claims. The provision as at 31 March 2016 totals £10.2m. Only 49% of this is attributable to the Council, 50% relates to Central Government with the remaining 1% attributable to Cheshire Fire Service. The treatment and funding of appeals is currently being considered nationally as part of the consultation regarding the implementation of 100% business rates retention from 2020 onwards. Once the outcome of this is known, the implications for future provisions for appeals can be determined.

4.0 INSURANCE RESERVE

- 4.1 The Council maintains an Insurance Reserve in order to meet the cost of current and future insurance claims which exceed the level of cover provided by the Council's insurers.
- 4.2 Changes in the insurance market have resulted in insurers seeking significant increases in premium from local authority clients. This consequently incentivises Councils to accept greater levels of self-insurance, in order to avoid increased costs and further pressure on revenue budgets. This approach was set out within the Council's Risk Financing and Insurance Strategy approved by Executive Board in April 2015.
- 4.3 In order to support the approach set out within the Strategy, the Insurance Reserve will be maintained at the level of total outstanding claims, in order to provide for both the cost of uninsured claims and the potential cost of future school claims. At 31 March 2016 the Insurance Reserve stood at £3.4m.

5.0 CAPITAL RESERVE

- 5.1 The Council holds a Capital Reserve to support the financing of the Council's capital programme which currently totals £5.0m and is based upon current capital funding needs.

6.0 INVEST TO SAVE FUND

- 6.1 The Council has an Invest to Save Fund which at 31 March 2016 stood at £0.7m. This is in order to provide one-off funding for proposals which will generate efficiencies and thereby create significant, permanent, revenue budget savings, whilst also supporting the achievement of the Council's corporate objectives.

7.0 TRANSFORMATION FUND

- 7.1 The Council has a Transformation Fund to fund the costs associated with efficiency reviews and structural changes required in order to deliver a balanced budget. At 31 March 2016 the fund's balance stood at £0.7m.

REPORT TO: Executive Board

DATE: 17 November 2016

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

SUBJECT: Initial Budget Proposals 2017/18

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To recommend to Council initial revenue budget proposals for 2017/18.

2.0 RECOMMENDED: That Council approve the initial budget proposals for 2017/18 set out in Appendix 1.

3.0 SUPPORTING INFORMATION

3.1 The Medium Term Financial Strategy (MTFS) forecasts potential revenue budget funding gaps for the Council which total nearly £33m over the next three years, assuming no increase in council tax.

3.2 Budget saving proposals for 2017/18 are currently being developed by the Budget Working Group.

3.3 The first set of these proposals totalling £7.9m is listed in Appendix 1. It is proposed to implement these immediately in order to also achieve a part-year saving in 2016/17, which will assist in keeping the Council's overall spending in line with budget. In addition, a number of the proposals will take time to implement and therefore commencing the process as soon as possible will assist with ensuring they are fully implemented by 1st April 2017.

3.4 Appendix 1 includes an indication of whether each saving proposal is permanent, temporary (one-off), or semi-permanent (subject to future year's funding allocations). It also presents the impact in 2018/19 of certain of the savings proposals.

3.5 The Government will announce its Grant Settlement for Local Government in late December. However, in announcing the 2016/17 Grant Settlement the Government provided indicative figures for 2017/18 to 2019/20 upon which the MTFS has been based.

3.6 The Council has also accepted the Government's four-year grant settlement offer, which should ensure that the Council will receive no less than the indicative grant figures for each year. Therefore, it is not expected that the forecast budget gap of £33m will change significantly.

- 3.7 A second set of budget saving proposals is currently being developed by the Budget Working Group, which will be recommended to Council on 8 March 2017 to deliver a balanced budget for 2017/18.

4.0 POLICY AND OTHER IMPLICATIONS

- 4.1 The revenue budget supports the Council in achieving the aims and objectives set out in the Community Strategy for Halton and the Council's Corporate Plan.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 5.1 The revenue budget supports the delivery and achievement of all the Council's priorities. The budget proposals listed in Appendix 1 have been prepared in consideration of all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 Failure to set a balanced budget would put the Council in breach of statutory requirements. The budget is prepared in accordance with detailed guidance and a timetable, to ensure statutory requirements are met and a balanced budget is prepared which aligns resources with corporate objectives.

- 6.2 The Council has accepted the Government's four-year grant settlement offer, which should ensure that the Council will receive no less than the indicative grant figures for each year up to 2019/20.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

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

APPENDIX 1

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – COMMUNITY & ENVIRONMENT DEPARTMENT							
INCOME GENERATION OPPORTUNITIES							
1	Waste Management Div	Achieve service efficiencies and increase income within Community Centres.	371	60	0	P	D
2	Open Spaces Div	Increase the recharge of Landscape Architecture time to the relevant capital projects, to ensure full cost recovery.	53	70	0	P	D
3	Open Spaces Div	Employ one additional Landscape Architect on a two year fixed term contract, to bid for additional external work as an invest-to-save measure. It is estimated that this will deliver £50,000 of additional income over and above the extra staffing costs.	142	50	0	P	D
4	Open Spaces Div	Increase the charge for Cremations by £50 (8%) from £650 to £700 to ensure full cost recovery.	374	30	0	P	D
5	Open Spaces Div	Increase the charge for burials by £50 (7%) from £700 to £750 to ensure full cost recovery.	356	16	0	P	D
6	Open Spaces Div	Increase allotment fees by 5% above inflation.	30	2	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
7	Open Spaces Div	Increased income generation by Registration Services via various charges.	173	25	0	P	D
8	Open Spaces Div	Target to continue to increase income via various revenue streams and reduce costs via efficiencies at The Brindley.	1,249	150	0	P	D
9	Open Spaces Div	Additional income from reviewing charges for park kiosks and concessions.	66	30	0	P	D
10	Catering & Stadium Div/	Increase income generated by the School Meals Service via various means including; review procurement arrangements for high volume food lines; above inflation increase in charges for foods high in sugar/fat; review of charges for other catering services.	1,500	125	0	P	D
SHARED / COLLABORATIVE SERVICES							
11	Community Safety Div	Contributions from other councils towards Community Safety management costs for services provided.	N/A	25	0	P	D
EFFICIENCY OPPORTUNITIES							
12	Waste Management Div	Restructuring of the Environment Enforcement Team to enable a vacant post to be removed.	173	35	0	P	D
13	Waste Management Div	Review of the Community Development Team structure, subject to consultation with staff and Trades Unions.	163	30	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
14	Waste Management Div	Roll out of the Food Waste Collection Service, which is being overseen by the Waste Topic Group.	N/A	10	TBC	P	D
15	Waste Management Div	Conduct a review of operational changes introduced within Waste Management during 2015/16, to establish whether further budget savings can be achieved.	N/A	10	0	P	D
16	Open Spaces Div	Review of the Arts Development structure with deletion of the remaining vacant post and retain scope to buy-in arts support as required in order to maintain the Arts Development Service.	33	20	0	P	D
17	Catering & Stadium Div	Review of Library Services in order to make further efficiency savings.	1,366	100	0	P	D
18	Catering & Stadium Div	Continued efficiency savings and income generation from Leisure Centres	1,019	350	0	P	D
TOTAL PERMANENT				1,138	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				1,138	0		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – FINANCE DEPARTMENT							
INCOME GENERATION OPPORTUNITIES							
19	Audit & Operational Finance Division	Additional income from increasing the charges to clients for the provision of the Appointeeship Scheme from £7 to £8 per week for 2017/18 and £9 per week for 2018/19. The new charges will still remain comparable with those of other North West councils.	93	13	13	P	D
20	Audit & Operational Finance Division	Increase in rebate income target from the Early Payment Scheme, whereby suppliers provide the Council with a discount for being paid within an agreed number of days.	35	5	5	P	D
21	Audit & Operational Finance Division	Increase in the income target for recovery of uncleared credit notes from the periodic review of suppliers' accounts.	10	5	5	P	D
22	Revenues & Benefits Div/ Business Rates	Income not currently budgeted for from existing charges for billing and collection of business rates on behalf of the Business Improvement Districts (BIDS).	0	10	0	P	D
23	Revenues & Benefits Div/ Council Tax	Cease to provide discretionary council tax discounts in the following circumstances;					
		(i) Unoccupied and unfurnished properties for up to 22 weeks.	215	215	0	P	D
		(ii) Properties undergoing or requiring major repair or structural alterations which render them uninhabitable for up to 12 months.	41	41	0	P	D
PROCUREMENT OPPORTUNITIES							

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
24	Audit & Operational Finance Division	Reduction in insurance premiums from; (i) restructuring and re-procurement of property and motor vehicle insurance cover during 2016/17. (ii) increasing the level of deductible (excess) on employer's liability and public liability policies from £250,000 to £500,000 per claim.	300 252	150 35	0 0	P P	D M
EFFICIENCY OPPORTUNITIES							
25	Procurement Division	Deletion of two vacant HBC5 Procurement Contract Officer posts.	58	58	0	P	D
26	Financial Management Division	Permanent reduction in hours for two members of staff within the Financial Management Division, where it is considered this can be accommodated within workloads.	1,224	9	0	P	D
27	Financial Management Division	Reduction in two subscriptions for technical finance advice and support provided by Cipfa (Finance Advisory Network and Information Streaming Service).	18	8	0	P	D
28	Revenues & Benefits Div/ Housing Benefits	Deletion of two vacant HBC2/4 Housing Benefit Officer posts.	948	38	0	P	D
29	Revenues & Benefits Div/ Discretionary	Deletion of a vacant HBC4 post within the Discretionary Support Team.	302	23	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
	Support Scheme						
OTHER BUDGET SAVINGS							
30	Audit & Operational Finance Division	Deletion of a general computer expenditure budget which is no longer required.	8	8	0	P	D
TOTAL PERMANENT				618	23		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				618	23		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – ICT & SUPPORT SERVICES DEPARTMENT							
EFFICIENCY OPPORTUNITIES							
31	ICT Services	Review of the ICT Services staffing structure, subject to consultation with staff and Trades Unions.	2,282	128	75	P	D
32	Support Services Division	Review of the Support Services Division staffing structure, subject to consultation with staff and Trades Unions.	3,440	207	75	P	D
33	ICT Services	Reduction in the ICT Maintenance budget to realign budget with actual costs.	395	91	50	P	D
34	Support Services Division	Reduction in various supplies and services budgets.	706	60	50	P	D
TOTAL PERMANENT				486	250		
TOTAL SEMI-PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				486	250		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – LEGAL & DEMOCRATIC SERVICES DEPARTMENT							
INCOME GENERATION OPPORTUNITIES							
35	Legal Services	Increase the income generated from School SLAs to reflect agreements already in place.	66	13	0	P	D
EFFICIENCY OPPORTUNITIES							
36	Marketing & Communication	Reduce newly consolidated council advertising budget by 15% on the basis of previous year underspend.	189	28	0	P	D
37	Legal & Democratic Dept	Reductions in supplies and services and various other budgets across the Department.	74	54	0	P	D
38	Customer Intelligence Unit	Undertake remaining website maintenance and analytics in-house.	14	10	0	P	D
TOTAL PERMANENT				105	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				105	0		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – POLICY, PLANNING & TRANSPORTATION DEPARTMENT							
INCOME GENERATION OPPORTUNITIES							
39	Traffic Div	Increase charge for pavement licences and skip permits above inflation.	3	3	0	P	D
40	Traffic Div	Additional income generated from issuing streetworks permit charges.	250	25	25	P	M
41	Planning & Development Div	Additional income generation from increase pre-application Planning fees.	26	10	0	P	D
42	Highways Div	Additional income generation from increases in S278 and S38 statutory Highways supervision fees charged to developers.	85	10	0	P	M
EFFICIENCY OPPORTUNITIES							
43	Planning and Development Div	Deletion of a vacant HBC7 Assistant Contaminated Land Officer post.	38	38	0	P	M
44	Highways Div	Decommissioning of Churngold Groundwater equipment at Marzahn Way	25	25	0	P	M
OTHER BUDGET SAVINGS							

