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HALTON BOROUGH COUNCIL

Executive Board Sub Committee

Thursday, 10 February 2011 10.00 a.m.
Marketing Suite, Municipal Building

David W R

Chief Executive

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

PART 1

Item	Page No
1. MINUTES	
2. DECLARATION OF INTEREST Members are reminded of their responsibility to declare any personal or personal and prejudicial interest which they have in any item of business on the agenda no later than when that item is reached and, with personal and prejudicial interests (subject to certain exceptions in the Code of Conduct for Members), to leave the meeting prior to discussion and voting on the item.	
3. RESOURCES PORTFOLIO	
(A) TREASURY MANAGEMENT 2010/11 3RD QTR: OCTOBER - DECEMBER	**1 - 7**

Please contact Gill Ferguson on 0151 471 7395 or e-mail gill.ferguson@halton.gov.uk for further information.
The next meeting of the Committee is on Thursday, 3 March 2011

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 paragraphs 3 of Part 1 of Schedule 12A to the Act.

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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.

Agenda Item 3a

REPORT TO: Executive Board Sub-Committee

DATE: 10th February 2011

REPORTING OFFICER: Operational Director – Finance

TITLE: Treasury Management 2010/11
3rd Quarter: October - December

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 Economic Background

The following has been provided by Sector, the Council's Treasury Management advisors (reports from 25/01/2011 show the inherent difficulty in projecting economic data)

The third quarter of 2010/11 saw

- Indicative figures initially showed activity had strengthened, suggesting that the recovery still had a reasonable amount of momentum. These activity indicators have since been revised and actual data shows a 0.5% contraction in the third quarter.
- Spending on the high street continued to recover.
- Conditions in the labour market deteriorated further.
- House prices continued to fall with some regional exceptions.
- Public finances deteriorated, questioning whether the government could meet its fiscal forecasts.
- The UK's trade deficit widened further, pouring cold water on hopes of an export-led recovery.
- CPI inflation increased and pipeline price pressures continued to build.
- The Monetary Policy Committee shied away from doing more quantitative easing.
- UK equities surged and gilt yields increased.
- Economic growth picked up strongly in the US and maintained pace in the euro-zone.

Activity indicators suggested that the recovery still has a reasonable amount of momentum. The CIPS/Markit surveys improved in the third quarter and are now consistent again with modest growth, having briefly pointed to a double-dip in prior months. The surveys suggested that the recovery weakened in the construction sector, but strengthened in the larger manufacturing sector. GDP (Gross Domestic Product) expanded by 0.7%q/q in the third quarter of 2010. As reported, actual data has now confirmed that the economy contracted by 0.5% in the third quarter.

There were signs that consumer spending improved during the quarter. Retail sales volumes rose by a solid 0.7% and 0.3% in October and November respectively. Survey evidence has suggested that December's heavy snowfall has not had too much of a negative effect on retail spending over the festive period as a whole, with consumers making up for weaker spending in early December during the post-Christmas "sales" period.

The resilience of consumer spending during the quarter was in sharp contrast to the renewed deterioration of conditions in the labour market. Employment on the Labour Force Survey (LFS) measure fell by 33,000 in the three months to October, which was far less than the large rises seen a few months ago. As a result, ILO unemployment rose by 35,000 over the same period.

House prices have also continued to fall during the quarter. The Nationwide measure fell by 0.7% m/m in October and 0.3%m/m in November, before rising by 0.4%m/m in December. The Halifax house price measure rose by 1.9% m/m in October, this only offset around half of the fall in September. The measure subsequently posted a small 0.1% m/m drop in November but a fall of 1.3% in December.

Public finances appear to have deteriorated during the quarter. Borrowing on the PSNB ex. measure was in line with 2009/10's figure in October but was £6bn higher than a year before in November. The figures therefore cast doubt on whether the Government will be able to meet its borrowing forecast of £149bn this year, some £7bn lower than last year's total. Elsewhere, there are still few signs that the external sector has begun to support the overall recovery. The trade in goods deficit widened again from £8.4bn to £8.5bn in October, while the overall deficit also grew from £3.8bn to £3.9bn. While export goods volumes rose by 2.2% m/m in October, import goods volumes rose by a larger 2.6%.

CPI (consumer price inflation) inflation edged up from 3.1% to 3.2% in October and then to 3.3% in November. Part of the rise may have reflected retailers pushing up their prices ahead of the VAT rise in January 2011. The rise also seems to have reflected the surge in commodity prices during the quarter and earlier in the year. If these commodities hold onto their recent price gains, then their inflationary effects will build over the next few months.

Encouraging activity data and strong inflation data prevented the Monetary Policy Committee (MPC) from following the Fed in sanctioning more quantitative easing (QE) at its November meeting.

The majority of members on the MPC have continued to vote for official interest rates to remain on hold at 0.5%; the minutes to their meetings suggested that most members thought that the risks that CPI inflation would overshoot the 2% target in two years time had grown. Some members also expressed concern about the recent rise in households' inflation expectations.

3.2 Economic Forecast

The following forecast has been provided by Sector:

	Mar11	Jun11	Sep11	Dec11	Mar12	Jun12	Sep12	Dec12	Mar13	Jun13	Sep13	Dec13
Sectors Bank Rate View	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%	2.25%	2.75%	3.00%	3.25%
5yr PWLB	3.30%	3.30%	3.40%	3.50%	3.60%	3.80%	3.90%	4.10%	4.30%	4.60%	4.80%	4.90%
10yr PWLB	4.40%	4.40%	4.40%	4.50%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%	5.40%
25yr PWLB	5.20%	5.20%	5.20%	5.30%	5.30%	5.40%	5.40%	5.40%	5.50%	5.50%	5.60%	5.70%
50yr PWLB	5.20%	5.20%	5.20%	5.30%	5.30%	5.40%	5.40%	5.40%	5.50%	5.50%	5.60%	5.70%

The data suggests that Bank rate will remain largely at 0.50% throughout 2011, rising to 0.75% in December 2011 and continuing to rise to 3.25% by December 2013.

5 year and 25 year PWLB rates will begin to rise in September 2011 increasing steadily to 4.90% and 5.40% respectively by December 2013.

In the UK, sentiment has shifted in terms of concerns around the build up of inflationary pressures and there is an increase in concern as to the credibility of the MPC when inflation has been so much above its 2% target for such a long time. The MPC will be particularly concerned that the public's inflation expectations could become unhinged. There is a risk that the MPC may feel they will need to take action earlier than Q4, i.e. Q3, in order to do a damage limitation exercise to its credibility.

