

Public Document Pack



Executive Board Sub Committee

Thursday, 7 June 2007 at 10.00 a.m.
Marketing Suite, Municipal Building

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

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, 21 June 2007

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

Part I

Item No.	Page No.
1. MINUTES	
2. DECLARATION OF INTERESTS	
Members are reminded of their responsibility to declare any personal or personal and prejudicial interest which they have in any item of business on the agenda, no later than when that item is reached and (subject to certain exceptions in the Code of Conduct for Members) to leave the meeting prior to discussion and voting on the item.	
3. CORPORATE SERVICES PORTFOLIO	
(A) TREASURY MANAGEMENT 2006/07 4TH QUARTER: JANUARY TO MARCH	1 - 3
(B) CAPITAL RECEIPTS DETERMINATION	4 - 6
4. PLANNING, TRANSPORTATION, REGENERATION & RENEWAL PORTFOLIO	
(A) PURCHASE OF NEW INTEGRATED PASSENGER BOOKING AND VEHICLE SCHEDULING SOFTWARE	7 - 10

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: 7th June 2007

REPORTING OFFICER: Operational Director – Financial Services

SUBJECT: Treasury Management 2006/07
4th Quarter: January-March

WARDS:

1.0 PURPOSE OF REPORT

1.1 The purpose of the report is to update the Sub-Committee 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 5.00% to 5.25% on 11th January 2007. This increase took the market by surprise, following on so close to the previous rise in November.

The market saw the increase as an attempt to defuse the inflation situation, which was set to exceed the Policy Committee's upper parameter.

The market is still pricing in one further rise of 0.25%, with the timing now indicated for late spring/early summer.

	Start	January		February		March	
		Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
Call Money (Market)	5.30	5.35	5.34	5.34	5.36	5.35	5.33
1 Month (Market)	5.20	5.39	5.40	5.37	5.40	5.39	5.42
3 Month (Market)	5.30	5.52	5.57	5.50	5.50	5.50	5.58

3.2 Longer Term Rates

The longer market generally followed the shorter market, with rates firming across the whole range.

At present, rates are unattractive for new borrowing, but would interest Authorities thinking of rescheduling debt.

	Start	January		February		March	
		Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
1 Year (Market)	5.55	5.80	5.85	5.72	5.72	5.68	5.83
10 Year (PWLB)	4.95	5.10	5.15	5.15	4.95	4.90	5.10
25 Year (PWLB)	4.65	4.70	4.80	4.75	4.60	4.60	4.80

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	13	26.70
Short Term Investments	32	28.85

Position at Month End

	January £m	February £m	March £m
Short Term Borrowing	4.70	9.50	2.00
Short Term Investments	35.15	35.85	27.30

The Authority's cashflow took a turn for the worse at the year end. The receipt for the sale of the last major plot of land at Upton (H3) will be key to delivering the investment income target for 2007/08.

Investment Income Forecast

The full year's performance results are as follows, and show income exceeded 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	1,435	4.72	4.73
Quarter 4	1,600	1,860	4.85	4.80

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: 7th June 2007

REPORTING OFFICER: Strategic Director – Corporate and Policy

SUBJECT: Capital Receipts Determination

WARD(S): Borough-wide

SUPPORTING INFORMATION:

1.0 PURPOSE OF REPORT

1.1 To approve the amount to be set aside from the capital receipts for 2006/07.

2.0 RECOMMENDATIONS: That the figures outlined in the report be set aside from the capital receipts for 2006/07.

3.0 SUPPORTING INFORMATION

3.1 Since the introduction of the Local Government and Housing Act 1989, Local Authorities have not been able to spend 100% of their capital receipts received each year. The legislation requires that some of the receipt is “set aside” to be transferred to central government under pooling arrangements.

3.2 Capital Finance Regulations define certain categories, each with a minimum percentage set aside, although authorities can set aside more if they so wish.

3.3 The calculation for Halton for 2006/07 is shown in Appendix 1.

3.4 The minimum percentages have been set aside, as this leaves the maximum amount available to help finance the authority’s capital programme.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 OTHER IMPLICATIONS

5.1 None.

6.0 RISK ANALYSIS

6.1 This calculation is a statutory requirement and must be determined by the Board.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

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

Document	Place of Inspection	Contact Officer
Working Papers	Accountancy Division, Municipal Building	J.Viggers

CAPITAL RECEIPTS DETERMINATION 2006/07

		Total	Usable		Reserved	
		£	£	%	£	%
General Fund:	Former Right to Buy Mortgages	46,465.44	11,616.36	25	34,849.08	75
	Council House Sales (Discounts Recovered)	72,160.60	18,040.15	25	54,120.45	75
	Land Mortgages	1,531,665.21	1,531,665.21	100	-	0
		85,620.69	85,620.69	100	-	0
		1,735,911.94	1,646,942.41		88,969.53	
	Commuted Sums Set Aside	191,111.20	-	-	191,111.20	100

REPORT TO: Executive Board Sub Committee

DATE: 7th June 2007

REPORTING OFFICER: Operational Director (Highways, Transportation and Logistics)

SUBJECT: Purchase of new Integrated Passenger Booking and Vehicle Scheduling Software.