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
45	Traffic Div	Street lighting – reduction in maintenance and energy costs following the introduction of LED lanterns.	1,281	240	0	P	D
46	Risk Management	Reduction in various supplies and services budgets.	26	5	0	P	D
47	Traffic Div	Time expired one-off excess income for external street lighting works.	100	100	-100	T	D
48	PP&T Dept/ Traffic	Deletion of remaining budget for Silver Jubilee Bridge architectural floodlighting.	7	7	0	P	D
49	Transport Co-ordination	Deletion of a vacant HBC5 Assistant Transport Officer post.	28	28	0	P	D
50	Transport Co-ordination	Cease route planning software maintenance charges currently paid to external provider and undertake in-house.	5	5	0	P	D
51	Transport Co-ordination/ Bus Support	Reduction in bus subsidy, subject to consultation.	495	50	0	P	D
52	Fleet Management & Maintenance Div	Reduction in vehicle maintenance budget.	160	32	0	P	M
53	Fleet Management & Maintenance Div	Reduction of one Community Meals vehicle	25	5	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
54	Lowerhouse Lane Depot	Reduction in Depot utility budget currently underspending.	89	18	0	P	M
55	Highways Div	Continued, permitted use of lapsed computer software licences. The licences will need to be renewed at some point in order to update software, hence temporary saving for two years.	31	31	-31	T	M
56	Highways Div	Appointment of an apprentice to be trained with the intention of filling a currently vacant permanent post after two years.	23	11	-5	T	M
57	Highways Div	Reduction in reactive and routine maintenance of the Highway network.	1,354	25	-25	T	M
TOTAL PERMANENT				501	25		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				167	-161		
GRAND TOTAL				668	-136		
	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – POLICY, PEOPLE, PERFORMANCE & EFFICIENCY DIVISION							
EFFICIENCY OPPORTUNITIES							
58	Policy, People, Performance & Efficiency Division	Review of the Human Resources service around new processes and service standards (recruitment, employment contract management, transactional pay), subject to consultation with staff and Trades Unions.	1,972	112	0	P	D
TOTAL PERMANENT				112	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				112	0		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE – ECONOMY, ENTERPRISE & PROPERTY DEPARTMENT							
INCOME GENERATION OPPORTUNITIES							
59	Economy Enterprise & Property	Increased rental income for investment properties.	110	6	0	P	D
60	Economy Enterprise & Property	Increased rental income for out-door market.	578	10	0	P	D
61	Economy Enterprise & Property	Increased service charge income from Department of Health for Rutland House.	40	5	0	P	D
62	Economy Enterprise & Property	Increased rental income for Municipal Building from increasing charges for rooftop phone masts.	30	5	0	P	D
63	Economy Enterprise & Property	Increased rental income for Rutland House due to new tenants.	73	75	0	P	D
64	Economy Enterprise & Property	Contribution towards Employment Learning & Skills overheads by charging a fee against the European Funding "Ways to Work" Programme (for 17/18 & 18/19).	0	40	-40	T	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
EFFICIENCY OPPORTUNITIES							
65	Economy Enterprise & Property	Remove core funding that is currently being used as match funding for the LCR Integrated Business Support Programme and utilise European Programme reserve instead.	65	65	0	P	D
66	Economy Enterprise & Property	Reduce the External Funding Team's contracted services budget.	10	5	0	P	D
67	Economy Enterprise & Property	Reduce the Asset Management Team's contracted services budget which is used to commission specific pieces of work.	55	20	0	P	D
68	Economy Enterprise & Property	Reduce the budget for Christmas lights in line with actual costs.	46	6	0	P	D
69	Economy Enterprise & Property	Reduce the budget for the P2 Property computer software licence to reflect actual cost.	29	2	0	p	D
70	Economy Enterprise & Property	Reduce the premises utility budgets for Kingsway House and Runcorn Town Hall to reflect actual costs.	520	12	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
71	Economy Enterprise & Property	Reduce the budget required for security, through having centralised Councilwide budgets enabling them to be managed more effectively.	517	30	0	p	D
72	Economy Enterprise & Property	Reduce the property repairs and maintenance budget, to reflect the rationalisation of the Council's property portfolio and prioritisation of works.	2,181	100	0	P	D
TOTAL PERMANENT				341	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				40	-40		
GRAND TOTAL				381	-40		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
PEOPLE DIRECTORATE – ADULT SOCIAL CARE							
SHARED / COLLABORATIVE SERVICES							
73	Adult Social Care (Commissioning and Complex)	Contribution from Sefton Borough Council towards the cost of the shared post (2 days per week) of Divisional Manager, Mental Health, for which the arrangement is renegotiated annually.	84	35	0	S	D
EFFICIENCY OPPORTUNITIES							
74	Adult Social Care	Mental Health team – increased focus upon avoiding the use of agency staff and thereby the deletion of the agency staffing budget.	34	34	0	P	M
75	Adult Social Care	Efficiency savings target to be set for the Complex Care Pooled Budget, with a total target of £1.6m of which 50% will relate to Halton CCG. The potential to continue to deliver these efficiencies in future years will be dependent upon annual Better Care Fund allocations.	18,692	800	-800	T	M/D
76	Adult Social Care	Redesign the Supported Housing Service in order to achieve efficiencies.	3,148	300	0	P	D
77	Adult Social Care	Introduce mobile working within the Care Management Division in order to improve efficiencies.	20	20	0	P	M

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
78	Adult Social Care	Improve efficiency of the Night Service within Halton Supported Housing Network by use of telecare.	1,744	50	0	P	M
79	Adult Social Care	Review of the Hospital Discharge service staffing structure with the deletion of a vacant Principal Manager Post, subject to consultation with staff and Trades Unions.	300	57	0	P	M
80	Adult Social Care	Review of the Sure Start to Later Life service staffing structure with the deletion of a vacant Principal Manager Post, subject to consultation with staff and Trades Unions.	145	57	0	P	D
OTHER BUDGET SAVINGS							
81	Adult Social Care	Utilise one-off funding to protect Adult Social Care eligibility at "moderate" needs level. This may be possible to continue over the next couple of years.	2,980	1,000	0	S	M
82	Adult Social Care	One-off use of the accumulated Supporting People underspend.	300	300	-300	T	D
83	Adult Social Care	One-off use of unspent Care Act contingency funding.	481	481	-481	T	M
84	Adult Social Care	Secondment of the Divisional Manager, Commissioning to a role covering the Liverpool City Region and funded by the LCR ADASS.	76	76	0	S	M/D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
TOTAL PERMANENT				518	0		
TOTAL SEMI-PERMANENT				1,111	0		
TOTAL TEMPORARY (ONE-OFF)				1,581	-1,581		
GRAND TOTAL				3,210	-1,581		

	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING	PERM SEMI-P	MANDATORY OR DISCRETIONARY
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	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
PEOPLE DIRECTORATE – EDUCATION INCLUSION & PROVISION DEPARTMENT							
EFFICIENCY OPPORTUNITIES							
85	Policy, Provision & Performance	Deletion of a vacant HBC9 Principal Policy Officer post.	273	48	0	P	D
86	Policy, Provision & Performance	Reduction in the budget for commissioning Engagement Workers, Coaches and Careers Advisors working with young people who are NEET or at risk of becoming NEET.	213	68	0	P	M/D
87	Policy, Provision & Performance	Deletion of a vacant 0.4fte Early Years Officer post.	245	15	0	P	D
88	Education	Reduction in the Early Years Consultant Teacher posts from 4 to 3, subject to consultation with staff and Trades Unions.	293	55	0	P	D
89	Education	Review of the School Improvement staffing structure, subject to consultation with staff and the Trades Unions.	93	77	0	P	D
90	Education	Reduce the resources available to train Newly Qualified Teachers.	50	25	0	P	D
91	Inclusion	Deletion of the vacant Portage Manager Post and reorganise Portage provision (educational home-visiting service for pre-school children with additional needs) including reduction in equipment budget.	122	46	0	P	D
92	Education	Remove the budget for commissioning additional SEN support for children with high needs, which schools will	35	35	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
		manage from within their existing high needs funding.					
93	Education	Deletion of a vacant 0.5fte Education Welfare Officer post.	593	18	0	P	M/D
94	Education	Deletion of a vacant 0.6fte Behaviour and Attendance Officer post.	283	18	0	P	D
95	IYSS & Commissioning	Reduction in the commissioning budgets for Speech and Language (£60,000), CAB (£6,000) and Adult Learning (£18,000).	765	84	0	P	D
96	IYSS & Commissioning	Review of the Youth Offending staffing structure, subject to negotiations with staff and Trade Unions.	263	41	0	P	D
97	YSS & Commissioning	Reduction in the Contract Officer support provided as part of the shared Commissioning arrangements with Cheshire West and Chester Council.	195	16	0	P	D
98	Education, Inclusion & Provision	Reduction in the cost of on-going pre-1998 pension gratuity payments for school related staff.	528	4	4	P	D
TOTAL PERMANENT				551	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				551	0		
	DIVISION /	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING		PERM SEMI-P	MANDATORY OR DISCRETIONARY

	SERVICE AREA		£'000	2017/18 £'000	2018/19 £'000	TEMP (P/S/T)	SERVICE AFFECTED (M / D)
PEOPLE DIRECTORATE – PUBLIC PROTECTION DEPARTMENT							
EFFICIENCY OPPORTUNITIES							
99	Environmental Health Division	Restructuring of management arrangements and reductions in various operational budgets for the Environmental Health Division, without any impact upon service delivery, subject to consultation with staff and Trades Unions.	860	106	0	P	M/D
OTHER BUDGET SAVINGS							
100	Public Health	One-off contribution from the accumulated Public Health reserve.	800	522	-522	T	M/D
TOTAL PERMANENT				106	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				522	-522		
GRAND TOTAL				628	-522		

REPORT TO: Executive Board

DATE: 17 November 2016

REPORTING OFFICER: Strategic Director Enterprise, Community and Resources

PORTFOLIO: Physical Environment

SUBJECT: Management Board - Environmental Fund - Runcorn Energy from Waste

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

The purpose of this report is to seek delegated authority for determining future requests for funding made to the Management Board set up to administer the Runcorn Energy from Waste Environmental Fund and to endorse their first set of proposals.

