

Public Document Pack



Executive Board Sub Committee

Thursday, 2 November 2006 at 10.00 a.m.
Marketing Suite, Municipal Building

A handwritten signature in black ink, appearing to read 'David W R', written over a faint rectangular stamp.

Chief Executive

SUB COMMITTEE MEMBERSHIP

Councillor Mike Wharton (Chairman)	Labour
Councillor Phil Harris	Labour
Councillor Steff Nelson	Labour

*Please contact Gill Ferguson on 0151 471 7395 or e-mail gill.ferguson@halton.gov.uk for further information.
The next meeting of the Sub Committee is on Thursday, 16 November 2006*

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

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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

REPORT TO: Executive Board Sub Committee

DATE: 2 November 2006

REPORTING OFFICER: Operational Director, Health & Partnerships

SUBJECT: Voluntary Sector Contracts

WARD(S) Borough-Wide

1.0 PURPOSE OF REPORT

- 1.1 To request the waiving of contract standing orders 4.1 and 4.3 and 3.1 to 3.7 which places a requirement on the Council to tender or obtain quotes for contracts set up with external providers in the voluntary and independent sector.

2.0 RECOMMENDATION THAT:

- (1) **Standing Orders 4.1 and 4.3 be waived in respect of contracts listed in Appendix 1 whose value is less than £50,000 and that contracts and specifications are improved and linked to a standard process;**
- (2) **Standing Orders 3.1 to 3.7 be waived in respect of contracts listed in Appendix 2 whose value is in excess of £50,000 but not exceeding £1,000,000 and that contracts and specifications are improved and linked to a standard process;**
- (3) **re-tendering takes place on each of the contracts listed in Appendix 3; and**
- (4) **a template Service Specification is developed to encourage standardisation of information received from organisations.**

3.0 SUPPORTING INFORMATION

- 3.1 On 13th March 2006, a report was submitted to the Executive Board Sub Committee outlining the issues surrounding a number of voluntary sector contracts. The report included a timetable of actions, which included reviewing, monitoring, tendering and re-tendering for these services. This work has taken place and has outlined 3 clear options, as identified in Appendices 1,2 and 3. All the contracts must show improved value for money within their current agreement, or re-tendering will take place. Thirteen of the fifteen contracts will now be offering more in the way of service provision and monitoring information for the same level of expenditure. The remaining two projects will require re-tendering.
- 3.2 Agreements on standard service specifications for these voluntary sector

contracts needs to be in place so that there is a consistent level of service delivery and contract monitoring for all organisations.

4.0 FINANCIAL IMPLICATIONS

4.0

4.1 Financial implications of contracts listed in Appendix 1 are **£147,715**.

4.2 Financial implications of contracts listed in Appendix 2 are **£447,437**.

4.3 Financial implications of contracts listed in Appendix are **£147,000**.

5.0 POLICY IMPLICATIONS

5.1 None at present.

6.0 RISK ANALYSIS

6.1 Some voluntary sector organisations may claim that any additional monitoring requirements would need additional resources, however this should only be required for smaller organisations where the contract is relatively small. In these cases we should offer support to ensure they can fulfil their monitoring requirements.

6.2 If a standard specification is not put in place there will be a lack of consistency between contracts in expectations, monitoring and performance requirements.

6.3 TUPE implications to be considered on re-tendering services.

6.4 The risk outlined in the March 13th 2006 paper related to an inability to demonstrate competitive tendering in the past and show how this improved process would help us in both tendering and monitoring. Work has taken place on improving the monitoring and data collection for a selection of low-level services. This has helped to give us more detailed information relating to individual services and, longer-term, will help us identify the impact, both financially and through service provision of preventative Voluntary services.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 No specific issues – reference to equality and diversity issues will be detailed in any contracts awarded to voluntary agencies.

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

Document	Place of Inspection	Contact Officer
Social Services Out of Hours Emergency Duty Team	Municipal Building Widnes	Operational Director – Adults of Working Age

Exec Board Sub Committee 12 th October 2006		
Request to Waive Standing Orders for Contracts with the Voluntary Sector and External Providers worth in excess of £10,000 Exec Board Sub Committee 13 th March 2006	Municipal Building Widnes	Strategic Director – Health & Community

Appendix 1

Contracts whose value is less than £50,000, but where contracts and specifications are to be improved and linked to a standard process.