In line with widespread comment that the Bank of England's previous forecasts for growth were on the optimistic side, the November Inflation Report did downgrade the forecast for 2011 to about 2.3%. However, the Bank then slightly upgraded its forecast for growth in 2012 to around 3%, helped by the continuation of strong monetary policy stimulus through an exceptionally low Bank Rate and the current level of QE.

However, inherent in this optimistic forward looking view are major assumptions around a continuation of healthy world growth rates. This dependency is due to a combination of negative factors that are likely to dampen the UK growth rate: -

- the public sector will be a negative contributor to the UK growth rate;
- personal expenditure growth rates are likely to be weak;
- many corporates and people will be focused on cutting back over-borrowing in the years of easy and cheap credit;
- corporate and personal borrowing by borrowers seeking credit will be held back by banks caution in expanding credit when banks are faced with having to refinance huge sums of wholesale funding maturing over the next few years plus repaying all loans made by the Bank of England under the SLS scheme, which closes in early 2012.

There are significant potential downside risks to these forecasts and to the pace of both UK and world recovery, authorities should remain cautious when setting their investment budgets.

Any forecasts beyond a one year time horizon will be increasingly subject to being significantly amended as and when world events and financial markets change.

3.3 Short Term Rates

The bank base rate remained at 0.5% throughout the quarter.

		October		November		December	
	Start	Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
Call Money (Market)	0.55	0.56	0.56	0.56	0.56	0.56	0.57
1 Month (Market)	0.57	0.57	0.57	0.57	0.58	0.58	0.59
3 Month (Market)	0.73	0.74	0.74	0.74	0.74	0.75	0.76

3.3 Longer Term Rates

During October, 10 and 25 year PWLB rates increased on average by 1% following the CSR announcement. This has a significant impact on the cost of new borrowings from the PWLB.

		October		November		December	
	Start	Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
1 Year (Market)	1.47	1.47	1.48	1.49	1.49	1.50	1.51
10 Year (PWLB)	3.22	3.24	4.32	4.44	4.49	4.82	4.65
25 Year (PWLB)	3.96	4.13	5.17	5.27	5.25	5.47	5.23

Market rates are based on LIBOR rates published at the middle and end of each month. PWLB rates are for new loans in the “lower quota” entitlements.

3.5 Temporary Borrowing/Investments

Turnover during period

	No. Of Deals Struck	Turnover £m
Short Term Borrowing	2	3.50
Short Term Investments	36	66.65

Position at Month End

	October £m	November £m	December £m
Short Term Borrowing	0.00	0.00	0.00
Short Term Investments	24.65	21.25	22.55

Investment Income Forecast

The forecast income and outturn for the quarter is as follows:

	Cumulative Budget £'000	Cumulative Actual £'000	Cumulative Target Rate %	Cumulative Actual Rate %
Quarter 1	175	192	0.42	3.01
Quarter 2	251	344	0.42	2.46
Quarter 3	273	426	0.43	2.17
Quarter 4	275			

The Actual rate exceeds the benchmark rate reflecting previous actions taken, to lock in a large proportion of the investment portfolio into longer dated fixed rate investments. When these investments unwind, the Council will not generate the same amount of income it has experienced in previous years.

Delays in the capital programme have resulted in investments being held at current levels as opposed to being run down to finance capital expenditure.

The target rate is based on the 7-day LIBID rate. For comparison purposes the 1 month average rate was 0.43%, 3 month rate was 0.62% and the 6 month rate was 0.91%.

3.6 Policy Guidelines

Interest Rate Exposure – 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

3.7 It is pleasing to report that Mike Lloyd, who manages the treasury function on a day to day basis, has completed the Certificate in International Treasury Management Public Finance (CertITM-PF). This helps to keep the relevant skills and knowledge up to date in a highly technical and important area that has generated considerable budget savings over many years.

4.0 INVESTMENT LIMITS

4.1 As part of the preparation for the Treasury Management Strategy 2011/12, Executive Board will review the approved counterparty list and investment limits held with each counterparty at this afternoons meeting.

The table below shows the current and proposed maximum amounts to be placed in different types of investment instruments:

Organisation	Criteria	Current Limit	Proposed Limit
Deposit with Banks	Minimum F1, A-1 or P-1 short term backed up by an 'A' long term credit rating and support ratings of 1, 2 or 3	£10m	£20m
Deposit Building Societies	Minimum F1, A-1 or P-1 short term back up by an 'A' long term credit rating and support ratings of 1, 2 or 3	£10m	£15m
UK Local Authorities		£10m	£10m
Institutions which are not credit rated	Building Society by asset size	£5m/£2.5m	£5m/2.5m

The Council continues to prioritise Security and Liquidity of investments over Yield. Therefore, as part of the Treasury Management Strategy 2011/12, it is proposed to increase the limits of investments held with counterparties whom it considers to be of high credit quality. It is proposed to remove a number of Building Societies from the counterparty list.

5.0 POLICY IMPLICATIONS

6.0 OTHER IMPLICATIONS

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 **Children and Young People in Halton**

None

7.2 **Employment, Learning and Skills in Halton**

None

7.3 **A Healthy Halton**

None

7.4 **A Safer Halton**

None

7.5 **Halton's Urban Renewal**

None

8.0 RISK ANALYSIS

8.1 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

9.0 EQUALITY AND DIVERSITY ISSUES

9.1 There are no issues under this heading.

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

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

Agenda Item 3b

REPORT TO:	Executive Board Sub Committee
DATE	10th February 2011
REPORTING OFFICER:	Strategic Director: Environment and Economy
SUBJECT:	Acceptance of Tender for Municipal Building
WARDS:	Borough-wide

1. PURPOSE OF REPORT

1.1 The purpose of this report is to inform members that the Operational Director Employment, Economic Regeneration and Business Development has accepted the costs relating to the refurbishment of the Ground Floor of the Municipal Building (phase 1b) and that these have been added to the contract entered into with the successful contractor.

2. **RECOMMENDATION: That Members note that the phase 1b costs in the sum of £788,959.00 submitted by Globe Management Services Ltd following the successful phase 1a tender have been accepted by the Operational Director Employment, Economic Regeneration and Business Development and the work added to the phase 1a contract of £1,825,882.00 previously approved making a combined total contract sum of £2,614,841.00**

3. SUPPORTING INFORMATION

3.1 Executive Board approved the project and an overall budget of £3,000,000 for the refurbishment of the first floor (phase 1a) on 24 September 2009 and by full council in October 2009. In addition the tender was previously approved by Executive Sub Board on 22nd July 2010.