2.0 RECOMMENDATION: That the Executive Board approves:

1) The initial projects, outlined below, that have been supported by the Management Board.

- £160,000 – towards improvements at Runcorn Hill Park;
- £2,500 – for clearance of Dukesfield garage on behalf of the Runcorn Locks restoration society;
- £193,746 – 5 Year contribution towards the community payback team to provide additional cleaning or environmental maintenance and support community clean-up initiatives;
- £12,000 – to close the layby on the Weston Point Expressway following complaints from residents;
- £24,000 – 2 year programme to support the Community Garden in Runcorn Town Centre;
- £7,239.60 – the creation of a running/ walking route around Runcorn Hill Park, this includes boards and signing; and
- £27,600 – Air Quality Monitoring for a 12 month period.

2) That authority is delegated to the Operational Director – Policy, Planning and Transportation in consultation with members of the Management Board, to authorise

future expenditure; and

- 3) Decisions made via this delegation be published in the “Miscellaneous Issues” report contained in future Development Control Committee agendas.**

SUPPORTING INFORMATION

- 3.1 Planning permission for the Runcorn Energy From Waste Plant was granted in September 2008. The Plant is subject to a legal agreement entered into under Section 106 of the Town and Country Planning Act 1990.
- 3.2 The legal agreement contains a provision that the owner of the Plant agrees to pay the Council an annual lump sum payment for every tonne of fuel received and processed.
- 3.3 The legal agreement states “that the lump sum payments shall be used by the Council to fund environmental matters as may be specified from time to time by the Council **within the Borough of Halton for the benefit of its residents generally** and which may include measures to improve public transport, highway network improvements, travel plan monitoring, waste recycling and wider community improvements such as landscaping and nature conservation measures.”
- 3.4 The legal agreement also states “that the Council will convene a management board, which shall include three elected members, to be charged with the task of identifying environmental matters proposed within the Borough of Halton”.
- 3.5 The Management Board was constituted by the Executive Board at its meeting on the 3 September 2015 and consists of the Executive Board Member Physical Environment, the Executive Board Member Resources and the Chair of the Environment and Urban Renewal Policy and Performance Board.
- 3.6 The Management Board has met on two occasions so far and the purpose of this report is to:–
1. Seek Executive Board’s endorsement of the initial seven projects supported by the Board ;
 2. Streamline the process to provide for future schemes to be approved by the Operational Director Policy, Planning and Transportation, in consultation with the Management Board members ;and
 3. Agree that future decisions taken using this delegated authority be published in the Miscellaneous Items report on the agenda of the Development Control Committee.

4.0 **POLICY IMPLICATIONS**

4.1 There are no policy implications.

5.0 **FINANCIAL IMPLICATIONS**

5.1 The Council will receive an annual lump sum for every tonne of fuel received (£0.60 index linked total tonnage 850,000 tonnes)

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & 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**

None.

6.5 **Halton's Urban Renewal**

None

7.0 **RISK ANALYSIS**

7.1 Appropriate arrangements need to be put in place to comply with the legal obligations contained within the Section 106 agreement mentioned earlier in this report.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 None.

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

9.1	Document	Place of Inspection	Contact Officer
	Legal agreement	Municipal Building Widnes	Andrew Plant Principal Officer Development Control
	Funding requests	Municipal Building Widnes	Andrew Plant Principal Officer Development Control

REPORT TO:	Executive Board
DATE:	17 November 2016
REPORTING OFFICER:	Director of Adult Social Services
PORTFOLIO	Physical Environment
SUBJECT:	Tenancy Strategy 2016 - 2019
WARDS	Borough-wide

1.0 **PURPOSE OF REPORT**

1.1 To inform Executive Board of the Liverpool City Region Tenancy Strategy, which will assist towards our goal, working in partnership with neighbouring authorities throughout the region, to create a social housing market, which meets the needs of our communities.

1.2 It is a statutory requirement for local authorities to publish a Tenancy Strategy. Most authorities considered refreshing their existing strategy, however, as many Registered Providers have housing stock across the City Region, and all local City Region authorities were in the same position of needing to review their own strategies, it was agreed that a joint approach to develop a single strategy for the City Region would be more effective.

2.0 **RECOMMENDATION: That**

1) the report be noted; and

2) the Liverpool City Region Tenancy Strategy 2016-2019 be approved, subject to the unanimous agreement of each Liverpool City Region Local Authority, through their corresponding approval processes.

3.0 **SUPPORTING INFORMATION**

3.1 Background information

3.2 Halton Borough Council is required to have a Tenancy Strategy under the Localism Act 2011, whereby the first strategy was approved in 2013. There is a need to regularly review the strategy and as all Liverpool City Region authorities were ready to review their strategies at the same time, it was agreed to produce a single Sub Region Tenancy Strategy.

Registered providers of social housing are required to have regard to the local authority tenancy strategies when producing their tenancy policies. As many registered providers have housing stock in more than one local authority, it is sensible to reduce the number of strategies they need to refer to.

- 3.3 The strategy has been informed and developed through consultation with all Liverpool City Region local authorities, the Sub Regional Property Pool Plus Steering group and all registered providers with stock in the Liverpool City Region. In addition an open public consultation took place in July 2016.

The Localism Act 2011 gave new flexibilities and powers to Registered Providers of social housing, including the option to use flexible tenancies. Registered providers were given the ability to offer different kinds of tenancies to respond to the particular needs of their communities, to ensure that social housing is focussed on providing homes for those in genuine need. The Localism Act placed a duty on all local authorities to publish a Tenancy Strategy setting out how they would like registered providers to make use of those flexibilities to respond to local needs.

- 3.4 Local authorities within the Liverpool City Region individually published their Tenancy Strategies during 2012/2013 with all being due for review during 2016. Due to the similarities between existing strategies the City Region authorities agreed to collaborate and produce one joint Tenancy Strategy, particularly as there are currently over 100 registered providers managing in excess of 150,000 properties within the City Region, many of which operate across local authority boundaries. The adoption of the joint Tenancy Strategy will be beneficial as it will provide a consistent approach to help support registered providers in preparing their tenancy policies.

Registered providers are expected to have due regard to the principles set out in local authorities Tenancy Strategies when formulating policies that govern how they will implement and utilise fixed term tenancies. It is important that they are able to follow a consistent set of principles, which one City Region Tenancy Strategy will provide.

Consultation

- 3.5 The consultation process was focussed on a survey in May 2014 with registered providers operating within the City Region. Analysis identified that, of those who responded to the survey, four providers had issued a total of 63 fixed term tenancies since 2012. The reasons for their use included;

- Mortgage Rescue Scheme
- Empty Homes initiative

- Maximising income for new developments
- Supporting tenancy sustainment
- Ensuring efficient use of adapted properties for disabled people.
- Preventing under occupation of large family homes
- Certain property types were identified to be in short supply
- Certain properties were in high demand areas.

Details of fixed term tenancies issued were;

Authority	Percentage
Sefton	62%
Wirral	24%
Liverpool	13%
Halton	2%

Fixed term tenancies were not used in Knowsley or St Helens. During this period 70,000 new tenancies have been issued across the City Region, therefore, 63 fixed term tenancies as a proportion is below 0.1% of total. This is in line with the national trends, where the use of fixed term tenancies remains low.

Clearly the use of fixed term tenancies can have some benefits, which may be attractive to some local authorities, particularly in the South of England where demand is higher. For example, they can assist in helping to release larger properties when a family no longer needs that accommodation size. At present, this type of issue is not evident in the City Region to the same extent; however, this may change overtime, though at present there are only three registered providers who have confirmed that they would definitely use such tenancies in the future.

It is not envisaged that the use of fixed term tenancies will change dramatically within the North West. However, the strategy outlines the options available and will be utilised accordingly to address changing economic and cultural changes. Discussions with the Registered Providers confirmed that it is not the intention to increase general use of fixed term tenancies, however, involvement with the Local Authority regarding and Syrian Refugee Programme will result in five year fixed term tenancies put in place to comply with the five year Humanitarian Protection. The Registered Providers have provisions in place to review the fixed term tenancies and if applicable convert to assured tenancies.

- 3.6 The proposed Liverpool City Region Tenancy Strategy was made available to stakeholders via online questionnaire in July 2016 and the responses received demonstrated strong support for the overall approach of the strategy.

City Region Strategy 2016 – 2019

The proposed Liverpool City Region Tenancy Strategy builds on the existing local authority strategies by maintaining a presumption in favour of lifetime tenancies. Social Housing is often located in some of the more deprived parts of the City Region and reducing security of tenure in these areas is likely to impact on the longer term aspiration of creating sustainable communities. The proposed strategy also recognises that there may be circumstances where the use of fixed term tenancies will provide an opportunity for registered providers to make best use of their housing stock. It sets out the criteria registered providers should consider in determining the appropriate form of tenancy for tenants and the situations where the use of fixed term tenancies will not be suitable. The proposed strategy retains the expectation that fixed term tenancies will normally be granted for a minimum of five years.

- 3.7 A detailed analysis of housing market trends across the City Region has been undertaken, with a summary provided as an appendix to the strategy. This identifies that demand for social and affordable housing continues to be high across the City Region. However, taking this into account along with the impact of the recent Government welfare and housing reforms, it does not identify any trends which would prompt a change of policy direction from that of the existing tenancy strategies.

Decision Making Process

The strategy received agreement from the Liverpool City Region and Spatial Planning Co-ordination Group in August 2016 and was recommended for approval by the Housing Spatial Planning Board in September 2016. The proposed strategy will then be recommended for endorsement and adoption by each Liverpool City Region local authority through their own decision making processes, with a view to launching the revised City Region Tenancy Strategy in December 2016.

Subject to approval the strategy will be reviewed annually and amended accordingly to reflect economical and legislative changes. An annual update report will be submitted to each of the Sub Regional Authorities.

4.0 **POLICY IMPLICATIONS**

- 4.1 The development of a Tenancy Strategy is a statutory requirement of the Localism Act 2011 and had to be published by 2013. The Act also states that a local housing authority must review and modify its Tenancy Strategy.

- 4.2 The proposed joint City Region Tenancy strategy will give consistent approach across Local Authority boundaries. It will also simplify the process for registered providers, who will have one set of principles to comply with when developing housing policies.