Where applicable, these are subject to Executive Board Sub Committee agreement.

Name of provider & details of service	Lead Officer	Contract start date	Contract end date	Contract Amount (06/07)	Comments	Funding source
Age Concern – Health Development Service	Mark Holt	01/04/07	31/03/08	£41,000	New service specification in place and reduction in funding.	Vulnerable Adults Task Force
Body positive	Lindsay Smith	01/04/07	31/03/08	£3,110	Small contribution to Liverpool PCT who hold the contract	Council Base Budget
Halton Speak Out	Marie Mahmood	01/04/07	31/03/08	£24,000	New service specification being developed for April 2007	Council Base Budget
Mencap	Marie Mahmood	01/04/07	31/03/08	£30,000	New service specification being developed for April 2007	Learning Disability Development Fund
Making Space	Lindsay Smith	01/04/07	31/03/08	£15,000	Re-issue updated contract in April 2007	Council Base Budget
Disability Information Service	Marie Mahmood	01/04/07	31/03/08	£9,605	New service specification being developed for April 2007	Council Base Budget
Vision Support	Marie Mahmood	01/04/07	31/03/08	£25,000	New service specification being developed for April 2007	Council Base Budget

Appendix 2

Contracts whose value is more than £50,000 but less than £1,000,000, where contracts and specifications are to be improved and linked to a standard process.

Where applicable, these are subject to Executive Board Sub Committee agreement.

Name of provider & details of service	Lead Officer	Contract start date	Contract end date	Contract Amount (06/07)	Comments	Funding source
Age Concern – Home Services	Mark Holt	01/04/07	31/03/08	£110,000	Funding transferred to Supporting People	Supporting People
Age Concern-Information Service	Mark Holt	01/04/07	31/03/08	£81,083	New service specification being developed for April 2007	Council Base budget, Service Level Agreement
Crossroads – Support Service for Carers	Margaret Chaplin & Peter Barron	01/04/07	31/03/08	£103,354	New service specification outlining 5% efficiency savings	Funding split: 56% adults, 44% children
Deafness Support Network	Ruth McDonough	01/04/07	31/03/08	£62,000	New service specification being developed for April 2007	Council Base Budget
MIND	Lindsay Smith	01/04/07	31/03/08	£91,000	New service specification being developed for April 2007	Council Base Budget

Appendix 3

Services which require re-tendering

Name of provider & details of service	Lead Officer	Contract start date	Contract end date	Contract Amount (06/07)	Comments	Funding source
Shopping service	Mark Holt		31/03/07	£30,000	Currently delivered by the PCT, healthy eating project	Vulnerable Adults Task Force (service not delivering on expected targets, options available for other service providers)
Cheshire County Council	Lindsay Smith		31/03/07	£117,000	EDT going to re-tender	New service specification being developed for April 2007

Name of Board: Executive Board Sub Committee

Date of Meeting: 2nd November 2006

Report Title: Voluntary Sector Contracts

Author: Operational Director, Health & Partnerships

STANDARD SECTIONS – CHECKLIST		
All reports must be submitted together with the following checklist fully completed		
	Yes	No
<p>Resource Implications</p> <p>The financial, manpower and land (buying or selling) considerations should be clearly detailed including any corporate implications of following the recommended course of action.</p>	✓	
<p>Social Inclusion Implications</p> <p>Any implications relating to social inclusion/anti poverty should be highlighted</p>		✓
<p>Sustainability Checklist</p> <p>Any implications that affect the sustainability themes of economy society and the community and the environment should be included,</p>		✓
<p>Best Value</p> <p>Any Best Value implications should be included.</p>		✓
<p>Legal Implications</p> <p>Any Legal implications should be included.</p>		✓
<p>Crime and Disorder Issues</p> <p>Any crime and disorder implications should be included.</p>		✓
<p><i>Please review these potential effects, within the context set out overleaf, to compose your summary assessment.</i></p>		

Summary assessment of Implications: *This wording will appear in the Board report.*

REPORT TO: Executive Board Sub Committee
DATE: 2nd November 2006
REPORTING OFFICER: Operational Director – Financial Services
SUBJECT: 2006/07 Half-Year Spending
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To report the half-year revenue and capital spending position for 2006/07.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Revenue Spending

3.1 Appendix 1 presents a summary of spending against the revenue budget for each Department, up to 30th September 2006. In overall terms, revenue expenditure at the half-year position is around £1m below the budget profile. However, the profile is only a guide to eventual spending and as historically spending is higher in the second half of the financial year, it is important that budget managers continue to closely monitor and control spending to ensure that overall spending remains in line with budget by year-end.