3.2 The tendered costs relating to the refurbishment of the first floor were well within budget as such it was decided to obtain costs relating to the refurbishment of the ground floor to determine if it were possible to proceed with those works (phase 1b) in addition to the first floor refurbishment.

3.3 The revised contract sum of £2,614,841 together with fees and charges bring the overall cost of the refurbishment project of both the ground and first floor to £3,25m. Additional funding of £250k has been secured to enable the ground floor works to proceed, this consists of £130k from the programme maintenance budget for roofing works being approved by the AMWG, £100k from the IT Budget for the server room infrastructure being approved by the Operational Director for IT Services and £20k from the DDA budget for the accessible toilets, induction loops and ramps being approved by the OD Employment, Economic Regeneration and Business Development providing a total budget of £3.25m. Thus we have been able to secure the refurbishment of both the ground and first floor of the Municipal Building for a small agreed increase to the original budget which was for the first floor works only.

3.4 The costs for phase 1b work were based upon the competitive prices from the 1a tender which were originally invited from six contractors in a two stage tendering process, designed to ensure that the contractor offering 'best value' was appointed

3.5 The project programme and details of all health and safety issues have been agreed with Property Services. The project was started in June 2010 with phase 1a to be completed in March 2011, part of phase 1b to be handed over in February 2011 (new café) with final completion of phase 1b in June 2011. The project is currently on programme for delivery to the above dates.

4. POLICY IMPLICATIONS

4.1 The scheme is fully funded as outlined in 3.2

4.3 The works are being carried out in line with the draft climate change policy and outline carbon management plan as a number of sustainability elements are being built into the scheme which will contribute to reducing carbon emissions within the borough.

5. OTHER IMPLICATIONS

None

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Children and Young People in Halton**

n/a

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

n/a

6.3 **A Healthy Halton**
n/a

6.4 **A Safer Halton**
n/a

6.5 **Halton's Urban Renewal**
n/a

6.6 **Corporate Effectiveness and Business Efficiency**

The refurbishment of the Municipal Building is helping us to ensure that we constantly maintain the level of physical assets that reflect organisational needs and that we continue to deploy and use and manage these assets to best effect. This also supports our commitment to providing a good working environment for our employees.

7. RISK ANALYSIS

7.1 Not applicable

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

Document	Place of Inspection	Contact Officer
Tender report	Property services	Martin McCrimmon

Agenda Item 3c

REPORT TO:	Executive Sub Committee
DATE:	10th February 2011
REPORTING OFFICER:	Operational Director – Finance
SUBJECT:	Spending as at 31st December 2010
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

1.1 To report the Council's overall revenue and capital spending position as at 31st December 2010.

2.0 RECOMMENDED: That;

(i) the report be noted

(ii) Directorates continue to closely monitor and control spending and income levels, to ensure that the overall £2m target underspend is achieved by year-end

(iii) the Operational Director – Finance take appropriate action at year-end to ensure the overall Reserves and Balances Strategy is achieved.

3.0 SUPPORTING INFORMATION

Background

3.1 The revenue budget and capital programme have been revised, as approved by Council on 1st September 2010, to reflect the Government's announcement of in-year grant reductions.

3.2 Management Team agreed in September 2010 for Directorates to take steps to limit spending this year by £500,000 each. As a result £2m would become available to provide a Transformation Fund to meet any forthcoming redundancy costs etc.

Revenue Spending

3.3 Appendix 1 presents a summary of spending against the revenue budget for each Department, up to 31st December 2010. Although the budget profile is only a guide to eventual spending, at this stage total revenue expenditure is £2.7m below the profile (excluding LSP related expenditure). This indicates that the target underspend of £2m should be achieved by year-end.

3.4 Spending on Employees is generally below the budget profile across the Council. This is largely due to delays in filling vacancies following the organisational restructuring from 1st April 2010, in anticipation of certain Efficiency Programme workstreams, and in preparation for further structural changes.

3.5 The employers' proposal is to freeze pay for 2010, however, the 2010/11 budget included 1.0% for the 2010 pay award. This will therefore generate a budget saving of approximately £600,000 as a contribution towards the Transformation Fund.

3.6 Expenditure on Children's Residential Placements, and both Within-Borough and Out-of-Borough Foster Care Placements, are below budget profile. This follows a review of placement strategy.

3.7 Community Care expenditure is currently in line with budget profile, however, costs falling upon this budget have been rising steadily. This budget therefore needs to be closely monitored during the final quarter to ensure it remains in line with budget by year-end.

3.8 Although the impact of the economic downturn upon income levels was taken into account when setting the 2010/11 budget, Building Control Fee income is below budget profile due to the ongoing slowdown in the construction industry and private sector competition. Income from Open Spaces External Works is also significantly below the budget profile, along with income from Trade Waste and Bulky Items. These income budgets will need to be closely monitored and steps taken to reduce related expenditure where possible.

3.9 Highways income is above budget profile due to increased income from defects and charges to utilities arising from prolonged occupation of highways.

3.10 Treasury Management income is currently higher than the budget profile, due to delays in the capital programme as well as having locked-in to fixed rate deals during last year. However, income levels are now reducing significantly as these fixed rate deals come to an end.

3.11 Collection rates for both Council Tax and Business Rates are marginally lower than at the same stage last year, however, they continue to be above the average for North West Councils.

Capital

3.12 A summary of capital spending is shown in Appendix 2. Capital spending to 31st December 2010 totalled £24.9m, which is 90% of the planned spending of £27.5m at this stage. However, this only represents 54% of the total revised capital programme of £45.7m (which assumes a 20% slippage between years).

3.13 The main areas of programme slippage to date are in respect of Our Lady Mother of the Saviour Primary School, Municipal Building refurbishment and Mersey Gateway advance land acquisitions.

Balance Sheet

3.14 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.

3.15 The Operational Director – Finance will continue to monitor and review the level of reserves and balances and will take appropriate action at year-end to ensure the overall Strategy is achieved.

3.16 A significant number of equal pay claims have been lodged with the Council as part of the national single status agreement. Offers have been made to all claimants but only a small number of claims have so far been settled. Further costs will fall on the Council, although the timescales are as yet uncertain. A reserve has been established over recent years, although it is not certain whether this will be sufficient to meet the future cost of such claims.