5.0 **FINANCIAL IMPLICATIONS**

- 5.1 There are no financial implications

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

The Strategy recommends that fixed term tenancies are renewed where the household contains pre school age children or children in full time education, unless there has been a substantial increase in the financial circumstances of the household to the extent that continued occupation of the property would present a conflict with the RPs charitable objectives to provide housing for those in necessitous circumstances

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

Research suggests that poor housing conditions can have an adverse impact on educational attainment. The Strategy has been framed so that there are no barriers to those seeking employment or career development as a result of the use of fixed term tenancies

6.3 **A Healthy Halton**

Poor housing conditions can have an adverse effect on health & homelessness, subsequently improving access to social housing stock can bring about positive health benefits and promote sustainability.

6.4 **A Safer Halton**

The Strategy aims to minimise the risks to sustainable communities and thus community safety which could potentially result from the use of fixed term tenancies.

6.5 **Halton's Urban Renewal**

The Strategy aims to protect the sustainability of Halton's communities from the use of fixed term tenancies by reserving the right of the Council to request that the RP suspend their use should an area be identified as potentially being at risk.

7.0 **RISK ANALYSIS**

- 7.1 The tenancy strategy needs to be clear about the issues which

registered providers should have regard to when setting their tenancy policies. This will lead to more balanced and sustainable communities and protect households that the local authority views as being vulnerable and more suited to lifetime tenancies.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The potential impact has been reviewed with regard to equality and the impact assessment completed.

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

None.

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Introduction

The *Localism Act 2011* gave new flexibilities and powers to Registered Providers of social housing, including the option to use flexible tenancies. It placed a duty on all Local Authorities to publish a *Tenancy Strategy* setting out how they would like Registered Providers to make use of these flexibilities, and in particular:

- the kind of tenancies they grant;
- the circumstances in which they will grant different kinds of tenancies;
- the length of tenancy, were they to choose fixed-term tenancies; and
- the circumstances in which they will grant a further tenancy when a fixed-term tenancy comes to an end.

Each Local Authority within the Liverpool City Region¹ published their first Tenancy Strategy during 2012. These strategies were all due to be reviewed during 2016 and it was agreed to conduct a single review on a partnership basis, with Liverpool City Region Local Authorities working together to produce a shared Tenancy Strategy. There are currently over 100 Registered Providers managing in excess of 150,000 properties across the Liverpool City Region, with many having a presence in multiple Local Authority areas. This shared Tenancy Strategy will provide a consistent approach that will be helpful to Registered Providers in preparing their Tenancy Policies. Registered Providers will be expected to have due regard to the principles set out in this Tenancy Strategy when formulating the policies that will govern how they will implement and utilise fixed-term tenancies.

The national context

The Government's national housing strategy *Laying the Foundations: A Housing Strategy for England (2011)* sets out a range of objectives for housing, including the Government's view on the role and future direction of the social housing sector:

Social housing can improve people's life chances, providing support at a time when they need it, for as long as they need. It also supports mixed sustainable communities and local economies. But the system is not working: waiting lists have grown excessively; social housing is used inefficiently; and many tenants are not provided with the right incentives to take up work.

The Government introduced a programme of reform through the *Localism Act* which made changes to the way people access social housing, the types of tenancies that are provided and the way the homeless duty is discharged. Registered Providers were given the option to grant different kinds of tenancies to respond to the particular needs of their communities, in order to:

- **increase mobility** by encouraging tenants to move between properties and sectors as their housing needs changed;
- **ensure that social housing is only used for those in genuine need**, by moving people earning a higher wage into other forms of tenure;
- **target social housing so it meets the needs of the community**, for example, by addressing the under-occupation of larger family accommodation; and
- **promote localism** through local decision making at a community level.

The Government is implementing wide-ranging reforms of the welfare system through the *Welfare Reform Act 2012* including the introduction of Universal Credit which brings together a range of benefits into a single payment; Personal Independence Payments to replace Disability Living Allowance; a reduction of Local Housing Allowance rates and the extension of the shared room rate to most single people under 35; Housing Benefit reductions for Registered Provider tenants of working age who are under-occupying their property; the introduction of a benefit cap of £26,000 and a reduction in benefits when someone claiming benefit has another adult, who is not their spouse or partner, living in their property.

¹ Liverpool City Region comprises the local authorities of Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral.

Further reforms were introduced by the *Welfare Reform and Work Act 2016*, including a requirement for all social housing rents to be reduced by 1% per annum for four years from April 2016 and a further reduction in the benefit cap to £20,000. These measures will affect Registered Provider budgets and may impact on the overall number and level of investment in homes available for social and affordable rent.

In the *Summer 2015 Budget* the Government announced an extension of the Right to Buy scheme to Registered Provider tenants; the National Housing Federation (NHF) subsequently agreed a voluntary arrangement with Registered Providers to receive compensation for the discount offered to the tenant. The overall impact of the introduction of the Right to Buy scheme for the Registered Provider sector is not fully known at this stage, however, unless there is a guarantee of funding for one to one replacement of dwellings sold there is potential for a reduction in the overall level of social housing stock available for rent. This could lead to a significant increase in the number of residents waiting for suitable properties and the length of time individual tenants will have to wait.

The *Housing and Planning Act 2016* underpins the voluntary agreement with the NHF relating to the Right to Buy scheme for Registered Provider tenants and places a duty on local planning authorities to actively promote the supply of Starter Homes, to be sold at 20% below the market price to first-time buyers. The Act also ends lifetime secure tenancies in Local Authority housing to be replaced with fixed term secure tenancies.

The *Homes and Communities Agency (HCA) Shared Ownership and Affordable Homes Programme 2016 – 2021* makes £4.74 billion of grant available nationally to deliver shared ownership homes via the Help to Buy scheme and rental homes through the Rent to Buy scheme which will enable working households to rent a home at Intermediate Rent, providing an opportunity to save for a deposit to buy their first home. The Programme is also focussing on the provision of specialist homes for older, disabled and vulnerable people.

All of these reforms will need to be carefully considered and monitored to fully understand the impact on local housing markets and residents across the Liverpool City Region. This will inform future changes to the Tenancy Strategy and enable service responses to remain appropriate and relevant to changing circumstances.

Liverpool City Region context

Liverpool City Region has a population of 1.5 million people and an economy worth over £20 billion. It benefits from an internationally recognised city, major employment sites and significant global companies as well as leading universities and research institutions. A Liverpool City Region Combined Authority was established in April 2014 to lead on strategic decision-making, with a vision for the Liverpool City Region to be:

A globally connected City Region delivering sustainable growth, opportunity and prosperity for people and businesses

A Devolution Agreement between the Government and leaders of the Liverpool City Region was approved in November 2015 to devolve powers and responsibilities to the Liverpool City Region Combined Authority and for a new directly elected mayor for the Liverpool City Region. The directly elected mayor will act as chair to the Liverpool City Region Combined Authority and will exercise powers and functions devolved from central Government, including powers over strategic planning to help accelerate economic growth and new housing development. Further devolution was agreed in March 2016, including a commitment for the Liverpool City Region to continue to work with Government to examine how national policies and funds can be best utilised to promote home ownership and housing supply in the context of the Liverpool City Region's housing market.

The *Liverpool City Region Housing Strategy* was completed in 2007 to provide a framework for future housing investment to support regeneration and economic growth in the City Region². In doing so it identified a series of objectives:

- to support the economic growth and regeneration of the City Region;
- to identify sustainable locations for growth, linked to economic development prospects, sustainable levels of infrastructure, service provision and housing land availability;
- to maximise the contribution that regeneration areas can make in supporting the economic development of the City Region;
- to provide for a range of affordable housing products across the City Region in recognition of the growing mismatch between income levels and lowest quartile house prices; and
- to secure investment in the quality of neighbourhoods as a major economic asset of the City Region in attracting and retaining the population.

A revised Housing Strategy for the Liverpool City Region is being commissioned during 2016 to reflect the changes to housing policy since 2007, along with the new devolution powers.

Providing the right mix of affordable private and social rented homes is integral to attracting people to the Liverpool City Region, retaining those residents who already live here and meeting the housing needs of older and vulnerable residents. Having the right housing offer is key to the development of sustainable communities and crucial for the long-term growth of the Liverpool City Region. The Liverpool City Region Local Authorities are keen to ensure that social housing plays a positive role in contributing to the social and economic position of the Liverpool City Region as a whole. The Tenancy Strategy will play an important part in this, along with other key joint housing policies including the Liverpool City Region Housing Allocation Policy and individual Local Authorities' documents such as Homelessness Strategies.

Each Local Authority within the Liverpool City Region has published its own Corporate Plan and Housing Strategy and undertaken a Strategic Housing Market Assessment (SHMA) to establish the future need for different types of housing within their area. The Liverpool City Region Tenancy Strategy has been developed within the context of these documents.

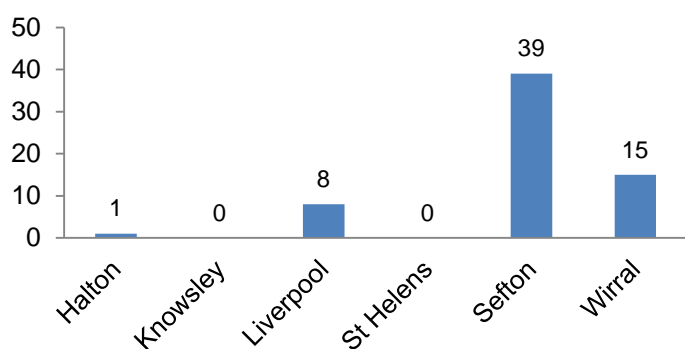
A detailed analysis of key trends relating to the housing market and affordability, housing need and homelessness within the Liverpool City Region has been undertaken as background and context for the Tenancy Strategy and a summary is provided as Appendix A.

² The City Region as defined in the Housing Strategy (2007) comprises the local authorities of Liverpool, Knowsley, Sefton, St Helens, Wirral, Halton, Ellesmere Port and Neston, West Lancashire, Chester, Warrington, part of Vale Royal and the Welsh authorities of Wrexham and Flintshire.

Use of fixed term tenancies

Whilst the use of fixed-term tenancies on a national basis has been gradual and still remains relatively low, the Chartered Institute of Housing reports a growing number of properties being let on fixed-terms, with a higher percentage of affordable rent properties being let on fixed-terms than social rent properties³. A questionnaire was sent out to all Registered Providers in the Liverpool City Region in May 2016 to better understand the use of fixed-term tenancies since the introduction of increased flexibilities. 14 Registered Providers responded and of those, four had issued a total of 63 fixed term tenancies since 2012, as shown below. During this period 70,000 new tenancies have been issued across the Liverpool City Region therefore 63 fixed-term tenancies as a proportion is below 0.1% of the total and ranges from 0.4% of all new tenancies in Sefton to 0.1% or less in Halton, Liverpool and Wirral, with none issued in Knowsley or St Helens.