3.2 Within the overall position there are some significant variances as follows;

Childrens Services:- expenditure on agency placements and boarded out allowances is lower than expected to date, through fewer out-of-Borough placements being required.

Student Services & Lifelong Learning:- there are a number of staffing vacancies in the Pupil Referral Unit and Vulnerable Children Section.

School Support & Advisory:- this is due to a number of staffing vacancies across the Department.

Highways and Transportation:- there are a number of staffing vacancies within the Highway Engineers Section and the Operational Services Division.

Stadium, Catering and Cleaning:- there is a shortfall in income due to the lack of a sponsor for the Stadium, and utility costs have been higher than anticipated.

Exchequer and Customer Services:- there have been a number of staff vacancies, particularly in respect of Halton Direct Link and the Revenues and Benefits Division.

ICT Services:- a major restructuring has been undertaken within the Department over recent months and as a result a number of posts have remained vacant for a period which are currently being filled.

Property Services:- there have been shortfalls in income from stallholder rents at Runcorn market and industrial estates where a number of large units remain vacant.

Adult Services:- there continue to be major difficulties with community care provision within the adults with learning difficulties pooled budget. An action plan has been put in place to bring spending into line with budgets, which is being closely monitored.

Capital Spending

3.3 Appendix 2 presents a summary of spending against the 2006/07 Capital Programme. Capital spending to 30th September 2006 totalled £7.7m, which represents only 24% of the total programme of £31.8m. In particular, within Major Projects the Widnes Waterfront, 3MG, and Castlefields projects are significantly below their capital programme allocations, however, these are complex multi-funded projects which makes them particularly challenging to deliver.

3.4 Although historically capital expenditure is significantly higher in the second half of the financial year, it is important that project managers maintain pressure to keep projects and spending on schedule and in particular to ensure that all external funding is maximised.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 None.

5.0 RISK ANALYSIS

5.1 There are no risks associated with the report.

6.0 EQUALITY AND DIVERSITY ISSUES

6.1 None.

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

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

APPENDIX 1

Revenue Expenditure to 30th September 2006

	Annual Budget	Budget to Date	Actual Spend	Variance to Date	Actual Including Committed
	£'000	£'000	£'000	£'000	£'000
Children's Services	12,663	4,295	4,070	225	4,278
Student Services & Lifelong Learning	3,571	876	593	283	638
School Support & Advisory	7,271	1,192	1,070	122	1,118
Children and Young People Directorate	23,505	6,363	5,733	630	6,034
Environmental Health & Regulatory	9,710	3,993	3,983	10	4,109
Highways & Transportation	15,444	3,104	2,917	187	3,732
Major Projects	367	114	123	(9)	135
Regeneration	1,361	578	526	52	564
Stadium, Catering & Cleaning	1,745	973	1,208	(235)	1,212
Environment Directorate	28,627	8,927	8,757	170	9,752
Legal & Member Services	1,436	1,064	1,060	4	1,122
Policy & Performance	3,525	1,166	1,154	12	1,239
Exchequer & Customer Services	5,265	4,802	4,647	155	4,807
Financial Services	0	706	698	8	699
ICT Services	34	1,293	1,109	184	1,267
Personnel Services	171	739	734	5	734
Property Services	1,824	2,661	2,873	(212)	2,873
Financial Arrangements	-13,666	-457	-547	90	-547
Corporate and Policy Directorate	-1,411	11,974	11,728	246	12,194
Culture & Leisure Services	14,039	3,992	3,949	43	4,977
Adult Services	11,775	3,875	4,262	(387)	4,548
Health & Partnerships	2,361	999	918	81	1,045
Older People	13,225	3,686	3,427	259	3,566
Health and Community Directorate	41,400	12,552	12,556	(4)	14,136
	92,121	39,816	38,774	1,042	42,116

