



**Environment and Urban Renewal Policy  
and Performance Board**

**Tuesday, 21 January 2014 6.30 p.m.  
Civic Suite, Town Hall, Runcorn**

A handwritten signature in black ink that reads 'David WR'.

**Chief Executive**

**BOARD MEMBERSHIP**

<b>Councillor John Gerrard (Chairman)</b>	<b>Labour</b>
<b>Councillor Keith Morley (Vice-Chairman)</b>	<b>Labour</b>
<b>Councillor John Bradshaw</b>	<b>Conservative</b>
<b>Councillor Frank Fraser</b>	<b>Labour</b>
<b>Councillor Pauline Hignett</b>	<b>Labour</b>
<b>Councillor Andrew MacManus</b>	<b>Labour</b>
<b>Councillor Tom McInerney</b>	<b>Labour</b>
<b>Councillor Pauline Sinnott</b>	<b>Labour</b>
<b>Councillor Dave Thompson</b>	<b>Labour</b>
<b>Councillor Bill Woolfall</b>	<b>Labour</b>
<b>Councillor Geoff Zygadlo</b>	<b>Labour</b>

*Please contact Gill Ferguson on 0151 511 8059 or e-mail [gill.ferguson@halton.gov.uk](mailto:gill.ferguson@halton.gov.uk) for further information.  
The next meeting of the Board is on Wednesday, 26 March 2014*

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

**Part I**

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<b>1. MINUTES</b>	
<b>2. DECLARATIONS OF INTERESTS (INCLUDING PARTY WHIP DECLARATIONS)</b>	
Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item.	
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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:** Environment and Urban Renewal Policy & Performance Board

**DATE:** 21<sup>st</sup> January 2014

**REPORTING OFFICER:** Strategic Director, Policy and Resources

**SUBJECT:** Public Question Time

**WARD(s):** Borough-wide

### **1.0 PURPOSE OF REPORT**

- 1.1 To consider any questions submitted by the Public in accordance with Standing Order 34(9).
- 1.2 Details of any questions received will be circulated at the meeting.

### **2.0 RECOMMENDED: That any questions received be dealt with.**

### **3.0 SUPPORTING INFORMATION**

- 3.1 Standing Order 34(9) states that Public Questions shall be dealt with as follows:-
- (i) A total of 30 minutes will be allocated for dealing with questions from members of the public who are residents of the Borough, to ask questions at meetings of the Policy and Performance Boards.
  - (ii) Members of the public can ask questions on any matter relating to the agenda.
  - (iii) Members of the public can ask questions. Written notice of questions must be given by 4.00 pm on the working day prior to the date of the meeting to the Committee Services Manager. At any one meeting no person/organisation may submit more than one question.
  - (iv) One supplementary question (relating to the original question) may be asked by the questioner, which may or may not be answered at the meeting.
  - (v) The Chair or proper officer may reject a question if it:-
    - Is not about a matter for which the local authority has a responsibility or which affects the Borough;
    - Is defamatory, frivolous, offensive, abusive or racist;
    - Is substantially the same as a question which has been put at a meeting of the Council in the past six months; or

- Requires the disclosure of confidential or exempt information.
- (vi) In the interests of natural justice, public questions cannot relate to a planning or licensing application or to any matter which is not dealt with in the public part of a meeting.
- (vii) The Chairperson will ask for people to indicate that they wish to ask a question.
- (viii) **PLEASE NOTE** that the maximum amount of time each questioner will be allowed is 3 minutes.
- (ix) If you do not receive a response at the meeting, a Council Officer will ask for your name and address and make sure that you receive a written response.

Please bear in mind that public question time lasts for a maximum of 30 minutes. To help in making the most of this opportunity to speak:-

- Please keep your questions as concise as possible.
- Please do not repeat or make statements on earlier questions as this reduces the time available for other issues to be raised.
- Please note public question time is not intended for debate – issues raised will be responded to either at the meeting or in writing at a later date.

#### **4.0 POLICY IMPLICATIONS**

None.

#### **5.0 OTHER IMPLICATIONS**

None.

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

6.1 **Children and Young People in Halton** - none.

6.2 **Employment, Learning and Skills in Halton** - none.

6.3 **A Healthy Halton** – none.

6.4 **A Safer Halton** – none.

6.5 **Halton's Urban Renewal** – none.

**7.0 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.

**REPORT TO:** Environment and Urban Renewal Policy and Performance Board

**DATE:** 21<sup>st</sup> January 2014

**REPORTING OFFICER:** Chief Executive

**SUBJECT:** Executive Board Minutes

**WARD(s):** Boroughwide

## **1.0 PURPOSE OF REPORT**

- 1.1 The Minutes relating to the relevant Portfolio which have been considered by the Executive Board and Executive Board Sub are attached at Appendix 1 for information.
- 1.2 The Minutes are submitted to inform the Policy and Performance Board of decisions taken in their area.

## **2.0 RECOMMENDATION: That the Minutes be noted.**

## **3.0 POLICY IMPLICATIONS**

- 3.1 None.

## **4.0 OTHER IMPLICATIONS**

- 4.1 None.

## **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **5.1 Children and Young People in Halton**

None

### **5.2 Employment, Learning and Skills in Halton**

None

### **5.3 A Healthy Halton**

None

### **5.4 A Safer Halton**

None

### **5.5 Halton's Urban Renewal**

None

**6.0 RISK ANALYSIS**

6.1 None.

**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**

**Extract of Executive Board and Mersey Gateway Executive Board relevant to the Environment and Urban Renewal Policy and Performance Board**

**EXECUTIVE BOARD MEETING HELD ON 17<sup>th</sup> October 2013**

**ECONOMIC DEVELOPMENT PORTFOLIO**

**EXB93 THE LIVERPOOL CITY REGION GROWTH GRANT**

The Board considered a report of the Strategic Director, Children and Enterprise, which updated Members on the Liverpool City Region (LCR) Business Growth Grant Programme.

The Board was reminded that at its meeting on 11 July 2013, it considered a progress report on the LCR Growth Grant Programme. It was reported that the Growth Grant could support businesses which planned to invest in capital or equipment which would directly create or safeguard jobs and increase business output. It was noted that the LCR Growth Grant was designed to unlock private sector investment, with a leverage ratio of 5:1.

The report detailed the eligible costs for which funding could be given which included capital expenditure, investment in new technologies, systems and software and employment and training aid. The report further outlined how the scheme would operate in Halton and the key stages of the preferred Delivery Model, the latter supported by information in Appendices 1 and 2.

RESOLVED: That

- 1) the proposed mechanism to be used to deliver funds to Halton businesses through The Liverpool City Region Growth Grant, detailed in Appendices 1 & 2, be agreed;
- 2) the partnership agreement between LCR Local Enterprise Partnership and Halton Borough Council for the delivery of The Liverpool City Region Growth Grant be accepted; and
- 3) the award of Liverpool City Region Growth

Strategic  
Director -  
Children and  
Enterprise



Grant be delegated to the Operational Director Employment, Enterprise and Property in consultation with the Operational Director, Finance, the Operational Director, Legal and Democratic Services and the Portfolio Holder for Economic Development.

#### EXB96 FIXED PENALTY NOTICES

The Board considered a report of the Strategic Director, Communities, on the use of Fixed Penalty Notices (FPNs) issued for litter and dog fouling offences.

The Board was advised that a proposal had been received from 3GS (UK) Limited, for the provision of FPNs for litter and dog fouling notices. It was reported that this proposal had been assessed by Officers and the potential benefits of such an arrangement were contained within the report for Members' consideration.

It was noted that the arrangement with 3GS would be strictly limited to the issuing of FPNs for environmental offences which would supplement the work of the Council's current Enforcement Team. This would support the Council's efforts to reduce anti-social behaviour and improve the safety and attractiveness of the Borough.

It was further reported that research had been undertaken on four other local authorities that had engaged private enforcement companies, and this was set out in the report. The delivery of a pilot scheme within Halton would give the opportunity for such an initiative to be assessed, as a number of unknown elements existed at this early stage. A further report would be brought to the Board following an evaluation of the pilot scheme.

RESOLVED: That

- 1) a six month pilot scheme be delivered by 3GS (UK) Limited for the issuing of Fixed Penalty Notices for litter and dog control offences;
- 2) the Strategic Director, Communities be authorised in consultation with the Executive Board Member for Physical Environment and the Operational Director, Legal and Democratic Services, to determine all matters relating to the pilot scheme; and

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Director -  
Communities

- 3) a further report be presented to Executive Board following evaluation of the pilot scheme.

**EXECUTIVE BOARD MEETING HELD ON 7<sup>th</sup> November 2013  
PHYSICAL ENVIRONMENT PORTFOLIO**

**CHANGE OF ALLOTMENT CHARGING METHOD**

The Board considered a report of the Strategic Director, Communities, which sought approval to change the allotment pricing structure.

The Board was reminded that the provision of allotments was a statutory function. In 2012, the pricing structure was amended which reflected a reasonably balanced budget for the provision of allotments. It was noted that allotments within Halton differed in size, and a half plot category was introduced based upon current allotment legislation.

It was reported that since January 2013, 36 new allotment tenancies had been issued; the amount of work incurred by Officers in terms of administration, billing, tenancy agreements and site viewings per tenancy was approximately two and a half hours. It was proposed that a one-off start-up charge be introduced at the start of a new tenancy to recover these costs. In addition, it was proposed that a review of water supplies at allotment sites be undertaken during 2014 so as to find more efficient ways of providing water.