Figure 1: Use of fixed-term tenancies in Liverpool City Region 2012 – 2016



Source: Registered Provider Questionnaire (May 2016)

In line with the national trend 94% of fixed term tenancies issued in the Liverpool City Region were for affordable rent properties. The majority of fixed-term tenancies were issued for between two to four years (88%) with 6% each issued for five years and six years plus respectively.

A range of reasons for the use of fixed term tenancies were reported by Registered Providers including:

- mortgage rescue scheme;
- empty homes initiative;
- maximise income for new development;
- support tenancy sustainment;
- adapted properties for disabled people;
- large family homes to prevent under-occupation;
- properties types identified to be in short-supply;
- properties in high demand areas.

It is difficult to measure or predict the overall effect fixed-term tenancies will have on the turnover of properties as much depends on how many tenancies will be renewed at the end of their initial fixed-terms. However, it is clear that their use and impact to date has been limited within the Liverpool City Region, with only three Registered Providers confirming they would definitely use them in the future; five would possibly use fixed-term tenancies and six had no plans to use them at present.

The Strategy

The Liverpool City Region Local Authorities welcome the flexibility for Registered Providers to determine the length of tenancy they will offer to new tenants. This provides the opportunity to encourage the best use of limited affordable housing stock. However, the Liverpool City Region Local Authorities are keen to ensure that these flexibilities are applied in a manner that does not undermine social investment in

³ Chartered Institute of Housing (2014), *New approaches to fixed term tenancies*.

communities, and ensures that the most vulnerable tenants are provided with the level of stability they require.

The kind of tenancies to be granted in Liverpool City Region

The tenancies that will be granted by Registered Providers in the Liverpool City Region are:

Introductory tenancies: Also known as *'probationary'* or *'starter'* tenancies, these are usually assured shorthold tenancies which can be offered to new tenants irrespective of whether the property is let at a social, affordable or intermediate rent. They would not normally apply to tenants transferring to another property with the same Registered Provider, but would apply to tenants transferring from one Registered Provider to another. The introductory period normally lasts for twelve months and, provided there has been no breach of tenancy that would warrant eviction within that time, can be converted to an assured tenancy once the twelve months has elapsed. However, if the Registered Provider has reason to believe that the tenant has breached the tenancy agreement it can extend the introductory period beyond twelve months. Some of these lettings will be subject to Local Authority nominations in accordance with an agreement with the Registered Provider.

Assured ('lifetime') tenancies: Registered Providers may continue to offer assured tenancies to transferring tenants, tenants converting from an introductory tenancy (or new tenants where there is no introductory scheme in place) regardless of whether the property is let at social, intermediate or affordable rent. Their aim is to provide quality and reliable accommodation to households who are unable to meet their housing needs through the market. They are particularly focused on the more vulnerable members of society. These lettings will be subject to Local Authority nominations in accordance with an agreement with the Registered Provider.

Secure tenancies: Registered Providers will not offer secure tenancies to new tenants as they are reserved for Local Authority use. However, some Providers will have tenants with secure tenancies where the tenancies have been assigned to a Registered Provider following a stock transfer.

Assured shorthold tenancies: Registered Providers have always been able to use assured shorthold tenancies in certain circumstances e.g. provision of temporary accommodation or introductory tenancies, as set out above. This Tenancy Strategy does not seek to encroach on this. Within the context of this Strategy it is anticipated that this form of tenure will be used for fixed-term tenancies.

Fixed term tenancies: Registered Providers may use fixed-term tenancies for new tenants, regardless of whether the property is let at social, intermediate or affordable rent. It is recommended that the term of the tenancy will be for a minimum of five years and will be renewable at the discretion of the tenant and the landlord at the end of the fixed term. These lettings will be subject to Local Authority nominations in accordance with agreement with the Registered Provider. New homes built under the Government's Rent to Buy scheme are required to have assured shorthold tenancies for a fixed term of less than two years.

Market rent tenancies: These tenancies will usually have assured shorthold tenancy as their legal form. Their aim is to provide quality and reliable accommodation to households who can meet their housing needs through the market and are attractive to Registered Providers because of the quality and reliability they can offer. Such tenancies will play an important strategic role in meeting a demand and, particularly where introduced into areas undergoing change, in helping foster and sustain mixed communities. It is envisaged that this form of tenure will be an attractive alternative to households aspiring to buy for the first time but who are having difficulty securing a mortgage.

Licence agreement: It is recognised that some Registered Providers provide temporary accommodation, such as hostels and specialist or supported accommodation and in certain instances 'licence agreements' may be used. A licence agreement is a legal contract which is used for temporary and certain types of specialist and/ or supported accommodation or shared housing, where there is no exclusive possession to any part of the dwelling.

In framing Tenancy Policies and determining the circumstances in which fixed-term tenancies should be granted, extended or ended, the Liverpool City Region Local Authorities advocate that Registered Providers make use of the flexibilities as follows:

The circumstances in which different types of tenancies will be granted

Where a property becomes available for letting the Registered Provider will determine the appropriate form of tenancy and will seek to identify a suitable tenant. In determining the form of tenancy the Registered Provider will take into account:

- the current mix of households in the locality and the aspiration to create and sustain balanced and mixed communities;
- known need and demand for housing in the locality;
- their neighbourhood and asset management plans;
- targets for lettings agreed as part of any nominations agreement or agreed local lettings policies;
- its allocation through Choice Based Lettings;
- any other strategic considerations relevant to the Registered Provider.

There will be a **presumption in favour of lifetime (assured) tenancies** so that future social housing tenants maintain the security of tenure currently enjoyed by existing tenants. Social housing is often located in some of the more deprived parts of the Liverpool City Region, and reducing security of tenure in these areas is likely to impact on the longer-term aspiration of creating sustainable communities. However, the Liverpool City Region Local Authorities recognise that there will be circumstances when the new tenure flexibility will provide an opportunity for Registered Providers to make best use of their housing stock. The Liverpool City Region Local Authorities consider that fixed-term tenancies are **not suitable** in any of the following circumstances:

- where the household is transferring from an existing Registered Provider assured or Local Authority secure tenancy which was granted prior to 1st April 2012. This is to ensure that there are no disincentives for existing tenants to move to a more suitable or desirable property and there are no barriers to normal 'churn' within the sector;
- tenants with a lifelong need for support that would disadvantage them in securing alternative accommodation should be offered lifetime tenancies. This applies to tenants in both general needs and specialist and/ or supported accommodation;
- where the tenant is someone over the prevailing state retirement age or where the tenant is residing in older persons accommodation, such as sheltered or 'extra care' housing;
- where the property is located in an area of very low demand and/ or high multiple deprivation and where the Local Authority has serious concerns about the long term sustainability of the area, unless the Registered Provider can demonstrate that the use of fixed-term tenancies would assist with creating and maintaining the balance in such areas. In these circumstances the Local Authority will initiate discussions with the relevant Registered Provider(s) to request that they temporarily suspend the use of fixed-term tenancies in that area or specify how fixed-term tenancies would assist with creating and maintaining balance;
- where a tenant with a secure or assured tenancy is required by a Registered Provider to move due to redevelopment e.g. they are being required to move; not seeking to do so.

There is a balance to be struck between generating greater availability of social housing for those in need, and maintaining stable communities. It would not be desirable to allow a high proportion of fixed-term tenancies in any area if this risks creating an excessive turnover of properties and hence, community instability.

The length of term if fixed-term tenancies are used

The expectation is that fixed-term tenancies will be granted for a **minimum of five years**, with discretion to Registered Providers to let for shorter or longer periods where this is appropriate to the circumstances of the household or property.

The reasons for this approach are:

- it is reasonable in terms of managing the resources involved in reviewing tenancies;
- in order to give the tenant a reasonable time of stability to build their life chances for themselves and their possible dependents;

- to allow a reasonable period for tenants to engage in the local area, which is needed for cohesion in communities; and
- to allow the Registered Provider to take into account circumstances of the household or property which might merit a letting of shorter or longer than five years.

In certain circumstances the granting of a tenancy that exceeds a five year period may be appropriate for some tenants in order to provide an additional degree of stability and security and to aid neighbourhood cohesion. The circumstances of households who have dependent school-aged children attending a local school, those living in adapted properties, and those with a support need that is long-term but not necessarily lifelong, should be considered when deciding on the length of the fixed-term offered by a Registered Provider.

It is envisaged that two year tenancies should only be issued in exceptional circumstances, for example:

- where a property is part of a leasing arrangement and is not in the ownership of the Registered Provider and would need to revert into private ownership;
- supported housing schemes where it is anticipated that the tenant will move on to more settled accommodation within a period of less than five years;
- lettings carried out for management reasons such as those for tenants moving into properties to allow emergency works to be carried out in their existing home;
- regeneration areas where property demolition or disposal is expected to take place within five years;
- where properties have been built using Government funding for Rent to Buy.

The circumstances in which Registered Providers will grant a further tenancy

It is expected that tenants' needs will be sensitively dealt with, and that the criteria for renewals may include the following considerations.

Fixed-term tenancies expiring will usually be renewed where:

- the household includes dependents of pre-school age or in full-time education, unless any points in the paragraph below apply. We may also need to recognise that children stay with their parents well beyond school age for valid reasons, and these will be considered on an individual basis;
- the tenancy was originally offered in response to a particular set of circumstance or vulnerabilities (e.g. the household was fleeing harassment or domestic violence, is under a witness protection programme, was a person leaving Local Authority care or has mental health problems) and the household is still classed as being vulnerable;
- the property has been adapted to meet the needs of a disabled person and that person still resides in the property and needs the adaptations;
- the household receives some form of housing support or is recognised as being vulnerable;
- the household still requires the size of property;
- the household is playing an active role in the community;
- the household has children attending a local school;
- the tenant would be approaching the prevailing state retirement age within the next three years and the property is suitable for a lifetime tenancy;
- households where a household member is seriously or terminally ill;
- in cases where the property is under-occupied but this is not as a result of a change in household circumstances (e.g. due to low demand for the property it was under-occupied on allocation) it is recommended that the tenancy should be renewed if the tenant can still afford to pay the rent (due to the under-occupation charge);
- the tenant can demonstrate that they carry out caring responsibilities for a neighbour or relative who lives nearby and there is no suitable alternative accommodation in the same area.

Fixed-term tenancies expiring will not usually be renewed where:

- there has been a material change in household size and they are now under-occupying the property by more than one bedroom (an alternative tenancy may be offered) subject to alternative accommodation being available. In determining whether or not a property is classed as under occupied Registered Providers should have regard to the 'bedroom standard'. Registered

Providers may also wish to consider whether an additional bedroom is needed to allow a carer or relative to occasionally stay in the property overnight to undertake caring responsibilities for the tenant;

- the household's circumstances enable them to access market housing AND there is not a reason to seek to retain the household in the locality for the purposes of community balance. The Liverpool City Region Local Authorities do not want the use of fixed-term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression and, therefore, would expect that this criterion would only apply infrequently;
- a member of the household, or their invited guests, is engaged in anti-social activities within the locality of the home and/ or that has a detrimental effect upon the community in which the household is placed. Anti-social behaviour is conduct which is causing or likely to cause nuisance or annoyance, harassment, alarm or distress, to any other person, and can include criminal acts;
- the property was adapted during the tenancy period for someone with a disability only for that person to be no longer resident there or to no longer require the adaptations and there are other households needing this type of adapted accommodation. In these cases the Liverpool City Region Local Authorities expect that the Registered Provider will arrange for alternative suitable accommodation to be secured either through a transfer or mutual exchange within its own stock or that of another Registered Provider;
- where a person has been granted a property in order to receive support but then refuses to accept that support;
- where there is evidence that a breach of tenancy agreement has occurred, for example, property neglect or arrears;
- where it is identified the property is inappropriate for an individual's needs, i.e. they are not coping in the property or they need more support than is currently being provided.