APPENDIX 2

Capital Expenditure to 30th September 2006

	Capital Allocation	Actual Expenditure	Remaining Allocation
	£'000	£'000	£'000
Children & Young People Directorate			
Childrens Services	185	0	185
Education	2,868	1,539	1,329
Environment Directorate			
Highways & Transportation	7,071	1,445	5,626
Environmental & Regulatory	3,261	1,603	1,658
Major Projects	9,500	1,098	8,402
Health & Community Directorate			
Culture & Leisure	2,115	600	1,515
Health and Partnerships	3,782	462	3,320
Adults & Older People	823	168	655
Corporate & Policy Directorate			
Policy & Performance	120	13	107
ICT Services	1,100	147	953
Property Services	300	30	270
Exchequer & Customer Services	672	583	89
	31,797	7,688	24,109

REPORT TO: Executive Board Sub-Committee

DATE: 2nd November 2006

REPORTING OFFICER: Operational Director – Financial Services

SUBJECT: Treasury Management 2006/07
2nd Quarter: July-September

WARDS:

1.0 PURPOSE OF REPORT

1.1 The purpose of the report is to update Members about 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

3.1 Short Term Rates

The base rate increased from 4.50% to 4.75% on 3rd August 2006. Although not a complete surprise, the move was not widely forecast. Most economists now think that there will be one further rise, probably this year, before a period of stability. The Monetary Policy Committee will be watching inflation monitoring data closely over the next few months to see if further action is needed.

	Start	July		August		September	
		Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
Call Money (Market)	4.55	4.52	4.54	4.82	4.85	4.79	4.90
1 Month (Market)	4.63	4.57	4.62	4.83	4.85	4.85	4.90
3 Month (Market)	4.71	4.63	4.72	4.92	4.94	4.98	5.02

3.2 Longer Term Rates

The longer period rates have eased back over the period. They are still well above the trigger rates built into the Treasury Management Strategy.

	Start	July		August		September	
		Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
1 Year (Market)	4.93	4.87	4.93	5.23	5.18	5.24	5.21
10 Year (PWLb)	4.85	4.80	4.75	4.90	4.70	4.75	4.65
25 Year (PWLb)	4.65	4.60	4.55	4.65	4.50	4.50	4.40

The PWLB rates are for “lower quota” entitlements.

3.3 Temporary Borrowing/Investments

Turnover during period

	No. Of Deals Struck	Turnover £m
Short Term Borrowing	7	16.00
Short Term Investments	29	35.30

Position at Month End

	July £m	August £m	September £m
Short Term Borrowing	1.50	1.60	3.00
Short Term Investments	41.55	41.80	41.10

Investment Income Forecast

The Quarter 1 and Quarter 2 performance results are as follows, and show income is currently on target:

	Cumulative Budget £'000	Cumulative Actual £'000	Cumulative Target Rate %	Cumulative Actual Rate %
Quarter 1	443	452	4.51	4.64
Quarter 2	879	959	4.62	4.66
Quarter 3	1,282	-	-	-
Quarter 4	1,600	-	-	-

3.4 Longer Term Borrowing/Investments

The Authority did not borrow any long term money.

3.5 Policy Guidelines

Interest Rate Exposure – complied with.

Approved Investments/Maximum Deposits – complied with.

Borrowing Instruments – complied with.

Prudential Indicators – complied with:

- Operational Boundary for external debt;
- Upper limit on interest rate exposure on fixed rate debt;
- Upper limit on interest rate exposure on variable rate debt;
- Maturity structure of borrowing as a percentage of fixed rate borrowing;
- Total principal sums invested for periods longer than 364 days;
- Maturity Structure of New Fixed rate Borrowing during 2005/06.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 OTHER IMPLICATIONS

5.1 None.

6.0 RISK ANALYSIS

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

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 There are no issues under this heading.

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

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

REPORT TO: Executive Board Sub-Committee

DATE: 2 November 2006

REPORTING OFFICER: Strategic Director Corporate and Policy

SUBJECT: Procurement: Stationery and Paper Contracts

WARDS: all

1.0 PURPOSE OF THE REPORT

To identify which of the three options set out in this report is to be preferred.

2.0 RECOMMENDATION: That the Sub Committee agrees to proceed as outlined in Option 2 below and that procurement standing orders 1.12, 2.1-2.6 and 2.8-2.16 are waived in accordance with SO 1.6 in light of the potential savings that Option 2 offers.