RESOLVED: That

- 1) in the interest of fairness to all allotment holders, a new rate is introduced based upon a cost per square metre of 0.412p per annum so that the allotment holder pay only for the area of land they cultivate;
- 2) a one off `start-up' charge of £40 is applied to new tenants for administration purposes, which includes a refundable deposit of £20 for issued keys; and
- 3) water use conservation measures be taken at allotment sites in order to reduce costs.

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ties

**EXECUTIVE BOARD MEETING HELD ON 21<sup>st</sup> November**

**PHYSICAL ENVIRONMENT PORTFOLIO**

EXB118 RE-TENDERING OF ADULT DOMESTIC ABUSE SERVICES

The Board considered a report of the Strategic Director, Communities, which sought approval to extend the existing contract with Halton and District Women's Aid Association (HADWAA), for the provision of domestic abuse services.

The Board was reminded that at its meeting on 5 September 2013, it had considered a report on Homelessness Services. The Board had agreed to the retendering of the domestic abuse service, currently delivered by HADWAA, to be in place by April 2014. It was reported that the refurbishment works of the Refuge building, due to commence mid November 2013, may overrun the planned completion date of April 2014. The Board was advised that it had always been the intention to align the start of the new contract to the completion of the refurbishment works. However, given the potential slippage of the planned works, it was proposed that the existing HADWAA contract be extended on a month by month basis, up to a maximum of four months, with the intention of commencing the new contract as soon as possible upon completion of the refurbishment works.

RESOLVED: That, acting in accordance with Procurement Standing Order 1.8.4 (a), Procurement Standing Order 4.1 be waived, to enable an extension of up to four months, on a month by month basis, to the HADWAA contract for domestic abuse services.

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Communi-  
ties

EXB119 WIDNES WATERFRONT INFRASTRUCTURE - KEY DECISION

The Board considered a report of the Strategic Director, Children and Enterprise, which provided an update on regeneration projects at Widnes Waterfront and Johnson's Lane, and sought approval to vary the Capital Programme to allow these projects to proceed.

The report set out the background to each site and details of previous approvals granted by the Board for the disposal of each site. In addition, the reasons for the delay in disposal and in the development of each respective site was set out for Members' consideration.

Reason(s) For Decision

To alter the Capital Programme to allow funding to be made available to bring forward the former Bayer site and Johnson's Lane, specifically for the provision of remediation and infrastructure.

Alternative Options Considered and Rejected

The do nothing option would mean that the former Bayer Crop Science site and Johnson's Lane sites would remain unused for a further period of time, which potentially would result in further security and maintenance costs to the Council.

Implementation Date

Once approval was received, the recommendations would immediately be acted upon.

RESOLVED: That Council be recommended to include the £0.52m remediation costs of the former Bayer site and £0.5m for the provision of infrastructure at Johnson's Lane, Widnes, within the Capital Programme, to initially be funded from Growing Places Fund (GPF) loans (subject to successful bids) which will thereafter be repaid from the capital receipts generated from the sale of the respective sites.

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and  
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**MERSEY GATEWAY EXECUTIVE BOARD 7<sup>TH</sup>  
NOVEMBER 2013**

EXB11 SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- 1) Whether Members of the press and public should be excluded from the meeting of the Board during consideration of the following items of business in accordance with Section 100A (4) of the Local Government Act 1972 because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and

paragraph 3 of Schedule 12A of the Local Government Act 1972; and

- 2) Whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

RESOLVED: That as, in all the circumstances of the case, the public interest in maintaining the exemption outweighed that in disclosing the information, members of the press and public be excluded from the meeting during consideration of the following items of business in accordance with Section 100A(4) of the Local Government Act 1972 because it was likely that, in view of the nature of the business, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972.

**EXB12 PROGRESS TOWARDS ACHIEVING FINANCIAL CLOSE WITH THE PREFERRED BIDDER**

The Board received a verbal update on the progress towards achieving Financial close with the Preferred Bidder.

The Board was advised that significant progress was being made with the confirmation of the project finance as laid out in the Preferred Bidder appointment letter.

RESOLVED: That the verbal update be noted.

**EXB13 MERSEY GATEWAY ENVIRONMENTAL TRUST: PROGRESS REPORT AND BUDGET SETTING**

The Board considered a report of the Chief Executive which informed the Members that the Mersey Gateway Environmental Trust (MGET) had been specifically created by the Council, and supported through the Public Inquiry process by the Planning Inspectorate, to assist the Project Company to manage its long term environmental planning commitments and its ecological assets.

The Board was advised that the last 12 months had seen an increase in activity. The report included details of the financial arrangements between the Trust and the

Crossings Board through a comprehensive Third Party Agreement to manage the environmental assets of the Project and by adding value to the wider Mersey Gateway objectives associated with long term and sub-regional environmental improvements.

RESOLVED: That

- (1) the progress during the last 12 months be noted;
- (2) approval be given to develop a schedule of services between the Crossings Board and the Mersey Gateway Environmental Trust during the construction period; and
- (3) the signing of the contract covering the long term financial arrangements for the operation period between the Crossings Board and the Mersey Gateway Environmental Trust be supported.

Chief  
Executive

EXB14 THE DRAFT FINAL BUSINESS CASE SUBMISSION TO THE DEPARTMENT FOR TRANSPORT- KEY DECISION

The Board considered a report of the Chief Executive which advised Members that prior to achieving Financial Close, the Council was required to submit the Final Business Case, which included the Final Funding Submission. Ministers (Department for Transport and Treasury Ministers) would then be required to approve these submissions. The report explained the key aspects of the draft submission now made to Government and the current draft Final Funding Approval letter that had been received from Department officials.

The Board also received a presentation from the Chief Executive and the Project Director Mersey Gateway setting out proposals explaining how a Local User Discount could be applied to the proposed tolling arrangements on Mersey Gateway and Silver Jubilee Bridge.

The Board considered a number of options to implement the Local User Discount and noted any proposal must be fundable, affordable, and comply with the legal powers granted in the Tolling Orders considered and approved by the Inspector at the Public Inquiry and subsequently approved by Government.

The recommended proposal set out in the presentation

was considered to be deliverable and capable of meeting all these conditions and, after due consideration, the Board were satisfied it was likely to be the most appropriate means of providing discounts to those least able to afford the full cost of tolls.

RESOLVED: That

- (1) the Board recommend that Council approve the Mersey Gateway:
  - Final Business Case;
  - Final Funding Submission; and
  - Final Funding Letter;
- (2) the Board support the recommended Local User Discount Scheme proposal as set out in the presentation; and
- (3) the recommended Local User Discount Scheme supported by the Board be presented to the Council for consideration and approval.

Chief  
Executive

#### EXB15 MERSEY GATEWAY LAND ACQUISITION PROGRAMME

The Board considered a report of the Chief Executive which provided Members with an update on the progress of the Land Acquisition Programme, and sought approval to retain the necessary internal and external staffing resources (including the appointment of consultants) to conclude the Land Acquisition Programme following Financial Close.

RESOLVED: That

- (1) the staffing and resource allocations (including the recruitment of consultants) as identified in the report be approved; and
- (2) the Chief Executive be granted delegated authority to make all necessary appointments and commissions, and agree terms and conditions, in respect of the completion of the Land Acquisition Programme, identified within the report.

Chief  
Executive

**REPORT TO:** Environment and Urban Renewal  
Policy & Performance Board

**DATE:** 21 January, 2014

**REPORTING OFFICER:** Operational Director (Legal & Democratic Services)

**PORTFOLIO:** LEADER

**SUBJECT:** Halton Housing Trust – Governance

**WARDS:** Borough-wide

### **1.0 PURPOSE OF THE REPORT**

1.1 To consider a proposal from Halton Housing Trust to revise its governance arrangements.

### **2.0 RECOMMENDATION:**

**That the Policy & Performance Board:**

**(1) receive a presentation from the Chair and Chief Executive of Halton Housing Trust;**

**(2) consider and scrutinise the proposals from Halton Housing Trust to revise its governance arrangements included as an Appendix to this report; and**

**(3) report their findings to the Council's Executive Board.**

### **3.0 SUPPORTING INFORMATION**

3.1 Halton Housing Trust has approached the Leader with a proposal to review the Trust's governance arrangements.

3.2 The Leader has asked the Board to review and scrutinise the Trust's proposals and report their findings to Executive Board.

3.3 The Trust has been invited to the Board to explain their proposals and why these changes are a requirement to avoid regulatory action

3.4 The proposals and further information from the Trust are set out at Appendix A to the report.

### **4.0 POLICY IMPLICATIONS**

4.1 None



**5.0 OTHER IMPLICATIONS**

5.1 If the proposals are accepted –

5.1.1 The number of members on the Trust Board will be reduced.

5.1.2 The term of office of Board members will be limited to 3 years and a maximum of 9 years

5.1.3 The Trust's Skills Matrix will form the basis for appointment to the Board.

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

6.1 None arising directly out of this report.

**7.0 RISK ANALYSIS**

7.1 Not applicable.

**8.0 EQUALITY AND DIVERSITY ISSUES**

8.1 Not applicable

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

Appendix A – Information provided by Halton Housing Trust



## **GOVERNANCE REVIEW 2013 BUSINESS CASE: JANUARY 2014**

### **Introduction**

Following a review of governance arrangements undertaken during 2013 the Trust is required to make changes to our governance structures.