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

1.0 To inform Executive Board Sub Committee of the decision taken by the Operational Director (Highways and Transportation) to award the tender to provide a new Integrated Passenger Booking and Vehicle Scheduling Software system to Logical Transport Ltd. In doing so the Operational Director (Highways and Transportation) accepted a tender, which was not the lowest price and, in accordance with SO3.2, now advises the Board of the circumstances surrounding this decision.

2.0 RECOMMENDATION: That Executive Board Sub Committee: -

- (1) **Note the decision by the Operational Director (Highways and Transportation) to award the contract for the supply of a new Integrated Passenger Booking and Vehicle Scheduling Software system to Logical Transport Ltd for £107,370 (including a 3 year fully inclusive maintenance agreement.**

3.0 SUPPORTING INFORMATION

- 3.1 The recently completed Best Value Review of Transport and Accessibility, identified the need to improve the availability and quality of accessible 'door to door' passenger transport services within the Borough. The report recommended the following improvements to achieve this aim: -
- Purchase of a new Integrated Passenger Booking and Vehicle Scheduling Software System (following best practice in other parts of the UK and mainland Europe);
 - Better integration of the passenger vehicle fleets operated by Halton Borough Council, Halton Community Transport and other operators;
 - Introduction of a single identifiable branding for 'door to door' services within the Borough; and

- Introduction of a single telephone booking number with calls routed through Halton Borough Council's Halton Direct Link call centre.
- 3.2 Tender documents were issued to the following potential suppliers based on an Open List system: -
- Logical Transport Ltd;
 - Kapital Lambda Squared Ltd
 - Mobisoft (UK) Ltd
 - Shaunsoft Ltd; and
 - Trapeze Software UK Ltd.
- 3.3 Completed tenders were subsequently received from all the above suppliers along with a Pre- Qualification Questionnaire.
- 3.4 Following an appraisal of the Pre- Qualification Questionnaires, it was decided to eliminate the tender submission from Shaunsoft Ltd on the basis the Company did not meet certain basic key quality criteria.
- 3.5 The remaining detailed tenders were then evaluated using a predetermined assessment criteria (which was included with the tender documents – based on price and quality criteria), with each tenderer being assessed out of a maximum possible score of 270 points. The greatest weighting (maximum of 260 points) was placed on how each company demonstrated through the tendering process that their proposed system meets the various technical requirements as set out in the invitation to tender document, namely:-
- How their proposed system meets the Council's stated business requirements;
 - Support and Maintenance Package offered;
 - Ability to offer potential future enhancements as part of the project;
 - Set out a clear and achievable implementation plan;
 - Responsive training package for key Halton Borough Council personnel who will be using the system; and
 - IT hardware and software requirements.
- 3.6 The remaining balance of 10 potential points were then allocated according to quoted price in the tender and the quality of the tenderer performance at a formal presentation of their product.

4.0 RESULTS OF TENDER APPRAISAL

- 4.1 The results of the tendering assessment procedure are detailed in Figure One below:

Figure 1:- Scoring Assessment Integrated Passenger Booking and Vehicle Scheduling Software

Tenderer	Score – Technical Requirements (Maximum 260 points)	Score – Price (Maximum 5 points)	Score – Quality of Presentation (Maximum 5 points)	Total Score (Maximum 270 points)
1	254	3	3	260
2	244	5	2	251
3	218	1	5	224
4	160	4	5	169

4.2 The Company, which is identified as tenderer 1 in Figure 1, is Logical Transport Ltd. Good references have been obtained from other organisations (including local authorities who are currently using the system).

5.0 Funding

5.1 Funding was identified in the Halton Local Transport Plan during 2006/7 of £65,000 towards the purchase and installation costs of the new proposed Integrated Passenger Booking and Vehicle Scheduling Software System. The remainder of the cost (£42,370) is being funded from an allocation contained within the 2007/08 LTP programme.

6.0 POLICY IMPLICATIONS

6.1 The purchase and installation of the new system has commenced and will be fully operational by the end of July 2007. The cost of the system includes a full three-year maintenance and support package

7.0 RISK ANALYSIS

7.1 Comprehensive checks were carried out into the technical capabilities of the proposed new system, along with full Company credit checks of the chosen supplier, which all proved satisfactory.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The proposed new system (along with other complementary improvements being developed as part of the Halton Local Transport Plan and Halton Access Plan) will significantly improve the quality and availability of accessible transport services for all sections of the community within Halton, especially vulnerable adults and young people, disabled people, those residents on low income and people with learning disabilities.

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

Document	Place of Inspection	Contact Officer
Tender Documents and Appraisal Report	Transport Co-ordination (Rutland House, Halton Lea)	David Hall Tel 0151 4717514 david.hall@halton.gov.uk