The Liverpool City Region Local Authorities are committed to ensuring that the decision to terminate a fixed-term tenancy does not lead to increases in levels of homelessness in the area. Therefore, in situations where a decision has been taken by a Registered Provider not to renew a tenancy at the end of a fixed-term, the Registered Provider should seek to engage with the tenant at the earliest possible convenience to make them aware of the Provider's intentions. Government guidance recommends a review period of six months. However, Registered Providers may want to consider making an initial contact with the household before this to ensure that there is sufficient time for the Registered Provider to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

Registered Providers should provide households affected by the termination of a tenancy with any relevant advice and support that will assist them in successfully relocating to alternative accommodation. This could include:

- advice on low-cost home ownership options and other alternative affordable housing tenures;
- specialist housing and/ or welfare-related advice and/ or signposting to appropriate services;
- advice on renting in the private rented sector and assistance in identifying and securing a suitable property (this may involve assistance with a deposit where necessary).

Each Local Authority across the Liverpool City Region has commissioned a Housing Options Service which will be able to assist tenants with a wide range of advice to help them resolve the issues arising out of the termination of their tenancies.

The Liverpool City Region Local Authorities do not expect Registered Providers to use fixed-term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions, but accept there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Registered Providers to judge these cases on their own merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

The Liverpool City Region Local Authorities expect Registered Providers to have robust and fair appeal processes in place to resolve any disputes that may arise.

When securing alternative accommodation for the household, Registered Providers should take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

Monitoring and review

The Strategy will be a 'live' document that will develop over time, informed by partnership working with Registered Providers and others. The housing market, housing need and demand for properties are likely to change further as a result of welfare reforms and future changes to social and affordable housing.

The Strategy will be monitored annually by the Liverpool City Region Local Authorities to reflect changes in local housing priority, legislation and strategic goals. Monitoring will need to consider:

- the effectiveness and extent to which fixed-term tenancies are issued and any appeals;
- equality impact monitoring information;
- changing housing market conditions and their likely impact on the demand for service provision;
- changes to housing allocation policies;
- the composition of the housing register;
- allocation and nomination trends;
- Registered Providers' Tenancy Policies; and
- the impact of welfare reforms.

The monitoring of these areas will inform future changes to the Strategy and enable service responses to remain appropriate and relevant to changing circumstances. A review will be presented annually to the Liverpool City Region Housing and Spatial Planning Co-ordination Group outlining relevant trends relating to the allocation of housing and, where appropriate, recommending amendments to the Tenancy Strategy.

The Strategy will be valid until December 2019.

Equality

A full Equality Impact Assessment (EIA) is being conducted alongside consultation on this strategy.

The Liverpool City Region Local Authorities expect that all Registered Providers will undertake EIAs of their own Tenancy Policies.

Consultation

This strategy has been developed in consultation with the Registered Providers operating within the Liverpool City Region to ensure a well-informed and inclusive approach.

Appendix A: Liverpool City Region key housing trends

Some key trends relating to the housing market and affordability, housing need and homelessness within the Liverpool City Region are provided below as background and context for the Strategy.

Tenure

The Liverpool City Region contains 680,000 dwellings with 78% in private ownership and 22% available for social rent. The share of total housing stock owned privately remains below the national average of 82% and the share available for social rent is above the national average of 18%. Across the Liverpool City Region the level of private ownership varies from 85% in Sefton and Wirral to 71% and 73% in Knowsley and Liverpool respectively. The proportion of social rent varies from 15% in Sefton and Wirral to 27% in Knowsley and 28% in Liverpool. Private renting levels are lower in Halton, Knowsley and St Helens at 10%, rising to 23% in Liverpool.

Table 1: Tenure (total households)

Local Authority	Owned outright	Owned with mortgage	Shared ownership	Social rented	Private rented	Other	TOTAL
Halton	14,436	19,360	322	13,441	5,212	541	53,312
Knowsley	16,032	21,864	314	16,333	5,980	800	61,323
Liverpool	43,803	53,144	1,096	57,485	48,290	2,697	206,515
St Helens	25,215	25,737	427	15,597	7,736	1,024	75,736
Sefton	42,334	40,803	664	17,063	15,804	1,262	117,930
Wirral	46,806	48,037	713	21,329	22,275	1,423	140,583
TOTAL	188,626	208,945	3,536	141,248	105,297	7,747	655,399
North West	934,101	1,007,463	15,787	550,481	462,899	38,818	3,009,549
England	6,745,584	7,229,440	173,760	3,903,550	3,715,924	295,110	22,063,368

Source: DCLG ONS 2011 Census

Table 2: Tenure (%)

Local Authority	Owned outright	Owned with mortgage	Shared ownership	Social rented	Private rented	Other	TOTAL
Halton	27.08%	36.31%	0.60%	25.21%	9.78%	1.01%	100%
Knowsley	26.14%	35.65%	0.51%	26.63%	9.75%	1.30%	100%
Liverpool	21.21%	25.73%	0.53%	27.84%	23.38%	1.31%	100%
St Helens	33.29%	33.98%	0.56%	20.59%	10.21%	1.35%	100%
Sefton	35.90%	34.60%	0.56%	14.47%	13.40%	1.07%	100%
Wirral	33.29%	34.17%	0.51%	15.17%	15.84%	1.01%	100%
TOTAL	28.78%	31.88%	0.54%	21.55%	16.07%	1.18%	100%
North West	31.04%	33.48%	0.52%	18.29%	15.38%	1.29%	100%
England	30.57%	32.77%	0.79%	17.69%	16.84%	1.34%	100%

Source: DCLG ONS 2011 Census

Income

In 2015 the median gross annual salary living in each Local Authority remained below the national average of £22,716: Knowsley recorded the lowest earnings of £20,560 whilst incomes in Wirral were closest to the national average at £22,317. Over the period 2012 – 2015 residents of Halton, Liverpool and Sefton recorded earnings growth above the national average of 4%, whilst earnings growth in Knowsley and St Helens were lower.

Local Authority	2012	2013	2014	2015	% increase 2012 - 2015
Halton	£19,736	£21,176	£21,385	£21,398	8.42%
Knowsley	£20,296	£20,087	£20,063	£20,560	1.30%
Liverpool	£20,000	£20,690	£21,233	£21,184	5.92%
St Helens	£20,775	£19,956	£19,477	£21,089	1.51%
Sefton	£19,957	£20,423	£21,601	£21,205	6.25%
Wirral	£21,317	£21,433	£21,650	£22,317	4.69%
North West	£20,066	£20,578	£20,718	£21,105	5.18%
England	£21,813	£22,168	£22,350	£22,716	4.13%

Source: Annual Survey of Hours and Earnings from DCLG ONS Housing Statistics Portal

House prices

Sefton and Wirral recorded the highest median house prices in 2014 at £146,125 and £140,000 respectively, with the lowest house prices in Knowsley (£112,000) and Liverpool (£117,500).

The ratio of average house prices to the average level of residents' earnings provides an indication of the relative affordability of owner occupied housing. Over the period 2012 – 2014 affordability has worsened for most Local Authorities within the Liverpool City Region. St Helens, Wirral and Sefton are the least affordable places for owner occupiers with affordability ratios of 6.2, 6.5 and 6.8 times income levels respectively and ratios in Liverpool, Knowsley and Halton are 5.5, 5.6 and 5.8 respectively. A ratio of between three and four would provide a more sustainable level.

There are established issues regarding the ability of local people to afford housing within the Liverpool City Region as demonstrated by the affordability ratios set out above. These affordability problems are based on the difficulties faced by local households in seeking to purchase a property which suits their needs, due to their level of income and ability to access housing finance. Deposits required to purchase properties can often be substantial. For example, if purchasing an average priced property in Knowsley presently for a 10% deposit the purchaser would require a deposit of just over £11,000. In reality, purchasers would require larger deposits to obtain a lower interest rate on their borrowing requirements, often with the loan to value ratio being at 80% of the property value. These affordability problems will place additional pressure on social housing and the private rented sector to meet housing needs.

Local Authority	2012	Ratio to median salary	2013	Ratio to median salary	2014	Ratio to median salary	2015	Ratio to median salary	% increase 2012-2014
Halton	£113,000	5.7	£123,748	5.8	£124,973	5.8	New release of data due October 2016		10.60%
Knowsley	£106,500	5.2	£110,000	5.5	£112,000	5.6			5.16%
Liverpool	£110,250	5.5	£111,000	5.4	£117,500	5.5			6.58%
St Helens	£110,000	5.3	£113,500	5.7	£120,000	6.2			9.09%
Sefton	£138,250	6.9	£140,000	6.9	£146,125	6.8			5.70%
Wirral	£135,000	6.3	£135,000	6.3	£140,000	6.5			3.70%

Source: ONS House Price Statistics for Small Areas and Annual Survey of Hours and Earnings from DCLG ONS Housing Statistics Portal

Rental levels

Monthly private rent levels range from £450 in Liverpool to £541 in Sefton. Over the period 2013 – 2015 private rent levels increased by 30% in Liverpool, from £347 per month; in all other Local Authorities private rent levels have either stayed the same or have fallen. The ratio of median monthly private rent to median gross monthly salary provides an indication of the relative affordability of private renting. Despite the significant rental increase in Liverpool it still remains the most affordable Local Authority for private renting with average rents accounting for 25% of average salaries. Knowsley and Sefton are the least affordable Local Authorities for private renting with average rents accounting for 31% of average salaries in 2015.

Average social rents in 2014 ranged from £80.12 per week in Halton to £85.26 per week in St Helens. The ratio of average social rent levels to tenth percentile gross weekly salary provides an indication of the

relative affordability of social renting for the lowest earning workers – those who are among the most likely to live in social rented accommodation. Over the period 2012 – 2014 the affordability of social renting has worsened in all Local Authorities, apart from Liverpool and Wirral. In St Helens, social rents accounted for 54% of tenth percentile salary in 2012 and by 2014 this had risen to 71% - a 17% increase. Knowsley has the least affordable ratio of social rent to tenth percentile salary having increased from 61% in 2012 to 76% in 2014. It is important to note that whilst this data provides a general indication of the relative affordability of social housing it does not take into account other benefits received.