These changes are necessary to ensure that we are fully compliant with the requirements of our regulator, the Homes and Communities Agency (HCA), in meeting the requirements of the National Housing Federation (NHF) Code of Governance. The consequences for associations that have not managed their governance issues to the satisfaction of the HCA are now very visible in downgrading of their regulatory ratings and direct intervention in the running of their businesses

This report summarises the proposed changes and then sets out more detail around each aspect in Appendix 1. Appendix 2 provides additional detail on Halton Housing Trust's approach to its skills matrix. Appendix 3 provides supporting evidence of recent changes to the HCAs regulatory judgements.

The Trust's Board have agreed the next stage is for the Chair and Chief Executive to meet with the Council and a cross section of customers to seek their views on the proposed changes. We are particularly interested in views and any alternative suggested governance structures that would still enable the Trust to meet the requirements of our regulatory body.

One specific area where we would welcome the views of the PPB is on the Council's future role in the Trust's Board. The Council currently has four representatives on the Board. To meet our regulatory requirements this has to reduce. The Trust is keen to maintain Council representation on the Board. Consequently one alternative the Trust is currently considering as part of the consultation process is whether we look to offer up to three Council positions on the Trust's Board. To satisfy our regulatory requirements the Trust would need to apply a skills based selection process.

Upon completion of the consultation phase the feedback will be fully considered by our Governance Review Group. They will then make a recommendation to the Trust's Board.

The consultation phase and any subsequent new governance arrangements need to be agreed by the end of March 2014. If we do not meet this timescale we face the prospect of being downgraded as this was the extended period we have previously negotiated with the HCA.

## **Proposal**

1. Reduce Board size: reduce from 12 to a minimum of seven and maximum of nine members.
2. All Board Members to have a maximum term of office of nine years (three x three full year terms). This is to be increased in line with regulatory requirements to nine consecutive years. All Board Members will be selected and appointed using the skills matrix. There will be no ringfenced positions.
3. We will continue to work in partnership with the LA and will consider any opportunities to strengthen this working relationship.
4. We want to continue to involve customers in our governance arrangements. It is important for us that the voice of the customer continues to influence the decisions that we make. We will review our customer involvement arrangements to make sure that they are as effective as they can be.
5. We will look at ways to further streamline our governance arrangements to enable the Board to focus on the key strategic issues facing the Trust.

## **Context**

It is in the best interests of our customers, stakeholders and the Local Authority to have a strong, viable and vibrant RP based locally within Halton. We want to continue to work closely with the Council and other key stakeholders to support and develop our neighbourhoods and to deliver our vision of improving people's lives.

To enable us to achieve our objective in an ever changing and more threatening environment we need to ensure our governance arrangements are 'fit for purpose'. If we do not then, as recent events have shown with the failure of Cosmopolitan, Housing Group, we could be jeopardising the future of the Trust and therefore not be acting in the best interest of our customers and our neighbourhoods.

## **NHF Excellence in Governance Code**

A full copy of the Code is available upon request. The relevant sections are:

Provision A4: Boards should have at least five members and no more than twelve, including co-optees.

Provision D1: To support board renewal, maximum terms of office must be two or three terms, with the overall maximum period of Board service for non-executive Board Members of no more than nine years.

Provision D2: Where the organisation's constitution provides for one or more Board Members to be nominated or directly elected the organisation must ensure that those

coming forward bring skills and experience that are relevant to the needs of the Board.

### **Regulation**

There have been several recent examples of where housing associations have had their regulatory judgement downgraded due to problems with their governance arrangements. Appendix 3 provides a summary of the most recent cases.

A downgraded regulatory judgement could impact on the amount of HCA grant that the Trust will receive. This would have a direct impact upon our ability to develop new affordable housing.

In the most severe cases the HCA have frozen any future grant allocations until the governance problems have been resolved as well as placing external appointees to the Board, in effect removing any local control.

### **Conclusion**

The HCA has clearly demonstrated its intent to downgrade any association that does not comply or has not developed a plan to comply with the NHF Code of Governance.

There are several examples of recent cases where associations have been downgraded either because board members have served more than the recommended nine years of office and/or the board does not consist of members with the appropriate skills, knowledge and experience.

In addition there is a trend towards smaller boards. Whilst a board size of 12 members does still comply with the NHF Code of Governance, the evidence suggests this is now at the upper end of board sizes and a future change to this upper limit is likely in the near future.

Finally, as highlighted by the recent case involving North Hertfordshire Homes (refer to Appendix 3 for details) when an association has identified the need to change its governance arrangements, if it is not able, for whatever reason, to make the changes in a timely manner, then this will result in a downgraded judgement from the HCA.

As the Trust has identified the need to make changes to our governance arrangements, then it is important that these changes are progressed without delay. We have agreed with the HCA a special dispensation for the Trust to fully comply with the Code of Governance by our next AGM in September 2014.

### Appendix 1: Our Proposal

**Proposal 1:** Reduce Board size from 12 to a minimum of seven and maximum of nine.

**Rationale:** Whilst the NHF Code of Governance says that boards should have at least five members and no more than 12, we are reducing the size of our Board for the following reasons.

1. Comparability with others. Of ten associations surveyed (see below) seven of them have a board that is smaller than the Trust's. This clearly indicates that there is a trend towards smaller boards.

i. Peaks & Plains	8
ii. Wulvern	11
iii. Weaver Vale	9
iv. Trafford	10
v. Helena	10
vi. Golden Gates	12
vii. Shoreline	9
viii. Eastlands	9
ix. City West	12
x. City South	12

2. Cost. The Trust would be able to reduce the direct cost and indirect cost of its governance arrangements with a smaller board. This would be an important saving as the Trust continues to seek out opportunities to reduce its costs.

3. Effectiveness. A larger number of board members represent a challenge in terms of using them effectively and/or having any kind of meaningful individual participation. According to the Corporate Library's study, the average board size is 9.2 members.

Committees. The Trust only has two Board Committees (1) Remuneration Committee and (2) Audit & Risk Committee. Therefore, there is no need to have a large number of Board members to sit on these Committees. The minimum number of Board members to sit on these Committees would be seven with three Board members on each committee plus the Chair. A minimum of six board members is needed so that no one is on more than one committee. Having members doing double duty may compromise the important wall between audit and remuneration, which helps avoid any conflicts of interest.

**Proposal 2:** All Board Members will have a maximum term of office. This is to be increased in line with best practice to nine consecutive years (three x three full year terms).

**Rationale:** The NHF Code of Governance makes it clear that to support board renewal, maximum terms of office must be two or three terms. The overall maximum period of Board service for non-executive Board Members cannot exceed nine years.

There have been several examples of where associations have been downgraded because of their failure to comply with this requirement. Appendix 3 refers to at least five recent cases.

**Proposal 3:** All Board Members will be selected and appointed using the skills matrix. There will be no ring-fenced positions.

**Rationale:** The NHF Code of Governance states that where the organisation's constitution provides for one or more Board Members to be nominated or directly elected the organisation must ensure that those coming forward bring skills and experience that are relevant to the needs of the Board.

Appendix 3 refers to at least five cases where associations have been downgraded due to their failure to comply with this requirement.

**Proposal 4:** We will continue to work in partnership with the LA and will consider any opportunities to strengthen this working relationship.

**Rationale:** The Trust is already represented on several groups within the Borough and we would continue to support our involvement. We have recently secured additional funding which will enable us to develop around 700 new homes.

**Proposal 5:** We will continue to involve customers in our governance arrangements. It is important for us that the voice of the customer continues to influence the decisions that we make. We will review our customer involvement arrangements to make sure that they are as effective as they can be.

**Rationale:** We have recently held two consultation sessions with customers to discuss our proposed changes. The overall feedback has been very positive. Customers clearly understand the need to change and to modernise our governance arrangements.

**Proposal 6:** We will look at ways to further streamline our governance arrangements to enable the Board to focus on the key strategic issues we are facing.

**Rationale:** The introduction of 'Our Direction' and the lead member system has enabled Board to focus on the key strategic issues. We will seek to continue the development of the Board through the development of an annual Governance Development Plan and a programme of annual Board Member appraisals.

## **Appendix 2: Background Information and skills matrix**

### **Introduction**

Halton Housing Trust (HHT) is a Registered Provider (RP) of social housing. The Trust was formed to receive the transfer of housing stock from Halton Borough Council in December 2005.

The Trust manages around 6,400 homes in the Cheshire towns of Widnes and Runcorn which are located in the Halton Local Authority area.

### **Regulation**

The Regulatory Framework for Social Housing from April 2012 sets out the regulatory standards and expectations of RP's following changes to the Housing and Regeneration Act 2008, brought about by the Localism Act 2011

The regulatory framework describes at a high level how these are delivered through the Social Housing Regulator (SHR) taking a proactive role in the regulation of the economic standards (covering governance, financial viability, value for money (VFM) and rent.

The SHR's primary regulatory principle is co-regulation. This approach recognises that boards are responsible for their organisation's performance, compliance with regulatory standards and adherence to their own selected code of governance.

The recently published discussion document "Protecting Social Housing Assets in a More Diverse Sector" reaffirms the need for boards to have the appropriate skills to cope with a much more risky environment and to make sure that it has the relevant skills to deal with risk management and finance.

### **External Factors**

The environment in which all RP's are operating is changing significantly. The single biggest threat to RP's continued viability is welfare reform.