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 2010/11 budget, a register of significant financial risks was prepared. This has been updated to take account of the increased probability of redundancies and early retirements taking place.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

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

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

APPENDIX 1

Revenue Expenditure to 31st December 2010

Directorate / Department	Annual Budget £'000	Budget To Date £'000	Actual Spend £'000	Variance To Date £'000
Children and Families Services	13,860	6,458	6,141	317
Children's Organisation and Provision	7,186	-1,807	-1,983	176
Learning and Achievement Services	11,849	5,843	5,706	137
Children and Young People	**32,895**	**10,494**	**9,864**	**630**
Environment & Regulatory Services	15,397	9,687	9,620	67
Highways, Transportation & Logistics	16,308	6,184	5,808	376
Employment, Economic Regeneration & Business Development	3,229	1,689	1,303	386
Environment and Economy	**34,934**	**17,560**	**16,731**	**829**
Human Resources	44	-230	-322	92
Policy & Performance	1,479	1,173	1,252	(79)
Legal and Democratic Services	3,406	2,431	2,416	15
Finance	5,268	7,450	7,069	381
ICT and Support Services	95	-543	-730	187
Financial Arrangements	-10,806	127	-195	322
Resources	**-514**	**10,408**	**9,490**	**918**
Community	12,355	8,117	7,978	139
Catering and Stadium	2,275	518	533	(15)
Prevention and Commissioning	23,354	13,632	13,610	22
Complex Needs	9,388	4,724	4,665	59
Enablement	5,357	3,651	3,575	76
Adults and Community	**52,729**	**30,642**	**30,361**	**281**
Local Strategic Partnership	**7,256**	**5,442**	**4,025**	**1,417**
	127,300	**74,546**	**70,471**	**4,075**

APPENDIX 2

Capital Expenditure to 31st December 2010

Directorate	Actual Expenditure to Date £'000	2010/11 Cumulative Capital Allocation		Capital Allocation 2011/12 £'000	Capital Allocation 2012/13 £'000
		Quarter 3 £'000	Quarter 4 £000		
Children & Young People	**7,197**	**7,533**	**9,133**	**5,279**	**0**
Environment & Economy					
Environment & Regulatory Services	523	996	1,494	861	665
Highways, Transportation & Logistics	10,134	12,215	27,989	44,413	23,900
Employment, Economic Regeneration & Business Development	4,908	4,753	12,918	12,149	922
Total	**15,565**	**17,964**	**42,401**	**57,423**	**25,487**
Adults & Community					
Community	44	73	84	0	0
Catering & Stadium	22	25	30	30	30
Prevention & Commissioning	1,464	1,286	4,070	439	335
Complex	0	0	55	0	0
Enablement	6	7	35	0	0
Total	**1,536**	**1,391**	**4,274**	**469**	**365**
Resources					
Legal & Democratic Services	0	0	0	120	120
ICT & Support Services	571	647	1,324	1,100	1,100
Total	**571**	**647**	**1,324**	**1,220**	**1,220**
Sub-Total	**24,869**	**27,535**	**57,132**	**64,391**	**27,072**
Slippage (20%)			-11,426	-12,878	-5,414
				11,426	12,878
Total	**24,869**	**27,535**	**45,706**	**62,939**	**34,536**

Agenda Item 3d

REPORT TO: Executive Board Sub-Committee

DATE: 10th February 2011

REPORTING OFFICER: Strategic Director Resources

SUBJECT: Local Land Charges – Fees from 2011

WARDS: All

1.0 PURPOSE OF THE REPORT

1.1 To seek approval of a new scale of charges for local land searches – both LLC1 and CON29 forms - effective from 1 April 2011.

2.0 RECOMMENDATION: That effective from 1 April 2011 the fees for local land searches be set as follows: LLC1: £30.00 (currently £26.00); CON29: £80.00 (currently £118.00); Part II Optional enquiries: £12.00 (no change); Additional Enquiries £26.00 (no change) and equivalent increases. New maximum charge of £3000 (£2500 since 2007) and that the Operational Director (Legal and Democratic Services) is authorised to review and amend these charges from time to time.

3.0 SUPPORTING INFORMATION

3.1 The Council has statutory responsibility for providing the local land charges search system. Typically a search is made by Solicitors acting for the intending purchaser of land in the Borough. The full search is in two parts: The LLC1 form and the CON29 form. The fee for the CON29 has always been set by the Council. The power to set the LLC1 fee has been devolved to Councils in recent years. We know from the legislation that the charges for the LLC1 have to be set so as to cover costs rather than to generate income. This is as reflected in the attached Appendix 1.

3.2 The CON29 asks numerous questions covering a wide range from planning history to Tree Preservation Orders from Smoke Control to Contaminated Land and Highways improvement. Each year the Council receives some 1400 searches – a dramatic reduction assumed to be in light of the general economic situation. Response times are measured and are included amongst the Divisional Plan Performance Indicators. Some 65% of searches are replied to within five working days.

3.3 The Government's indicator 'target' was at one time ten working days and we have consistently achieved 100% compliance with that target. The increase proposed brings the total fee for a full search to £110.00 where it is currently £144.00. The last change was made with effect from 1 April 2007 although no increases had been made before that date for some years. Fees had been held steady since 2000/2001. Opportunity is also taken to seek approval for a new maximum charge. This arises in cases where a single search covers multiple plots and provides a cap on the total charge to be levied. These are comparatively rare but arise perhaps 2 or 3 times each year.

3.4 The service is administered in the Legal Services Division through two 50% job-share employees assisted by a full-time employee in the Practice Management section. Critically the service depends also on the Environment Directorate (Highways, Planning, Grants) from which Legal receives strong support. It should be borne in mind that not all searches are full searches.

4.0 POLICY IMPLICATIONS

4.1 The decrease in charges is recommended in relation to this key public-facing service which plays a crucial role in Halton's social and economic life. Quality and speed of response contribute to confidence in the area for inward investment.

5.0 OTHER IMPLICATIONS

5.1 There are no other implications

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**

The service plays a key role in inward investment decisions.

6.3 **A Healthy Halton**

None

6.4 **A Safer Halton**

None

6.5 **Halton's Urban Renewal**

As for 6.2

7.0 RISK ANALYSIS

7.1 The key risks/opportunities are associated with the impact of reducing charges. The Council needs to move to a situation where its charges are in keeping with its outlay in providing the service. The proposals - which are a reflection of the legal framework within which the Council provides this service – do not require a full risk assessment.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The charges are levied regardless of protected characteristics.

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

9.1 None for the purposes of the Act

Appendix 1

LLC Charging and Costs

Statement - Costs and Income - Working Calculations

Costs of LLC service	£
Annual charges from Headway – Software Licence and Maintenance	£9000
Staffing – Legal Services	£27,106
Staffing – Environment	£12,138
TOTAL without overheads	**£48,244**
Add overheads at 36%	£17,367
TOTAL with overheads	**£65,611**

Income of Local Search service (at current rates)	
1598 Personal Searches	£35,156
551 CON29+LLC1	£65,018
54 LLC1	£1404
Total	**£101,578**

Agenda Item 4a

REPORT TO:	Executive Board Sub-Committee
DATE:	10 February 2011
REPORTING OFFICER:	Strategic Director – Environment & Economy
SUBJECT:	Street Lighting Energy Procurement
WARDS:	Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To report the acceptance by the Operational Director – Highways, Transportation and Logistics of our new un-metered electricity supply contract for street lighting with Haven Power. To seek approval to the waiving of standing orders and to record that the anticipated expenditure is likely to be over £1.0M per annum.

2.0 RECOMMENDATION: That

1) **the decision to award the new supply contract for un-metered electricity with Haven Power be noted;**
2) **the waiving of Procurement Standing Orders 2.2 to 2.11 to enable the contract to be awarded, be agreed;**
3) **it be recorded that the expenditure is anticipated to be in excess of £1.0M per annum; and**
4) **Utilities Procurement Group (UPG) continue to be used to manage our street lighting energy provision.**

3.0 SUPPORTING INFORMATION

3.1 Since October 2001 the Council's un-metered electricity (energy for street lighting and other highway electrical equipment) has been procured through UPG (Utilities Procurement Group), with the first contract having commenced in April 2002. Initially, the contract was awarded to Eon (previously Powergen), and then in April 2007 it was awarded to Scottish and Southern Energy for a period of two years, which was extended until 31 March 2011 (as per report to Executive Board Sub-committee on 12 February 2009).

3.2 The current contract with Scottish & Southern Energy has a rate of 9.160p/kwh (including Climate Change Levy (CCL) exempt option) and the annual budget is about £1,207,140. The new contract rate is 9.009p/kwh (and is also 100% CCL exempt) which equates to an annual cost of about £1,084,000, and the unit rate is fixed for two years. This was less than anticipated and represents a saving to the Council of over £120,000. The current contract included an Option to Extend (OTE) which was taken up to extend the contract to March

2011. The new contract also contains an OTE and UPG will be monitoring the situation and recommend whether we take up the Option to Extend rather than re-tender due to the market being volatile before the new contract expires.

3.3 If any electrical equipment is installed or removed, then the total amount payable will be adjusted accordingly. The total amount payable is determined from an itemised listing of our equipment which is determined from our inventory and converted into the required format and submitted by UPG, on our behalf, to Scottish Power (the Distribution Network Operator (DNO)), who in turn issue a Certificate of Estimated Annual Consumption (EAC). The certificate will be passed to Haven Power who will then invoice us. The certificate is updated every month; therefore any equipment removed/added is included within a relatively short period of time.

3.4 The Street Lighting Energy contract needs to be accepted within a very short timescale, sometimes within a day as happened on this occasion (offer received at 12.50 pm and needed to be accepted by 3.30 pm), due to the rapid changes in the prices charged for electricity, which can result in an offer being withdrawn at short notice. Hence the need to waive standing orders to enable the offer to be accepted. This was done after consultation with the Council's Finance and Internal Audit Sections who supported our acceptance of it. The process has been reviewed by Internal Audit, who are satisfied that the system represents good value for money for the Council.

4.0 POLICY IMPLICATIONS

4.1 None

5.0 OTHER IMPLICATIONS

5.1 Resource Implications

Funding for the costs is through the Street Lighting Revenue Budget.

5.2 Sustainability

The energy is from renewable sources and is therefore exempt the Climate Change Levy (CCL)

5.3 Best Value

The use of a specialist procurement organisation provides good value for money as it advises on the most appropriate time to purchase electricity. In this case, the Contract Price was indeed less than originally forecast.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

There are no direct implications on this priority

6.2 **Employment, Learning and Skills in Halton**
There are no direct implications on this priority

6.3 **A Healthy Halton**
There are no direct implications on this priority

6.4 **A Safer Halton**
This contract provides electricity for the operation of all highway electrical equipment, which includes street lighting and CCTV, and both can contribute to the feeling of a safe environment.

6.5 **Halton's Urban Renewal**
There are no direct implications on this priority

7.0 RISK ANALYSIS

7.1 There are no risks associated with this report as the supply of electricity to operate all highway electrical equipment has been secured for the next two years and therefore a risk assessment is not required.

8.0 EQUALITY AND DIVERSITY ISSUES

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

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

9.1 Report to Executive Board Sub-Committee on 12 February 2009

Agenda Item 4b

Report to: Executive Board Sub Committee

Reporting Officer: Strategic Director Environment and Economy

Date: 10th February 2011

Subject: Income Generation from Renewable Energy

1. PURPOSE OF REPORT

1.1 Renewable energy technologies like wind turbines, solar panels and biomass heaters offer an alternative to fossil fuels and can help reduce an organisation's CO2 emissions. From April 2010, Feed-in Tariffs were introduced for small-scale renewable electricity generation, offering the potential for long-term income opportunities for the Council. This report provides an outline of the opportunities and sets out proposals to seek tenders from interested suppliers to supply, install and maintain solar panels on Council buildings, including schools, and highlights the potential risks associated with the various financial options.

2. RECOMMENDATIONS: That

1. **the invitation to tender to supply, install and maintain solar panels on Council buildings, including schools be endorsed; and**

2. **a decision on the most advantageous financial model be determined once a full evaluation of the tender proposals have been completed.**

3. BACKGROUND INFORMATION

3.1 Feed-in Tariffs (FITs) became available in Great Britain on 1st April 2010. FITs are an incentivisation mechanism introduced by the government to promote small scale private investment in renewable technologies. The legislation obligates utility companies to pay people/organisations a set amount of money for each unit (kWh) of renewable electricity that they produce.

3.2 The scheme guarantees a minimum payment for all electricity generated by the system, as well as a separate payment for the electricity exported to grid. These payments are in addition to the energy bill savings made by using the electricity generated on-site.

3.3 The scheme covers electricity generating from Solar electricity

3.4 FITs replace previous grants schemes for renewable technologies and are designed so that the average monthly income from your installation will be significantly greater than your monthly loan repayment (with a 25 year loan).

3.5 If an organisation is able to receive the FIT they can benefit in 3 ways:

(a) **Generation tariff** – a set rate paid by the energy supplier for each unit (or kWh) of electricity you generate. This rate will change each year for new entrants to the scheme (except for the first 2 years), but once you join you will continue on the same tariff for 25 years in the case of solar electricity (PV). The FITs for Solar PV are as follows:

Scale	**Tariff level for new installations in period (p/kWh) (NB tariffs will be inflated annually)**		
	Year 1: 1/4/10 – 31/3/11	**Year 2: 1/4/11 – 31/3/12**	**Year 3: 1/4/12 – 31/3/13**
<4 kW (new build)	36.1	36.1	33.0
<4 kW (retrofit)	41.3	41.3	37.8
>4-10 kW	36.1	36.1	33.0
>10-100 kW	31.4	31.4	28.7
>100kW-5MW	29.3	29.3	26.8
Stand alone system	29.3	29.3	26.8

(b) **Export tariff** - you will receive a further 3p/kWh from your energy supplier for each unit you export back to the electricity grid, that is when it isn't used on site. The export rate is the same for all technologies.

(c) **Energy bill savings** – you will be making savings on your electricity bills, because generating electricity to power your appliances means you don't have to buy as much electricity from your energy supplier. The amount you save will vary depending how much of the electricity you use on site.

3.6 The Government have confirmed as part of their comprehensive spending review that Feed in Tariffs will not be immediately cut or replaced. They will be reviewed as planned in 2013. Systems installed now and up to March 2012 are guaranteed the payments outlined in the Appendix for the next 25 years. If the Council wishes to pursue this as an option we need to act before this date as after this time the incentives become reduce and become less attractive.

4. CURRENT POSITION

4.1 The Council has held initial discussions with a number of companies to look at the potential for utilising our roof space and that of schools to generate income.

4.2 There are a number of factors that affect the yield on a system such as:

- South/south east/west/west east facing
  No shadowing from AC units, surrounding tress, other buildings etc)
- Height of building to prevent theft/vandalism
- A 10kwp needs about 100sq m (about 54 panels) on a flat roof 70sqm on a pitched roof
  Roof in good condition and preferably having been recently re-roofed or the roof in good condition so unlikely to need replacing over this time
- Building to be in ownership for 25 years
- Weight bearing load

There are also issues to be considered about:

- Insurance against vandalism and theft (normally falls to the Council)
- Who meets the costs of removing and replacing the system if the roof needs repairing (normally the Council)
- Who maintains and monitors the system (normally part of a maintenance contract)
- Who will be liable if the equipment causes damage to the roof
- Performance of the equipment (this technology is well proven and the performance expected can be pretty accurately predicted, however it isn't an exact science and we would cherry pick the best buildings likely to give the predicted greater returns)
- Planning permission

Solar PV panels are silent, robust, with no moving parts and are unlikely to go wrong. They require minimal maintenance. They are also difficult to damage.

5. OPTIONS

5.1 Essentially there are three options but not all companies offer the same options and terms vary.

1) Self funding (provides greatest benefit of Fits but higher risk).
2) Leased Panels (installation and maintenance funded by a lease,

Fits to customer to cover lease payments

3) Fully hosted with financing provided to supply fit and maintain the panels free of charge. In this model the supplier takes 25 years of FiT and the Council gets all of the electricity savings or in some cases discounted.

5.2 The different approaches carry different levels of risks and varying degrees of return on investment.

5.3 The core difference in the two financed packages lies primarily with ownership of the Feed-in tariff. Under options 1 and 2 the Council will be the beneficial owner of the full Feed-in tariff payment for the 25 years and will receive all of the electricity savings for the life of the system. The Council will be in a position to use the income generated from the FiT payments to cover any capital/ lease payments and the maintenance payments. This offer is most suitable for lowest cost, highest yield buildings where the Council and supplier are comfortable that the capital/lease payments and the maintenance payments will be comfortably covered by the FiT from Year 1.

5.4 Capital costs vary with Option 1 requiring a high upfront capital cost, Option 2 requires an upfront capital costs but this can be varied depending on the level the Council wishes to invest and Option 3 has a very low capital cost. In general options where the Council retain the FITs offer the best return on investment but carry greater risk.

6. OTHER RISKS

6.1 Other risks that may affect the overall decision on which option is financially advantageous to the Council:-

6.2 Solar Yield

6.3 The annual solar yield will vary from year to year and from site to site. There is a risk that in years of heavy cloud cover throughout the summer, the electrical energy generated will be lower than the estimates. However, long term climate change projections predict a lower rainfall in the summer and cloud cover is expected to reduce. This could enhance the annual solar yield.

6.4 Selecting sites that are unlikely to be over-shaded by new development in future years and careful planning when siting new buildings, street lighting or telecommunication masts will help to mitigate the risks. Careful site selection and attention to local plant growth as part of the annual maintenance cycle will help to ensure yields are maximised.

6.5 Reduced solar resource leads to lower energy outputs and FIT payments and reduced rates of return.

6.6 **System failures**

6.7 A number of factors can effect the overall yield from a solar these include system failure, roof repairs, failure of electrical equipment (notably inverters) diminishing yield with age of panel, dust and debris, theft, vandalism. All these could be factors that could lead to a loss of or reduced level of generation and export payments.

6.8 **Changes to Feed In Tariffs**

6.9 The FIT generation payment is fixed for smaller (sub 4kW) solar PV panels for 25 years. The rates will reduce over time but only for new entrants. The Government could feasibly change the scheme which could impact on long term income opportunities but any changes in rates for existing FITs beneficiaries is likely to require new primary legislation.

6.10 **Invitation to tender**

6.11 To assess the potential for income generation the Council intends to set up a framework of suppliers to fit solar PV initially on 20 of its buildings. The specific buildings will be identified as part of the detailed tender documentation. Given the potential cost of the work is in excess of £156,000 the process is captured by the OJEU Regulations. The Council intends to seek proposals for the three options identified in the report. The tenders will need to be evaluated on the basis of potential capital costs of each option against the potential income generated from each system. As the income cannot be guaranteed the evaluation will need to factor in risks highlighted in the report to assess which is the most financially advantageous to the Council taking into account all the risk factors.

7. POLICY IMPLICATIONS

7.1 The use of renewable energy to provide electricity for Council buildings and schools would meet an objective the in the Council's Carbon Management Strategy.

8. FINANCIAL IMPLICATIONS

8.1 Energy costs associated with fossil fuels are continuing to increase and switching to alternative sources could ease the financial pressure on the Council in relation to increasing energy costs. There may be some capital costs to the Council depending on the approach to be adopted but these should be recovered and future income generated from the FITs

9. OTHER IMPLICATIONS

9.1 None

10. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

10.1 **Children & Young People in Halton**

None

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

None

10.3 **A Healthy Halton**

None

10.4 **A Safer Halton**

None

10.5 **Halton's Urban Renewal**

None

11. RISK ANALYSIS

11.1 A risk analysis of the various options will be built into the financial evaluation of the tenders

12. EQUALITY AND DIVERSITY ISSUES

12.1 The tender documentation will ensure that potential suppliers have Equality & Diversity Policies & Procedures in place.

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

None.

 Agenda Item 5a

REPORT TO:	Executive Board Sub Committee
DATE:	10th February 2011
REPORTING OFFICER:	Strategic Director, Adults & Community
SUBJECT:	Invitation to tender for a community based recovery oriented substance misuse service
WARDS:	Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To seek authority to carry out all necessary steps in relation to the open tendering and commissioning of a community based recovery oriented substance misuse service.

2.0 RECOMMENDATION: That

(1) the Strategic Director Adults & Community proceeds with the open tendering and procurement of a community base recovery oriented substance misuse service and proceeds with the award of the necessary contract; and

(2) the Strategic Director be authorised to take such actions as are necessary to give effect to the above decision.

3.0 BACKGROUND INFORMATION

3.1 Over the past 10 years the key driver for the national drug strategy has been the rapid expansion of drug treatment provision for those individuals using heroin and crack cocaine. Performance has been focused on ensuring swift access to and retention in treatment. The result has produced significant reductions in crime as well as reducing the public health risks associated with illicit drug use such as hepatitis & HIV.

3.2 The recently published national drug strategy 'Supporting People to Live A Drug Free Life' whilst acknowledging the success of the past strategy recognises that there is a changing pattern of drug use and that more could be done to support people achieve 'recovery' and lead 'everyday lives'.

3.3 At both a national and local level there is a changing pattern of drug use. Those individuals using heroin and crack cocaine tend to be aged over 30 years old, whilst younger individuals often present to services with a combination of alcohol, cocaine and/or cannabis use.

3.4 There is also a greater expectation that more people leave drug & alcohol treatment services free from their dependence. Services will therefore be required to achieve improved outcomes in the following areas; physical & mental well being, re-offending, employment, parenting & accommodation.

3.5 Currently there are 4 organisations co-located at Ashley House providing a range of drug & alcohol services; 5 Boroughs Partnership NHS Foundation Trust, ARCH Initiatives, Addaction & Trust The Process Counselling.

3.6 Whilst performance from each of the current providers is good and many of the building blocks required to produce a 'recovery oriented' substance misuse service are in place, it is anticipated that the following benefits will accrue from a re-commissioning of services; a more streamlined & integrated service; an improved response to the changing patterns of substance misuse; efficiency savings both in terms of operational delivery & performance management; improved support for families and those individuals who achieve abstinence; a greater awareness in communities of the issues around recovering from addiction; & an improved access to services for those individuals whose alcohol use is problematic.

3.7 Halton Borough Council and Halton & St Helens PCT will jointly commission the new substance misuse service, bringing together the resources that currently separately fund the alcohol service and the drug services. Children & Young People services and in-patient detoxification will not be included in the tender.

3.8 Utilising the Authority's Procurement Team, the new service provider will be selected through an Open Tendering arrangement. Halton Borough Council will be the commissioning body and as such, Part 2.3 of Procurement Standing Orders applies.

3.9 The new contract is to commence on the 1st September for a 2 year period, and whilst current funding allocations for drug services are not currently known it is anticipated that the yearly contract value for a substance misuse service (drugs & alcohol) will be in the region of £3.4 million.

3.10 The tender & re-commissioning process will be overseen by a Project Board Chaired by the Strategic Director for Adults & Community. In support of the Board is a Project Team led by the PCT Head of Alcohol Commissioning.

3.11 Service Users & Carers are formally represented on the Project Team. An independent consultation with service users & carers, and a public survey have also been undertaken, which together with feedback given to the Patient Opinion website will also make a significant contribution in developing the substance misuse service specification.

4.0 FINANCE & OTHER IMPLICATIONS

4.1 Currently there are three ‘streams’ of money financing drug & alcohol services. The first is the ‘core’ health budget historically invested by PCTs in drug & alcohol services. For 2010/11 Halton & St Helens PCT invested £328k in drugs & £259k in alcohol commissioned services.

4.2 The second is the National Treatment Agency Pooled Budget.
allocation. Ring fenced specifically for commissioning drug treatment services, this funding stream is received by Halton & St Helens PCT from the Department of Health, before being ‘pass ported’ to the Authority on a quarterly basis. The allocation for 2010/11 was £1.1 million.

4.3 The final funding stream is the Drug Intervention Project Main Grant for the purpose of providing services to drug using individuals in the criminal justice system. Currently this is received by the Authority from the Home Office. However, this is expected to change in 2011/12 where it is anticipated that it will be added to the Pooled Treatment Budget. The indicative allocation for 2011/12 is £136k.

4.4 The total value of contracts for delivery of drug & alcohol services in 2010/11 is £1.73 million

4.5 Modernisation of drug services in Halton has meant the co-location of providers at Ashley House in Widnes. This service delivery arrangement is in line with current best practice.

4.6 The refurbishment of Ashley House was undertaken utilising a mixture of the 5 Boroughs Partnership Trust own capital funding, and capital funds drawn down from the North West Strategic Health Authority, with support from the Safer Halton Partnership.

4.7 The cost of running Ashley House (additional rental, repayment of capital charges and indexation) for 2010/11 is £191k. This cost is met from within existing drugs budgets.

4.8 Ashley House is rented by the 5 Boroughs Partnership Trust from a private landlord. Alternative arrangements will need to be established if they cease to be the service provider from the 1st September 2011.

4.9 There are in the region of 40 individuals currently employed between the 4 provider agencies. TUPE will apply with regards to their transfer from the current to the new provider.

5.0 **IMPLICATIONS FOR THE COUNCIL’S PRIORITIES**

5.1 **Children & Young People in Halton**

Staff from the Children Service's Department and other partners have been involved in the consultation process and will continue to be involved thereafter. Whilst there has been significant progress in drug service providers looking beyond the immediate needs of the service user to their role as a parent or carer, or in ensuring adequate safeguarding arrangements are in place, the Think Family approach will be firmly embedded in any new service delivery.

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

Current treatment arrangements focus on accessibility and retention. Whilst these are important features of an effective treatment system future commissioning will increasingly focus on service user's progression and social reintegration particularly in relation to education, employment and training.

5.3 **A Healthy Halton**

Current treatment arrangements have undoubtedly delivered significant health outcomes in stabilising and retaining service users previously involved in the chaotic use of street drugs. Service users now have a greatly improved access to screening and vaccination programmes for blood borne viruses. However, many also suffer generally poor physical health, anxiety, depression and low self esteem. Future service delivery will also need to address these wider issues of health inequality resulting in both an improved quality of life for the individual but also a reduced monetary burden on the NHS and Social Care services.

5.4 **A Safer Halton**

Current treatment arrangements have delivered a significant 'crime reduction dividend' through rapid access to substitute prescribing and the excellent partnership working between the Drug Intervention Programme, local prisons, the Prolific Offenders Team and the Problem Solving Court. This will be further sustained through the development of partnership work with the Integrated Offender management programme.

5.5 **Halton's Urban Renewal**

None identified.

6.0 **RISK ANALYSIS**

6.1 A redesigned system will attract significant numbers of new individuals seeking treatment for alcohol and this may over-burden drug services which currently do not experience waiting lists or capacity issues. To mitigate risk, options for self help and community support will be explored and low intensity, high intensity options available to alcohol clients based on need.

6.2 An increasing number of individuals wanting to achieve abstinence could place additional budgetary pressure on PCT/DAT budgets (detoxification) and Local Authority community care budgets (residential rehabilitation). Community based alternatives and robust operational procedures will need to be considered to mitigate this demand.

6.3 From October 2011, the Coalition is piloting ‘payment by results’ for drug and alcohol services. It is currently unclear as to how this system will operate but it may well have an effect on future funding allocations.

6.4 Whilst the DAT Pooled Treatment Budget is currently ring fenced it is anticipated that this will form a part of the public health funding that will eventually come to Local Authorities. It is unclear as to whether this ring fence will remain, or what degree of flexibility, if any, there may be to accommodate ‘alcohol treatment’. In the event of Halton receiving a reduced allocation in future years, this could be managed either through reducing the contract value and activity of the provider service/s or by seeking additional resource from partner agencies on an ‘invest to save’ basis.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 There are no specific equality and diversity issues. Contractors will be expected to comply with current legislation.

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

Document	Place of Inspection	Contact Officer
Halton Treatment Plan 2010/11	Runcorn Town Hall	Steve Eastwood
Alcohol & Substance Misuse Treatment Services; Project Initiation Document	Runcorn Town Hall	Audrey Williamson
NHS Halton and St Helens Clinical Commissioning Committee	Victoria House, Runcorn	Collette Walsh

Agenda Item 6a

REPORT TO:	Executive Board Sub Committee
DATE:	10th February 2011
REPORTING OFFICER:	Strategic Director, Adults and Community
SUBJECT:	Acceptance of Pantomime tender for The Brindley
WARDS:	Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To notify the committee of the acceptance of a pantomime tender for the Brindley in line with standing orders for procurement.

2.0 RECOMMENDATION: That the acceptance of the pantomime tender from Pele Productions Ltd of £258,900 for a period of three years be noted.

3.0 SUPPORTING INFORMATION

3.1 A tendering exercise was carried out to procure a seasonal pantomime for the Brindley for a period of up to 3 years. Following a selection process only two companies declared their intention to tender. These were Pele Productions Ltd and New Pantomime Productions Ltd. Both companies were suitable and were invited to tender.

3.2 The combined 3 year totals for each submission were as follows: -
£278,500
£258,900

4.0 POLICY IMPLICATIONS

None

5.0 FINANCIAL/RESOURCE IMPLICATIONS

5.1 The tender represents the most economically advantageous to the council. The 2010 pantomime at The Brindley was secured at a similar cost and produced an operating profit.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

None identified.

6.2 Employment, Learning & Skills in Halton

None identified.

6.3 **A Healthy Halton**

None identified.

6.4 **A Safer Halton**

None identified.

6.5 **Halton's Urban Renewal**

None identified.

7.0 RISK ANALYSIS

7.1 The proposed company has run pantomimes for many years and ran 4 pantomimes concurrently during the 2010 season.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The Brindley provides wheel chair access and viewing locations in the Theatre. There are also audio described performances and hearing loops installed for performances.

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

None under the meaning of the Act.

Agenda Item 6b

REPORT TO:	Executive Board Sub Committee
DATE:	10th February 2011
REPORTING OFFICER:	Strategic Director, Adults & Community
SUBJECT:	Halton Baseball Club
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 To consider a request form Halton Baseball Club for a long term lease on their current playing venue at Halton Sports.

2.0 **RECOMMENDATION: That delegated authority be given to the Strategic Directors of Adults and Community and Resources in consultation with the Portfolio holders of Neighbourhood, Leisure and Sport and Resources to determine leasing arrangements and operational issues in respect of the Halton Sports site.**

3.0 **SUPPORTING INFORMATION**

3.1 Halton Baseball Club have been established since 1997. They operate at a high level, producing several international players, have been National Finalists and regularly host regional and national baseball competitions.

3.2 The Club currently play out of Halton Sports where they have 2 diamonds. They do all their own pitch maintenance, and 'set up' the venue for every fixture. They pay an annual pitch hire of £1,260 for the adult diamond, and £630 for the junior diamond. These amounts were agreed in consultation with Property Services.

3.3 The Club now have an opportunity to further develop. Baseball Softball UK (BSUK) have indicated their plans to create a centre of excellence in the North and have identified Halton as a possible location. If this were to happen BSUK would grant fund development of the site up to £100k, with extra funding also being available from the Football Foundation Dual Sports Grants.

3.4 For this to happen, however, BSUK would require a lease period of 25 years. The Club have therefore asked if consideration be given to such a lease period. They would continue to pay the annual agreed pitch hire fee, converted into a lease payment.

4.0 **POLICY IMPLICATIONS**

4.1 There are none. Previous long leases have been granted to other sporting organisations. The issue is whether there are any planning implications.

5.0 **RESOURCE IMPLICATIONS**

5.1 None. The Club would continue to pay a rental fee, and grant funding would provide the capital investment. The site will remain in council ownership and will not involve any commercial or other development other than the proposed sports facility improvements

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

6.1 **Children & Young People in Halton**

The Club have established partnership arrangements with local junior teams, and have programmes to coach into local schools.

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

None identified.

6.3 **A Healthy Halton**

Physical activity contributes to healthy life-styles and the preventative agenda. The Club has and will further develop plans for community participation in sport.

6.4 **A Safer Halton**

None identified.

6.5 **Halton's Urban Renewal**

The proposal to develop at Halton Sports will enhance the site and could bring economic benefits to the local community, particularly following on from the successful relocation of Runcorn Linnets FC on to the site. The opportunity exists to establish a centre of sporting excellence.

7.0 **RISK ANALYSIS**

7.1 The opportunity to establish a regional/national centre of excellence would be lost if the grant opportunity were spurned.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The Club has an equality and diversity policy.

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

9.1 None under the meaning of the act.

Document is Restricted