The average Registered Provider rent presently equates to 71% of the median private sector market rent for the Liverpool City Region as a whole however, this varies across the Liverpool City Region from 65% in Sefton to 77% and 78% in Liverpool and St Helens respectively. This shows that average social and private sector rental levels are much closer in Liverpool and St Helens than in other parts of the Liverpool City Region.

Table 5: Median monthly private rents

Local Authority	2013	% of median salary	2014	% of median salary	2015	% of median salary	% increase 2013 – 2015
Halton	£500	28.32%	£500	28.06%	£500	28.06%	0%
Knowsley	£550	32.86%	£525	31.40%	£525	31.40%	-4.76%
Liverpool	£347	20.13%	£347	19.62%	£450	25.43%	29.68%
St Helens	£475	28.56%	£450	27.73%	£475	27.73%	0%
Sefton	£550	32.31%	£550	30.56%	£541	30.55%	-1.66%
Wirral	£525	29.40%	£525	29.10%	£525	29.10%	0%

Source: Valuation Office Agency and Annual Survey of Hours and Earnings from DCLG ONS Housing Statistics Portal

Table 6: Average weekly social housing rent for registered providers

Local Authority	2012		2013		2014		2015		% increase 2012 - 2015
	Rent	% of 10 th percentile salary	Rent	% of 10 th percentile salary	Rent	% of 10 th percentile salary	Rent	% of 10 th percentile salary	
Halton	£73.32	54.9%	£77.19	53.8%	£80.12	60.5%	New release of data due October 2016		9.27%
Knowsley	£74.74	61.2%	£81.39	73.3%	£83.86	76.2%			11.53%
Liverpool	£74.02	65.6%	£77.89	65.1%	£80.15	60.3%			8.28%
St Helens	£77.29	54.2%	£82.38	72.1%	£85.26	71.1%			10.21%
Sefton	£74.07	56.8%	£78.65	68.6%	£81.74	63.1%			10.36%
Wirral	£75.02	64.4%	£80.00	64.4%	£82.91	64.3%			10.52%

Source: DCLG and Annual Survey of Hours and Earnings from DCLG ONS Housing Statistics Portal

Affordable housing need and demand

Across the Liverpool City Region there were a total of 17,891 lettings during 2014 – 2015, with 63% of lets to tenants new to social housing. Liverpool, St Helens and Wirral had the greatest number of tenants new to social housing. Between January to March 2016 over 9,000 applicants were actively bidding for properties, with applicant demand per letting highest in Wirral. The shortfall in social housing can be defined as the number of households on a local authority's waiting list minus vacant social housing, expressed as a percentage of the overall social housing stock. According to the ONS data Wirral and Sefton have the greatest shortfalls with 64.8% and 42.2% respectively.

Table 7: Affordable housing need and demand					
Local Authority	Total number of lettings 2014 - 2015	Number of lets to tenants new to social housing 2014 - 2015	Number of applicants actively bidding for properties January – March 2016	Applicant demand per letting 2015 - 2016	Social housing shortfall 2014 ⁴
Halton	1,617	852 (52.69%)	1,227	12	21.1%
Knowsley	1,690	984 (58.22%)	1,390	17	16.1%
Liverpool	6,497	4,315 (66.42%)	3,587	22	18.3%
St Helens	2,164	1,393 (64.37%)	n/a	n/a	16.5%
Sefton	2,412	1,418 (58.79%)	377	18	42.2%
Wirral	3,511	2,238 (63.74%)	2,746	53	64.8%

Source: Waiting list, property bids and demand per letting: Property Pool Plus

Total number of lettings: The Continuous Recording of Lettings and Sale in Social Housing in England (CORE)

Social Housing Shortfall: Office of National Statistics Housing Portal (2014)

The tables below show affordable housing demand and supply by property type for each Local Authority area during 2015 – 2016. Across the Liverpool City Region they show that most lettings were for three bedroom houses and one bedroom flats whilst demand per letting tended to be higher for two bedroom houses and bungalows across most Local Authorities indicating a potential mis-match between demand and supply.

Table 8a: Halton affordable housing demand and supply 2015 - 16		
Bedrooms/ property type	Supply	Demand
	Number of lettings	Applicant demand per letting
Bedsit	1	5
1 bed flat	288	7
2+ bed flat	20	7
1 bed house	0	0
2 bed house	191	23
3 bed house	268	14
4+ bed house	31	9
Bungalow	432	11

Source: Property Pool Plus

Table 8b: Knowsley affordable housing demand and supply 2015 - 16		
Bedrooms/ property type	Supply	Demand
	Number of lettings	Applicant demand per letting
Bedsit	0	0
1 bed flat	264	10
2+ bed flat	95	4
1 bed house	0	0
2 bed house	183	39
3 bed house	280	15
4+ bed house	47	9
Bungalow	89	17

Source: Property Pool Plus

Table 8c: Liverpool affordable housing demand and supply 2015-16		
Bedrooms/ property type	Supply	Demand

⁴ The Office of National Statistics defines social housing shortfall as the number of households on a Local Authority waiting list minus vacant units expressed as a % of overall social housing stock.

	Number of lettings	Applicant demand per letting
Bedsit	24	10
1 bed flat	753	13
2+ bed flat	294	11
1 bed house	6	15
2 bed house	573	28
3 bed house	671	30
4+ bed house	58	20
Bungalow	91	34

Source: Property Pool Plus

Table 8d: St Helens affordable housing demand and supply 2015-16		
Bedrooms/ property type	Supply	Demand
	Number of lettings	Applicant demand per letting
Bedsit	n/a	n/a
1 bed flat	n/a	n/a
2+ bed flat	n/a	n/a
1 bed house	n/a	n/a
2 bed house	n/a	n/a
3 bed house	n/a	n/a
4+ bed house	n/a	n/a
Bungalow	n/a	n/a

Source: Under One Roof

Table 8e: Sefton affordable housing demand and supply 2015-16		
Bedrooms/ property type	Supply	Demand
	Number of lettings	Applicant demand per letting
Bedsit	14	3
1 bed flat	350	11
2+ bed flat	280	11
1 bed house	0	0
2 bed house	121	22
3 bed house	297	26
4+ bed house	39	18
Bungalow	80	50

Source: Property Pool Plus

Table 8f: Wirral affordable housing demand and supply 2015-16		
Bedrooms/ property type	Supply	Demand
	Number of lettings	Applicant demand per letting
Bedsit	4	35
1 bed flat	219	45
2+ bed flat	206	31
1 bed house	2	74
2 bed house	139	66
3 bed house	279	61
4+ bed house	21	37
Bungalow	29	60

Source: Property Pool Plus

A total of 1,871 households were over-crowded by one bedroom across the Liverpool City Region during 2015-16 and 273 were over-crowded by two bedrooms or more. In contrast, 3,677 households were under-occupying their property, which has fallen from 4,047 in 2013-14 and 4,160 in 2014-15.

Table 9: Overcrowded and under-occupied housing applicants as at 31 st March 2016			
Local	Overcrowded by 1 bedroom	Overcrowded by 2 or more	Under occupying

Authority				bedrooms					
	2013 -14	2014 - 15	2015 - 16	2013 - 14	2014 - 15	2015 - 16	2013 - 14	2014 - 15	2015 - 16
Halton	174	103	111	28	22	27	412	214	218
Knowsley	121	128	120	18	13	20	403	520	438
Liverpool	1,007	1,079	1,111	140	142	168	1,725	1,758	1,714
St Helens	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sefton	323	264	194	46	35	31	609	604	444
Wirral	406	508	446	51	56	54	1,310	1,278	1,081

Source: Property Pool Plus

Homelessness

Total homeless applications have fallen from 967 in 2013-14 to 858 in 2015-16, although the data is incomplete across the Liverpool City Region. The total number of applicants accepted as homeless has, however, increased from 563 in 2013-14 to 618 in 2015-16.

Table 10: Homeless acceptances and preventions

Local Authority	2013 - 14			2014 - 15			2015 - 16		
	Homeless applicants	Accepted applicants	Homeless preventions	Homeless applicants	Accepted applicants	Homeless preventions	Homeless applicants	Total accepted applicants	Total homeless preventions
Halton	197	46	744	249	42	798	177	34	987
Knowsley	213	63	622	173	62	612	154	70	TBC
Liverpool	TBC	150	1,307	TBC	185	1,852	TBC	243	1,825
St Helens	136	92	489	132	102	388	140	92	350
Sefton	130	47	319	146	68	365	190	79	289
Wirral	291	165	666	233	137	692	197	100	707