3.0 SUPPORTING INFORMATION

- 3.1 Each year the Council's requirements for stationery and paper amount to an estimated £120,000 and £50,000 respectively. This excludes school requirements which are handled separately. Exact requirements can only be estimated. So far as stationery is concerned the needs range from consumables such as staples, folders, ink cartridges and a massive variety of other office supplies from the most basic to the most sophisticated. The actual take-up depends on a wide spectrum of factors many of which cannot be reliably predicted.
- 3.2 For these reasons the Council has over the years entered into framework (or call-off) contracts with a supplier under which the Council can order a wide range of supplies at prices fixed throughout the contract. Potentially there can be separate suppliers for paper and for stationery.
- 3.3 Typically the contracts have been for a period of between one and two years. The contract is not an exclusive arrangement so the Council can order elsewhere if it chooses and there is no commitment that the Council will place any minimum order or indeed any order at all under the contract. Suppliers tendering for these contracts every 1-2 years tender on the basis of previous years' volumes of purchases. Details of anticipated quantities based on previous years' purchase activity are disclosed to those invited to tender. For the suppliers such contracts involve an additional level of risk associated with pricing, margins and quantities. Goods with low margins may be heavily ordered. Profitable goods with wide margins may be lightly ordered.

- 3.4 For the period 1 Sept 2006 to 31 Aug 2008 tenders have been invited in the normal way for stationery and 5 tenders went through evaluation. After appraisal against the declared criteria (a blend of price and quality) Office Depot was identified as the preferred supplier. It is of key importance to the appraisal to make the best informed judgement about likely take-up for a wide range of requirements over the life of the contract. The contract has not been awarded yet and there is no commitment on the Council to accept any of the tenders. Current stationery requirements are being met under the old contract which the current supplier (also Office Depot) has agreed to carry over. Similarly, we have been out to tender on the paper contract and tenders have been through evaluation but no contract concluded.
- 3.5 When tenders were invited for the stationery contract the list of goods for which we invited prices covered some 250 items. It has now become clear that if we extend the contract to cover a much wider spectrum of stationery items further savings in the sum of £48,000 may be achieved if volumes of purchasing in particular items and supplies over the next two years reach fixed levels. This has come to our attention through contact with OGC, the government's purchasing agency. The Council has not itself tested the market for this wider range of items and supplies through a tendering process. On the other hand it is understood that OGC did price comparisons with two of the Council's three shortlisted suppliers: Office Depot and Banner. Both provided framework prices to OGC and, of the two, Office Depot was the most competitive. The third supplier could not be involved in this process as they are not part of the OGC framework. The OGC prices under their nationwide framework agreement are the outcome of their product range having been advertised in Europe.

3.6 OPTIONS

Option 1: Accept the Office Depot stationery tender for the range of items for which the market has been tested

Option 2: Discard the tenders received and accept the OGC arrangement subject to waiver of standing orders on the grounds of loss of clear commercial or financial detriment.

Option 3: Discard the tenders received, go out to tender again on a much wider basis joining a much wider range of stationery items with all the Council's non-schools paper requirements.

3.7 OPTION APPRAISAL

Option 1 turns its back on potential savings in the sum of £48,000, although this saving will only be realised if purchases match exactly with the items priced/tested, but has the merit of transparency and market testing for stationery. We would then conclude the paper contract

separately and accept the preferred paper suppliers in the normal way. The period of the contracts to August 2008 would give time to devise a specification and contract for a future consolidated stationery and paper contract which could be advertised in accordance with the EU and domestic market testing requirements.

Option 2: Disappoints Tenderers. Requires suspension of the tendering standing orders. Delivers potential savings in the sum of £48,000 subject to volumes of spend for particular items being as anticipated.

Option 3: Loses considerable time and potential savings. Requires further waiver of tendering standing orders to allow officers to extend the existing contract with Office Depot to gain sufficient time to draw up documentation and go through a fresh tendering process. Relies on existing supplier agreeing to extend contract terms. Has advantage of total transparency in testing the market and allowing a more measured approach to the procurement process.

3.8 CONCLUSION

Realistically the Council needs to choose between 1 and 2 which both offer similar levels of savings on the basket of 250 items used traditionally to assess tenders of this nature. Option 2, however, offers further potential savings due to its much broader coverage of items. For this reason it is recommended that Option 2 be preferred over Option 1 in this instance and that the relevant procurement standing orders be suspended to allow this.

4.0 POLICY IMPLICATIONS

4.1 One of the Council's overall strategic aims set out in the Community Plan is: To create the maximum effect on the quality of life in the communities of Halton through the efficient use of the Council's resources.

5.0 OTHER IMPLICATIONS

5.1 These are corporate contracts and are governed by Procurement Standing Order 1.14: Before procuring goods or services, an officer shall ascertain whether any corporate contract has been entered into in relation to those goods or services. Where such a corporate contract exists, the officer may not enter into a separate contract except with the prior written approval of the Head of e-Procurement and Financial Support Services. In other words officers must not use any other supplier unless they have a convincing case sufficient to satisfy the Head of e-Procurement.

5.2 Halton is a Best Value Authority under section 3 Local Government Act 1999 and as such is under a statutory duty as well as the general duty to

the community to make continuous improvements in the economic, effective and efficient use of resources.

- 5.3 Both these factors together with the Gershon targets mean that intelligent use must be made of the Council's purchasing powers to secure the optimum price and quality.

6.0 RISK ANALYSIS

The key risks are that (1) predicted volumes of purchase of specific items will fall below the figure we have estimated for the next two years. Savings or actual additional expenditure is critically dependent on how actuals compare with volumes on which the contract unit prices are estimated. (2) award of the contact without competition puts the Council in breach of legal duties. The opportunities are concerned with volume savings.

7.0 EQUALITY AND DIVERSITY ISSUES

There are none.

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

Nil – all documents are exempt under paras 3 and 5

9.0 JUSTIFICATION FOR TAKING THE ITEM IN PART II

9.1 Which Paragraphs apply?

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

9.2 Public Interest Test

There is a public interest in disclosing as disclosure promotes public accountability on a matter concerned with best value.

The public interest in not disclosing is that to disclose would reveal legal advice which is subject to legal professional privilege and would also be likely to harm the council's and third party's commercial interests in securing the best price for its stationery and related needs.

9.3 Conclusion

That the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

REPORT TO: Executive Board Sub Committee

DATE: 2 November 2006

REPORTING OFFICER: Strategic Director Environment

SUBJECT: WREN – Landfill Tax Funding Third Party Payments

WARDS:

1.0 PURPOSE OF THE REPORT

1.1 To propose a variation of the capital programme to enable draw down of landfill tax credit grant funding of £310,764 this financial year.

2.0 RECOMMENDATION: That the Capital Programme be varied by the inclusion of an allocation for Third Party Funding – Landfill Tax Credit Funding in the sum of £34,200 for 2006-2007

3.0 SUPPORTING INFORMATION

3.1 WREN (Waste Recycling Environmental) is the Environmental Body that distributes landfill tax credit funding on behalf of the Waste Recycling Group. The funding is distributed by WREN on an area basis and Halton is included with Warrington and benefits from the landfill tax credits attributed to waste disposal at Arpley Waste Disposal Site.

3.2 Officers from WREN approached the Council in April and invited bids this year in excess of their usual maximum grant of £40,000 per scheme as they did not wish to carry forward a large unallocated surplus of potential funding in to next financial year.

3.3 Six bids were submitted to support and extend existing environmental improvement projects as any grant funding would need to be spent in 2006/2007 financial year. Five were successful, totalling £310,764

3.4 In order to access the grant for each project an 11% contribution from a third party is required to off-set attributable costs for WREN. Local authorities are allowed to provide the third party funding for their own projects. Therefore £34,184.04 of third party funding is required to secure the grant funding. The capital programme currently does not have an allocation for this purpose. It is proposed that the current capital programme be varied for this purpose.

3.5 The project in receipt of grant funding are listed below;

.1 Climbing boulder at Victoria Park	£20,000
--------------------------------------	---------

.2	Russell Road kickabout and fencing	£62,500
.3	Wigg Island Tower Hide	£80,000
.4	Six Acre Lane Playground, Moore	£75,590
.5	Halebank Recreation Ground and Playground	£72,674

4.0 POLICY IMPLICATIONS

4.1 There are no policy implications.

5.0 OTHER IMPLICATIONS

5.1 There are no other implications

6.0 RISK ANALYSIS

6.1 If the third party funding is not provided then the grant aid offered cannot be secured and the projects will either not happen or be substantially scaled down.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 A requirement of WREN funding is that completed projects are freely accessible to all sectors of the community.

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

Document	Place of Inspection	Contact Officer
Central File LS13	Picow Farm Depot	Ian Lifford