- RP's already have to cope with the adverse impact of the implementation of the Under Occupation Deduction. For the Trust this means that around 900 customers will receive between £14 to £25 per week less than they did before the change. This change affects those customers of working age who are considered to be under occupying their home by one or more bedrooms.
- The Trust will have to deal with the changes as a result of the implementation of Universal Credit (UC). We currently receive around 65% of our income direct from Housing Benefit. However the implementation of UC will see this benefit paid to customers who will then have to pay their rent to the Trust. For many



customers this will be the first time that they will have had to be responsible for paying their own rent.

RP's are becoming more diverse and complex organisations. Many RP's, the Trust included, have set up commercial subsidiaries that will generate profits to subsidise the social housing activity. This cross subsidisation is considered to be important when considering the threat posed by the Welfare Reforms and the reducing grant rates for the development of new homes.

### **Internal Factors**

The Trust wants to continue to be a developing RP providing much needed high quality affordable rented housing across Halton. To enable us to continue to this with ever decreasing grant rates we will need to:

1. Generate profits from commercial activities
2. Increase the amount of money we borrow from banks and the capital markets
3. Reduce costs and drive efficiency
4. Review and change the ways in which we currently collect our income

It is in the best interests of our customers, stakeholders and the Local Authority to have a strong, viable and vibrant RP based locally within Halton. We want to continue to work closely with the Council and other key stakeholders to support and develop our neighbourhoods and to deliver our vision of improving people's lives.

To enable us to achieve our objective in an ever changing and more threatening environment we need to ensure our governance arrangements are 'fit for purpose'. If we do not then, as recent events have shown with the failure of Cosmopolitan Housing Group, we could be jeopardising the future of the Trust and not acting in the best interest of our customers and our neighbourhoods.

There have also been failures within other sectors, most notably within banks and financial services, partly due to ineffective governance arrangements and skills.

### **Governance Review 2013**

In January 2013 in response to the many issues in the sector and a changing regulatory approach the Trust's Board commissioned a review of its governance arrangements. The objectives of the review were:

- To put in place governance arrangements that compare favourably with best practice models
- To have governance arrangements that enable the key issues to be properly debated

- To have arrangements that enable effective and efficient decision making
- To clarify the roles and responsibilities within whatever governance arrangements are in place
- To put in place arrangements that are 'future proof' as far as is possible
- To have arrangements in which every participant, whatever their role, is able to 'add value'

One of the first tasks completed was to review the skills needed on the Board to meet the challenges that lay ahead. It was reinforced at this time that the skills should reflect the type of business - locally focused with an overarching aim of improving people's lives.

Therefore the business needed the right mix of generic business skills, social business skills and local expertise. 10 skills were identified as most important for the HHT Board:

1. Knowledge of the needs, aspirations and concerns of customers and communities served by the Trust
2. Commercial business, business planning, financial and management skills
3. Funding, planning and development for housing and regeneration
4. Care, support and the needs of vulnerable people
5. Working with local authorities, other government and statutory bodies and other local and national partners.
6. Experience of working as non-executive Director, executive Director or at senior level of a private company, plc or substantial public or third sector organisation
7. Communications, marketing and public affairs
8. Public policy and politics relating to the wider social housing sector
9. Risk management and mitigation
10. Governance and working as one of a Board team

We recognise that no one Board member can be expected to possess all of these skills. However it is expected that overall the Board will contain people who will provide it with these skills.

These skills will be used for all future selection and appointments to the Board. People with specific skills may be sought if the Board feels that it ever has a gap in its overall skills matrix.

The existing process for appointing people to our Board does not enable us to consistently satisfy our overall skills requirements and by default the expectations of our regulatory body.

To meet the regulatory requirements we need to demonstrate that we select and appoint each of our Board members using the skills matrix. This does not exclude customers or Council members on our Board. People from these groups can clearly demonstrate how they contribute positively to our skills matrix.

### **Appendix 3: Recent Regulatory Judgements**

16 providers have been awarded a G2 rating and 8 have received a G3 rating.

#### ***G2 Rating***

##### **Bedfordshire Pilgrims Housing Association (V2)**

- Code of conduct stated that details of Board remuneration, including the names of those in receipt of payment, should be published. This was not followed.
- The organisation's code of governance states that the remuneration received by Board members must be appropriate given the organisation's size, complexity and resources. Non-executive director's pay was raised to a level above sector norms without giving adequate consideration to BPHA's size and complexity.
- An adequate explanation of non-compliance was not provided. BPHA intends to publish this information for year end 2012/13.

##### **Bournemouth Churches Housing Association (V2)**

- Some Board members had exceeded their terms of office and RSL did not have an succession plan in place.
- Regulator stated that there were concerns that "this may lead to a lack of challenge to long standing practices which may be a risk to effective leadership and control. BCHA does not have an explicit plan for Board succession".

##### **Broadacre Housing Association (V1)**

- One Board member has exceeded the nine years allowed by their code of governance. BHA has agreed to comply with the code from 2012 but the regulator remains concerned about compliance because there is no clear succession planning.
- RSL increased the range of its activities and this led to an increase in associated risks. Regulator expressed concern that the Board has not been provided with sufficient skills training following an increase in Board member responsibilities.

##### **Cambridge Housing Society Limited (v2)**

- Commissioned an independent review which identified weaknesses in governance including:
- Lack of sufficient skills in the Board room
- Need to strengthen treasury management, risk management, business planning, internal audit and the society's internal risk framework.

- A recruitment and succession planning programme was put into place to strengthen Board skills and expertise. A new chair was appointed in March 2013 and a new Board member with treasury experience has been appointed

### **Great Places Housing Group Limited (V1)**

- Demonstrated weak governance when agreeing executive contracts and severance payments to outgoing executives.
- Independent investigation commissioned and the regulator believes that the findings identify the potential for further weaknesses the GPHG's management.
- Independent review found that when negotiating contracts and severance pay the Board did not make adequate assessment of the risks associated with the decisions it was making. The Board and remuneration committee did not have a clear role in scrutinising remuneration payments and as a result decisions were not effectively scrutinised. Furthermore RSL did not recognise circumstances when it should have sought independent advice and did not act on advice when it was given.

### **Hastoe Housing Association (V2)**

- Regulator found that appraisals of the Board by the governance team were not sufficient to ensure that the Board's skills remain at appropriate to effectively manage the risks of the organisation.
- The Board does not comply with three provisions in its code of governance:
- The size of the Board exceeds the maximum. The regulator is not assured that in retaining a Board of this size Hastoe has considered whether members could be utilised to support a smaller strategic board.
- The average length of service for the Board is 12 years.
- The Board is appraised annually and individual members are appraised every three years however Hastoe has not adequately demonstrated that it has assessed the skills of to the Board to ensure that they remain at appropriate to effectively manage the risks of the organisation.

### **Housing 21 (v2)**

- Identified weaknesses in risk management, evident in subsidiary and in internal controls, were material factors in the regulator's governance assessment.
- H21 established a subsidiary company in 2006 to manage a project for refurbishment, new building and management of new properties. It was intended that the subsidiary company would absorb the risks associated with the project and not leave the parent company or the existing social housing exposed.

- It was later found that works under a separate but related company were defective which left the parent company exposed and resulted in significant financial loss.
- Independent review found that the terms of the contract were onerous to H21, the arrangements to protect the existing housing stock were not adequate, the information for properties within the contract was not sufficiently detailed, the management and risks were fragmented and leadership was not effective.
- Following this H21 has taken steps to improve its management and the risks associated with the project. To assure the regulatory H21 has also agreed to provide a comprehensive plan detailing key risks and mitigations.
- As well as the above the regulator also found that H21 did not have a sufficiently robust internal framework during a period of significant business change. Eight internal audit reports provided no assurance, with one advising no assurance.
- Weaknesses in risk management have also been identified.

### **Luminus Group Limited (V1)**

- The regulator does not have confidence that the quality of the treasury management or the Board's understanding and management of counterparty risk is sufficient. Luminus need to provide assurance that they have reviewed and expanded their treasury management policy.
- The risk management strategy does not provide adequate detail on the organisation's risk appetite and there is not sufficient detail of recent risks.
- Following regulatory concern last year Luminus has separated its audit, finance and risk committees from the Board. An internal audit function has also been brought in house. These new arrangements will be monitored.
- An independent review has identified that Luminus needs to ensure that the skills and expertise of the Board continues to meet the needs of the organisation as it matures.
- RSL to continue to develop an appropriate succession strategy and to develop and maintain oversight of an appropriate strategy to make best use of available funding.

### **One Housing Group (V1)**

- involved in a wide range of activities and has ambitious growth plans. SHR needs further assurance that the level of oversight by the Board is on a standard that allows effective scrutiny of key activities. The Board needs to strengthen its capacity to carry out a scrutiny role and to hold the chief executive to account.

- Group reporting to the board has not been frequent enough or detailed to enough to allow the board to understand current performance and any issues arising from group activities.
- A new succession plan has been put into place and is being utilised.

#### **Orwell Housing Association (V1)**

- Longest serving Board member in sector.
- Several members exceeded their term of office. SHR did not accept the organisation's explanation for non-compliance which emphasised the importance of retaining experience.
- A new nine year maximum term of office is being introduced but full compliance will not be achieved until 2018 by which time one board member will have served for 40 years.
- Does not have sufficient oversight and assurance in all areas of the business and as a result key risks are not adequately mitigated or managed.

#### **Midland Heart Limited (V1)**

- Did not to have adequate arrangements to support its compliance and reporting regulations. It is a regulatory requirement that providers explain any aspects of non-compliance. Midland Heart Limited has failed to report areas of compliance and non-compliance.
- Lack of sufficient evidence that the board has fully considered and challenged itself on its compliance and reporting obligations.

#### **New Charter Housing Trust (v1)**

- Did not provided sufficient evidence that it is complying with its chosen code of governance.
- Board Members exceeded their terms of office. HCA concerned that the independence of the Board may be compromised by a lack of challenge to long standing practices which may lead to risks to effective challenge and leadership.
- No issues with achievements and outcomes but the organisation needs to demonstrate more transparently how its governance arrangements are meeting its code of governance and that is public reporting enabled stakeholders to be properly informed.

#### **North Hertfordshire Homes Limited (V1)**

- Two internal governance reviews in 2008 and 2010 recommended changes in the composition of NHH's board membership and a reduction in its size. The reviews

identified a need to ensure a more appropriate balance of skills on the board to improve its effectiveness and better enable it to oversee the delivery of NHH's strategic objectives. More recently, self-assessment by board members in 2012 identified some gaps in treasury management expertise, underlining the need to strengthen the knowledge and skills mix on the board.

- Due to its corporate structure and shareholding arrangements, NHH has been unable to address the reviews' recommendations by pursuing its preferred option of rebalancing the board by increasing the number of independent members . As a consequence, NHH has yet to develop effective strategies to take forward the reviews recommendations and strengthen its board. NHH will require a viable alternative plan of action to realise the required outcomes from the internal reviews, to ensure governance arrangements deliver strategic objectives and improve the board's oversight

### **Viridian Housing's (V2)**

- Failures in recording and monitoring of declarations of interest which led to the letting of maintenance contract which may not have represented value for money.
- Procedures have since been tightened and the regulatory is happy with current progress.

### **Saffron Housing Trust (V1)**

- Management did not adequately report risks of subsidiary companies and as a result they were not mitigated.
- The regulator criticised Saffron's risk management in its oversight of its unregistered construction company Crocus. Risks regarding Crocus were not fully reported to the parent board.
- Inadequate management of governance processes including
- Lack of written documentation relating to contract management
- Failure to take meeting minutes and inappropriate delegation of key expenditure by the board to the executive.
- These were compounded by management failures to comply with the requirements of the audit committee.

## ***G3 Rating***

### **Cottsway Housing Association Limited (V3)**



- Reported serious cash flow problems to the regulator which had started in October 2012. There had been a failure in internal processes and controls which resulted in a failure to change properties to support required loan drawdowns.
- RSL had put in place actions to deal with this but did not notify the regulator until a later date- this represented a failure to communicate with the regulator in a timely manner to report issues relating to non-compliance of financial standards.
- The regulator is satisfied with the action taken so far and will continue to monitor progress.

### **East Thames Group Limited (V2)**

- Financial plan is undeliverable and lacks strategic planning. The finance team has failed to report key financial indicators such as cash flow and has failed to oversee the business.
- Finance department has been restructured since weaknesses were identified in the procedures, systems and planning and co-ordination of the team.
- East Thames was found to be non-compliant with rent levels in over 1000 homes.
- The regulator lacked confidence in the accuracy of their financial position and application of rent guidelines.

### **Gallions Housing Association Limited (V1)**

- Failed to act in a transparent and accountable way demonstrated by the decisions taken relating to the remuneration and compensation for redundancy of an outgoing executive.
- Board referred to regulatory requirements that had not been in place for some time. Failed to take into account the current regulatory framework and in particular the requirement that registered provider governance arrangements should ensure they safeguard the reputation of the sector.
- Board failed to take timely legal advice and to make best use of the advice it received.
- When notified of potential issues by an adviser, the Board failed to inform the regulator as a result does not meet the standards for transparency.
- Board did consider the long term saving that came from the departure of an executive but the savings do not demonstrate sufficient value for money.
- Regulator concluded that the board did not exercise adequate controls to fully assess the risks associated with the level of payments it agreed. An independent review has been commissioned to a brief agreed by the regulator. The regulator will monitor the outcomes/progress.

- Gallions also breached Home Standard by failing to comply with the Gas Safety Regulations 1999. As well as being considered serious detriment to tenants this raises governance concerns as the standards for Board accountability and compliance have been breached. The association has now rectified this issue and the regulator will continue to monitor arrangements.

### **Plus Dane Housing Group Limited (V2)**

- Needed to strengthen its risk management as the group is aware of capacity constraints but despite this has still pursued growth opportunities without fully considering their capacity or group exposure. This included the scale and impact of potential losses, the impact of welfare reform or the effect of reducing funding to the subsidiary company.
- The group's growth aspirations require additional funding which will bring it close to the funder's gearing covenants. The group has started to take action to resolve these issues but they have not yet been implemented. The regulator feels that they need to commission an independent review.
- Financial strategy needs to be reviewed
- Slow to strengthen governance team.

### **Metropolitan Housing Association (V2)**

- Financial planning was found to be weak, for example efficient targets were weak and not supported by evidence or delivery plans. As a result the 2011/12 budget was missed.
- Regulator also found that in some cases too much responsibility was delegated to the finance committee but in other cases delegation to the finance committee was lacking.
- Criticised for not providing the Board with sufficient control or support which has resulted in loss of stakeholder confidence, unclear governance arrangements and inappropriate agreement procedure.
- Executives did not have a clear role on the board and failed to take appropriate action when reviewing compliance against governance.
- Failed to report non-compliance with their governance code.
- Following an independent review the business plan was revised and a new governance plan was implemented. The Chief Executive was replaced and Board membership is being reviewed. The regulator is satisfied with progress and will continue to monitor the association

### **Pierhead Housing Association (V1)**

- Disputes between senior management and Board meant that leadership attention had not been focussed on directing and controlling the business.
- EMT capacity had been reduced by long term absences.
- As a result of problems a number of Board members resigned and regulator is not assured that the board can fulfil its role.
- Despite problems no review of Governance since 2010. Not compliant with some areas of code but not reported this and not checked compliance against code. Not assured that organisation is compliant with other areas of code.
- Agreed to conduct independent review. Re-establish purpose, mission and objectives of organisation. EMT interim directors have been hired and two new board members appointed.

### **Family Housing Association (V2)**

- Finance team has failed to report key financial indicators such as cash flow and has failed to oversee the business
- Failure to provide Board with accurate or adequate information to enable it to oversee or control the business. Some financial information provided to the board was found to be incorrect
- Board criticised for being ineffective in challenging the executive team about the amount and quality of the information that it has been providing.

### **Swan Housing Association (V1)**

- Regulator required organisation to commission four independent reviews.
- Swan claimed £50 million out of a £124 million grant before the relevant conditions for the grant had been met. Documents were falsified in order to claim the grant. The motive for this was to preserve and enhance the organisation's reputation as an effective developer. This demonstrated widespread failures to control within the development department. Following this incident in 2011 the Board did not undertake any investigation to find out if these problems were more widespread.
- The regulator is not assured that the Board is aware of, or responding to the external and internal risks to delivery of the business plan or that the board gives sufficient priority to performance management. In particular the development department is not subject to adequate monitoring and nearly all the risks cited in the business plan are development related.
- The regulator is not confident that the board has been receiving accurate reports about all areas of the business, in particular, growth and development.

- In 2005 the development department was not subject to an internal audit. The board accepted management explanations that this was not necessary and as a result this department was allowed to work independently. The board allowed a culture to develop which held that the development department would be allowed to meet its targets at all costs.

<b>REPORT TO:</b>	Environment and Urban Renewal Policy and Performance Board
<b>DATE:</b>	21 <sup>st</sup> January 2014
<b>REPORTING OFFICER:</b>	Strategic Director – Policy and Resources
<b>SUBJECT:</b>	Halton CARES – A Corporate Social Responsibility accreditation scheme
<b>PORTFOLIO:</b>	Physical Environment
<b>WARDS:</b>	Boroughwide

### 1.0 **PURPOSE OF REPORT**

- 1.1 The purpose of the report is to inform Members of the development of the Halton CARES project and pilot proposal and to seek support to further develop the scheme and implement the pilot.

### 2.0 **RECOMMENDATION: That the Board**

**(1) note the content of the report; and**

**(2) support the development of the Halton CARES scheme and the running of a pilot project in Partnership with the Chamber of Commerce**

### 3.0 **SUPPORTING INFORMATION**

- 3.1 The Council has recently had to deal with a number of cases where local residents are potentially going to be issued with section 215 notices under the Town and Country Planning Act 1990. In these cases, a lack of maintenance to a resident's property, most frequently their gardens, are causing problems to such a degree as to be detrimental to the amenity of the local area.
- 3.2 In such cases, it is possible to issue a section 215 notice to allow enforcement action to be taken. However, in a number of recent cases the residents have been elderly, disabled or in some way vulnerable and it has been deemed unsuitable to take such action.
- 3.3 Tasked with developing a solution with no immediate cost, the Corporate Policy and Performance Team, in conjunction with the Halton Chamber of Commerce, have developed the Halton CARES proposal as a potential solution. The scheme offers our most vulnerable residents access to private company services at no cost to the resident through a corporate social responsibility accreditation scheme.

- 3.4 The accreditation scheme would operate between Halton Borough Council and the Halton Chamber of Commerce. The purpose of the scheme is for private sector organisations to gain accredited status through providing a number of hours of their expertise, free of charge, to our most vulnerable residents. In return they gain the good publicity that involvement will bring and will be able to use their accreditation in their marketing and publicity information. The services could be from a wide range of private sector areas from gardening and maintenance to legal advice and financial services.
- 3.5 Local organisations contributing to the scheme would be given an accreditation “kitemark” which they could use on their marketing and branding materials. Holding the kitemark could also potentially assist companies in demonstrating their commitment to promoting social value in tendering for contracts.
- 3.6 A directory of companies who carry the kitemark would be held on the Halton Chamber of Commerce website, and this would also be hyperlinked from the Halton Strategic Partnership and Halton Borough Council websites.
- 3.7 The current favoured name is Halton CARES (Companies Acting Ethically and Responsibly). The kitemark would be known as the Halton CARES Mark.
- 3.8 A 12 month pilot project is proposed to initially focus on gardening issues and local gardening organisations to help the Council deal with the aforementioned section 215 issues.
- 3.9 To become accredited a company would have to donate a number of hours of free service to vulnerable residents. It is suggested that a minimum of 15 free hours is defined as part of the scheme. Additionally, companies would have to show that they have policies covering the following areas:

Acting as a responsible employer	Equality and Diversity
	Volunteering, work experience or apprenticeships
Acting responsibly in the marketplace	Waste management and recycling
	Customer service standards
	Commitment to local sourcing of goods and services

- 3.10 The Council and Chamber of Commerce will offer support to organisations willing to develop them with an “off the shelf” set of policies that can be adapted to fit with the company’s business in order to help them gain accreditation.
- 3.11 To qualify for help a resident would need to be in a position where:
- Without assistance the resident would become more

- vulnerable;
- They are unable to deal with the issue or pay for it to be dealt with independently;
- There are no public sector or voluntary organisations that can provide the help and support required.

3.12 The scheme acts as an additional service that the Council can signpost residents to but is minimal in its additional work as the services are delivered outside of the Council.

#### 4.0 **POLICY IMPLICATIONS**

4.1 Adoption of the scheme would introduce an element of corporate social responsibility to the council's policy framework and could act as a gateway to a fuller council approach to corporate social responsibility.

4.2 The scheme provides an alternative service provision in those cases where the public and voluntary and community sector are seemingly unable to help. The scheme provides this support only to residents who are unable to deal with the issue themselves, or are unable to pay for the issue to be dealt with.

4.3 The scheme could potentially improve links between the Council and the local business community by providing a mutually beneficial scheme that supports vulnerable residents.

4.4 The scheme would also demonstrate the Council's support for raising business standards and encouraging and supporting local businesses to act in a socially responsible way.

4.5 The scheme could relieve pressure on Council services by signposting residents to alternative sources of support.

4.6 The scheme could potentially have links to the Public Services (Social Value) Act by enabling companies, when tendering for contracts, to demonstrate that they are creating social value. Public sector bodies are legally required to consider issue of social value at the pre-procurement stage of contracts for services above the EU threshold.

#### 5.0 **OTHER/FINANCIAL IMPLICATIONS**

5.1 The main resource implication of the scheme is the administration that the scheme will require. The main tasks that will need to be undertaken are:

- **Making referrals to the scheme:** a referral will be made to the scheme by Council officers when dealing with issues that alternatively would not be signposted elsewhere. Officers will

be given a simple referral process chart that will help them to decide if a resident can be referred or not. In this way, the scheme may actually cut down on call volumes as cases without a satisfactory resolution may now be resolved.

- **Collating application forms and making accreditation decisions:** This administrative task would be handled either by the Halton Chamber of Commerce or by Halton Borough Council. There is the potential for a graduate or apprentice to take on this task and this is currently being explored.
- **Updating the register of accredited organisations:** this would be hosted on the Chamber of Commerce website and would be dealt with by the Chamber.
- **Marketing the scheme to organisations:** this could be done as a joint initiative through the Chamber of Commerce and the HBC Business Development Team. The scheme could be launched at one of the Chamber of Commerce's events.
- **Making staff aware of the scheme:** Initial call handling officers could receive simple advice and guidance on the scheme, potentially supported by an e-learning tool.
- **Providing initial policy support:** the Policy and Performance Team would produce an off-the-shelf set of templates to support organisations in meeting the policy framework requirements of the scheme.

5.2 In the past, many of these cases have been dealt with in-house, often by the Council's Open Spaces team. A recent quote for one of the cases in question to clear the garden was £2,208.80. The scheme would relieve pressure on the Council to provide solutions to these cases from its own resources. It is anticipated that the Chamber will run the project with the Council's commitment being in in-kind support as detailed in this report.

5.3 Although the pilot scheme will be focussed around potential section 215 issues, the scheme has clear potential to provide a more holistic set of services to residents. For example:

- Residents in need of legal advice could benefit from the services from a local solicitor's firm.
- Residents in need of building or maintenance work could benefit from the services of a local building firm.
- Residents in need of gardening help could be helped by local gardening companies;



- Residents needing to move house could benefit from help from local delivery companies or van hire companies;
- Residents clearing out a house or garden could access use of a skip from skip hire companies.

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

### 6.1 **Children and Young People in Halton**

The scheme could have positive implications for those children and young people who live in vulnerable households in Halton. Providing extra support to vulnerable families in the borough through the scheme will benefit the children in those families by providing the family with access to previously inaccessible services.

### 6.2 **Employment, Learning and Skills**

The scheme will potentially support businesses in the borough by providing good publicity through their involvement in the scheme. It will also promote high standards of corporate social responsibility across the borough.

### 6.3 **A Healthy Halton**

Vulnerable residents who cannot access services to support them in these circumstances can suffer from stress which affects their mental health. Offering a referral service whereby they can access expert services at no cost can help to improve mental health and support the Council's Healthy Halton priority.

### 6.4 **A Safer Halton**

Through providing additional access to services vulnerable residents may become more engaged with public services, leading to vulnerable residents accessing the appropriate support, which may make them less likely to support their lifestyles through illegal activity.

### 6.5 **Environment and Regeneration in Halton**

The pilot scheme will provide an alternative resource in dealing with the recent issues with potential section 215 cases which will help to maintain the amenity of the borough. When rolled out it will also provide a referral service to qualifying residents to ensure they can access support to maintain their properties.

## 7.0 **RISK ANALYSIS**

7.1 The main risk factor associated with the scheme is around the Council's liability for the services provided by a private organisation. A meeting with a Group Solicitor for the Council will have taken place by the time this report is presented. However, initial email advice was mainly positive overall. The Chamber of Commerce has high legal standards for all of its members and would be able to provide further advice and guidance on this issue.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The scheme provides support for our most vulnerable residents. The Council have committed to ensuring people at a socio-economic disadvantage or who are disabled are given equality of opportunity. This scheme will allow us to support our most vulnerable residents in accessing services they otherwise would not be able to access.

Appendix AThe Halton CARES SchemeCompanies Acting Responsibly and Ethically

<b>1</b>	<b>Aim</b>
1.1	This scheme provides private sector expertise at no cost to our most vulnerable residents. It will allow residents who are vulnerable to access vital private sector expertise and services that they otherwise wouldn't be able to access.
1.2	The scheme also aims to accredit those organisations in Halton committed to corporate social responsibility by ensuring they have a simple but effective policy framework in place.
<b>2</b>	<b>How Does the Scheme Work?</b>
2.1	The Halton CARES scheme works by organisations qualifying to meet our corporate social responsibility criteria, including dedicating a number of hours of their services annually. These hours are available to residents in need of assistance and who qualify for the scheme. The minimum number of hours an organisation is asked to pledge to the scheme annually is 15. If an application by a company is successful the company becomes accredited.
2.2	Accredited organisations will be given a kitemark to show their accreditation under the scheme.
2.3	A register of companies carrying the kitemark will be kept on the Halton Chamber of Commerce website. This will also be hyperlinked from the Halton Borough Council and Halton Strategic Partnership websites.

2.4	Residents receiving help through the scheme will be asked to sign an agreement for the organisation to undertake the work.							
<b>3</b>	<b>Who Could the Scheme Assist?</b>							
3.1	<p>These examples demonstrate the range of residents and companies who could benefit from this scheme.</p> <ul style="list-style-type: none"> <li>• Residents in need of legal advice could benefit from the services from a local solicitor’s firm.</li> <li>• Residents in need of building or maintenance work could benefit from the services of a local building firm.</li> <li>• Residents in need of gardening help could be helped by local gardening companies;</li> <li>• Residents needing to move house could benefit from help from local delivery companies or van hire companies;</li> <li>• Residents clearing out a house or garden could access use of a skip from skip hire companies.</li> </ul>							
<b>4</b>	<b>Accreditation Criteria</b>							
4.1	<p>The scheme is designed to accredit and reward organisations that provide added value to the community in two ways.</p> <ul style="list-style-type: none"> <li>- Acting as a responsible employer</li> <li>- Acting responsibly in the marketplace</li> </ul>							
4.2	<p>There are a number of policies that an organisation must have in place that provide evidence that the company meets these two areas.</p> <table border="1" data-bbox="280 1386 1437 1653"> <tr> <td data-bbox="280 1386 858 1498" rowspan="2">Acting as a responsible employer</td> <td data-bbox="866 1386 1437 1424">Equality and Diversity</td> </tr> <tr> <td data-bbox="866 1429 1437 1498">Volunteering, work experience or apprenticeships</td> </tr> <tr> <td data-bbox="280 1503 858 1653" rowspan="3">Acting responsibly in the marketplace</td> <td data-bbox="866 1503 1437 1541">Waste management and recycling</td> </tr> <tr> <td data-bbox="866 1545 1437 1583">Customer service standards</td> </tr> <tr> <td data-bbox="866 1588 1437 1653">Commitment to local sourcing of goods and services</td> </tr> </table>	Acting as a responsible employer	Equality and Diversity	Volunteering, work experience or apprenticeships	Acting responsibly in the marketplace	Waste management and recycling	Customer service standards	Commitment to local sourcing of goods and services
Acting as a responsible employer	Equality and Diversity							
	Volunteering, work experience or apprenticeships							
Acting responsibly in the marketplace	Waste management and recycling							
	Customer service standards							
	Commitment to local sourcing of goods and services							
4.3	<p>Companies will be asked to provide a copy of these policies. The Council and Chamber of Commerce will offer support to organisations willing to develop them with an “off the shelf” set of policies that can be adapted to fit with the company’s business in order to help them gain accreditation. Policies need not be extensive but are there to ensure minimum standards are met by accredited organisations.</p>							
<b>5</b>	<b>Incentives</b>							
5.1	<p>Companies qualifying for the scheme would benefit from the following:</p> <ul style="list-style-type: none"> <li>• Scheme “Kitemark”: all accredited organisations will be able to use the</li> </ul>							

	<p>kitemark on its marketing materials;</p> <ul style="list-style-type: none"> <li>• All accredited organisations will be included on a “directory” of socially responsible organisations held on the Chamber of Commerce website and the HSP website;</li> <li>• Accredited organisations could demonstrate social value considerations when bidding for Council contracts;</li> <li>• Publicity and press through local media and the Council and Chamber websites;</li> <li>• Increased access to Council business support and Council policy support.</li> </ul>
<b>6</b>	<b>Qualification for Help</b>
6.1	<p>For a resident to qualify for help the scheme administrators must be assured:</p> <ol style="list-style-type: none"> <li>1. That the resident would become vulnerable without assistance;</li> <li>2. That the resident is unable to deal with the issue independently or is unable to pay for assistance;</li> <li>3. That there is no available public sector or voluntary groups who are unable to assist.</li> </ol>
6.2	<p><b>Referral Process</b></p> <p>The flowchart below shows the referral process.</p>
	<pre> graph TD     A[Without the assistance being requested would the resident become vulnerable?] -- YES --&gt; B[Is the residents able to deal with the issue or pay for assistance independently?]     B -- No --&gt; C[Are there any public services or voluntary groups able to assist?]     C -- No --&gt; D[Halton CARES referral]     </pre>

**Appendix B**

**Halton CARES – Company Application Form**

**Section A: About Your Company**

Company name: \_\_\_\_\_

Company address: \_\_\_\_\_

Halton Chamber of Commerce Registration Number: \_\_\_\_\_

Briefly describe the nature your business or services in the box below

How many hours per year (minimum 15) of your services could you donate to the Halton CARES scheme?

\_\_\_\_\_

Briefly describe the type of support you could offer to qualifying residents

**Section B: Accreditation Criteria**

Does your organisation currently have policies covering?

Acting as a responsible employer	Equality and Diversity	YES/NO
	Volunteering, work experience or apprenticeships	YES/NO
Acting responsibly in the marketplace	Waste management and recycling	YES/NO
	Customer service standards	YES/NO
	Commitment to local sourcing of goods and services	YES/NO

The Council offers an “off the shelf” policy pack that can be adapted to your needs. If there are any policies above that you have replied “no” to, would you be interested in access this Council support to develop these policies?

YES/NO

Please note: Your organisation must have these in place, or commit to accessing Council support to develop them, to gain the Halton CARES accreditation.

**Section C: Contact details**

Contact name: \_\_\_\_\_

Position in company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone number: \_\_\_\_\_

Email address: \_\_\_\_\_

<b>REPORT:</b>	Environment and Urban Renewal Policy and Performance Board
<b>DATE:</b>	21st January 2014
<b>REPORTING OFFICER:</b>	Strategic Director, Policy & Resources
<b>PORTFOLIO:</b>	Transportation
<b>SUBJECT:</b>	Annual Road Traffic Collision & Casualty Report.
<b>WARDS:</b>	Boroughwide

## **1.0 PURPOSE OF REPORT**

- 1.1 To report road traffic collision and casualty numbers within the Borough in the year 2012 and to recommend a continuance of road traffic collision reduction work.

## **2.0 RECOMMENDATIONS**

### **2.1 It is recommended that:**

**1) the overall progress made on casualty reduction in Halton be noted and welcomed;**

**2) the current programme of road traffic collision reduction schemes and road safety education, training and publicity be endorsed; and**

**3) concerns with regard to the achievement of further casualty prevention, as a result of resource reductions, be noted.**

## **3. SUPPORTING INFORMATION**

- 3.1 Appendix 'A' sets out full details of the numbers of traffic collisions and casualties in the year 2012, and compares these figures with those for previous years. Due to problems with the availability of data, this report has been delayed. These results are mixed, with large reductions in the numbers of people being slightly injured but with the overall numbers of those killed/seriously injured (KSI) remaining the same as in 2011. Within the stable KSI total, adults fell in number but children increased again amid concerns that coalition government funding cuts could be adversely affecting the delivery of road safety education, training and publicity work.

### **3.2 In summary during 2012:**

- There were 278 road traffic collisions involving personal injury in Halton, this being the lowest number in over 20 years and the same as in 2011. These incidents produced 377 casualties, a large reduction on the 422 recorded in 2011;
- 36 of the casualties were classed as serious, and there were 4 deaths, giving a total of 40 killed or seriously injured (KSI), the same as in 2011, which was the lowest in over 20 years;



- The child serious injury (CKSI) total of 10 is three more than in 2011, but there were no child fatalities in 2012. This number is in line with the trend for more CKSI casualties over the past four years;
- The number of people of all ages being slightly (SLI) injured fell to 337 from 382 in 2011.

3.3 In terms of the overall casualty numbers, the results confirm the success of our casualty reduction work, supported via revenue funds and the Local Transport Plan with targeted enforcement and local road safety education, training, publicity and traffic management initiatives undertaken independently and jointly with partner organisations

3.4 Halton's KSI totals of 41, 41, 40 and 40 over the years 2009 to 2012 indicate that achieving further savings is going to be extremely challenging, all the more so given the Coalition Government decision to cut road safety funding and abandon national casualty reduction targets. Whilst Halton's KSI numbers remained almost the same over these four years, nationally over the same time the KSI numbers have fallen by 8%.

3.5 Within the KSI total, an increase in child serious injury (CKSI) totals of 4, 7, 7 and 10 over the years 2009 to 2012 is disappointing and at odds with national CKSI rates which have fallen by 15% over the same period. The Department for Transport 2012 comprehensive annual report on road casualties is available via: <https://www.gov.uk/government/publications/reported-road-casualties-great-britain-annual-report-2012>

3.6 Locally, Halton seems to be now falling behind the KSI reduction rates being achieved nationally.

#### **4.0 TARGETS**

4.1 In 2010, the ten year casualty reduction targets set in 2000 expired and the new government published its Strategic Framework for Road Safety in May 2011 based on what the government described as the "key principles" of localism, the "Big Society", non-regulatory approaches and deficit reduction. The Coalition Government aims to maintain on-going reductions in casualty numbers, whilst tackling specific issues such as those of cyclists and children from deprived areas.

4.3 Within the Government's Strategic Framework is an Outcomes Framework which does set out an expectation for progress on road casualty reductions. Without providing specific targets, and quoting a central KSI reduction forecast of 40% by 2020 based on a 2005-09 base average, the Framework sets out a belief that reductions can be made by encouraging best practice amongst local authorities and comparing local progress with national trends. The only other countries in the EU that do not have targets as part of their road safety strategies are Luxembourg and Malta. The national focus of future casualty reduction work remains unclear.

4.4 The Coalition Government's "Strategic Framework for Road Safety" is available at: <http://www.dft.gov.uk/publications/strategic-framework-for-road-safety/>

#### **5.0 FUNDING CUTS**

5.1 Since April 2011, Halton has suffered the loss of annual Government funded capital and revenue Road Safety grants of £75k and £396k respectively. This has resulted in a halving of the number of Road Safety Officers in Halton and loss of

funding for a wide range of projects and initiatives. The cuts have also meant Halton no longer provides any financial contribution to the local safety camera partnership.

- 5.2 Halton's 2012 casualty figures are not universal good news and the fear grows that these cuts are beginning to have an impact on our ability to continue achieving year on year reductions, despite the best efforts to maximise resources through running initiatives jointly with our neighbours from Warrington Borough Council and other partner organisations such as Cheshire Police and Cheshire Fire & Rescue Service (CFRS) – organisations which in turn have had resources removed, most recently CFRS, which is now facing cuts requiring a re-focussing of its core activities.
- 5.3 Locally, Halton seems to now be falling behind the KSI reduction rates being achieved nationally.

### **6.0 CHESHIRE ROAD SAFETY GROUP**

- 6.1 In 2011, the loss of the Road Safety grant saw the Cheshire Road Safety Group (CRSG) being formed to replace the former Cheshire Safer Roads Partnership (CSRPP). Its purpose is to operate the safety cameras within Cheshire East, Cheshire West & Chester, Halton and Warrington. Halton's previous contributions to this partnership were funded through the Road Safety Grants that were cut in 2010/11 (see 5.1 above). Since that date, Halton has not contributed financially to the Group but continues to participate in joint safety initiatives locally as resources permit.
- 6.2 In not contributing financially to the partnership, there is a strong possibility that camera enforcement in the borough will be adversely affected, with the worst case scenario being that no enforcement at fixed sites would take place in the future. There is an obvious reluctance on behalf of our partners to keep the cameras and enforcement operation going in a borough that does not offer any financial support to these operations. Discussions are currently on-going as to whether and how Halton finds the necessary resources to commit to the partnership but indications are that if it does not contribute financially, fixed speed camera enforcement could reduce significantly or indeed, entirely in the borough in the coming months.
- 6.3 The CRSG is having to replace its outmoded wet film equipment with digital cameras at considerable cost. As part of this exercise, a review of all existing camera sites is underway to establish which will be retained/replaced and which are no longer justified. Halton is actively engaged in this process, but initial indications are that it may be difficult to justify the retention of a number of them in the Borough based on current criteria. However, it should be remembered that the presence of speed cameras does serve as a useful deterrent to speeding drivers and consideration would need to be given as to whether one or more should be retained in this regard.

### **7.0 OTHER IMPLICATIONS**

- 7.1 The work on casualty reduction is consistent with the policies and approaches incorporated in Halton's third Local Transport Plan.
- 7.2 There are no other direct social inclusion, sustainability, value for money, legal or crime and disorder implications resulting from this report

**8.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES.**

**8.1 Children & Young People in Halton**

By helping to create a safer environment, road safety casualty reduction work assists in the safeguarding of children and young people and in the achievement of accessible services.

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

There are no direct implications on the Council's 'Employment, Learning & Skills in Halton' priority.

**8.3 A Healthy Halton**

A reduction in road casualties will have the direct benefit of releasing health resources and thereby enable funding to be focused on other areas of health care.

**8.4 A Safer Halton**

Road safety casualty reduction work of all types supports this priority through the introduction of initiatives and interventions designed to deliver a safer environment.

**8.5 Halton's Urban Renewal**

There are no direct implications on the Council's 'Halton's Urban Renewal' priority.

**9.0 EQUALITY & DIVERSITY ISSUES.**

9.1 There are no direct equality and diversity issues associated with this report.

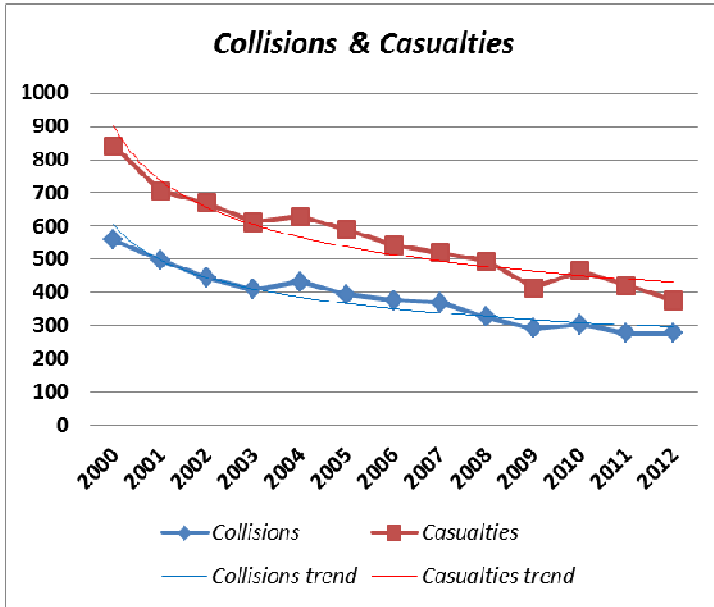
**10.0 BACKGROUND PAPERS**

10.1 The Annual Road Traffic Collision & Casualty Report to the E&UR PPB considered on 21 November 2012

Appendix 'A'

## Halton 2012 Traffic Collisions Review

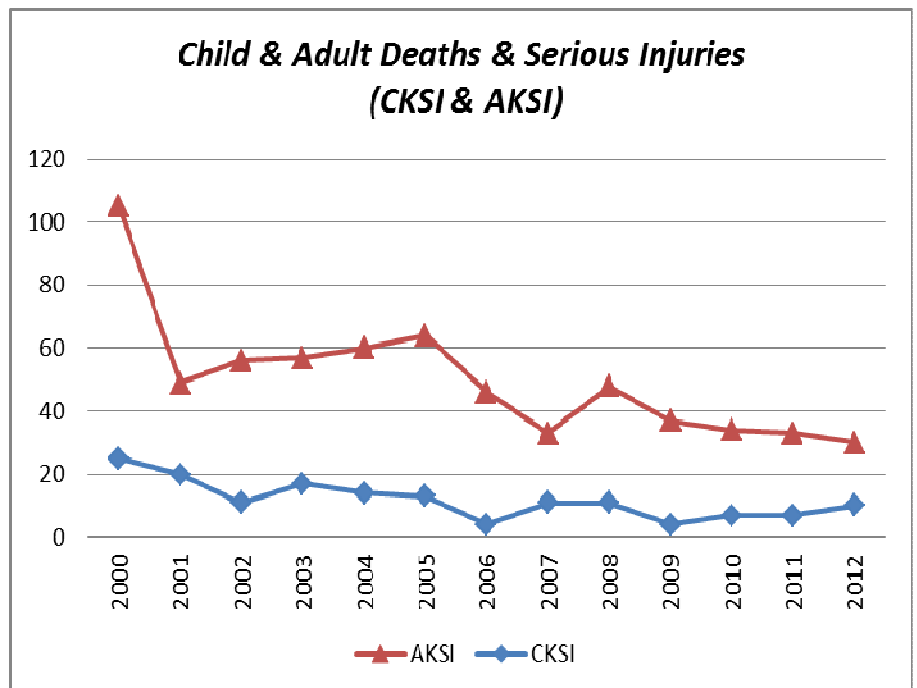
2012 saw a marked decrease in the number of road traffic *casualties* in Halton relative to the previous year and the general levels were in line with the overall trend for progressive, if fluctuating, general reductions stretching back over a decade. However, *collision* numbers remained the same.



Year	Collisions	Casualties
2000	558	842
2001	497	706
2002	444	670
2003	409	612
2004	432	629
2005	394	590
2006	377	543
2007	370	521
2008	326	494
2009	291	415
2010	303	464
2011	278	422
<b>2012</b>	<b>278</b>	<b>377</b>

Whilst casualty numbers fell, all the reduction was in the number of people slightly injured (SLI) as the number of deaths/serious injuries remained the same at 40 for all ages. Within this total of 40 KSI, adult deaths/serious injuries (AKSI) fell for the fifth year running, but child serious injuries increased once more.

Year	Child Deaths/Serious Injuries (CKSI)	Adult Deaths/Serious Injuries (AKSI)
2000	25	105
2001	20	49
2002	11	56
2003	17	57
2004	14	60
2005	13	64
2006	4	46
2007	11	33
2008	11	48
2009	4	37
2010	7	34
2011	7	33
<b>2012</b>	<b>10</b>	<b>30</b>



**Local Indicators**

**Killed & Seriously Injured, All Ages (KSI) (*Local Indicator PPTLI 9*)**



**Children (Under 16's) Killed & Seriously Injured (CKSI) (*Local Indicator PPTLI 10*)**

10 in 2012.

Road Safety education work with children relies heavily on direct contact, mainly in the classroom, and this involvement is an area of contact that has been most severely affected by cuts in the numbers of road safety officers resulting from the Coalition Government austerity measures.

**Slight, All-Age Casualties (SLI) (*Local Indicator PPTLI 11*)**



## Strategic Framework for Road Safety

The Strategic Framework for Road Safety published by the Coalition Government in May 2011 set out a proposed outcomes framework designed to help government, local organisations and citizens to monitor any progress towards improving road safety and decreasing the number of fatalities and seriously injured casualties.

The framework included six key indicators which relate to road deaths, that were intended to measure the key outcomes of the strategy but in Halton the number of road deaths is small and subject to fluctuation. For this reason, KSI rates were proposed as key indicators locally and KSI numbers can be used to compare Halton's performance relative to its neighbours:

	2005-09 average	2011	2012	2012 change over 2011	2012 change over 2005-09 base average
Cheshire East	284	242	245	1%	-14%
Cheshire West & Chester	238	228	214	-6%	-10%
Halton	54	40	40	0%	-26%
Knowsley	58	41	64	56%	11%
Liverpool	218	195	243	25%	11%
Manchester	222	174	195	12%	-12%
St. Helens	65	73	70	-4%	8%
Warrington	104	107	111	4%	6%

Whilst at present Halton may appear to be comfortably placed under this new measurement regime relative to its neighbours, the reality is that the year to year KSI performance fluctuations that this authority has experienced in the past undermine the validity of this method of comparison. Given the removal of the Council's Road Safety Grant support and reductions in road safety staff and resources, it is difficult to see how Halton can continue to achieve reductions in KSI casualties to reach the government's central projection figure of a 40% cut by 2020, relative to the 2005-09 average figures as a base.

Intensive work with children can affect their behaviour on the roads for the rest of their lifetime, and falling levels of involvement could be storing up problems for future years.

As has been pointed out to the DfT in the course of earlier consultation exercises, those authorities that achieved the highest rates of casualty reduction under the previous government's 2000-2010 Road Safety Strategy – such as Halton - are now in a very weak position to achieve further reductions and they will compare badly with others that achieved little up to 2010. It is the view of officers that the basis of the new Key Outcomes indicators is therefore flawed.