Source: P1E Return

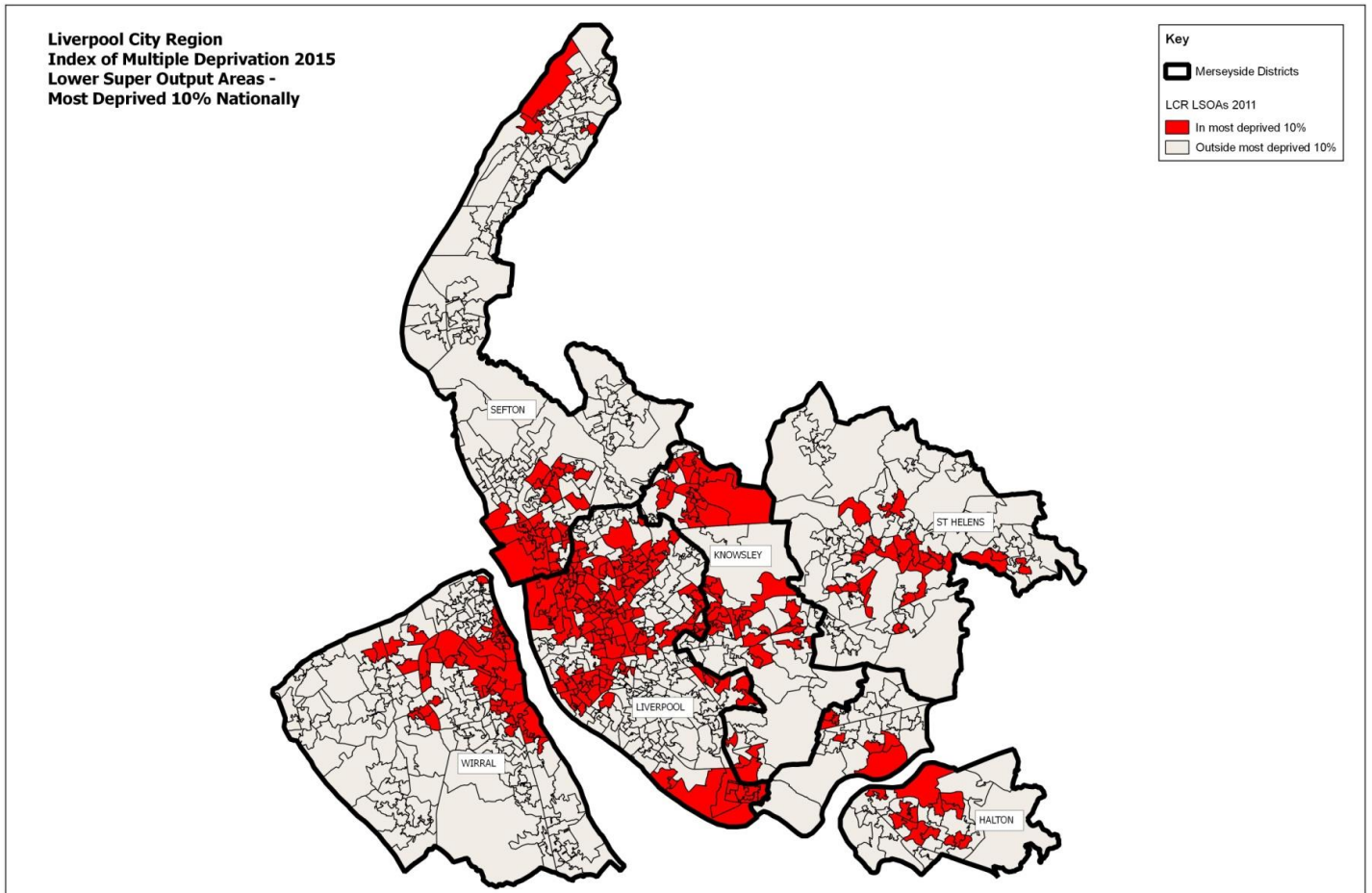
Economic activity

In 2015 there were 647,400 people employed in the Liverpool City Region, representing 67% of the working age population, compared to the national average of 78%. Across Liverpool City Region there is a divergence in activity rates from a high of 74% in Halton to 59% in Liverpool. The Liverpool City Region as a whole continues to have a deficit in the number of people employed in higher-level occupations, such as managers and senior officials, professionals and associate professionals and technical occupations, although it does have concentrations of employment in administrative and secretarial roles, sales and customer services, caring, leisure and other service occupations and plant, process and machine operative roles.

Deprivation and worklessness

Liverpool City Region is the most highly deprived Local Enterprise Partnership (LEP) area nationally. 31% of its Lower Super Output Areas (LSOAs) are within the most deprived 10% in England, whilst only 3% are within the least deprived 10%. Knowsley and Liverpool are the Local Authorities with the second and fourth largest proportions of highly deprived neighbourhoods in England with 46% and 45% respectively. Higher than national average levels of deprivation across most domains translate to above average levels of people in receipt of Job Seekers Allowance (JSA) and other benefits.

Figure 1: Most deprived areas of Liverpool City Region



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Appendix B: Glossary of terms

Affordable Rent	A rent set at 80% of the equivalent market rent for properties.
Homelessness Strategy	A strategy that sets out homelessness issues within a Local Authority area and a plan of action to respond.
Homes and Communities Agency (HCA)	Regulates social housing providers in England.
Housing Options Service	Provide help and advice on all aspects of housing need.
Intermediate Rent	Homes for sale and rent provided at a cost above social rent but below market levels. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.
Liverpool City Region	The Liverpool City Region is an economic and political area which incorporates the Local Authority districts of Halton, Knowsley, Sefton, St Helens, and Wirral.
Local Enterprise Partnership (LEP)	Partnerships between Local Authorities and businesses, created in 2011 to help shape local economic priorities and undertake activities to drive local economic growth and the creation of jobs.
Local Housing Allowance (LHA)	Used to work out Housing Benefit for tenants who rent privately. The amount of LHA tenants may be eligible for depends on the place of residence, with local limits based on the cheapest 30% of properties in an area.
Localism Act	Legislation enacted in November 2011 relating to a wide range of functions at a local level including housing, planning and local government administration.
Local Lettings Policy	A policy applied to the letting of properties or a group of properties for housing management purposes or to meet other strategic objectives.
Registered Provider	An organisation registered with the Homes and Communities Agency as a provider of social housing.
Strategic Housing Market Assessment (SHMA)	The SHMA reviews the whole of a housing market and forms part of the evidence base which will help to inform future housing and planning policies and strategies.
Tenancy Agreement	The contract between a tenant and a landlord.
Tenancy Policy	A Registered Provider's policy that sets out the landlord's policy on the use of fixed-term tenancies.
Tenancy Strategy	Local Authority strategy that sets out the matters Registered Providers operating in their area should have regard to when setting their Tenancy Policy.

Appendix C: Registered Providers in the Liverpool City Region

Registered Provider	Local authorities provider operating within
Accent Foundation Limited	St Helens
Adactus Housing Association Limited	St Helens, Sefton
Adullam Homes Housing Association Limited	Halton, Liverpool, St Helens, Sefton
Affinity Sutton Homes Limited	Halton, St Helens
Alpha (RSL) Limited	St Helens, Wirral
Alt Housing Co-operative Limited	Liverpool
Anchor Trust	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Arena Housing Group Limited	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Beech Housing Association Limited	St Helens, Sefton
Bespoke Supportive Tenancies Limited	Knowsley, Liverpool, Wirral
Birkenhead Forum Housing Association Limited	Sefton, Wirral
Brownlow Hill Housing Co-operative	Liverpool
Canning Housing Co-operative Limited	Liverpool
Cathedral Mansions Housing Co-operative Limited	Liverpool
Chapter 1 Charity Limited	Liverpool
Cherryfield Co-operative Limited	Knowsley
Chorley Community Housing Limited	Sefton
City of Liverpool YMCA (Incorporated)	Liverpool
Cobalt Housing Limited	Knowsley, Liverpool
Contour Homes Limited	Knowsley, Liverpool, Wirral
Co-op Schemes for the Elderly Limited	Liverpool
Corn and Yates Streets Housing Co-operative Limited	Liverpool
Creative Support Limited	Halton, Liverpool
Crosby Housing Association Limited	Sefton
Developing Initiatives for Support in the Community	Sefton
Dingle Residents Co-operative Limited	Liverpool
Eldonian Community Based Housing Association	Liverpool
Equity Housing Group Limited	Sefton
Family Housing Association (Birkenhead & Wirral)	Wirral
Forum Housing Association	Wirral
Golden Lane Housing Limited	Halton, Knowsley, Liverpool, St Helens, Wirral
Grafton Crescent Housing Co-operative Limited	Liverpool
Great Places Housing Association	Liverpool, St Helens
Habinteg Housing Association Limited	Sefton
Halo Housing Association Limited	Liverpool
Hamlet Village Housing Co-operative Limited	Liverpool
Hanover Housing Association	Halton, Sefton, Wirral
Harbour Light Assisted Living CIC	Liverpool, Sefton, Wirral
Helena Partnerships Limited	Knowsley, St Helens
Hesketh Street Housing Co-operative Limited	Liverpool
Hilldale Housing Association Limited	St Helens, Sefton
Holt Road Area Housing Co-operative Limited	Liverpool

Registered Provider	Local authorities provider operating within
Holyland Housing Co-operative Limited	Liverpool
Home Group Limited	Liverpool, St Helens, Sefton, Wirral
Housing & Care 21	Halton, Liverpool, St Helens, Wirral
'Johnnie' Johnson Housing Trust Limited	Liverpool, Sefton
Knowsley Housing Trust	Knowsley
Knowsley Residents Housing Co-operative Ltd	Knowsley
Langrove Community Housing Co-operative	Liverpool
Lark Lane Housing Co-operative Limited	Liverpool
Leasowe Community Homes	Wirral
Leta-Claudia Streets Housing Co-operative	Liverpool
Liverpool Gingerbread Housing Co-operative	Liverpool, Sefton
Liverpool Housing Trust	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Liverpool Jewish Housing Association Limited	Liverpool
Liverpool Mutual Homes Limited	Liverpool
Lodge Lane East Housing Co-operative Limited	Liverpool
Magenta Living	Wirral
Mill Street Co-op Limited	Liverpool
Moat Homes Limited	Wirral
Muir Group Housing Association Limited	Knowsley, Liverpool
NACRO	Knowsley, Liverpool, Wirral
National Council of YMCAs (Incorporated)	Halton
New Foundations Housing Association Limited	Liverpool
New Progress Housing Association Limited	Liverpool
Newleaf Housing Co-operative Limited	Liverpool
One Vision Housing Limited	Liverpool, Sefton, Wirral
Partners Foundation Limited	Liverpool, St Helens
Pierhead Housing Association Limited	Knowsley, Liverpool, Sefton, Wirral
Pine Court Housing Association Limited	Liverpool, Wirral
Places for People Homes Limited	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Places for People Individual Support Limited	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Plus Dane (Merseyside) Housing Association	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Prince Albert Gardens Housing Co-operative	Liverpool
Progress Care Housing Association Limited	Halton, Knowsley, Liverpool, St Helens, Sefton
Redwing Living Limited	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Regenda Limited	Knowsley, Liverpool, St Helens, Sefton, Wirral
Reside Housing Association Limited	Halton, Knowsley, Liverpool, St Helens, Wirral
Retail Trust	Liverpool
Rusland Road Housing Co-operative Limited	Knowsley
Salvation Army Housing Association	St Helens
Sanctuary (North West) Housing Association	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
Shorefields Co-operative Limited	Liverpool
South Liverpool Homes Limited	Liverpool
Southdene Housing Co-operative Limited	Knowsley
Southern Crescent Co-operative Limited	Liverpool
Springwood Housing Co-operative Limited	Knowsley
St Helens YMCA	St Helens

Registered Provider	Local authorities provider operating within
St Vincent's Housing Association Limited	St Helens
Steve Biko Housing Association Limited	Liverpool
Stonewater (2) Limited	Sefton
Sunny Vale Supported Accommodation Limited	Knowsley
The Abbeyfield (Southport) Society Limited	Sefton
The Abbeyfield Heswall Society Limited	Wirral
The Abbeyfield Hoylake and West Kirby Society Limited	Wirral
The Abbeyfield Oxton & Prenton Society Limited	Wirral
The Abbeyfield Society	Liverpool, St Helens, Sefton
The Abbeyfield Widnes Society Limited	Halton
The Guinness Partnership Limited	Halton, Liverpool
The Huyton Community Co-op for the Elderly Limited	Knowsley
The Princes Park Housing Co-operative Limited	Liverpool
The Riverside Group Limited	Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral
The Villages Housing Association Limited	Knowsley
Thirlmere Housing Co-operative Limited	Liverpool
Trinity Housing Association Limited	Knowsley, Liverpool, Sefton
Villages Community Housing Association Limited	Knowsley
Viridian Housing	Liverpool
Weller Streets Housing Co-operative Limited	Liverpool
Westvale Housing Co-operative Limited	Knowsley
Wirral Methodist Housing Association	Wirral
Wirral Partnership Homes Limited	Wirral
Your Housing Group	Knowsley, Wirral

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted