

Public Document Pack



Executive Board

Thursday, 27 February 2014 2.00 p.m.
The Boardroom, Municipal Building

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

Chief Executive

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

PART 1

Item	Page No
1. MINUTES	
2. DECLARATION OF INTEREST	
Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item.	
3. LEADER'S PORTFOLIO	
(A) HALTON HOUSING TRUST - GOVERNANCE	4 - 26

*Please contact Angela Scott on 0151 511 8670 or
Angela.scott@halton.gov.uk for further information.
The next meeting of the Committee is on Thursday, 13 March 2014*

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(B) MARKING 50 YEARS OF RUNCORN NEW TOWN 1964 - 2014	27 - 40
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**SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND
THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT
1985****PART II**

In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is **RECOMMENDED** that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

8. CHILDREN YOUNG PEOPLE AND FAMILIES PORTFOLIO**(A) THE ENTERPRISE GAME - KEY DECISION****358 - 364****9. ENVIRONMENTAL SERVICES PORTFOLIO****(A) WASTE TREATMENT SERVICES TENDER - KEY
DECISION****365 - 373**

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

REPORT TO:	Executive Board
DATE:	27 February 2014
REPORTING OFFICER:	Operational Director, Legal and Democratic Services
PORTFOLIO:	Leader
SUBJECT:	Halton Housing Trust - Governance
WARDS:	Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 Executive Board are asked to consider the recommendations of the Environment and Urban Renewal Policy and Performance Board regarding the revision of the Halton Housing Trust governance arrangements.

2.0 RECOMMENDATION: That Executive Board consider the Council's position.

3.0 SUPPORTING INFORMATION

- 3.1 At its meeting on 21 January 2014, the Environment and Urban Renewal Policy and Performance Board (EUR PPB) considered the attached report and Appendix A which set out the proposals from Halton Housing Trust (HHT) to revise its governance arrangements.
- 3.2 A governance review was commissioned by the Board of HHT in January 2013. The review considered that changes to the existing governance arrangements were necessary in order to be fully compliant with the requirements of the Homes and Communities Agency and the National Housing Federation Code of Governance.
- 3.3 Minute EUR39 from the meeting of the EUR PPB records their decision as follows:

RESOLVED: That

- 1) a copy of HHT legal advice on Board membership be circulated to members of the Policy and Performance Board;*
- 2) the proposed changes to the governance arrangements be recommended to the Executive Board for approval subject to the Council having a 33% representation on the HHT Board which is representative of the Council's share in HHT; and*

3) the Council retain three places on the HHT Board if the numbers of members on the Board is reduced to nine.

3.4 Executive Board are asked to consider and if minded, approve, the proposed changes as recommended by the EUR PPB.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 OTHER IMPLICATIONS

5.1 These are set out in the report to the PPB.

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 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 SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Appendix A – information provided by Halton Housing Trust, a copy of which is attached to the report.

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.

REPORT TO:	Executive Board
DATE:	27 February 2014
REPORTING OFFICER:	Strategic Director – Children & Enterprise
PORTFOLIO:	Leader
SUBJECT:	Marking 50 years of Runcorn New Town 1964 – 2014
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

- 1.1 To set out: the planned activities to mark the 50th anniversary of Runcorn being designated a New Town; bring national and local focus on the opportunities and challenges from Halton's New Town heritage; using the anniversary for the purpose of community development and cultural learning and; acknowledge any modest Corporate resource implications pertaining from these activities.

2.0 **RECOMMENDATION: That Executive Board**

- 1) **support utilising the 50th anniversary for the purposes of community development and cultural learning within the Borough;**
- 2) **the 50th anniversary activities are also geared to maximise exposure to the opportunities and challenges of Halton's New Town heritage over coming years;**
- 3) **review and approve the proposed calendar of local events; and**
- 4) **it is noted that non-emergency procurement waiver is used for purpose of securing the restoration of New Town Models.**

3.0 **SUPPORTING INFORMATION**

- 3.1 Runcorn was designated a New Town by National Government on the 10th April 1964 for the purpose of providing housing and employment for people from Liverpool and North Merseyside. To guide development a Masterplan was produced by the Architect and Urban Planner Arthur Ling in 1965 (subsequently amended on 2 occasions). The Masterplan envisaged Runcorn would become a Town of over 100,000 people by the year 2000.

- 3.2 Between 1964 and 1989 Many aspects of the statutory functions of the Runcorn Urban District and Runcorn Rural District (and its successors) were administered by Runcorn Development Corporation (and its successors). The New Town was design-led, characteristics of which are still evident, notably:
- Unique housing and estate designs;
 - Extensive areas of green space and landscaping;
 - High concentration of social housing stock;
 - Expressway and Busway networks;
 - Creation of a new town centre; and consequently, the downgrading of traditional Old Town Centre; and
 - Large dedicated 'planned' industrial areas.
- 3.3 Many of the effects of these and other aspects of the New Town are felt today. Over the years the Council has addressed some of the New Town legacy it has inherited (such as at Southgate and Castlefields). At Sandymoor the major land owner remains the Homes and Communities Agency, as the successor organisation to Commission for New Towns. The Council continues to plan and facilitate the expansion of Runcorn to the original New Town Masterplan. Indeed the Halton Core Strategy identifies that East Runcorn is a major focus for growth, contributing 3,000 new homes (28%) and 49 hectares of new employment land (25%) by 2028.
- 3.4 The New Town also provides a social context and identifier for many of the Halton's residents. Approximately 30,000 initially migrated to the New Town, from largely Liverpool, with many of these now having 3rd generation descendants. The current population of the new town is approximately 45,000. This has resulted in a strong sense of community within some individual New Town estates. However, local historians, historical societies and enquiries to the Libraries historical collections tend to focus on the Old Town and borough's chemical industry. More recently Community Development Officers have seen an interest from residents in activities linked to the New Town, such as the 30th anniversary of Runcorn East Station and establishing a 'Friends of Astmoor School' group.
- 3.5 The former New Town and its 50th anniversary provides an important context and framework in which to reaffirm and engage with some of the Councils existing priorities and activities. These activities are primarily focused within the operational areas of Community & Environment and Economy, Enterprise & Property, and are set around four themes:
- Community Engagement;
 - Cultural Learning;
 - Regeneration; and
 - Growth & Investment.

Appendix A provides a summary of activity around each theme and sets out the target audience, resource implications and outcomes of each of these.

- 3.6 Coordination of event and activities has been through a small officer steering group consisting of representation from three service areas (through their existing functions): Libraries; Community Development, and; Development And Investment Services. Overall project administration sits with the Regeneration Officer, drawing upon the roles project management experience. Supervision is through existing line management, and formal oversight from the Chief Executive and Lead Member, Cllr Dave Cargill.
- 3.7 In respect of community engagement and cultural learning themes, the 50th anniversary presents an opportunity to engage more broadly with local residents around identity, history and community pride. Linked to this, Council facilities and services can be promoted within the Halton Lea Library and other appropriate community buildings. To summarise, the events planned are:
- 50th years of Runcorn New Town Exhibition, Halton Lea Library and Runcorn Shopping Centre;
 - 1974 Runcorn New Town Documentary – Community Screenings;
 - Presidential visit by the Royal Town Planning Institute;
 - ‘Re-inventing Runcorn’ Young People engagement; and
 - Canal Boat Adventure Project – New Town Dreams Documentary.

Appendix B is a complete calendar of proposed events and activities currently in Halton around the 50th anniversary. These are being planned to avoid commemorations for the 100 years anniversary of the 1st World War and look to concentrate events and activities around the 10th April New Town anniversary date.

- 3.8 There is also the opportunity to reflect the 50th anniversary within existing local planned activities and events such as: displaying clips of the 1974 documentary on Council VDU screens in HDL buildings; Children of Halton Sing ‘Songs for special events’; a presence at Party in Phoenix Park and the Vintage Rally.
- 3.9 The Royal Town Planning Institute (RTPI) has also identified the New Town movement and the 50th anniversary of Runcorn New Town to form a part of their centenary year celebration in 2014. This is likely to include a visit by an RTPI delegation, presentation of a Centenary Certificate and Runcorn being featured in a New Town Summit to be held in Letchworth.
- 3.10 Local Youth Group – The Canal Boat Adventure Project have recently secured £35,000.00 funding through the Heritage Lottery Fund’s ‘Young Roots’ scheme to make a documentary in 2014 to

commemorate 50 years of Runcorn New Town. This is intended to reflect on the original 'dream' of the New Town and also look to the future dreams and aspirations of the young people within the New Town today. A premier screening of this documentary will make a fitting finale to the 50th anniversary. HBC Officers have been requested to sit on their advisory group.

4.0 **POLICY IMPLICATIONS**

4.1 Approximately 45,000 residents currently live within Runcorn's New Town areas, and its heritage continues to shape and influence the policies and strategies of the Council. Everything from planning and regeneration; managing and maintaining unique infrastructure; and dealing with the ageing population spike as 1st generation migrants to the New Town reach retirement age.

4.2 Within Halton, Runcorn's brand as a place to live and do business is evolving. Major growth and regeneration focused in East Runcorn is planned over the next 15 years, particularly at Daresbury and Sandymoor. 50th anniversary activities around the themes of growth and regeneration present an opportunity to highlight Runcorn's strengths and associated development and investment opportunities. Alongside this the Council can shape and share our broader vision for Halton with two towns but one big future. Links could be made with Sci-Tech Daresbury and rebranding of Runcorn Shopping Centre etc.

4.3 At the request of the Council, the RTPI New Town Summit plans to include revisiting two National Government Reviews of New Towns:

- The Transport, Local Government and the Regions Committee Report on The New Towns: Their Problems and Future (17 July 2002); and
- Transferable Lessons from the New Towns, undertaken for the Office of the Deputy Prime Minister, 2006.

4.4 The opportunity to engage funders and partners, such as a special session with Housing Associations (i.e. through the Housing Visioning Group) on matters relating to the New Town, can be given added pertinence due to the 50th anniversary. Another example of this could be seeking to secure the blanket waiver of the Homes and Communities Agencies 'clawback' within Halton from land and assets that were transferred to the Council by the Commission for New Town land (or its successors). Waiver would ensure that Halton can retain 100% of land sale value to reinvest.

5.0 **OTHER/FINANCIAL IMPLICATIONS**

5.1 Whilst cutting across the functions of the organisation, delivery of

the planned events will be focused through the collaboration of three service areas (through their existing functions): Libraries, Community Development and Development And Investment Services.

- 5.2 A funding bid has been made to Area Forums for £3,500.00 to secure the restoration of two Commission for New Town models, which are the only known surviving examples from the period and have been kept in storage at a council depot. Being at least 40 years old these models require some repair. This specialist task is being undertaken by Museum of Liverpool. Waiver of non-emergency procurement standing order has been necessary for this due to the specialist nature of work and transportation constraints.

A match funding bid for £3,000 - £4,000 is being sought from the Heritage Lottery Funds 'Sharing Heritage' grant. This will cover the following aspects of the exhibition and associated activities (including):

- Room hire costs
- School based activities
- Costs / expenses for speakers
- Materials/resources for exhibition i.e. photographs, plans.
- Publicity/marketing

The long term aspiration is to utilise the material collated as part of the project to create a digital New Town archive.

- 5.3 Should the above funding applications be unsuccessful it envisaged that events could go ahead but on a reduced scale.
- 5.4 Public Relations and Marketing are coordinating free publicity via local media, web, social media, School E bulletin, posters and an Inside Halton feature.
- 5.5 Should it be deemed appropriate, material from the exhibition could also be utilised to help tell Halton and Runcorn's story of place within any Mersey Gateway Visitor Centre.

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

6.1 **Children & Young People in Halton**

A focus of planned activities is to engage with young people about their new town heritage and their aspirations for the future. The involvement of the Canal Boat Adventure Project will ensure that opportunities to capture the involvement of young people will be maximised.

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

50th anniversary events provide a good opportunity to engage residents, particularly within some of Halton's most disadvantaged neighbourhoods, with cultural learning and local history opportunities.

6.3 A Healthy Halton

Fostering a sense of community is recognised as being an important contribution to people's health and well-being.

6.4 A Safer Halton

Engaging with young people on civic pride and a sense of identity can help reduce some forms of crimes and anti-social behaviour.

6.5 Halton's Urban Renewal

One aspect of the 50th anniversary activities will be to bring focus to growth, regeneration and investment opportunities within Halton and seek partner support and resources to tackle any New Town legacies.

7.0 RISK ANALYSIS

7.1 50th anniversary activities can be used to help highlight the opportunities and challenges facing Halton as a result of our new town heritage. Risks are limited as this proposal is modest in scale and is being delivered through existing resources shared across three service areas. Whilst it will benefit from additional external monies via a Heritage Lottery Fund bid; it is not reliant on securing external funding to go ahead.

7.2 Where necessary, appropriate health and safety risk assessments will be undertaken of any individual events, especially where the public will be present.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

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

None under the meaning of the Act.

Appendix A: 50 years of Runcorn New Town (1964 – 2014), Summary of Activity

Theme	Activity	Audience	Resources / Delivery	Outcomes
Community Engagement	<ul style="list-style-type: none"> 1974 Runcorn New Town documentary community screenings. 	<ul style="list-style-type: none"> Mainly new town 1st and 2nd generation residents. 	<ul style="list-style-type: none"> Community Development Team using appropriate Council building. 	<ul style="list-style-type: none"> Improved sense of place, community pride and well-being; Increase use and attendance of community facilities.
	<ul style="list-style-type: none"> Support Canal Boat Adventure Project 'New Town Dreams' documentary production through Steering Group attendance. 	<ul style="list-style-type: none"> Particular focus on with young people but wider engagement. 	<ul style="list-style-type: none"> Lead organisation is Canal Boat Adventure Project who have secured £35,000 from 'Young Roots' (Heritage Lottery Fund); Officer(s) / Member Steering Group representation ensures linkages into other activities. 	<ul style="list-style-type: none"> Develop young people skills; Intergenerational understanding.
Cultural Learning	<ul style="list-style-type: none"> Halton Lea Library and Runcorn Shopping Centre Exhibition of New Town collection. 	<ul style="list-style-type: none"> Local residents / schools. 	<ul style="list-style-type: none"> Library Services supported by project steering group; Funding bid for £3,500 submitted to Area Forums for restoration of Models 	<ul style="list-style-type: none"> Develop library as cultural and community spaces; Inspiring a community of readers and learning; Promote local history by conserving, interpreting and making accessible historical documents.
	<ul style="list-style-type: none"> 'Re-inventing Runcorn' School based activity 	<ul style="list-style-type: none"> Targeted at Young People attending some of the new town primary schools 	<ul style="list-style-type: none"> Education Business Partnership with support; External funding bid maybe required to deliver sessions. 	<ul style="list-style-type: none"> Encourages students to consider sustainable solutions too issues such as waste, pollution, and health and safety of the local population; Challenges Young People to create their own 3D sustainable town.
Regeneration	<ul style="list-style-type: none"> Dialogue with partners on challenges and opportunities within the New Town 	<ul style="list-style-type: none"> Key New Town Stakeholders i.e. Housing Associations / Homes and Community Agency (HCA) 	<ul style="list-style-type: none"> Dialogue managed by Development & Investment Services / Housing Strategy and Commissioning 	<ul style="list-style-type: none"> Bring into focus challenges of New Town Legacy; Develop shared priorities between New Town stakeholders; Promote a framework and network in which greater benefits from East Runcorn growth can be secured for New Town neighbourhoods. Securing concessions from the HCA in respect of former Commission for New Town land disposal interest.

Appendix A: 50 years of Runcorn New Town (1964 – 2014), Summary of Activity

<p>Growth & Investment</p>	<ul style="list-style-type: none"> • HBC to present and participate in a National New Town Summit (Letchworth) 	<ul style="list-style-type: none"> • Royal Town Planning Institute national conference with attendance from new town LA's, development industry and other decision makers 	<ul style="list-style-type: none"> • Development & Investment Services 	<ul style="list-style-type: none"> • Recognise Haltons New Town inheritance; • Promote East Runcorn development and investment opportunities; • Promote Halton as a place to do business.
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50th years of Runcorn New Town 1964 - 2014**Appendix B - Provisional Events / Activity Calendar**

Date / Time	Event / activity	Location	Lead Service
CORE OFFER			
24 – 26th March (evening performances)	Children of Halton Sing 'Songs for special events'	The Brindley Art Centre	Regeneration / The Brindley
Thursday 10 th April (time TBC)	Launch Event -Speakers and 1974 documentary premier screening	Halton Lea Library	Regeneration / Libraries
14 th – 26 th April, During Library opening times	Runcorn New Town at 50 Exhibition	Halton Lea Library	Libraries
28 th April – 2 nd May (times TBC)	Runcorn New Town at 50 Exhibition	Runcorn Shopping Centre Public Square	Libraries
Thursday 17 th April 6:00pm – 7:00pm	1974 Runcorn New Town Documentary – Community Screening	Castlefields Community Centre	Community Development
Thursday 24 th April 6:00pm – 7:00pm	1974 Runcorn New Town Documentary – Community Screening	Murdishaw Community Centre	Community Development
Thursday 1 st May 6:00pm – 7:00pm	1974 Runcorn New Town Documentary – Community Screening	Halton Lea Library	Community Development
OPTIONAL EXTRAS			
14 th April – 2 nd May	Halton Direct Link – Visual Display Units	Halton Direct Link Buildings	Public Relations and Marketing
28th April – 3rd May 5 x AM sessions 5 x PM sessions	'Reinventing Runcorn' – School Activity Week	Up to 10 Primary Schools, but targeted to those with strongest connections to new town.	Education Business Partnership
13 th May	Royal Town Planning Institute – New Town Summit	Letchworth Garden City	Regeneration
TBC	Presidential visit by the Royal Town Planning Institute	Tour of New Town	Regeneration
TBC	Canal Boat Adventure Project – New Town Dreams Documentary Screening	TBC	External Provision

Notes: Halton Easter School Holiday period is 7th - 21st April 2014

Core Offer

1) Children of Halton Sing 'Songs for special events'

Date: Monday 24th – Wednesday 26th March (evening performances)

Venue: The Brindley Arts Centre

As a forerunner to the 10th April anniversary date, on three consecutive nights, schools from across Halton will perform The Beatles 1967 classic 'with a little help from our friends' as part of the Children of Halton Sing concert. The song will be introduced by the choir director as being in recognition of 50th anniversary of Runcorn being designated a New Town and the special connection and friendship this has helped cement between the people of Halton and Liverpool.

During the performance images of the evolution of Runcorn New Town or an extract of the 1974 New Town documentary will be projected behind the singers.

2) Launch Event – Speakers and 1974 documentary premier screening

Date: Thursday 10th April (50th Anniversary of designation of New Town status)

Venue: Halton Lea Library

An early evening event will be held on the anniversary of Runcorn being designated a New Town. The event will begin with introductory speakers from the Council and a speaker with connections to Runcorn New Town and the New Town Movement will be sought. This could include Sir Peter Hall (eminent New Town academic), Arthur Ling (New Town Masterplan Architect), or Sir Terence Conran (business partner of Frederick Lloyd Roche CBE Chief Architect and Planning Officer for Runcorn new town). Engagement with the Royal Town Planning Institute and Royal Institute of British Architects would be an appropriate channel for approaching eminent figures.

Following speakers a screening of the 35 minute 1974 New Town documentary (made by the Canadian Film Board) will be held. This will be followed by closing remarks from the Council. The room will be dressed with aspects of the exhibition such as plans and the models. The event will be by invitation only with a maximum capacity of 40 people. Tea / Coffee / Fruit Juice will be served.

3) Exhibition – Runcorn New Town at 50 (Library)

Date: 14th – 26th April, during Library opening times

Venue: Halton Lea Library

The exhibition will raise the profile of the Library Services New Town archive and collection, as well as bringing in some material from external sources. Previous displays / exhibitions have tended to focus on Runcorn pre New Town and as such this exhibition is seen as a chance to engage with potential new customers. To summarise the exhibition will include:

- 3 original New Town Commission models currently in storage, two requiring restoration. Models include a 1:2500 scale of the entire new town, models of the now demolished Southgate development (designed by James Stirling) and (as envisaged) the Shopping City;
- Images and newspaper articles from the period;
- Masterplan documents and maps;
- New Town Commission pamphlets and promotional material;
- Archive footage of Runcorn New Town from 1974;

- An opportunity for residents to leave memories.

The above list is not exhaustive or definitive. The planned centrepiece of the exhibition is the Commission for New Town models, which are the only known surviving examples from the period and have been kept in storage at a council depot. Being at least 40 years old these models require some repair. Area Forum Funding is currently being sought to fund this.

4) Exhibition – Runcorn New Town at 50 (Runcorn Shopping Centre)

Date: 28th April – 2nd May (times TBC)

Venue: Runcorn Shopping Centre Public Square

Suitable aspects from the Halton Lea Library exhibition are to be displayed within the public square at Runcorn Shopping Centre. Formal agreements are to be agreed with staffing through a combination of HBC and local volunteers being considered. Customers will also be directed to Halton Lea Library.

5) 1974 Runcorn New Town Documentary – Community screenings

Dates: Thursday 17th April; Thursday 24th April; Thursday 1st May

Venues: Murdishaw and Castlefields Community Centres and Halton Lea Library

Halton Borough Council has secured a documentary from the Canadian Film Board which was produced in 1974 about the development of Runcorn New Town. Lasting approximately 35 minutes, the documentary shows footage of New Town neighbourhoods, Busway, Astmoor and Shopping City. It includes talking head interviews with residents, community workers, New Town planners and architects.

Running alongside the exhibitions a series of community screenings of the documentary will held in suitable Council venues (as identified above). Appropriate speakers will be sought for each screening. Elements from the Main exhibition will also be utilised (as appropriate) and opportunities sought to tie into promoting existing facilities such as the satellite library within Castlefields Community Centre. Opportunities for residents to share memories at these events will also be sought.

Optional Extras

6) Halton Direct Link – Visual Display Units

Date: 14th April – 2nd May

Venue: up to 3 Halton Direct Link Buildings

An approximately 10 minute 'silent edit' of the 1974 Runcorn New Town footage will be shown intermittently on Halton Direct Link building visual display units. Technology allowing this will also promote the proposed events calendars and how customers can get involved.

7) 'Reinventing Runcorn' young people engagement

Date: 28th April – 2nd May

Venue: Up to 10 Schools based sessions, 5 x AM sessions / 5 x PM sessions

These sessions will engage with and challenge young people to think about the concept of creating a new town. Halton Education Business Partnership will lead half day sessions within local schools (targeted to those with strongest connections to the New Town) dealing with spatial planning matters about what is needed to make a town work. Young people will get an understanding of some of the key ideas of the Runcorn New Town such (such as the Busway, segregated footpaths and roads; and Town Park). Themes covered within the session will include what types of housing are required, sustainability, providing shops, places of work and amenities; and, encouraging transport choices. The activity culminates with groups of young people designing and building a 3D model of their 'ideal' re-invented Runcorn.

8) New Towns Summit

Date: 13th May

Venue: Letchworth Garden City

The Royal Town Planning Institute have asked Halton BC to participate within a 1 day summit aimed at sharing experience of inheriting a New Town as part of our Local Authority. Other New Town are also schedules to be taking part. Halton Council participation is likely to be introducing an informal lunch time screening of the 1974 documentary, with perhaps a post lunch presentation on a lessons learned style presentation using a Runcorn New Town: 'back to the future' tagline. If we were approaching the New Town again what works; what would change – Design, governance and delivery. This would also pick up on work in Southgate and Castlefields and our current focus on improving our housing and employment offer.

9) Presidential visit by the Royal Town Planning Institute

Date: TBC – Likely either April or 2nd / 3rd October (date dependent on RTPi)

Venue: Likely tour of New Town via Busway, followed by a visit to Castlefields Village Square and drop into an Education Business Partnership 'Re-inventing Runcorn session and possible visit to exhibition / screening of New Town documentary, depending on when visit is undertaken.

2014 also represents that the centenary year of the Royal Town Planning Institute and they wish to present the Council with a Centenary Certificate in recognition of our status of nurturing a New Town. As such they have prioritised a Presidential visit to coincide with any 50th events.

10) Canal Boat Adventure Project – New Town Dreams Documentary

Date: Late 2014

Venue: TBC

Local Youth Group – The Canal Boat Adventure Project have recently secured £35,000 funding through the Heritage Lottery Fund's 'Young Roots' programme to make a documentary in 2014 focused on Runcorn New Town. The documentary will be made by young people themselves with support from professional documentary makers.

The concept for the documentary is to explore the original vision for Runcorn as a place to live, the dreams of families who moved to the 'brave new world' of the New Town and look to the future of Runcorn and the dreams and aspirations of the young people who call it their home.

It is planned that the documentary will maximise the opportunity presented from the 50th anniversary activities to help connect with residents and key individuals in the production of the documentary. The scope of the documentary (reflecting on the past / looking to future) lends itself to be a fitting finale to the anniversary.

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Chief Executive

PORTFOLIO: Leader

SUBJECT: Establishment of a
Combined Authority for the Liverpool
City Region

WARDS: All – Borough-wide

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide an update on the establishment of a Combined Authority for the Liverpool City Region on 1 April 2014 and the related documents for approval and adoption.

2. RECOMMENDATIONS

2.1 Executive Board are invited to recommend to Council that Council:

- (a) Confirm its previous decision that the Council should formally become a constituent member of the Liverpool City Region Combined Authority**
- (b) Note the position on the making of the Orders as attached in Appendix 1 and the Parliamentary process currently in train;**
- (c) Endorse the Constitution for the Combined Authority as attached in Appendix 2;**
- (d) Approve the Operating Agreement for the Combined Authority as attached in Appendix 3;**
- (e) Approve the arrangements set out in the report to appoint members to the Combined Authority and its Committees**
- (f) Note that no allowances (other than travel and subsistence) will be paid to Members of the Combined Authority, the Scrutiny Pool and other Committees and Boards, with the exception of the Merseytravel Committee;**
- (g) Agree that the payment of allowances for co-opted members of the Transport Committee will be dealt with in accordance with the current Merseyside Integrated Transport Authority Scheme and the Council's own scheme be amended accordingly;**
- (h) Note that a review of the Combined Authority's arrangements will be undertaken during the first year and reported to the Combined Authority's Annual General Meeting in 2015;**
- (i) Agree that approval to make any technical amendments to the Constitution and Operating Agreement for the Combined Authority and any other associated requirements to achieve the creation of the Combined Authority is delegated to the Chief Executive in consultation with the Leader of the Council.**

3. BACKGROUND

- 3.1 Liverpool City Region conducted a Review of Strategic Governance in 2013 to assess whether the arrangements for economic development, regeneration and transport as they stood should continue. This review highlighted the positive joint working to date that has been in place through informal arrangements, and then considered the options for the future. It considered no change, the establishment of a Supervisory Board, the establishment of an Economic Prosperity Board and the creation of a Combined Authority and assessed these against the key statutory tests below:
- The exercise of statutory functions relating to economic development, regeneration and transport;
 - The effectiveness and efficiency of transport; and,
 - The economic conditions in the area.
- 3.2 This concluded that the establishment of a Combined Authority for the Liverpool City Region was best placed to support business to grow and create jobs, to secure an improvement in the City Region's economic conditions. The Combined Authority would draw together strategic work across economic development, transport, housing and employment and skills and provide the basis to potentially access additional funding from Government for the benefit of the City Region.
- 3.3 The initial review was subject to consultation and received 179 responses from a range of stakeholders, businesses and members of the public; the overwhelming majority being positive. These responses were then used to shape the final proposals.

Council resolved on the 19th September 2013 as follows :-

(1) The submission of the Liverpool City Region Strategic Governance Review and Scheme to the Department for Communities and Local Government for the establishment of a Liverpool City Region Combined Authority on the basis of the drafts attached at Appendix 1 and Appendix 2 to this report;

(2) That Halton Council should formally become a constituent member of the Liverpool City Region Combined Authority, thereby sharing appropriate economic development and transport powers with other Councils within the Liverpool City Region Combined Authority in accordance with the provisions of the Local Democracy, Economic Development and Construction Act 2009 and the Local Transport Act 2008; and,

(3) Agree that approval to make any technical amendments to the Liverpool City Region Strategic Governance Review and Scheme before it is submitted to the Secretary of State on 30 September 2013 be delegated to the Chief Executive in consultation with the Leader of the Council.

This final Review of Strategic Governance was then submitted to Government on 30 September 2013.

- 3.4 Government considered the submission and published a statutory consultation document on the establishment of the 'Greater Merseyside Combined Authority' on 29 November 2013. This was broadly consistent with the submitted Review of

Governance, except for the name of the organisation. The statutory consultation closed on 22 January 2014; in total over 100 responses were received by Government.

- 3.5 The Secretary of State for Communities and Local Government has now confirmed his intention to establish the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority and has invited Parliament to approve a draft of the Order and Consequential Order (see Appendix One) for the establishment of the Combined Authority on 1 April 2014 and for the abolition of the Greater Merseyside Integrated Transport Authority. For public purposes the Combined Authority will be known as the Liverpool City Region Combined Authority.
- 3.6 Subject to the passage of the Order through Parliament and subsequent establishment of the Combined Authority, its inaugural meeting will be held on 1 April 2014 at which point it will agree its Constitution and ways of working.

This will enable the Combined Authority to assume democratic responsibility for the functions transferred from Halton (in relation solely to strategic transportation and economic development, as is set out in the Order) and of the Merseyside Integrated Transport Authority, as well as accepting transfer of its assets and liabilities.

Members will note that in respect of Halton there is a transition period until 1st April 2018. During this period some functions will be delegated back to Halton, together with the funding to deliver them. This will assist in a smooth transition for Halton into the Combined Authority.

The Order as drafted also ensures that it does not transfer to the Combined Authority any powers, duties, responsibilities and obligations, howsoever arising and contained in any legislation relating directly or indirectly to the financing, delivery, operation and maintenance of Mersey Gateway and Silver Jubilee Bridges and the associated highway network. All these are retained by Halton.

- 3.7 The Combined Authority's AGM will take place in mid June 2014.
- 3.8 Liverpool City Region Cabinet agreed at their meeting of 24 January 2014 that the arrangements proposed for the Boards and Committees of the Combined Authority will be transitional for the first year of the Combined Authority's operation. Once further details on the implementation of the Growth Plan and the Local Growth Fund are known later this year, a review of the Combined Authority's arrangements will be undertaken which would report to the Annual Meeting in June 2015.

4. THE REMIT OF THE COMBINED AUTHORITY

- 4.1 The remit of the Combined Authority for the Liverpool City Region is those strategic economic development, regeneration, transport, strategic housing and employment and skills functions that can be better delivered collaboratively across the Liverpool City Region. The Combined Authority will remain a lean, focused decision making body, with responsibility over those strategic issues where it is mutually beneficial for local authorities, Merseytravel and the Liverpool City Region Local Enterprise Partnership (LEP) to work together.

- 4.2 The City Region governance review concluded that the Combined Authority would discharge thematic functions through the following arrangements:

Function	Arrangements
Strategic Economic Development	Liverpool City Region Local Enterprise Partnership
Strategic Transport	Merseytravel Committee
Strategic Housing and Land Based Assets	Liverpool City Region Strategic Housing and Planning
Strategic Employment and Skills	Liverpool City Region Employment and Skills Board

- 4.3 On the Combined Authority each Constituent Authority would be represented by one member of its Cabinet who will be the Leader or Elected Mayor. These six members would form the core membership of the Combined Authority, with the Chair of the Local Enterprise Partnership being a co-opted member.

5. UNDERPINNING DOCUMENTS

- 5.1 As a statutory organisation, the Combined Authority requires a Constitution to be in place to describe how it will operate its functions. This has been developed by Legal and Democratic Services officers from all City Region Councils and Merseytravel.

Council is recommended to endorse the Constitution, for the Combined Authority, attached as Appendix Two.

- 5.2 Appendix Three contains the Operating Agreement between the Combined Authority and constituent Councils: this document sets out how the Combined Authority will work alongside the 6 constituent Councils, Merseytravel and the Local Enterprise Partnership to deliver its functions. This too has been developed by Legal and Democratic Services officers from all City Region Councils and Merseytravel.

Council is recommended to agree the Operating Agreement and Protocols , for the Combined Authority, attached as Appendix Three,

- 5.3 Each of the Constituent Councils will also need to endorse and adopt the Constitution of the Combined Authority and the Operating Agreement between Councils and the Combined Authority. This will need to be done before 1 April 2014.
- 5.4 A failure to complete this before 1 April 2014 will leave Merseytravel without democratic oversight with the abolition of the Merseyside Integrated Transport Authority occurring on 31 March 2014 as part of the new governance arrangements. Agreement of the Constitution would provide for that oversight to be provided.
- 5.5 There are no changes proposed for the operation of the existing Housing and Planning, Employment and Skills and Local Enterprise Partnership Boards, and these will be commissioned by the Combined Authority to perform certain functions

on its behalf. As part of this process, a series of detailed Operational Protocols are being developed for these key themes that the Combined Authority will be providing strategic leadership on.

6. APPOINTMENTS TO COMBINED AUTHORITY AND STRUCTURE

- 6.1 The Constitution of the Combined Authority provides for constituent Councils to appoint a Member to the Combined Authority, along with a substitute Member. This will be done at the inaugural meeting on 1 April 2014.

It is proposed the Leader be nominated to the Combined Authority and the Deputy Leader be proposed as the substitute.

- 6.2 The Combined Authority will establish a Transport Sub Committee (to be known as the Merseytravel Committee) to provide operational input and leadership around transport issues. This Committee will be comprised of 20 Members of the constituent Councils who will be co-opted onto the Merseytravel Committee.

Halton will be entitled to 2 Members on the Merseytravel Committee.

These appointments will be made as part of the Council's normal process to appoint to Outside Bodies.

- 6.3 There will also be a Scrutiny Pool established drawn from Constituent Councils, which will include opposition Members to achieve political balance and reflect the combined political make-up of the 6 local authorities. The Pool will have a role to carry out pre decision scrutiny, conduct themed reviews and the potential to request a reconsideration of the Combined Authority's decisions. Appointments to the Scrutiny Panel will be made following the Annual Meeting of constituent Councils in June 2014.

The final make-up of the Scrutiny Pool will be determined by the Combined Authority at its AGM in June 2014.

Halton's appointments to the Pool will be made as part of the Council's normal process to appoint to Outside Bodies.

Given the current Political Balance of Halton it is unlikely Halton will be asked to provide the opposition party Members on the Scrutiny Pool. This could of course change with the passage of time if the Political Balance of Halton changes

- 6.4 A Standards Committee will meet only when required. In addition, the Combined Authority will establish an Audit Committee as part of its functions. Advice from CIPFA (in their Position Statement of Audit Committees in Local Government) suggests that the Audit Committee should not be entirely composed of members of the Authority or Scrutiny, and that it should not be chaired by a member of the Authority. As such, membership of the Audit Committee will be drawn from the Combined Authority, Merseytravel Committee and Scrutiny Pool.

7. RESOURCE IMPLICATIONS

7.1 Financial

A full due diligence process was undertaken as part of the review of strategic governance and previously reported to Cabinet/Executive Board/Council ahead of the submission to Government on 30 September 2013.

It is envisaged the Combined Authority will not have any additional resource implications for constituent Councils. In this regard, it is anticipated any additional costs arising from the new arrangements would be offset by efficiencies and savings and the establishment of the Combined Authority, would therefore be expected to be, at least, cost neutral in overall terms.

No allowances (other than travel and subsistence) will be paid to Members of the Combined Authority, the Scrutiny Pool and other Committees and Boards, with the exception of the Merseytravel Committee. The existing Merseyside Integrated Transport Authority allowance scheme will be used for the Merseytravel Committee as a transitional arrangement. It is proposed individual Councils agree that the payment of allowances for co-opted members of the Transport Committee is dealt with by each Council's own scheme. The Council's current Scheme will therefore need to be amended to reflect this.

7.2 Human Resources

The Chief Executives of the Constituent Councils and Merseytravel will be appointed as Officers of the Combined Authority, along with the following Lead Officer roles: Head of Paid Service (Chief Executive of Merseytravel), Head of Secretariat (Chief Executive of Knowsley Council), Monitoring Officer (from St Helens Council) and Treasurer (from Merseytravel). Halton will lead on Scrutiny. These additional roles will be undertaken at no additional cost. This approach will increase the effectiveness and efficiency of the related functions by embedding integrated working, policy alignment and increasing opportunities for co-design and collaboration.

7.3 Information Technology

There are no significant information technology implications associated with the recommendations in this report.

7.4 Physical Assets

There are no physical assets implications associated with the recommendations in this report.

8. LEGAL IMPLICATIONS

8.1 The establishment of the Combined Authority is being progressed in line with the provisions in the Local Democracy, Economic Development and Construction Act 2009.

9. RISK ASSESSMENT

- 9.1 There is a risk that the Combined Authority will not be able to function effectively on 1 April 2014. This will be mitigated by submitting the Constitution and Operating Agreement to all Constituent Councils.
- 9.2 There is a risk that the Combined Authority may not have local stakeholder support. This has been mitigated by consulting on the initial review of strategic governance and potential operation of the Combined Authority during the summer of 2013 and the more recent statutory consultation undertaken by Government to collect stakeholder views. These were considered in the preparation by Government of the Order that was laid before Parliament on 12 February.
- 9.3 There is a risk that the Combined Authority is seen as a 'Super-Council'. This will be mitigated by establishing a clear approach to the communication strategy between the Councils, Merseytravel and the Local Enterprise Partnership to explain precisely what the Combined Authority will and will not do.

10. COMMUNICATIONS ISSUES

- 10.1 The meetings of the Combined Authority will be subject to Access to Information Regulations and will therefore take place in public, with meeting papers available 5 working days beforehand. Notice of meetings will appear on the website of Knowsley Council as the lead Council for the secretariat function.

11. EQUALITIES AND ENVIRONMENTAL IMPACT

- 11.1 A full equality impact assessment has been undertaken as part of the preparation for the implementation of the Combined Authority and mitigation actions implemented.
- 11.2 There are no environmental impacts associated with the implementation of the recommendations in this report.

12. POLICY IMPLICATIONS

- 12.1 The recommendations in this report are in line with Halton Council's policy to promote economic growth.

13.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

Children and Young People in Halton

The improvement of economic conditions in the Liverpool City Region will support the Borough's Children and Young people.

Employment, Learning and Skills in Halton

The improvement of economic conditions in the Liverpool City Region will support the development of Employment, Learning and Skills in Halton.

A Healthy Halton

The improvement of economic conditions in the Liverpool City Region will support the development of a Healthy Halton.

A Safer Halton

The improvement of economic conditions in the Liverpool City Region will support the development of a Safer Halton.

Halton's Urban Renewal

The improvement of economic conditions in the Liverpool City will support Halton's urban renewal.

14.0 REASON(S) FOR DECISION

- 14.1** One of the drivers for reviewing the Liverpool City Region's governance arrangements is to secure greater influence over key levers and resources affecting local growth, including freedoms, flexibilities and funding which would otherwise remain under the control of Government. The Liverpool City Deal, Liverpool City Region Deal and LEP Business Plan and Action Plans seek to capitalise on the City Region's strengths, assets and key sectors to attract investment into and create additional jobs within the City Region. However, they do not go far enough in terms of maximising opportunities to enhance local delivery of national programmes that are also critical to improving local growth, with a risk that other areas with Combined Authorities have a significant advantage over the City Region.
- 14.2** For a number of years the City Region has successfully aligned central Government funding, ERDF and private sector investment to support strategic priorities within the wider economy. Working with the LEP, a pipeline of projects spanning investment in infrastructure, business growth, housing, transport and regeneration is in place together with an agreed approach to the joint investment of ERDF, Regional Growth Fund and Growing Places funds. With the new Government funding opportunities and policies, including the Growth Deals/Single Local Growth Fund and EU Structural and Investment Funds 2014 - 2020 there is now an added impetus to ensure the City Region has the most appropriate strategic governance arrangements in place to deliver agreed priority investments and in doing so to maximise the use of these funds alongside existing resources.
- 14.3** Similarly, whilst the establishment of the Local Transport Body has been seen as a positive step; it is a staging post on the journey, rather than a destination. The Local Transport Body model does not enjoy the legal transport powers or funding regimes that are currently vested with the Integrated Transport Authority, its constituent districts and with Halton Borough Council. The Department for Transport has consistently impressed upon the Liverpool City Region the importance of developing effective governance arrangements that facilitate, for example, links to other policy areas, strong leadership, streamlined structures and the ability to make difficult decisions, linked to clear priorities and a long-term investment programme and is one of the main contributors to the Single Pot to be devolved to City Regions.
- 14.4** The benefits of the Combined Authority will be to:

- Bring together the strategic decision making powers and processes for statutory functions and investment priorities relating to economic development, regeneration, transport and related initiatives across the natural economic area; strengthening accountability for the delivery of targets and meeting established strategic priorities;
- Remove the need for issues to be considered or ratified by numerous bodies and authorities, which is time consuming and inefficient, requiring multiple reports;
- Increase the effectiveness and efficiency of the related functions by providing integrated decision-making, a clearer read across between the different policy strands of activity and increasing opportunities for co-design and collaboration. For example, vesting multi-modal transport policy functions with the Combined Authority would ensure that policies are integrated, funding is aligned to agreed priorities for economic development, employment and skills, housing; and delivery is efficient;
- Enable all constituent partners to accomplish and achieve a bigger impact for the City Region's residents, businesses and the economy as a whole through a more effective and efficient deployment of tightening public sector resources connecting the City Region's assets to our people and communities;
- Secure long-term effective engagement with business and other sectors, including employment and skills providers and registered housing providers by formalising the existing relationship with the LEP and providing a place for the private sector at the 'top table' of decision making; and
- Provide opportunities to align strategic capacity and support services to deliver economies of scale. For example, combining Accountable Body arrangements and expertise which is currently dispersed across all six local authorities, MITA and the LEP. In the future, this could include the arrangements for devolved major transport funding and the Single Pot for economic investment, including EU funds and assets as appropriate.

14.5 The practical opportunities to achieve this run both horizontally (across thematic strands) and vertically (within thematic strands). Taken together they illustrate a compelling economic case for a move to a Combined Authority structure of governance. Some of our key proposals are summarised below:

14.6 Strategic decision-making would be brought into one City Region-wide body, with responsibility for strategy setting, the long-term strategic vision, outcomes and the alignment of priorities for the City Region. This would be achieved through the development of a long-term City Region Strategy for delivering the City Region's economic priorities, programmes and projects, co-designed with the LEP to link the City Region's strategic physical assets and 'places' to a broader economic prosperity and 'people' focused agenda. Flowing from the development of the Economic Strategy, and in line with our City Region Deal, would be an integrated Growth Plan and Investment Strategy to deliver the strategic economic vision and outcomes.

14.7 The proposed areas of Combined Authority responsibility are all interdependent. For example, activity to promote employment requires demand-side action to support businesses to create jobs as well as effective transportation policy. As these policy strands are led in different ways by different bodies we have developed partnership and consultation arrangements which do work but often result in increased timescales for taking decisions and multiple reporting lines. This approach has also led to overlapping or competing strategy priorities and in some cases an inefficient service delivery landscape that is confusing to both business

and other stakeholders. The Combined Authority model provides the opportunity to bring all of this together into one approach to enable a clearer routine policy alignment, including:

- The co-ordination of the international economic strategy for the Liverpool City Region to cover inward investment, trade and export, to particularly capture benefits from the International Festival for Business and operate as a cohesive global entity;
- The co-ordination of inward investment activity across the Liverpool City Region as a whole;
- The co-ordination of strategic place based marketing across the Liverpool City Region as a whole; and
- The delivery of the employment and skills strategy across the Liverpool City Region, embedding the Skills for Growth Agreements within economic strategies.

14.8 The Combined Authority would ensure more effective targeting of strategic interventions to support the City Region's priorities. For example:

- It would also take responsibility for decision making with regard to the Liverpool City Region Investment Framework, to include the Single Local Growth Fund, EU Investment Framework and Growing Places Fund to boost local economic growth. Linked to this it will develop a pipeline of priorities to attract financial and wider support.
- Transport planning is currently vested in two separate Local Transport Plans for the City Region. These would be amalgamated to a single streamlined plan under the new arrangements, providing greater synergy, greater clarity and more effective prioritisation of strategic transport priorities across the City Region.
- The Combined Authority provides the opportunity to improve the consistency of design and implementation of Local Labour Agreements for regeneration and major employer recruitments to maximise the benefit to the City Region labour market as a whole. The clear expectation set from a Combined Authority level would better reflect the distribution of available employment and skills across the City Region as a whole, and allow businesses to better understand consistent expectations.

14.9 An important function is to ensure a single economic intelligence evidence base is in place to support and inform strategic decision making for economic development, employment and skills, transport and strategic housing is a priority. Given the significant interdependency between these policy themes this would have significant advantages and deliver potential savings – particularly in a reduced requirement to commission external consultants.

15.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

15.1 Alternative models of governance were considered as part of the Review of Strategic Governance and were judged not to be as effective as improving the economic conditions of the Liverpool City Region as the preferred option.

16.0 IMPLEMENTATION DATE

16.1 The Review of Strategic Governance and Scheme for the establishment of a Combined Authority was submitted to the Secretary of State for Communities and Local Government by 30 September 2013.

16.2 If the Orders are approved by Parliament, the Combined Authority will commence on 1st April 2014.

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

Appendices

Appendix One: Orders laid before Parliament on 12 February 2014 to establish the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority

Appendix Two: Constitution for the Combined Authority

Appendix Three: Operating Agreement and Protocols for the Combined Authority

Draft Order laid before Parliament under section 117 of the Local Democracy, Economic Development and Construction Act 2009, for approval by resolution of each House of Parliament.

D R A F T S T A T U T O R Y I N S T R U M E N T S

2014 No.

LOCAL GOVERNMENT, ENGLAND

TRANSPORT, ENGLAND

**The Combined Authorities (Consequential Amendments) Order
2014**

Made - - - - *****

Coming into force - - *1st April 2014*

This Order is made in exercise of the powers conferred by sections 114 to 116 of the Local Democracy, Economic Development and Construction Act 2009(a).

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 117 of the Local Democracy, Economic Development and Construction Act 2009.

Accordingly the Secretary of State makes the following Order:

Citation and commencement

1. This Order may be cited as the Combined Authorities (Consequential Amendments) Order 2014 and comes into force on 1st April 2014.

Consequential amendment of the Transport Act 1968

2. The amendments to the Transport Act 1968(b) set out in the Schedule have effect as amendments consequential upon the making of orders establishing combined authorities under Part 6 of the Local Democracy, Economic Development and Construction Act 2009.

Signed by authority of the Secretary of State for Communities and Local Government

Name
Parliamentary Under Secretary of State

(a) 2009 c. 20.

(b) 1968 c. 73. Section 9 was amended by the Local Government (Scotland) Act 1973 (c. 65) Schedule 18, paragraph 1; by the Transport Act 1985 (c. 67) sections 57(1), 58(2), Schedule 8; by the Local Government (Scotland) Act 1994 (c. 39) Schedule 13, paragraph 80(2); and in relation to England and Wales only by the Local Transport Act 2008 (c. 26) section 98(4), Schedule 4, paragraph 2 and Schedule 7, Part 4 and by S.I. 2011/908.

Date

Department for Communities and Local Government

SCHEDULE

Article 2

Amendments to the Transport Act 1968

- 1.** The Transport Act 1968 is amended as follows.
- 2.**—(1) Section 9 (areas, authorities and executives) is amended as follows.
 - (2) In subsection (1)(a)—
 - (a) in sub-paragraph (i), for “Greater Manchester” there is substituted “a metropolitan county which is or is included in a combined authority area”;
 - (b) sub-paragraph (ia) is omitted.
 - (3) After subsection (1)(a) there is inserted—
 - “(aa) any reference to a “combined authority” is to an authority established under section 103(1) of the Local Democracy, Economic Development and Construction Act 2009 for an area which is or includes a metropolitan county;
 - (ab) any reference to a “combined authority area” is to an area for which a combined authority is established;”.
 - (4) In subsection (1)(b), for sub-paragraph (ia) there is substituted—
 - “(ia) in relation to a combined authority area, the combined authority;”.
 - (5) In subsections (2), (3) and (5), for “the area of the Greater Manchester Combined Authority” there is substituted “a combined authority area”.
 - (6) Subsection (5A) is omitted.
- 3.** In section 9A (general functions), in subsections (3), (5), (6)(a) and (b), (7) and (8), after “integrated transport area” there is inserted “, combined authority area”.
- 4.** In section 10 (general powers of Executive), in subsections (1), (3) and (5), after “integrated transport area” there is inserted “, a combined authority area”.
- 5.** In section 10A (further powers of Executive), in subsection (1) after “integrated transport area” there is inserted “or combined authority area”.
- 6.** In section 12 (borrowing powers of Executive), in subsection (1), after “integrated transport area” there is inserted “, a combined authority area”.
- 7.** In section 14 (accounts of Executive), in subsection (1), after “integrated transport area” there is inserted “, a combined authority area”.
- 8.** In section 15 (further functions of Authority), in subsections (1) and (6), after “integrated transport area” there is inserted “, a combined authority area”.
- 9.** In section 16 (annual report etc), in subsection (1), after “integrated transport area” there is inserted “, combined authority area”.
- 10.** In section 20 (duty relating to rail services), in subsection (2), after “integrated transport area” there is inserted “, a combined authority area”.
- 11.** In section 23 (consents), in subsections (1), (2) and (3), after “integrated transport area” there is inserted “, a combined authority area”.

EXPLANATORY NOTE

(This note is not part of the Order)

This order makes amendments to Part 2 of the Transport Act 1968 which are consequential upon the making of orders establishing combined authorities under Part 6 of the Local Democracy, Economic Development and Construction Act 2009.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business and the voluntary sector.

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Draft Order laid before Parliament under section 94 of the Local Transport Act 2008 and section 117 of the Local Democracy, Economic Development and Construction Act 2009, for approval by resolution of each House of Parliament.

D R A F T S T A T U T O R Y I N S T R U M E N T S

2014 No.

LOCAL GOVERNMENT, ENGLAND

TRANSPORT, ENGLAND

**The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral
Combined Authority Order 2014**

Made - - - -

Coming into force - -

1st April 2014

This Order is made in exercise of the powers conferred by sections 84, 91 and 93 of the Local Transport Act 2008^(a) and sections 103 to 105 and 114 to 116 of the Local Democracy, Economic Development and Construction Act 2009^(b).

The Secretary of State, having regard to a scheme prepared and published under section 82 of the Local Transport Act 2008 and section 109 of the Local Democracy, Economic Development and Construction Act 2009, considers that the making of this Order is likely to improve –

- (a) the exercise of statutory functions relating to transport in the area to which this Order relates,
- (b) the effectiveness and efficiency of transport in that area,
- (c) the exercise of statutory functions relating to economic development and regeneration in that area, and
- (d) economic conditions in that area.

The Secretary of State is satisfied that the area to which this Order relates meets the conditions set out in section 103 of the Local Democracy, Economic Development and Construction Act 2009.

The Secretary of State has consulted—

- (a) the metropolitan district councils for the area comprised in the Merseyside integrated transport area,
- (b) the councils for the local government areas who are within the area for which the combined authority is to be established;
- (c) the Merseyside Integrated Transport Authority,

(a) 2008 c.26.
(b) 2009 c.20.

(d) such other persons as the Secretary of State considered appropriate.

The councils whose areas are comprised in the Merseyside integrated transport area have consented to the making of this Order.

In making this Order, the Secretary of State has had regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government.

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 94 of the Local Transport Act 2008 and section 117 of the Local Democracy, Economic Development and Construction Act 2009.

Accordingly, the Secretary of State makes the following Order:

PART 1

General

Citation and commencement

1. This Order may be cited as the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority Order 2014 and shall come into force on 1st April 2014.

Interpretation

2. In this Order—

“the 2009 Act” means the Local Democracy, Economic Development and Construction Act 2009;

“combined area” means the area consisting of the areas of the constituent councils;

“the Combined Authority” means the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority constituted by article 3(2);

“constituent councils” means the councils for the local government areas of Halton, Knowsley, Liverpool, St Helens, Sefton, and Wirral;

“the Executive” means the Merseyside Passenger Transport Executive;

“financial year” means the period of 12 months ending with 31st March in any year;

“the ITA” means the Merseyside Integrated Transport Authority;

“Halton Council” means the council of the borough of Halton; and

“Local Enterprise Partnership” means the Liverpool City Region Local Enterprise Partnership.

PART 2

Establishment of a combined authority for Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral

Establishment

3.—(1) There is established a combined authority for the combined area.

(2) The combined authority is to be a body corporate and to be known as the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority.

(3) The functions of the Combined Authority are those functions conferred or imposed upon it by this Order or by any other enactment (whenever passed or made), or as may be delegated to it by or under this Order or any other enactment (whenever passed or made).

Constitution

4. Schedule 1 (which makes provision about the constitution of the Combined Authority) has effect.

Funding

5.—(1) The constituent councils must meet the costs of the Combined Authority reasonably attributable to the exercise of its functions relating to economic development and regeneration.

(2) The amount payable by each of the constituent councils is to be determined by apportioning the costs of the Combined Authority referred to in paragraph (1) between the constituent councils in such proportions as they may agree or, in default of such agreement, in proportion to the total resident population at the relevant date of the area of each council concerned as estimated by the Registrar General.

(3) For the purposes of paragraph (2) the relevant date in relation to a payment for a financial year is 30th June in the financial year which commenced two years prior to the current financial year.

(4) Subject to paragraphs (5) and (6) the costs of the Combined Authority reasonably attributable to the exercise of its functions relating to transport shall be met by means of two separate levies issued by the Authority to—

- (a) the district councils in the county of Merseyside; and
- (b) Halton Council,

under section 74 of the Local Government Finance Act 1988(a), and in accordance with regulations made thereunder.

(5) In determining the amount of the levies to be issued to Halton Council for a financial year, no account may be taken of the cost of meeting any liabilities or expenses, including transferred pension liabilities, incurred by the Combined Authority or to be incurred in consequence of article 6 (abolition of the ITA and transfer of functions etc.).

(6) Without prejudice to the generality of article 12, a levy issued by the ITA under section 74 of the Local Government Finance Act 1988 to the district councils in the county of Merseyside in respect of the financial year beginning 1st April 2014 has effect for that year as if it had been so issued by the Combined Authority.

(7) No levy shall be issued to the Halton Council for that financial year, but that Council must pay a contribution to the Combined Authority equal to the amount which it has budgeted to spend on the functions transferred under article 8 for that financial year.

PART 3

Transport

Abolition and transfer of functions etc.

6.—(1) The Merseyside integrated transport area is dissolved and the ITA is abolished.

(2) Subject to paragraph (3), on the abolition of the ITA—

- (a) its functions; and

(a) 1988 c. 41.

(b) its property, rights and liabilities
are transferred to the Combined Authority.

(3) On the abolition of the ITA all rights and liabilities (including rights and liabilities in respect of superannuation) arising under contracts of employment with the ITA are transferred to the Executive.

Adaptation of enactments — integrated transport authority

7.—(1) This article has effect in consequence of article 6.

(2) In any enactment (whenever passed or made)—

- (a) any reference to an integrated transport area; or
- (b) any reference which falls to be read as a reference to such an area,

is to be treated as including a reference to the combined area.

(3) In any enactment (whenever passed or made)—

- (a) any reference to an integrated transport authority; or
- (b) any reference which falls to be read as a reference to such an authority,

is to be treated as including a reference to the Combined Authority.

Transfer of functions — Halton Council

8.—(1) There are transferred to the Combined Authority the functions of Halton Council under the following enactments—

- (a) Parts IV and V of the Transport Act 1985(a); and
- (b) Part II of the Transport Act 2000(b).

(2) Halton Council shall—

- (a) after consulting the other constituent councils; and
- (b) not later than 1st April 2018,

submit to the Secretary of State proposals for the making of a scheme by the Secretary of State for the transfer to the Combined Authority of specified property, rights and liabilities held, acquired or incurred by the Council for the purposes any of the functions transferred under paragraph (1).

(3) After considering the proposals and any representations made on them by the other constituent councils, the Secretary of State may, by way of a scheme made under section 115 of the 2009 Act, make such provision for the transfer of such property, rights and liabilities (whether or not specified in the proposals) as he thinks fit.

(4) Nothing in this Order has effect to transfer to the Combined Authority—

- (a) any function of Halton Council relating to—
 - (i) the levying of tolls or the imposition of road user charging; or
 - (ii) the application of the proceeds of tolls or road user charges; or
- (b) any functions, property, rights and liabilities of Halton Council relating to the Mersey Gateway and Silver Jubilee Bridges, including their financing, delivery, operation and maintenance, and the highway network associated with them.

Adaptation of enactments

9.—(1) This article has effect in consequence of article 8.

(a) 1985 c.67.
(b) 2000 c.38.

(2) In relation to any function transferred under article 8, any reference in any enactment (whenever passed or made) to a county, or to any class of area which includes a county, is to be treated as including a reference to the combined area.

(3) In any enactment (whenever passed or made) any reference in relation to any function transferred under article 8 to a county council, or to any class of body which includes a county council, is to be treated as including a reference to the Combined Authority.

Passenger Transport Executive

10.—(1) The Executive is to be an executive body of the Combined Authority for the purposes of Part 5 of the Local Transport Act 2008 and Part 6 of the 2009 Act and shall be known as Merseytravel.

(2) In the application of section 101 of the Local Government Act 1972(a) (arrangements for the discharge of functions) to the Combined Authority the Executive is to be treated as if it were an officer of the Combined Authority.

Other transport functions

11.—(1) There are delegated to the Combined Authority the functions of the constituent councils under section 2 of the Road Traffic Reduction Act 1997 (duty of principal councils to make reports).

(2) Sections 237A to 237E of the Local Government Act 1972(b) (fixed penalty notices) shall apply in relation to the Combined Authority so far as those provisions relate to the Mersey Tunnel Byelaws 2003(c).

(3) The Combined Authority has power to enter into agreements as if it were a highway authority under section 8 of the Highways Act 1980(d) and also a traffic authority under the Road Traffic Regulation Act 1984(e) and a street authority under section 49 of the New Roads and Street Works Act 1991.

(4) The costs incurred by the Combined Authority in discharging the functions exercisable by it by virtue of this article shall, except so far as the constituent councils agree otherwise, be defrayed by the Combined Authority.

(5) The costs so defrayed shall, for the purposes of section 74(10) of the Local Government Finance Act 1988, fall to be treated as expenses attributable to the exercise of the Combined Authority's functions relating to transport.

(6) The functions delegated by paragraph (1) are not exercisable by the constituent councils either concurrently or instead of the Combined Authority, except so far as the Combined Authority sub-delegates any such functions back to a constituent council.

(7) In the application of section 101 of the Local Government Act 1972 (arrangements for the discharge of functions) to the Combined Authority the functions delegated to the Combined Authority by paragraph (1) are to be treated as if they were functions of the Combined Authority.

Continuity

12.—(1) Nothing in this Part of the Order affects the validity of anything done by or in relation to the ITA or Halton Council in relation to the functions transferred under this Part before 1st April 2014.

(a) 1972 c.70.

(b) Section 237A was inserted by the Local Government and Public Health Involvement Act 2007 (2007 c. 28) section 130.

(c) The Mersey Tunnel Byelaws were made by the Merseyside Passenger Transport Authority under Section 102 of the County of Merseyside Act 1980 (1980 c. x) as amended by the Mersey Tunnels Order 1986 (S.I. 1986/297).

(d) 1980 c. 66.

(e) 1984 c. 27; the definition of "traffic authority" is in section 121A which was inserted by the New Roads and Street Works Act 1991 (c. 22) Schedule 8, paragraph 70 and amended by the Greater London Authority Act 1999 (c. 29) section 271(1), (2).

(2) There may be continued by or in relation to the Combined Authority anything (including legal proceedings) which—

- (a) relates to any of the functions, property, rights or liabilities transferred to the Combined Authority; and
- (b) is in process of being done by or in relation to the ITA, or Halton Council in relation to the functions transferred under this Part, immediately before 1st April 2014.

(3) Anything which—

- (a) was made or done by or in relation to the ITA or to Halton Council for the purposes of or otherwise in connection with any of the functions, property, rights or liabilities transferred; and
- (b) is in effect immediately before the transfer takes effect,

has effect as if made or done by or in relation to the Combined Authority.

(4) The Combined Authority shall be substituted for the ITA in any instruments, contracts or legal proceedings which—

- (a) relate to any of the functions, property, rights or liabilities transferred; and
- (b) are made or commenced before the transfer takes effect.

(5) A reference in this article to anything made or done by or in relation to the ITA includes a reference to anything which by virtue of any enactment is to be treated as having been made or done by or in relation to the ITA.

PART 4

Additional functions

Economic development and regeneration functions

13.—(1) The functions of the constituent councils set out in Schedule 2 are exercisable by the Combined Authority in relation to its area.

(2) The functions are exercisable concurrently with the constituent councils.

(3) Any requirement in any enactment for a constituent council to exercise such a function may be fulfilled by the exercise of that function by the Combined Authority.

Incidental provisions

14. The following provisions shall have effect as if the Combined Authority were a local authority for the purposes of these provisions—

- (a) section 142(2) of the Local Government Act 1972 (the power to arrange for publication of information etc relating to the functions of the authority); and
- (b) section 222 of the Local Government Act 1972 (the power to prosecute and defend legal proceedings).

15.—(1) The Combined Authority shall have the power to exercise any of the functions described in subsection (1)(a) and (b) of section 88 of the Local Government Act 1985^(a) (research and collection of information) whether or not a scheme is made under that section.

(2) For the purposes of paragraph (1) of this article, paragraphs (a) and (b) of section 88(1) of the Local Government Act 1985 shall have effect as if a reference to “that area” were a reference to the combined area.

(a) 1985 c.51.

16. Section 13 of the Local Government and Housing Act 1989(a) (voting rights of members of certain committees) shall have effect as if—

(a) in subsection (4) after paragraph (h) there were inserted—

“(i) subject to subsection (4A), a committee appointed by the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority;”;

(b) after subsection (4) there were inserted—

“(4A) A person who is a member of a committee falling within paragraph (i) of subsection (4) or a sub-committee appointed by such a committee shall for all purposes be treated as a non-voting member of that committee or sub-committee unless that person is a member of one of the constituent councils as defined by article 2 of the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority Order 2014(b).”.

17. Regulation 64 of the Local Government Pension Scheme Regulations 2013(c) (special circumstances where revised actuarial valuations and certificates must be obtained) shall have effect as if after paragraph (8) there were inserted—

“(8A) Paragraph (8B) applies where the exiting employer is the Merseyside Integrated Transport Authority (“the ITA”) and the liabilities of the fund in respect of benefits due to the ITA’s current and former employees (or those of any predecessor authority) have been or are to be transferred to the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority as a result of the establishment of the combined authority by article 3(1) of the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority Order 2014(d).

(8B) Where this paragraph applies, no exit payment is due under paragraph (1) and paragraph (2) does not apply.”.

Signed on behalf of the Secretary of State for Communities and Local Government

Date

Name
Parliamentary Under Secretary of State
Department for Communities and Local Government

SCHEDULE 1 Constitution

Article 4

Membership

1.—(1) Each constituent council shall appoint one of its elected members as a member of the Combined Authority.

(2) Each constituent council shall appoint another elected member as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (1) (“the substitute member”).

(3) The Local Enterprise Partnership shall nominate one of its members to be a member of the Combined Authority (“Local Enterprise Partnership Member”).

(4) The Local Enterprise Partnership shall nominate another of its members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (5) (“the substitute member”).

(a) 1989 c.42.
(b) S.I. 2014/XXXX.
(c) S.I. 2013/2356; there are no relevant amendments.
(d) S.I. 2014/XXXX.

(5) The Combined Authority shall appoint a member nominated by the Local Enterprise Partnership as a member of the Combined Authority (“Local Enterprise Partnership Member”).

(6) The Combined Authority shall appoint another member nominated by the Local Enterprise Partnership to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (5) (“the substitute member”).

(7) For the purposes of this Schedule any reference to a member is to be treated as including a reference to the Local Enterprise Partnership Member.

(8) A person ceases to be a member or substitute member of the Combined Authority if they cease to be—

- (a) a member of the constituent council that appointed them; or
- (b) a member of the Local Enterprise Partnership that nominated them.

(9) A person may resign as a member or substitute member of the Combined Authority by written notice served on the proper officer of the Council or the Chair or Vice Chair of the Local Enterprise Partnership (as the case may be) of—

- (a) the constituent council that appointed them; or
- (b) the Local Enterprise Partnership that nominated them

and the resignation shall take effect on receipt of the notice by the proper officer of the Council or Chair or Vice Chair of the Local Enterprise Partnership (as the case may be).

(10) Where a member or substitute member’s appointment ceases by virtue of sub-paragraph (8) or (9)—

- (a) the constituent council that made the appointment must, as soon as practicable, give written notice of that fact to the Combined Authority and appoint another of its elected members in that person’s place;
- (b) the Local Enterprise Partnership must, as soon as practicable, give written notice of that fact to the Combined Authority and nominate another of its members in that person’s place.

(11) The Combined Authority shall appoint a member nominated under sub-paragraph (10)(b) at the next meeting of the Combined Authority.

(12) A constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and appoint another of its elected members in that person’s place.

(13) Where a constituent council exercises its power under sub-paragraph (12), it must give written notice of the new appointment and the termination of the previous appointment to the Combined Authority and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(14) The Local Enterprise Partnership may at any time terminate the appointment of a member or substitute member nominated by it to the Combined Authority and nominate another of its members in that person’s place.

(15) Where the Local Enterprise Partnership exercises its power under sub-paragraph (14), it must give written notice of the new nomination and the termination of the previous appointment to the Combined Authority.

(16) The Combined Authority shall appoint a member nominated under sub-paragraph (15) and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(17) For the purposes of this paragraph an elected mayor of a constituent council is to be treated as a member of the constituent council.

Chairman and vice-chairman

2.—(1) The Combined Authority must in each year appoint a chairman and a vice-chairman from among its members and the appointments are to be the first business transacted after the appointment of members at the first meeting of the Combined Authority and, in subsequent years, at the annual meeting of the Combined Authority.

(2) A person ceases to be chairman or vice-chairman of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of chairman or vice-chairman, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

Proceedings

3.—(1) Subject to the following sub-paragraphs, any questions that are to be decided by the Combined Authority are to be decided by a majority of the members and substitute members, acting in place of members, present and voting on that question at a meeting of the Combined Authority.

(2) No business shall be transacted at a meeting of the Combined Authority unless at least four members or substitute members appointed by the constituent councils are present at that meeting.

(3) Each member, or substitute member acting in that member's place, has one vote and no member or substitute member has a casting vote.

(4) If a vote is tied on any matter it shall be deemed not to have been carried.

(5) Questions relating to the determination and review of any transitional arrangements on transport require a unanimous vote in favour by all six constituent council members, or substitute members acting in place of those members, to be carried.

(6) The amount of any levy to be issued to constituent councils is to be decided by a majority of the members and substitute members, acting in place of members, appointed by the constituent councils and present and voting.

(7) Members appointed from the Local Enterprise Partnership will be non-voting members of the Combined Authority.

(8) The proceedings of the Combined Authority are not invalidated by any vacancy among its members or substitute members or by any defect in the appointment or qualifications of any member or substitute member.

Committees

4.—(1) The Combined Authority shall appoint one or more committees as an overview and scrutiny committee, or as the case may be committees, of the Combined Authority.

(2) The Combined Authority shall appoint members of each of the constituent councils to each overview and scrutiny committee appointed by the Combined Authority.

(3) An overview and scrutiny committee appointed by the Combined Authority may not include any member of the Combined Authority.

(4) An overview and scrutiny committee appointed by the Combined Authority shall have the power to—

- (a) invite members to attend before it to answer questions;
- (b) invite other persons, including members of the public, to attend meetings of the committee;
- (c) review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the Combined Authority;
- (d) make reports or recommendations to the Combined Authority with respect to the discharge of any functions which are the responsibility of the Combined Authority.

(5) The power to review or scrutinise a decision made but not implemented under sub-paragraph (4)(c) includes the power to recommend that the decision be reconsidered by the Combined Authority.

(6) Where an overview and scrutiny committee appointed by the Combined Authority makes a report or recommendation under sub-paragraph (4)(d) the committee may—

- (a) publish the report or recommendations;
- (b) by notice in writing require the Combined Authority to—
 - (i) consider the report or recommendations;
 - (ii) respond to the overview and scrutiny committee indicating what (if any) action the Combined Authority proposes to take;
 - (iii) if the overview and scrutiny committee has published the report or recommendations under sub-paragraph (6)(a), publish the response.

(7) A notice served under sub-paragraph (6)(b) must require the Combined Authority to comply with it within two months beginning with the date on which the Combined Authority received the reports or recommendations or (if later) the notice.

(8) The Combined Authority shall comply with a notice given under sub-paragraph (6)(b).

(9) Sub-paragraphs (6)(a) and (8) are subject to section 9FG of the Local Government Act 2000 and to any provision made under section 9GA(8)(a) and the Combined Authority shall be treated as a local authority for those purposes.

Records

5.—(1) The Combined Authority must make arrangements for the names of members and substitute members present at any meeting to be recorded.

(2) Minutes of the proceedings of a meeting of the Combined Authority, or any committee or sub-committee of the Combined Authority, are to be kept in such form as the Combined Authority may determine.

(3) Any such minutes are to be signed at the same or next suitable meeting of the Combined Authority, the committee or sub-committee as the case may be, by the person presiding at that meeting.

(4) Any minute purporting to be signed as mentioned in sub-paragraph (3) shall be received in evidence without further proof.

(5) Until the contrary is proved, a meeting of the Combined Authority, committee or sub-committee, a minute of whose proceedings has been signed in accordance with this paragraph is deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.

(6) For the purposes of sub-paragraph (3) the next suitable meeting is the next following meeting or, where standing orders made by the Combined Authority provide for another meeting of the authority, committee or sub-committee to be regarded as suitable, either the next following meeting or that other meeting.

Standing orders

6. The Combined Authority may make standing orders for the regulation of its proceedings and business and may vary or revoke any such orders.

(a) 2000 c. 22. Sections 9FG and 9GA were inserted by the Localism Act 2011 (c. 20), section 21 and Schedule 2

Remuneration

7. No remuneration is to be payable by the Combined Authority to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined Authority.

SCHEDULE 2

Article 13(1)

Economic development and regeneration functions

1. Such functions of the constituent authorities as are exercisable for the purpose of economic development and regeneration in reliance on the general power of competence under section 1 of the Localism Act 2011(a).

2. The power under section 144 of the Local Government Act 1972(b) (the power to encourage visitors and provide conference and other facilities).

3. The duties under sections 15ZA, 15ZB, 15ZC, 17A, 18A(1)(b), of the Education Act 1996(c) and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).

4. The duty under section 69 of the 2009 Act (duty to prepare an assessment of economic conditions).

5. The duty under section 8(1) of the Housing Act 1985(d) (duty of local housing authorities to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation).

EXPLANATORY NOTE

(This note is not part of the Order)

This order establishes the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority.

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise functions relating to transport and to economic development and regeneration in their area.

The Secretary of State may only establish a combined authority for an area where a scheme for such an authority has been published under section 109 of the 2009 Act. This order has been made following the publication of such a scheme on 30th September 2013 by the constituent councils whose areas together make up the combined area of the new authority. The scheme is available at: www.knowsley.gov.uk/governancereview.

Part 2 of the Order establishes the new authority, to be known as the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority on 1st April 2014 and makes provision for its constitution and funding.

Article 4 of and Schedule 1 to the Order make provision for the constitution of the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority. This is supplemental to

(a) 2011 c.20.
(b) 1972 c.70.
(c) 1996 c.56.
(d) 1985 c. 68.

the provision that is made by Part 1A of Schedule 12 to the Local Government Act 1972 (see paragraph (6A) of that Schedule, as amended by the 2009 Act).

Article 5 makes provision for the funding, by the constituent councils, of those costs of the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority that relate to the exercise of its economic development and regeneration functions.

Part 3 concerns the transport functions of the combined authority. *Article 6* dissolves the Merseyside Passenger Transport Authority, abolishes its area and transfers its functions to the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority. Contracts of employment are transferred to the Merseyside Passenger Transport Executive. *Article 7* makes general adaptations to primary and subordinate legislation, so that references to an integrated transport authority or area are to be treated as extending to the combined authority and its area. *Article 8* transfers to the combined authority the functions of Halton council under Parts IV and V of the Transport Act 1985 and provides for the submission of proposals for, and the making of, a scheme for the transfer of property, rights and liabilities held, acquired or incurred by that council for the purposes of those functions. *Article 9* makes general amendments to primary and secondary legislation affected by the transfer of functions under article 8. *Article 10* makes the Merseyside Passenger Transport Executive an executive body of the combined authority and changes its name to Merseytravel. *Article 11* provides for other transport functions to be exercisable by the Combined Authority and *Article 12* provides for continuity when functions, property, rights and liabilities are transferred under Part 3 of this Order.

Part 4 confers additional functions on the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Authority. *Article 13* confers functions of the constituent councils relating to economic development and regeneration. These are set out in Schedule 2 to the Order and are to be exercised concurrently with the constituent councils. *Articles 14 to 16* make some general, incidental provisions relating to the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority to enable it to carry out its functions more effectively.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business and the voluntary sector.

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**CONSTITUTION OF THE
HALTON, KNOWSLEY, LIVERPOOL,
ST. HELENS, SEFTON AND WIRRAL
COMBINED AUTHORITY**

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SECTION

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PART 7 – Code of Conduct for Members

Part 1

Introduction and Articles

1. In this Constitution:
 - 1.1.1 “the Authority” means the Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral Combined Authority;
 - 1.1.2 “the Combined Area” means the area consisting of the areas of the Constituent Councils;
 - 1.1.3 “the Constituent Councils” mean the district councils for the local government areas of Halton, Knowsley, Liverpool, Sefton, St. Helens and Wirral;
 - 1.1.4 “the Differential Levy” means the transport levy set by the Authority pursuant to the Transport Levying Bodies Regulations 1992 in relation to Halton Borough Council recognising the distinction between its position and that of the other Constituent Councils;
 - 1.1.5 “the ITA” means the Merseyside Integrated Transport Authority;
 - 1.1.6 “Lead Officers” means the Statutory Officers and the Chief Executives of the Constituent Councils;
 - 1.1.7 “the LEP” means the Liverpool City Region Local Enterprise Partnership;
 - 1.1.8 “the Levy” means the transport levy set by the Authority pursuant to the Transport Levying Bodies Regulations 1992;
 - 1.1.9 “Merseytravel” means the Merseyside Passenger Transport Executive for the Combined Area, which is the executive body of the Authority in relation to its transport functions;
 - 1.1.10 “the Merseytravel Committee” means the committee of the Authority named as such with members co-opted from the Constituent Councils;
 - 1.1.11 “Mersey Tunnels” means “the tunnels” and “the approaches” as defined in the County of Merseyside Act 1980;
 - 1.1.12 “the Order” means The Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral Combined Authority Order 2014;
 - 1.1.13 “Statutory Officers” means the Monitoring Officer, the Treasurer, the Head of the Secretariat and the Head of Paid Service;

- 1.2 The Constitution sets out how the Halton, Knowsley, Liverpool, Sefton, St. Helens and Wirral Combined Authority (hereafter referred to as 'the Authority') operates, how decisions are made and the procedures that are followed to ensure that it operates efficiently, effectively and is both transparent and accountable.

2. Powers of the Authority

- 2.1 The Authority was established pursuant to the Order on 1st April 2014 as the combined authority for the Combined Area, with the aim of improving:-
- (a) the exercise of statutory functions relating to transport in the Combined Area;
 - (b) the effectiveness and efficiency of transport in the Combined Area;
 - (c) the exercise of statutory functions relating to economic development and regeneration in the Combined Area; and
 - (d) economic conditions in the Combined Area.
- 2.2 The Authority is responsible for a range of transport, economic development and regeneration functions across the Combined Area. The functions of the Authority conferred or imposed upon it by the Order and the functions of the Authority delegated to it by the Order are set out at Part 2 of this Constitution.
- 2.3 The Authority will exercise all its powers and duties in accordance with the law and this Constitution.
- 2.4 The Authority will agree policies and delegate responsibilities to conduct its business.

3. Members of the Authority

- 3.1 In accordance with the Order, the Constituent Councils shall each appoint one of its elected members or its Elected Mayor to be a Member of the Authority.
- 3.2 In addition, each of the Constituent Councils shall appoint another of its members to act as a Member of the Authority in the absence of the member appointed under paragraph 3.1.
- 3.3 The LEP shall nominate one of its members to be a member of the Authority and the Authority shall appoint that person as a member of the Authority.
- 3.4 The LEP shall nominate another of its members to act as a member of the Authority in the absence of the member referred to in 3.3 and the Authority shall appoint that person to act in the absence of the member referred to in 3.3.

- 3.5 Members will:
- (a) collectively be the ultimate policy makers of the Authority in respect of those areas which are the responsibility of the Authority;
 - (b) bring views of their communities into the Authority decision-making process; and
 - (c) maintain the highest standards of conduct and ethics.
- 3.6 Members will at all times observe the Code of Conduct for Members approved by the Authority.
- 3.7 Members will be entitled to receive travel and subsistence allowances in accordance with the Members Allowances Scheme approved by the Authority.
- 3.8 Subject to the provisions of Part 5A, paragraph 14.6 of this Constitution, Members appointed following nomination by the LEP will be voting members of the Authority, and Section 85(4) of the Local Transport Act 2008 shall not apply for these purposes.

4. Chairing the Authority

- 4.1 The Authority must appoint a Chair and a Vice Chair from among its Members.
- 4.2 The procedure for the appointment of the Chair and Vice Chair(s) is set out in the Meeting Procedure Rules in Part 5A of this Constitution.

5. Meetings and Procedure

- 5.1 The meetings of the Authority will be conducted in accordance with the Meeting Procedure Rules set out in Part 5A of this Constitution.
- 5.2 A calendar of meetings for the municipal year will be agreed at the Annual Meeting.

6. Responsibility for Functions

- 6.1 Only the Authority will exercise the functions set out in Part 3A of this Constitution.
- 6.2 The Authority has the power to delegate the discharge of the Authority's functions which are not reserved to the Authority to Committees, Sub-Committees, Officers, Joint Committees or other local authorities, pursuant to Section 101 of the Local Government Act 1972.
- 6.3 The Authority has delegated responsibility for the discharge of some of the Authority's functions which are not reserved to the Authority to Merseytravel, Committees and Officers in accordance with Part 3 of this Constitution.

7. Merseytravel

- 7.1 Pursuant to the Order, Merseytravel is to be an executive body of the Authority for the purposes of Part 5 of the Local Transport Act 2008 and Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA 2009).
- 7.2 In the application of the Local Government Act 1972 (arrangements for the discharge of functions) to the Authority, Merseytravel is to be treated as if it were an officer of the Authority.
- 7.3 Where arrangements are in force for the discharge of functions of a Constituent Council by the Authority by virtue of –
- (a) section 101(1)(b) of the Local Government Act 1972; or
 - (b) section 9EA of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012,

Merseytravel is to be treated as if it were an officer of the Authority for the purposes of Section 101 of the Local Government Act 1972 and for the purposes of those Regulations.

- 7.4 Merseytravel has power to discharge any function which is the subject of arrangements entered into with it by virtue of paragraphs 7.2 and 7.3 above.

8. Committees of the Authority

- 8.1 The Authority will establish a Merseytravel Committee and refer or delegate such transport functions of the Authority to the Merseytravel Committee, as set out in Part 3B of this Constitution.
- 8.2 The Authority shall determine how many members from each Constituent Council it will co-opt onto the Merseytravel Committee and will determine the terms of reference of such Committee.
- 8.3 The Authority having determined the number of members to be co-opted to the Merseytravel Committee, the Constituent Councils shall be requested to identify their elected member nominees and the Authority shall consider the co-option of those nominated. The Constituent Councils may change their nominations at any time and submit the names of replacement nominees for consideration, but shall not nominate members of the Authority.
- 8.4 If any co-opted member resigns from the Merseytravel Committee, the relevant Constituent Council shall nominate a replacement as soon as practicable.
- 8.5 Those members of the Merseytravel Committee who are elected members shall have voting rights for those matters referred or

delegated to it.

- 8.6 The Authority may establish such other Committees, including a Standards Committee, an Audit Committee and a Scrutiny Panel, on such terms as it thinks fit.

9. Joint Arrangements

- 9.1 The Authority has power pursuant to Section 101(5) of the Local Government Act 1972 to make arrangements with other local authorities to discharge their functions jointly.
- 9.2 Such arrangements may involve the discharge of those functions by a joint committee of such authorities or by an officer of one of them.

10. Officers

- 10.1 The Authority shall appoint the Lead Officers, whose responsibilities and delegations are as set out in legislation and as agreed by the Authority.
- 10.2 The Authority may delegate such powers to the Lead Officers as the Authority deems appropriate.
- 10.3 Unless otherwise provided, for the purposes of any enactment, the Proper Officer of the Authority is the Head of Paid Service.

11. Decision-Making

Decisions of the Authority, its Committees, Sub-Committees and its Lead Officers will be taken in accordance with the responsibilities set out in Part 3 and in accordance with the following principles:

- (a) Proportionality (meaning the action must be proportionate to the results to be achieved);
- (b) Due consultation (including the taking of relevant professional advice);
- (c) Respect for human rights;
- (d) Presumption in favour of openness;
- (e) Clarity of aims and desired outcomes; and
- (f) Due consideration will be given to alternative options.

12. Finance, Contracts and Legal Matters

12.1 Financial management

The management of the Authority's financial affairs will be conducted in accordance with the Financial Procedures set out in Part 6 of this Constitution.

12.2 Legal proceedings

The Monitoring Officer is authorised to institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Authority or in any case where the Monitoring Officer considers that such action is necessary to protect the Authority's interests.

12.3 Authentication of documents

- (a) Where any document is necessary to any legal procedure or proceedings on behalf of the Authority, it will be signed by the Monitoring Officer or some other person duly authorised by the Authority or the Monitoring Officer, unless any enactment otherwise authorises or requires.
- (b) Contracts will be entered into in accordance with the Authority's Contract Procedure Rules set out in Part 6 of the Constitution, unless the Authority has delegated the function to a Constituent Council or Merseytravel, in which case the Contract Procedure Rules of such body shall be adhered to.
- (c) Land transactions will be entered into in accordance with the Authority's Land Procedure Rules set out in Part 6 of the Constitution, unless the Authority has delegated the function to a Constituent Council or Merseytravel, in which case the Land Procedure Rules of such body shall be adhered to.

12.4 Common Seal of the Authority

The Common Seal of the Authority will be kept in a safe place in the custody of the Monitoring Officer. A decision of the Authority, or any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal will be affixed to those documents which in the opinion of the Monitoring Officer should be sealed. The affixing of the Common Seal will be attested by the Monitoring Officer or some other person authorised by the Monitoring Officer.

13. Review and Revision of the Constitution

13.1 The Monitoring Officer will monitor and review the operation of the Constitution.

13.2 Changes to the Constitution will only be approved by the Authority

after consideration of the proposal by the Monitoring Officer and in accordance with the Meeting Procedure Rules set out in Part 5A of this Constitution and where those members present and voting approve the changes unanimously.

Part 2

Powers and Functions conferred on the Authority pursuant to the Order

A. Transport Functions of the ITA transferred to the Authority

- 1.1 Pursuant to the Order the following functions of the ITA are transferred to the Authority:-
- (a) the discharge of all the functions, duties and responsibilities of the ITA;
 - (b) without prejudice to the generality of sub-paragraph 1.1(a), the discharge of all the functions of the ITA that are provided for within the Transport Acts 1968, 1983, 1985 and 2000, the Local Government Act 1972, the Transport and Works Act 1992 and the Local Transport Act 2008; and
 - (c) the appointment of members to Merseytravel in accordance with article 16 of the Merseyside Passenger Transport Area (Designation) Order 1969.

B. Transport Functions of the Constituent Councils delegated to the Authority

- 1.1 Pursuant to the Order, the functions of the Constituent Councils under Section 2 of the Road Traffic Reduction Act 1997 (duty of principal councils to make reports) are delegated to the Authority.
- 1.2 Pursuant to the Order, the functions of Halton Council under the following enactments are transferred to the Authority:
- (a) Parts IV and V of the Transport Act 1985; and
 - (b) Part II of the Transport Act 2000

C. Powers and Duties of the Authority in relation to Transport Functions

- 1.1 Pursuant to the Order, the following are functions of the Authority:
- (a) the power to issue fixed penalty notices in respect of offences in breach of the Mersey Tunnels Byelaws 2003 or any revision thereof pursuant to Section 237A of the Local Government Act 1972;

- (b) the powers and duties of a Local Transport Authority pursuant to the Local Transport Act 2008; and
 - (c) the power to enter into individual agreements with local highway authorities pursuant to Section 8 of the Highways Act 1980 and for such purposes to be designated
 - (i) as a Local Highway Authority pursuant to the said Section 8;
 - (ii) as a Traffic Authority pursuant to Section 121A of the Road Traffic Regulation Act 1984; and
 - (iii) as a Street Authority pursuant to Section 49 of the New Roads and Street Works Act 1991.
- 1.2 In relation to the powers set out in 1.1(c) , these powers will be subject to written agreements entered into by the Authority and the Constituent Council(s) in relation to specific highways or parts of highways so that the rights and liabilities of the relevant Highway Authority, Traffic Authority or Street Authority are clearly set out.
- 1.3 In the event that the power in 1.1(c) is to be exercised, the Authority will, prior to such exercise, approve a Protocol regarding its use.

D. Economic Development and Regeneration Functions to be exercised by the Authority concurrently with the Constituent Councils

- 1.1 Pursuant to the Order, the following economic development and regeneration functions of the Constituent Councils are to be exercised by the Authority concurrently with the Constituent Councils:-
- (a) the power under Section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities);
 - (b) the duty under Section 8(1) of the Housing Act 1985 (duty of local housing authorities to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation);
 - (c) the duties under Sections 15ZA, 15ZB, 15ZC, 17A, 18A(1)(b), of the Education Act 1996 and the power under Sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age);
 - (d) the duty under Section 69 of the 2009 Act (duty to prepare an assessment of economic conditions); and
 - (e) such functions of the Constituent Councils as are exercisable for the purposes of economic development and regeneration in

reliance on the general power of competence under section 1 of the Localism Act 2011.

- 1.2 Any requirement in any enactment for a Constituent Council to exercise any of the functions set out in paragraph 1.1 above may be fulfilled by the exercise of that function by the Authority.
- 1.3 The Authority and the Constituent Councils will draw up and agree detailed Protocols in relation to the discharge of the economic development and regeneration functions set out at paragraph 1.1 above.
- 1.4 The Authority and the Constituent Councils will keep the Protocols referred to at paragraph 1.3 above under regular review and may revise them from time to time, such revisions to be agreed by the Chief Executives of the Constituent Councils and the Head of Paid Service of the Authority.
- 1.5 Protocols drawn up, agreed, or revised under paragraphs 1.3 and 1.4 above will not in themselves constitute arrangements for the discharge of functions made in accordance with Section 101 of the Local Government Act 1972 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.
- 1.6 By virtue of Section 91(5) of the LDEDCA 2009, the Authority must exercise the functions in paragraph 1.1 above with a view to promoting the economic development and regeneration of the area.

E. Incidental Provisions

- 1.1 Pursuant to the Order, the following provisions have effect as if the Authority were a local authority for the purposes of these provisions:-
 - (a) Section 142(2) of the Local Government Act 1972 (the power to arrange for publication of information etc. relating to the functions of the authority); and
 - (b) Section 222 of the Local Government Act 1972 (the power to instigate and defend legal proceedings).
- 1.2 The Authority shall have the power to exercise any of the functions described in subsection 1(a) and (b) of section 88 of the Local Government Act 1985 (research and collection of information) whether or not a scheme is made under that section.

F. Functions conferred on the Authority by Local Government Legislation

- 1.1 The Authority shall have such other powers and duties as are conferred on a combined authority by any enactment.

- 1.2 Without prejudice to the generality of the above, such powers and duties include:
- (a) the duty to appoint a Head of Paid Service, a Monitoring Officer and an Officer with responsibility for the administration of the Authority's financial affairs (the Treasurer);
 - (b) the power to borrow money for a purpose relevant to its transport functions only;
 - (c) the power to appoint staff and to enter into agreements with other local authorities for the secondment of staff;
 - (d) the power to acquire land by agreement or compulsorily for the purpose of any of its functions and to dispose of such land;
 - (e) the power to pay subscriptions to the funds of local authority associations;
 - (f) the duty (without prejudice to any other obligation) to exercise its functions with due regard to the need to prevent crime and disorder, the misuse of drugs and alcohol or re-offending in its area;
 - (g) the power under Section 99 of the Local Transport Act 2008 to promote the economic, social and environmental well-being of its area; and
 - (h) the power under Section 113A of the LDEDCA 2009 to do anything it considers appropriate for the purpose of carrying out any of its functions.
- 1.3 The Authority is a local authority for the purpose of Section 101 of the Local Government Act 1972 (arrangements for the discharge of functions by local authorities).
- 1.4 The Authority is a best value authority for the purpose of Section 1 of the Local Government Act 1999.
- 1.5 The Authority is a public body for the purpose of the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.
- 1.6 The Authority is a local authority for the purpose of the power of a Minister of the Crown to pay grants.

Part 3

Responsibility for Functions

THE AUTHORITY

A. Functions Reserved to the Authority

1. In respect of the Constitution

- (a) adopting and amending the Authority Constitution;
- (b) the acceptance of arrangements to delegate the functions of any person to the Authority;
- (c) to appoint the Statutory Officers of the Authority;
- (d) to determine the requirement for composition of and terms of reference of any Joint Committees, Committees and Sub-Committees;
- (e) determine the voting rights in respect of decisions of the Authority;
- (f) to appoint the Chair and Vice Chair;
- (g) determine the co-option and the terms of such co-option of any person who is not a constituent member of the Authority;
- (h) agree the submission of an application to the Government to expand/constrict the area of the Authority and its duties and responsibilities;
- (i) appointing representative to outside bodies;
- (j) holding the Committees of the Authority to account;
- (k) receiving reports from Statutory Officers; and
- (l) all other matters which must, by law, be reserved to the Authority.

2. In respect of strategy, policy and agreements

- (a) the discharge of all statutory duties and responsibilities as provided for by relevant legislation;
- (b) the adoption, approval, and any modification of a plan or strategy as provided for by relevant legislation;
- (c) determine general policies for the Liverpool City Region in respect of transport;
- (d) the power to enter into individual agreements with Local Highway Authorities pursuant to Section 8 of the Highways Act 1980 and for such purposes to be designated:-
 - (i) as a Local Highway Authority pursuant to the said Section 8;
 - (ii) as a Traffic Authority pursuant to Section 121A of the Road Traffic Regulation Act 1984; and
 - (iii) as a Street Authority pursuant to Section 49 of the New Roads and Street Works Act 1991; and
- (e) produce and deliver a Strategic Plan for the Authority.

3. In respect of finance

- (a) approval of the budget of the Authority;
- (b) setting of an appropriate transport levy and differential levy;
- (c) approval of borrowing limits of the Authority in respect of transport functions;
- (d) approval of the treasury management and investment strategies of the Authority;
- (e) subject to regulation 4.4 of the Financial Regulations, approving the transport capital programme of the Authority and Merseytravel and approving new transport schemes to be funded by the Merseyside City Region Transport Fund;
- (f) approve the setting of the Mersey Tunnel tolls under the County of Merseyside Act 1980 and Mersey Tunnels Act 2004;
- (g) identifying a prioritised list of transport investments for Liverpool City Region;
- (h) making decisions on individual scheme approvals, investment decision-making and release of funding, including scrutiny of individual scheme business cases;
- (i) responsibility for ensuring value for money is achieved;
- (j) monitoring the progress of scheme delivery and spend, in concert with other appropriate LCR bodies;
- (k) actively managing the devolved budget and programme to respond to changed circumstances in collaboration with the Authority as the Accountable Body and Merseytravel; and
- (l) determine whether to act as an accountable body in respect of finance and/or grant funding.

4. In respect of Merseytravel

- (a) make grants to Merseytravel, including grants for operation and maintenance of Mersey Tunnels;
- (b) grant approval to Merseytravel to promote or oppose any Bill in Parliament;
- (c) grant approval to Merseytravel to make a written request to the Minister to purchase compulsorily any land;
- (d) to exercise the power, to cause a review to be made of the organisation of Merseytravel;
- (e) to give to Merseytravel such directions as appear from any such review to be requisite to ensure that Merseytravel's undertaking is organised in an efficient manner;
- (f) make appointments of members of the Merseyside Passenger Transport Executive in accordance with the Merseyside Passenger Transport Area (Designation) Order 1969; and
- (g) provide directions to Merseytravel in regard to functions being undertaken for the Authority.

5. In respect of economic development and regeneration

- (a) all functions set out in the Order to be exercised concurrently with the Constituent Councils and in accordance with agreed protocols.

The Merseytravel Committee

B I. Transport Functions of the Authority referred to the Merseytravel Committee

The following transport functions of the Authority are **not delegated** but are referred by the Authority to the Merseytravel Committee to make recommendations to the Authority

1. In respect of strategy, policy and agreements

To make recommendations, having consulted stakeholders where appropriate, in respect of:

- (a) the discharge of all statutory duties and responsibilities as provided for by relevant legislation;
- (b) the adoption, approval and any modification of a plan or strategy as provided for by relevant legislation; and
- (c) the determination of general policies for the Liverpool City Region in respect of transport.

2. In respect of finance

To make recommendations in respect of:

- (a) the budget of the Authority for transport;
- (b) the Levy and the Differential Levy pursuant to the Transport Levying Bodies Regulations 1992;
- (c) the capital programme of the Authority and Merseytravel; and
- (d) the setting of the Mersey Tunnel tolls.

3. In respect of Merseytravel

To make recommendations in respect of:

- (a) financial grants to Merseytravel (including grant for the operation and maintenance of Mersey Tunnels);
- (b) the power to allow Merseytravel to promote or oppose any Bill in Parliament;
- (c) authorising Merseytravel to purchase compulsorily any land;
- (d) the need for a review to be made of the organisation of Merseytravel;
- (e) making appointments of members of the Merseyside Passenger Transport Executive in accordance with the Merseyside Passenger Transport Area (Designation) Order 1969;
- (f) provide directions to Merseytravel in regard to functions being undertaken for the Authority; and
- (g) new transport schemes to be funded by the LCR Transport Fund.

B II. Transport Functions of the Authority delegated to the Merseytravel Committee

The following transport functions of the Authority **are delegated** by the Authority to the Merseytravel Committee, subject to the Merseytravel Committee exercising these functions in accordance with any transport policies of the Authority, the Local Transport Plan and the Authority's agreed transport budget and borrowing limits (and without prejudice to the Authority's right to discharge such functions itself):

1. In respect of strategy, policy and agreements

- (a) formulating general policies with respect to the availability and convenience of transport Services;
- (b) considering and approving the creation and development of:-
 - (i) Quality Partnership Schemes;
 - (ii) Quality Contracts Schemes;
 - (iii) Ticketing Schemes;
 - (iv) Concessionary Travel Schemes; and
 - (v) Bus service information and publicity
- (c) monitoring performance against the Local Transport Plan and other Authority transport policies, plans and strategies; and
- (d) formulating, developing and monitoring procedures for stakeholder consultation on the Authority's transport policies, including taking responsibility for the active promotion of Liverpool City Region's transport interests.

2. In respect of finance

- (a) monitoring the Authority's transport budget and capital schemes; and
- (b) approving the level of financial support of local rail services over and above that in the baseline franchise specification agreed between Liverpool City Region and the Department for Transport.

3. In respect of Merseytravel

- (a) monitoring and overseeing the activities and performance of Merseytravel;
- (b) ensuring that Merseytravel secures the provision of appropriate transport and associated services;
- (c) ensuring that Merseytravel implements those actions delegated to it for promoting the economic, social and environmental well-being of the Liverpool City Region;
- (d) determining variations in charges for transport services or facilities provided by Merseytravel;
- (e) determining issues arising from the rail franchising process and/or the MEL Rail Concession that are not the legal responsibility of Merseytravel;
- (f) considering issues arising from the implementation by Merseytravel of transport schemes on behalf of the Authority;

- (g) determine the operation, performance, contract management and development of the transport network and monitoring the operation and performance of bus and local rail services and influencing such;
- (h) to give to Merseytravel such directions as appear from any such review to be requisite to ensure that Merseytravel's undertaking is organised in an efficient manner;
- (i) approval of any transactions of Merseytravel which require approval under Section 10(1) of the Transport Act 1968; and
- (j) exercise any delegation from the Authority as required.

B III. Transport Functions of the Authority delegated to Halton Borough Council ("Halton")

1. The Authority may delegate any of its transport functions to Halton insofar as this is necessary to discharge the functions of the Authority within the area of Halton.
2. Any such delegation will be by way of separate agreement between the Authority and Halton and shall make appropriate provision for the delegation of such resources required to discharge those functions.

Merseytravel

C. Functions of the Authority delegated to Merseytravel

- (a) to provide advice to the Authority and Merseytravel Committee to enable development of policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within the Liverpool City Region;
- (b) to prepare the Local Transport Plan (LTP) and advise the Authority and Merseytravel Committee upon proposals for the implementation of the LTP;
- (c) where the Authority has provided financial assistance to other persons or bodies (including the Constituent Councils), to implement the Authority's transport policies or the LTP and to monitor and secure compliance with any terms and conditions of such financial assistance;
- (d) to secure the implementation of the Authority's transport policies and the LTP;
- (e) to implement decisions taken by the Authority and Merseytravel Committee in a transport context to promote and improve the economic, social and environmental well-being of the Liverpool City Region;
- (f) to implement any legal agreements entered into by the Authority relating to transport, as required by the Authority;
- (g) gathering data from relevant stakeholders in relation to transport matters as required by the Authority;
- (h) to maintain any databases/models for the Liverpool City Region databases as required by the Authority;
- (i) to institute, conduct, prosecute or defend any legal proceedings relating to its transport functions on behalf of the Authority;
- (j) to do anything incidental to or calculated to facilitate the discharge of those responsibilities;
- (k) to appoint officers to act as law enforcement officers in respect of the Mersey Tunnels as provided for by the County of Merseyside Act 1980;
- (l) to enforce the County of Merseyside Act 1980 and the Mersey Tunnels Bylaws 2003;
- (m) to provide and operate the concessionary travel scheme as determined by the Authority;
- (n) to provide travel information as determined by the Authority;
- (o) to maintain proper records as required by the Authority, and pursuant to legislation, in connection with any transport functions delegated to Merseytravel;
- (p) to recover and account for tolls revenue on behalf of the Authority;
- (q) to operate and maintain the Mersey Tunnels as required by the Authority;
- (r) to issue fixed penalty notices in respect of offences under the Mersey Tunnel Byelaws 2003;
- (s) approving its transport capital programme and releases for capital transport within the agreed budget; and
- (t) to exercise any delegation as provided by the Authority.

D. Scheme of Delegation of Functions to Lead Officers

General Principles

1. The Authority may choose to delegate any of its functions to officers of the Authority.
2. Powers delegated to Lead Officers may be exercised by other officers if the relevant Lead Officer has further delegated that power, but this must be properly recorded and capable of being evidenced.
3. The exercise of delegated powers by officers shall be in accordance with the principles of decision-making which the Authority follows and in accordance with the requirements of the Constitution.
4. Lead Officers are not obliged to exercise delegated powers if they believe circumstances are such that the powers should more appropriately be exercised by the Authority or one of its Committees.
5. Where delegated powers are exercised, Lead Officers should ensure that the decisions taken are appropriately recorded.

General Delegations to Lead Officers

1. The day-to-day routine, management, supervision and control of services provided on behalf of the Authority relating only to the functions for which they are responsible.
2. Within the scope of their delegations, the exercise of powers in relation to Low Value Procurements as set out in the Contract Procedure Rules, subject to compliance with any guidance issued by the Treasurer.
3. Within the scope of their delegations, the acceptance of tenders in accordance with the provisions of the Contract Procedure Rules.
4. Within the scope of their delegations, the power to set up Boards on an informal basis for the purpose of promoting economic development and regeneration in the Liverpool City Region. The Lead Officer in respect of any Board will determine its membership. In particular, the Lead Officer will have the power to co-ordinate the work of the relevant Board with a view to furthering the aims and ambitions of the Authority. Any Board established under this power will not itself have decision-making powers and the Lead Officer will be responsible for ensuring that the work of the Board is, in appropriate circumstances, referred to the Authority for consideration and approval.

Delegated Powers of the Head of Paid Service

1. The functions of the Head of Paid Service as set out in the Local Government and Housing Act 1989.

2. The discharge of any function not reserved to the Authority or delegated to any Committee or officer.
3. The discharge of any function delegated to another officer where that officer is absent or otherwise unable to act.
4. The taking of any action which is required as a matter of urgency or which cannot reasonably await consideration at the next scheduled meeting of the Authority where such action is necessary in the view of the Head of Paid Service to protect the interests of the Authority and where practicable the Head of Paid Service has consulted with the Chair of the Authority.
5. To make such arrangements as are necessary for the organisation of meetings of the Merseytravel Committee and its Sub-Committees, including determining requests to record or film such meetings.
6. To exercise the responsibilities assigned to the Head of Paid Service which are set out in the Constitution.

Delegations to the Treasurer

1. To effect the proper administration of the Authority's financial affairs, particularly in relation to financial advice, procedures, records and accounting systems, internal audit and financial control generally.
2. The taking of all action required on borrowing, investment and financing, subject to the submission to the Authority of an annual report of the Treasurer on treasury management activities and at 6-monthly intervals in accordance with CIPFA's Code of Practice for Treasury Management & Prudential Codes.
3. To effect all insurance cover required in connection with the business of the Authority and to settle claims under such insurances, where this is appropriate, for the benefit of the Authority.
4. To accept grant offers on behalf of the Authority, subject to all the terms and conditions set out by the grant awarding body.
5. The submission of all claims for grant to the UK Government or the European Community (EC) or any other third party.
6. To make all necessary banking arrangements on behalf of the Authority to sign all cheques drawn on behalf of the Authority or make arrangements for cheques to be signed by other officers or to arrange for such cheques to bear the facsimile signature of the Treasurer.
7. To monitor capital spending and submit a report to the Authority at not more than quarterly intervals. This report will separately identify the capital expenditure relating to schemes promoted by Merseytravel.

8. In relation to revenue expenditure under the control of Lead Officers, to consider reports of officers on any likely overspending, and to approve transfers between expenditure heads up to a maximum of £25,000.
9. The approval of contracts and agreements proposed to be entered into by the Authority provided that, subject to any other requirement of this Constitution, the Treasurer may give a general consent to Lead Officers to enter into contracts or agreements, the value of which does not exceed £250,000.
10. The collection of all money due to the Authority and the writing-off of bad debts in accordance with the Financial Procedure Rules.
11. To supervise procedures for the invitation, receipt and acceptance of tenders.
12. To administer the Members' Allowance Scheme.
13. To discharge the functions of the 'responsible financial officer' under the Accounts and Audit (England) Regulations 2011, including the requirement under Regulation 8(2) to sign and date the statement of accounts, and certify that it presents a true and fair view of the financial position of the Authority at the end of the year to which it relates and of the Authority's income and expenditure for that year.
14. To discharge the functions of the Authority under the Accounts and Audit (England) Regulations 2011 (with the exception of regulations 4(3), 6(4) and 8(3)).
15. To be the officer nominated, or to nominate in writing another officer, as the person to receive disclosures of suspicious transactions for the purposes of the Proceeds of Crime Act 2002 and any regulations made thereunder.
16. To determine an amount (not exceeding £5,000) being the maximum sum which the Authority will receive in cash without the express written consent of the Treasurer.
17. To exercise the responsibilities assigned to the Treasurer which are set out in the Constitution.

Delegations to the Monitoring Officer

1. The functions of the Monitoring Officer set out in the Local Government and Housing Act 1989.
2. To receive complaints that any member has failed to comply with the Code of Conduct for Members.
3. To determine whether to reject, informally resolve or investigate any complaint received, referred to in 2 above, and to take such action as is necessary to implement that determination.

4. To prepare and maintain the Authority's Register of Members' Interests and have it available for inspection as required by the Localism Act 2011.
5. To determine requests from Members for dispensations pursuant to the provisions of the Localism Act 2011, subject to the right of appeal by a member to the Standards Committee in the case of a refusal.
6. To institute, conduct, prosecute and defend or settle any legal proceedings on behalf of the Authority as may be necessary to protect and promote the interests of the Authority, subject to consultation with the Chair, in any case where the matter is of significance to the Authority's reputation.
7. To settle any threatened legal proceedings where it is in the Authority's interests to do so.
8. To instruct Counsel and professional advisers as appropriate.
9. To provide undertakings on behalf of the Authority.
10. To supervise the preparation and completion of legal documents and processes necessary to give effect to the decisions of the Authority.
11. To determine whether exemptions should be applied to requests made under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.
12. To accept service on behalf of the Authority.
13. To sign certificates under the Local Government (Contracts) Act 1997.
14. To exercise the responsibilities of the Monitoring Officer which are set out in the Constitution.

Delegations to the Head of the Secretariat

1. The provision of a response to any Government consultation, subject to consultation with the Chair and Head of Paid Service of the Authority.
2. The co-ordination of public relations for the Authority, including the approval of press releases on behalf of the Authority.
3. To make such arrangements as are necessary for the organisation of meetings of the Authority, its Scrutiny Panel, its Standards Committee and its Audit Committee, including determining requests to record or film such meetings.
4. To exercise the responsibilities assigned to the Head of the Secretariat, which are set out in the Constitution.

PART 4

A. Standards Committee

4.1 Standards Committee

The Authority will establish a Standards Committee, which shall be convened from time to time at the request of the Monitoring Officer.

4.2 Composition

(a) Membership

The Standards Committee will be composed of a pool of six members or Substitute Members of the Authority, of whom three will form a Committee.

(b) Chairing the Committee

The Authority will appoint the Chair of the Committee. In the absence of the appointed Chair, the Committee will be chaired as determined by the Committee.

(c) Quorum

The quorum for the Standards Committee shall be three.

4.3 Role and Function

The Authority has delegated to the Standards Committee the following powers to deal with matters of conduct and ethical standards, and the Authority's Standards Committee has the following role and functions:

- (a) to promote and maintain high standards of conduct by Authority Members;
- (b) to assist Authority Members to observe the Authority's Code of Conduct for Members;
- (c) to advise the Authority on the adoption, revision or replacement of the Authority's Code of Conduct for Members and the Authority's Arrangements for Dealing with Complaints that Authority Members have failed to comply with the Authority's Code of Conduct for Members ("the Authority's Arrangements");
- (d) to monitor the operation of the Authority's Code of Conduct for

Members and the Authority's Arrangements;

- (e) to advise, train or arrange to train Authority Members to observe the Authority's Code of Conduct for Members;
- (f) to determine, or to delegate to a Standards Sub-Committee, to determine, in accordance with the Authority's Arrangements, whether an Authority Member has failed to comply with the Authority's Code of Conduct for Members and, if so, to determine, or to delegate to a Standards Sub-Committee, to determine, what action (if any) to take in respect of the Authority Member, such actions to include:–
 - publication of the findings of the Authority's Standards Committee in respect of the Subject Member's conduct;
 - reporting the findings of the Authority's Standards Committee to the Authority for information;
 - recommendation to the Authority that the Subject Member should be censured;
 - instructing the Authority's Monitoring Officer to arrange training for the Subject Member; or
 - recommendation to the Authority that the Subject Member should be removed from all appointments to which the Subject Member has been appointed or nominated by the Authority
- (g) to determine appeals against the Monitoring Officer's decision on the grant of dispensations; and
- (h) to consider the Authority's Code of Corporate Governance and the Annual Governance Statement;

B. Audit Committee

4.4 The Authority will establish an Audit Committee.

4.5 Composition

(a) Membership

The number of members of the Committee shall be six. The members of the Committee shall include members of the Authority, the Merseytravel Committee and the Scrutiny Panel in such proportion as the Authority shall determine.

(b) Chairing the Committee

- (i) The Chair of the Committee shall not be a member of the Authority.
- (ii) The Chair of the Committee shall not have a casting vote.

- (c) The quorum for the Audit Committee shall be three.

4.6 **Role and Function**

The Authority has delegated to the Audit Committee the following roles in order to advise the Authority:

- (a) to receive the Authority's statement of accounts in accordance with The Accounts and Audit (England) Regulations 2011 and to advise the Authority in relation to its approval;
- (b) to consider the External Auditor's Annual Audit and Inspection Letter in accordance with The Accounts and Audit (England) Regulations 2011 and to monitor the Authority's response to individual issues of concern identified;
- (c) to consider and advise the Authority on the findings of the Authority's review of the effectiveness of its system of internal control and on the Annual Governance Statement;
- (d) to consider and advise the Authority on the findings of the review of the effectiveness of its internal audit;
- (e) to oversee the effectiveness of the Authority's and the Merseytravel Committee's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements;
- (f) to challenge the Authority's performance management arrangements;
- (g) to oversee and review the Authority's relevant strategies, policies and codes;
- (h) to engage with the External Auditor and external inspection agencies and other relevant bodies to ensure that there are effective relationships between external and internal audit;
- (i) to make recommendations to the Treasurer and Monitoring Officer in respect of Part 6 of the Authority's Constitution;
- (j) to ensure effective scrutiny of the Treasury Management Strategy and Policies; and
- (k) to consider and advise the Authority on its Code of Corporate Governance.

Part 5

Meeting Procedure Rules and Scrutiny

Section A – Meeting Procedure Rules

1. Interpretation, Suspension and Chair’s Ruling

- 1.1 These Rules apply to meetings of the Authority and, where appropriate, to meetings of Committees and Sub-Committees of the Authority. Any reference to Authority in these rules also refers to Committees and Sub-Committees, provided that in respect of the Merseytravel Committee and its Sub-Committees, references to the Head of the Secretariat shall be replaced by Head of Paid Service.
- 1.2 References in these Rules to the “Chair” mean the Member of the Authority for the time being presiding at the meeting of the Authority and a meeting of a Committee or Sub-Committee of the Authority.
- 1.3 These Rules should be read in conjunction with other parts of the Authority’s Constitution.
- 1.4 **These Rules are subject to any statute or other enactment whether passed before or after these Rules came into effect.
- 1.5 The ruling of the Chair on the interpretation of these Rules in relation to all questions of order and matters arising in debate shall be final.

2. Suspension and Revocation of the Meeting Procedure Rules

- 2.1 **With the exception of the Rules marked by an asterisk (**) any Rule may be suspended at a meeting of the Authority either by a motion included on the agenda or by a motion put to the meeting without notice and passed by a majority of those present and voting. A motion to suspend any Rules will not be moved without notice unless at least 4 Members of the Authority are present.
- 2.2 Rules may be changed by the Authority either at the Annual Meeting or by a motion on notice made at a meeting of the Authority.

3. Membership of the Authority

- 3.1 **Each Constituent Council will be represented by one of its elected members or its elected Mayor.
- 3.2 **Each Constituent Council shall appoint another of its elected

members to act as a Member of the Authority in the absence of the Member appointed under sub-paragraph 3.1 above (“the Substitute Member”).

- 3.3 **A person shall cease to be a Member or a Substitute Member of the Authority if they cease to be a member of the Constituent Council that appointed them.
- 3.4 **A person may resign as a Member or Substitute Member of the Authority by written notice served on the proper officer of the Constituent Council that appointed them (who for the purposes of this sub-paragraph 3.4 shall be the Monitoring Officer of the Constituent Council that appointed them) and the resignation shall take effect on receipt of the notice by the proper officer.
- 3.5 **Where a Member or Substitute Member of the Authority’s appointment ceases by virtue of sub-paragraph 3.3 or 3.4, the Constituent Council that made the appointment must, as soon as practicable, give written notice of that fact to the Head of the Secretariat and appoint another of its elected members in that person’s place.
- 3.6 **A Constituent Council may at any time terminate the appointment of a Member or Substitute Member appointed by it to the Authority and appoint another of its elected members in that person’s place.
- 3.7 **Where a Constituent Council exercises its power under sub-paragraph 3.6, it must give written notice of the new appointment and the termination of the previous appointment to the Head of the Secretariat and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given (or such longer period not exceeding one month, as is specified in the notice).
- 3.8 **For the purposes of this paragraph 3, an elected mayor of a Constituent Council shall be treated as a member of the Constituent Council.

4. Chair and Vice Chair

- 4.1 **A Chair and a Vice Chair will be appointed annually by the Authority from among Members of the Constituent Councils and will, unless they resign, cease to be members of the Authority or become disqualified, act until their successors become entitled to act as Chair or Vice Chair.
- 4.2 In the case of an equality of votes in respect of the appointment of a Chair, the appointment for that meeting only will be determined by the drawing of lots on such basis as the Monitoring Officer shall determine. The matter will then be considered at the next meeting of the Authority when, in the case of an equality of votes, the same process shall apply.
- 4.3 **The appointment of the Chair and Vice Chair shall be the first business transacted at the Annual Meeting of the Authority.

- 4.4 **On a vacancy arising in the office of Chair or Vice Chair for whatever reason, the Authority shall make an appointment to fill the vacancy at the next ordinary meeting of the Authority held after the date on which the vacancy occurs, or, if that meeting is held within 14 days after that date, then not later than the next following meeting. The Member appointed shall hold such office for the remainder of the year in which such vacancy occurred.
- 4.5 **Subject to these Rules, anything authorised or required to be done by, or in relation to, the Chair, may be done by, or in relation to, the Vice Chair.
- 4.6 The Chair (or the Vice Chair or any other Member acting in the absence of the Chair) shall not have a casting vote on any issue.

5. Meetings

- 5.1 **The Annual Meeting of the Authority shall be held in June on a date and at a time determined by the Authority.
- 5.2 **Ordinary meetings of the Authority for the transaction of general business shall be held on such dates and at such times as the Authority shall determine at its Annual Meeting.
- 5.3 **An Extraordinary Meeting of the Authority may be called at any time by the Chair.

Admission of Public

- 5.4 All meetings of the Authority, its Committees and Sub-Committees shall be open to the public (including the press) except to the extent that they are excluded whether during the whole or part of the proceedings either:
- (a) In accordance with Section 100A(2) of the Local Government Act 1972; or
 - (b) By resolution passed to exclude the public on the grounds that it is likely, in view of the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information as defined in Section 101 of the Local Government Act 1972. Any such Resolution shall identify the proceedings or the part of the proceedings to which it applies and state the description, in terms of Schedule 12A to the Local Government Act 1972 of the exempt information giving rise to the exclusion of the public.

6. Notice of Meetings

- 6.1 At least five clear working days before a meeting of the Authority:
- (a) notice of the time and place of the intended meeting shall be

published by the Head of the Secretariat and posted on the Authority's website;

- (b) a summons to attend the meeting, specifying an agenda for the meeting, shall be sent to all Members of the Authority by electronic mail.

6.2 **Lack of service on a Member of the Authority of the summons shall not affect the validity of a meeting of the Authority.

7. Meeting Agendas

7.1 The Chair of the Authority will decide upon the agenda for the meetings of the Authority. The Chair may put on the agenda of any meeting any matter which the Chair wishes.

7.2 **Any Member of the Authority may require the Head of the Secretariat to ensure that an item is placed on the agenda of the next available meeting of the Authority for consideration.

7.3 Any item proposed to be included on the agenda for any meeting of the Authority in accordance with sub-paragraph 7.2 above, which is not submitted in writing before 7 working days of the meeting, shall not be included on the agenda for that meeting unless it is agreed by the Chair. In this case the amended agenda for the meeting will state the reason for the late acceptance of any such item.

7.4 The Head of the Secretariat shall set out in the agenda for each meeting of the Authority the items of business requested by Members (if any) in the order in which they have been received, unless the Member concerned has given prior written notice to the Head of the Secretariat prior to the issue of the agenda for the meeting, for it to be withdrawn. If the Member concerned is not present at the meeting when an item of which they have given notice comes up for discussion, this item shall, unless the Authority decides otherwise, be treated as withdrawn.

7.5 (a) A motion or amendment to rescind a decision made at a meeting of the Authority within the previous six months cannot be moved unless notice of the motion is signed by at least three members.

- (b) A motion or amendment in similar terms to one which has been rejected by the Authority in the previous six months cannot be moved unless the notice of motion or amendment is signed by at least three members.

7.6 **Except in the case of business required by these Rules to be transacted at a meeting of the Authority, and other business brought before the meeting as a matter of urgency (and of which the Head of the Secretariat shall have prior notice and which the Chair considers should be discussed at the meeting), no business shall be transacted at a meeting of the Authority other than that specified in the agenda for the meeting.

8. Chair of Meeting

- 8.1 **At each meeting of the Authority the Chair, if present, shall preside.
- 8.2 **If the Chair is absent from a meeting of the Authority, the Vice Chair, if present, shall preside.
- 8.3 **If both the Chair and Vice Chair of the Authority are absent from a meeting of the Authority, the Head of the Secretariat shall invite the Members present to elect a Member to preside for the duration of the meeting or until such time as the Chair (or Vice Chair) joins the meeting.
- 8.4 Any power or function of the Chair in relation to the conduct of a meeting shall be exercised by the person presiding at the meeting.

9. Quorum

- 9.1 No business shall be transacted at any meeting of the Authority unless at least 4 of the Members are present.
- 9.2 If at the time for which a meeting is called, and for 15 minutes thereafter, a quorum is not present, then no meeting shall take place.
- 9.3 If during any meeting of the Authority the Chair, after counting the number of Members present, declares that there is not a quorum present, the meeting shall stand adjourned to a time fixed by the Chair. If there is no quorum and the Chair does not fix a time for the reconvened meeting, the meeting shall stand adjourned to the next ordinary meeting of the Authority.

10. Order of Business

- 10.1 At every meeting of the Authority the order of business shall be to select a person to preside if the Chair or Vice-Chair are absent and thereafter shall be in accordance with the order specified in the agenda for the meeting, except that such order may be varied -
- (a) by the Chair at his/her discretion; or
 - (b) on a request agreed to by the Authority.
- 10.2 The Chair may bring before the Authority at their discretion any matter that they consider appropriate to bring before the Authority as a matter of urgency.

11. Committees

- 11.1. The Authority shall appoint such committees as it thinks fit.
- 11.2 The rules of political balance will apply to appointments to Committees, unless no member of the Authority objects to any alternative

arrangement.

12. Submission of Merseytravel Committee Proceedings and Proceedings of any Committee or Sub-Committee of the Authority

12.1 Except where the Merseytravel Committee or any Committee or Sub-Committee of the Authority is acting under delegated authority, the Minutes of the proceedings of Merseytravel Committee, and the Minutes of any Committee or Sub-Committee of the Authority, shall be submitted to the Authority for confirmation. Confirmation by the Authority of those Minutes shall constitute approval of the proceedings of Merseytravel Committee and any Committee or Sub-Committee of the Authority.

12.2 Where the Merseytravel Committee or any Committee or Sub-Committee of the Authority is acting under delegated authority, the Minutes of the proceedings of Merseytravel Committee, and the Minutes of any Committee or Sub-Committee of the Authority, shall be submitted to the Authority for information.

13. Rules of Debate

13.1 A Motion or amendment shall not be discussed unless it has been proposed and seconded.

13.2 A Member shall address the Chair and direct any speech to the question under discussion. If two or more Members indicate they wish to speak, the Chair shall call on one to speak first.

13.3. An amendment shall be relevant to the Motion and shall be either:-

- (a) to leave out words from the Motion;
- (b) to leave out words from, and insert or add others to, the Motion;
- and
- (c) to insert words in, or add words to, the Motion

but such omission, insertion or addition of words shall not have the effect of introducing a new proposal into or negating the original Motion before the Authority.

13.4 A Member shall not speak for longer than five minutes on any matter without the consent of the Chair.

13.5 A Member may claim to speak on a point of order or in personal explanation, and shall be entitled to be heard immediately. A point of order shall relate only to an alleged breach of a specified statutory provision or the Constitution and the way in which the Member raising it considers that it has been broken. A personal explanation shall be confined to some material part of a former speech by the Member in the current debate which may appear to have been misunderstood. The ruling of the Chair on a point of order, or on the admissibility of a personal explanation, shall not be open to discussion.

- 13.6 If an amendment is rejected, other amendments may be moved on the original Motion. If an amendment is carried, the Motion as amended shall take the place of the original Motion and shall become the substantive Motion upon which any further amendment may be moved.
- 13.7 A further amendment shall not be moved until the Authority has disposed of every amendment previously moved, provided that the Chair shall have discretion to allow debate to take place on two or more amendments.
- 13.8 A Member at the conclusion of a speech of another Member may move without comment:
- (a) that the question/motion be now put;
 - (b) that the debate/motion be adjourned;
 - (c) that the Authority proceed to the next business; and
 - (d) that this meeting of the Authority be adjourned.

If such a Motion is seconded, the Chair shall, subject to the mover's right to reply, put the Motion to the vote, and if it is carried:-

- (i) in case (a), the Motion then before the Authority shall, subject to the right to reply, be put to the vote; or
 - (ii) in case (b), the debate on the Motion then before the Authority shall stand adjourned until the next ordinary meeting of the Authority; or
 - (iii) in case (c), the Motion then before the Authority shall be regarded as lost and the Authority shall proceed to the next item on the Agenda, if any; or
 - (iv) in case (d), the meeting shall stand adjourned.
- 13.9 If the Chair is of the opinion that the matter before the Authority has been sufficiently discussed the Chair may put the Motion that the question now be put.
- 13.10 The Chair shall decide all questions of order and any ruling by the Chair upon such questions and the interpretation of these Rules of Procedure and upon matters rising in debate shall be final and shall not be open to discussion.
- 13.11 A Motion to exclude the press and public in accordance with Section 100A of the Local Government Act, 1972 may be moved, without notice, at any meeting of the Authority during an item of business whenever it is likely that if members of the public were present during that item there would be disclosure to them of confidential or exempt information as defined in Section 100A of the 1972 Act.

14. Voting

- 14.1 Subject to sub-paragraphs 14.5 and 14.6, any questions that are to be decided by the Authority are to be decided by a majority of the Members or Substitute Members, acting in place of Members, present

and voting on that question at a meeting of the Authority.

- 14.2 Each Member of the Authority, or Substitute Member acting in that Member's place, is to have one vote and no Member of the Authority or Substitute Member is to have a casting vote.
- 14.3 Whenever a vote is taken at meetings of the Authority it shall be by a show of hands. On the requisition of any member of the Authority, supported by one other Member who signifies their support by rising in their places, and before the vote is taken, the voting on any question shall be recorded so as to show whether each Member present gave their vote for or against that question or abstained from voting.
- 14.4 **A Member of the Authority, or Substitute Member acting in that Member's place may demand that his/her vote be recorded in the Minutes of the meeting.
- 14.5 **Decisions that are to be made by the Authority relating to the following matters require the unanimous approval of those present and voting:
- (a) the co-option of additional voting and non-voting members onto the Authority;
 - (b) amendments to the Constitution; and
 - (c) the determination and review of any transitional arrangements on transport.
- 14.6 The member of the Authority representing the LEP (or their substitute) shall not be entitled to vote on the following matters, but shall otherwise be entitled to vote on matters before the Authority for decision:
- (a) the setting of any Levy or Differential Levy;
 - (b) the appointment of the Chair and Vice Chair of the Authority;
 - (c) amendments to the Constitution;
 - (d) approval of borrowing limits;
 - (e) approval of treasury management and investment strategies;
 - (f) financial matters which may have implications on the budgets of the Constituent Councils;
 - (g) approval of the setting of the Mersey Tunnel tolls;
 - (h) approval of the grant to Merseytravel; and
 - (i) such other matters as the members of the Authority (or their substitutes) who are members of the Constituent Councils, shall determine.
- 14.7 The proceedings of the Authority are not invalidated by any vacancy among its Members or Substitute Members or by any defect in the appointment or qualifications of any Member or Substitute Member.

15. Conduct of Members

- 15.1 If the Chair is of the opinion that at a meeting any Member of the Authority, or Substitute Member acting in that Member's place, has misconducted, or is misconducting him or herself by persistently disregarding the ruling of the Chair, or by behaving irregularly,

improperly or offensively, or by willfully obstructing the business of the Authority, the Chair may notify the meeting of that opinion and may take any of the following actions either separately or in sequence:

- (a) the Chair may direct the Member to refrain from speaking during all or part of the remainder of the meeting of the Authority;
- (b) the Chair may direct the Member to withdraw from all or part of the remainder of the meeting of the Authority;
- (c) the Chair may order the Member to be removed from the meeting of the Authority; and
- (d) the Chair may adjourn the meeting of the Authority for such period as they consider expedient.

15.2 In the event of general disturbance, which in the opinion of the Chair, renders the due and orderly dispatch of business impossible the Chair, in addition to any other power vested in the Chair may, without question put, adjourn the meeting of the Authority for such period as the Chair considers expedient.

16. Disturbance by Members of the Public

16.1 If a member of the public interrupts the proceedings at any meeting of the Authority the Chair shall warn him or her. If they continue the interruption the Chair shall order his or her removal from the room. In the case of general disturbance in any part of the room open to the public the Chair shall order that part to be cleared.

17. Notification and Declaration of Interests

Members of the Authority shall comply with the Code of Conduct for Members contained in Part 7 of the Constitution.

18. Records

18.1 The Head of the Secretariat shall ensure that the names of the Members of the Authority present at any meeting of the Authority, and any Substitute Member acting in a Member's place, shall be recorded in the Minutes of the meeting concerned.

18.2 The Minutes of the proceedings of a meeting of the Authority are to be kept in such form as the Authority may from time to time determine.

18.3 The Minutes of the proceedings of a meeting of the Authority shall be signed at the next suitable meeting of the Authority.

18.4 Any minute purporting to be signed as mentioned in sub-paragraph 18.3 shall be received in evidence for the purposes of any legal proceedings without further proof.

18.5 Until the contrary is proved, a meeting of the Authority, a Minute of whose proceedings has been signed in accordance with this paragraph 18 is deemed to have been duly convened and held, and all the

Members of the Authority present at the meeting, and any Substitute Member acting in a Member's place, are deemed to have been duly qualified.

- 18.6 For the purposes of sub-paragraph 18.3, the next suitable meeting of the Authority is the next following meeting of the Authority.

19. Access to Information Procedure Rules

- 19.1 Except as otherwise indicated, these rules apply to all meetings of the Authority and its Committees.

- 19.2 The Rules in paragraph 19 do not affect any more specific rights to information contained elsewhere in these Rules of Procedure or the law.

- 19.3 The Authority and its Committees will supply copies of:

- (a) any Agenda and reports that are open to public inspection; and
- (b) any further statements or particulars, if any, as are necessary to indicate the nature of the items in the Agenda

to any person on payment of a charge for postage and any other costs (if applicable).

- 19.4 The Authority and its Committees and Sub-Committees will make available copies of the following for six years after a meeting:

- (a) the Minutes of the meeting, excluding any part of the Minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- (b) the Agenda for the meeting; and
- (c) reports relating to items when the meeting was open to the public.

- 19.5 The relevant Lead Officer will set out in every report a list of those documents (called background papers) relating to the subject matter of the report that in his/her opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information.

20. Exclusion of Access by the Public to Meetings

(a) Confidential information – requirement to exclude public

- 20.1 The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

(b) Meaning of confidential information

20.2 Confidential information means information given to the Authority, its Committees and Sub-Committees by a Government department on terms that forbid its public disclosure or information that cannot be publicly disclosed by reason of a Court Order or any enactment.

(c) Meaning of exempt information

20.3 Exempt information means information falling within the following categories (subject to any qualifications):

- (i) information relating to any individual;
- (ii) information which is likely to reveal the identity of any individual;
- (iii) information relating to the financial or business affairs of any particular person (including the authority holding that information);
- (iv) information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the Authority, its Committees or a Minister of the Crown and employees of, or office holders under, the Authority and its Committees;
- (v) information in respect of which a claim to legal professional privilege could be maintained in legal proceedings;
- (vi) information which reveals that the Authority and its Committees propose a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or b) to make an order or direction under any enactment;
- (vii) information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

(d) Exclusion of access by the public to reports

20.4 If the Monitoring Officer thinks fit, the Authority and its Committees may exclude access by the public to reports which in his/her opinion relate to items during which the meeting is likely not to be open to the public. Such reports will be marked "Not for Publication" together with the category of information likely to be disclosed.

**Section B – Scrutiny Arrangements for the Authority,
Merseytravel Committee and Merseytravel**

1. Introduction

- 1.1 The Authority is to be supported by a scrutiny model in order to scrutinise decisions made at the sub-regional level.

2. Function of Scrutiny at a City Region Level

- 2.1 Scrutiny exists to achieve greater public accountability over decisions made and services delivered to the whole Liverpool City Region in respect of those functions under the remit of the Combined Authority.
- 2.2 The principal ways in which the Combined Authority will be 'held to account ' via Scrutiny are:-
- (i) 'Critical Friend' role
 - (ii) Pre-decision scrutiny
 - (iii) Monitoring the delivery of the Combined Authority Strategic Plan
- 2.3 Pre-decision scrutiny would need to be used selectively otherwise the scrutiny system would, by spreading its energies too thinly, be likely to have little impact.
- 2.4 The role of Scrutiny in these three key function areas will be:-

a. To provide a 'critical friend' to policy and strategy development

The main priority for scrutiny should be to help the Authority to:-

- Develop policies to deal with new issues
- Reviewing existing policies which are felt to be in need of review
- Contributing to the formulation of the annual budget
- Reviewing policies or actions of agencies external to the local authorities which may be impacting adversely on the quality of life of local people

b. To undertake scrutiny reviews into areas of strategic importance for the people of the Liverpool City Region

The Authority's Scrutiny Panel should aim to investigate matters of strategic significance for the Liverpool City Region area and review should focus on sub-regional issues that are directly linked to the work of the Combined Authority and its sub-structure.

The Panel would take a similar approach to a Parliamentary Select Committee. Panel members will collect evidence through a variety of sources, including –

- Questioning expert ‘witnesses’
- Receiving reports and other literature
- Undertaking consultation
- Communication with stakeholders

The Panel will work with this information to make suggestions for improvement, acknowledge good practice and make recommendations. It will not deal with individual issues or queries that are more suitably dealt with by a local authority or specific organisation. The findings of each review will be submitted to the Authority for consideration.

There are two potential sources for identifying in-depth studies to be carried out by scrutiny; the Scrutiny Panel itself and the Authority. The Authority may require scrutiny of a particular policy before agreeing a policy or taking a decision.

c. To monitor the delivery of the Authority’s Strategic Plan

The Scrutiny Panel will review the outcomes of the Authority’s Strategic Plans.

Any involvement of scrutiny in this activity would need to demonstrate that it could add value and not just replicate what the Authority, its Boards or Committees were doing. Scrutiny would again need to be highly selective acting only when it was concerned about evidence of poor performance and it was not satisfied by the Authority’s response to it.

3. Operation of Scrutiny Arrangements

- 3.1 The Scrutiny Panel will comprise of Members from each of the Constituent Councils. Membership will be agreed at the Annual General Meeting. Nominations to the Scrutiny Panel must not be members of the Authority (including substitute members) or the Merseytravel Committee.
- 3.2 Nominations to the Scrutiny Panel by the Constituent Councils will be made in accordance with the principles of political balance set out in Section 15(5) of the LGHA 1989.
- 3.3 Any elected member appointed to the Scrutiny Panel by the Authority under these scrutiny arrangements who is also appointed to any Committee of the Authority, cannot participate in the operation of the scrutiny arrangements on any issues which were taken at any meeting of the Authority or any Committee of the Authority at which they were present.
- 3.4 The term of office for members of the Scrutiny Panel will be one year from the date of the annual council meeting of the Constituent Council that nominates them to the Scrutiny Panel, unless:-

- (a) they cease to be an elected member of the Constituent Council that appointed them;
- (b) they wish to no longer participate in these arrangements; or
- (c) the Head of the Secretariat is advised by any of the Constituent Councils that it wishes to change one or more of its nominees to the Scrutiny Panel.

3.5 Non-voting members may be co-opted to participate in these arrangements from other organisations as the Scrutiny Panel members may decide.

4. Meetings of Scrutiny Panel

4.1 The members appointed by the Authority to the Scrutiny Panel will hold at least one annual meeting and may convene additional meetings in accordance with these arrangements.

4.2 The Scrutiny Panel members will:

- (a) elect a Chair and Vice Chair;
- (b) determine the areas of review and scrutiny that they wish to pursue during the ensuing 12 months;
- (c) agree to establish Scrutiny Working Groups from amongst their number in order to carry out agreed areas of review and scrutiny.

4.3 The quorum for the annual meeting and any other meetings is 6, and must include representatives of at least 4 of the Constituent Councils.

4.4 The principle of decision-making at any such meeting shall be that, wherever possible, decisions will be made by agreement, without the need for a vote. If a vote is necessary it will be a simple majority of those present and the Chair will not have a casting vote.

4.5 The venue for each annual meeting and the usual venue for any other meetings will be the offices of Merseytravel, save that the Scrutiny Panel may choose to hold meetings other than the annual meeting in other venues if this is deemed to assist the scrutiny process.

4.6 Notice of the annual meeting and any other meetings will be sent to each Scrutiny Panel member in accordance with the requirements of the Local Government Act 1972.

4.7 The Chair will approve the agenda for each annual meeting and any other meetings; however, any member of the Scrutiny Panel will be entitled to require an item to be placed on the agenda for the meeting.

4.8 Subject to paragraphs 4.1 to 4.7, meetings will proceed in accordance with the Rules of Procedure.

5. Key Principles for the Operation of the Scrutiny Arrangements

- 5.1 The Constituent Councils will work together to maximise the exchange of information and views, to minimise bureaucracy and make best use of the time of members and officers of other bodies or agencies.
- 5.2 Members of the Scrutiny Panel will, when considering reviews, determine whether the issue is more appropriately dealt with by one of the Constituent Councils or elsewhere and will not duplicate the work of existing bodies or agencies.
- 5.3 Subject to prior consultation, the Constituent Councils will respond positively to requests for information, or for the attendance of a member or officer at any meetings set up under these arrangements.
- 5.4 While it is ultimately for each Constituent Council to decide who it considers the most appropriate person(s) to speak on its behalf at any meetings set up under these arrangements, consideration will be given to meeting specific requests.
- 5.5 Dates and times for officer and member attendance at any meetings set up under these arrangements should be by agreement.
- 5.6 Members appointed under these arrangements may request the attendance of officers employed by the Constituent Councils to answer questions and give evidence at any meetings set up under these arrangements. All such requests must be made via the Chief Executive of the relevant Constituent Council. If any request is declined by the Chief Executive, he/she must state the reasons for so doing.
- 5.7 The Scrutiny Panel may
- (a) invite members to attend before it to answer questions;
 - (b) invite other persons to attend meetings of the Panel;
 - (c) review or scrutinise decisions made or other action taken in connection with the discharge of any functions of the Authority;
 - (d) make reports or recommendations to the Authority with respect to the discharge of any functions which are the responsibility of the Authority.
- 5.8 The power to review or scrutinise a decision made, but not implemented under sub-paragraph 5.7(c), includes the power to recommend that the decision be re-considered, but is subject to the following provisions:
- (a) this shall not apply where, in the view of the decision-making body stated when the decision is made, any delay in implementing the decision would prejudice the interests of the Authority or the interests of the public;
 - (b) (i) in relation to decisions which may be subject to

reconsideration, each decision shall be available where possible by electronic means within two working days of being made. Members of the Scrutiny Panel will be provided with a copy of the decision which will bear the date published and indicate it will come into effect on the expiry of three working days after publication;

- (ii) if two-thirds of the membership of the Scrutiny Panel notify the Head of the Secretariat that they wish the Scrutiny Panel to consider the decision, then the Head of the Secretariat will arrange for a meeting of the Scrutiny Panel to be convened at the first available opportunity and in any event within seven working days of the request being notified to him. No action will be taken in the meantime to implement the decision which is subject to the request;
 - (iii) the Scrutiny Panel will consider the matter and if it chooses to, may resolve to request that the decision-maker reconsiders the decision. The Scrutiny Panel must set out the basis upon which reconsideration is requested;
 - (iv) the decision-making body will reconsider the decision and that reconsideration shall take place within seven working days of the Scrutiny Panel's request;
 - (v) no further requests for reconsideration may be made in cases where decisions have been reconsidered and the decision has been affirmed;
- (c) decisions which have been subject to pre-decision scrutiny cannot be recommended for reconsideration unless the decision taken is, in the view of the Head of the Secretariat, significantly different from the proposal under contemplation at the pre-decision scrutiny stage;

5.9 Where the Scrutiny Panel makes a report or recommendation under 5.7(d), it may:

- (a) publish the report or recommendations;
- (b) by notice in writing, require the Authority to
 - (i) consider the report or recommendation;
 - (ii) provide a response to the Scrutiny Panel indicating what action (if any) it proposes to take;
 - (iii) where the Scrutiny Panel has published the report or recommendations, publish the response;

5.10 A notice under 5.9(b) will require the Authority to comply with it within two months, beginning with the date on which the Authority receives the report or recommendations or (if later) the notice.

5.11 The Authority will comply with a notice given under 5.9(b).

5.12 The requirements or power to publish contained in 5.9(a) and 5.11, shall not apply where the reports contain exempt or confidential information.

6. Scrutiny Working Groups

- 6.1 The annual meeting of members of the Scrutiny Panel may establish Scrutiny Working Groups to undertake agreed scrutiny reviews.
- 6.2 Scrutiny Working Groups shall include representatives from at least 4 of the Constituent Councils.
- 6.3 Scrutiny Working Groups established under this Protocol must be appointed to carry out specific scrutiny tasks and be time limited. Their continuation will be subject to confirmation at each annual meeting of the Scrutiny Panel members.
- 6.4 The Authority may also, if they choose, request that a Scrutiny Working Group be appointed to examine a specific issue in more detail and report back its findings to the Authority as appropriate.
- 6.5 Scrutiny Working Groups will have no delegated powers and will refer the outcome of their investigations to the Scrutiny Panel for consideration and decision.

7. Reviews and Recommendations

- 7.1 The process of scrutiny will be an open and transparent process designed to engage the Constituent Councils, their residents and other stakeholders.
- 7.2 Meetings will be held in public unless the meeting decides to convene in private in order to discuss confidential or exempt information, in accordance with the relevant provisions of the LGA 1972 or LGA 2000.
- 7.3 The terms of reference, timescale and outline of any review will be agreed by Scrutiny Panel members appointed at their annual meeting.
- 7.4 Different approaches to scrutiny reviews may be taken in each case, but members will seek to act in an inclusive manner and will take evidence from a wide range of opinion.
- 7.5 The primary objective of any Scrutiny Working Group established under these arrangements will be to reach consensus on its recommendations, but where a minimum number of 2 members express an alternative to the majority view, they will be permitted to produce a minority report.

8. Budget and Administration

- 8.1 The scrutiny leads from each Constituent Council will provide guidance to the Scrutiny Panel on its work programme, advice on the scoping of reviews (at different levels) and ensuring the appropriate information and advice is made available during the reviews, where appropriate, through the use of expert witnesses.

- 8.2 The decisions and recommendations of the Scrutiny Panel will be communicated to the Authority and/or Merseytravel as appropriate, as soon as practicable.

9. Support and Advice to Scrutiny Arrangements

- 9.1 The Scrutiny Panel may ask individuals or groups to assist it on a review by review basis and may ask independent professionals for advice during the course of reviews. Such individuals or groups will not be able to vote.
- 9.2 The Scrutiny Officer of each Constituent Council will ensure that the work programmes and minutes relating to the work carried out by the Scrutiny Panel in scrutinising the Authority and the Merseytravel Committee, are circulated appropriately within their own Constituent Council's scrutiny arrangements.
- 9.3 Each Constituent Council will nominate one of the 2 members of that Constituent Council who have been appointed to the Scrutiny Panel to act as that Constituent Council's "Authority Scrutiny Link". The Authority Scrutiny Link will be responsible for reporting back to their own Constituent Council on the scrutiny work carried out by the Scrutiny Panel and will also be responsible for reporting to the Scrutiny Panel any issues identified locally by their own Constituent Council which may warrant scrutiny at a sub-regional level. The nomination of an Authority Scrutiny Link and the way in which this role will be performed will be determined by each Constituent Council.

Part 6

Financial Procedure Rules

A. Financial Procedure Rules

1 General

- 1.1 These Financial Procedure Rules have been prepared in accordance with the Authority's Constitution.
- 1.2 The Authority is responsible for:
- (a) adopting the Authority's Constitution, including these Financial Procedure Rules;
 - (b) setting policy and approving the Authority budget;
 - (c) approving procedures for the recording and reporting of its decisions taken; and
 - (d) the determination of the Levy to be issued to the Constituent Authorities.
- 1.3 The Treasurer is responsible for maintaining a continuous review of Financial Procedure Rules and submitting any changes necessary to the Authority for approval. The Treasurer is also responsible for reporting, where appropriate, breaches to the Financial Procedure Rules to the Authority.
- 1.4 Lead Officers are responsible for compliance with these Financial Procedure Rules. Lead Officers with delegated authority may only delegate to other officers who have the skills and knowledge appropriate to the task. Officers shall be informed by his/her Lead Officer of the extent of any sub-delegation. Lead Officers shall supply the Treasurer with a list of sub-delegations which have been made and shall review and update this list on a regular basis.
- 1.5 Where Lead Officers or their nominated officers require further guidance on the interpretation and application of these Financial Procedure Rules, this should be obtained from the Treasurer.

2 The Role of the Treasurer

- 2.1 The Treasurer is the responsible officer for the proper administration of the Authority's financial affairs. The Treasurer will also fulfil all relevant statutory responsibilities, including those set out in Part VIII of the Local Government Finance Act 1988.
- 2.2 Financial management covers all financial accountabilities in relation to running the Authority, including the policy framework and budget.
- 2.3 The Treasurer will determine the standards of financial management to

be observed by Lead Officers and will monitor compliance with them.

3 The Role of Lead Officers

- 3.1 Lead Officers shall promote the financial management standards set by the Treasurer and shall monitor adherence to the standards and practices.
- 3.2 It is the responsibility of Lead Officers to consult with the Treasurer and seek advice on any matter likely to have a material effect on the Authority's finances, before any decisions are made.
- 3.3 If any Lead Officer or officer acting on behalf of the Authority is aware of any contravention of these Financial Procedure Rules, they must immediately notify the Treasurer who shall determine appropriate action.

4 Managing Expenditure

- 4.1 All revenue and capital expenditure must be incurred in accordance with the Financial Procedure Rules and Contract Procedure Rules or Land Procedure Rules of the Authority, Merseytravel or the appropriate Constituent Council, unless otherwise determined by the Treasurer.
- 4.2 Lead Officers are expected to plan and manage their expenditure to ensure:
 - (a) that resources are used in the most efficient, effective and economic way;
 - (b) that expenditure does not exceed the overall budget allocated; and
 - (c) that future commitments for the Authority are not made for which they have not identified future resources.
- 4.3 Lead Officers shall inform the Treasurer as soon as possible of all contracts, agreements, awards or other instruments involving the payment or receipt of money on behalf of the Authority. A record shall be maintained of all such transactions in a form to be determined by the Treasurer.

5 Accounting Policies Records and Returns

- 5.1 The Treasurer will determine the Authority's required accounting policies and procedures taking into account prevailing national and international accounting requirements.
- 5.2 Lead Officers and their officers will adhere to the accounting policies and procedures as determined by the Treasurer.
- 5.3 All the principal accounting and costing records of the Authority shall be determined by the Treasurer and compiled under the Treasurer's direction.
- 5.4 The Treasurer shall exercise overall supervision and control over the form and standard of all financial records, financial statements and accounts kept by the Authority and its Lead Officers, and will determine the period for which such documents shall be kept.

- 5.5 As soon as possible after the end of Authority's financial year in each year, each Lead Officer shall, in line with the guidance of the Treasurer, account for all income due to the Authority for works goods and services supplied in the previous financial year (debtors), and all payments due for works goods and services received in the previous financial year (creditors).
- 5.6 The Treasurer is responsible for preparation of the Authority's annual statement of accounts in accordance with the Authority's accounting policies. The Treasurer will:-
- (a) draw up the timetable for final accounts preparation;
 - (b) make proper arrangements for the completion of the Authority's accounts;
 - (c) make proper arrangements for the audit of the Authority's accounts; and
 - (d) publish the audited accounts in accordance with the statutory timetable.
- 5.7 Lead Officers must maintain appropriate reconciliations and working papers to support the production of the annual statement of accounts in accordance with guidance issued by the Treasurer.
- 5.8 The Authority's Audit Committee is responsible for the scrutiny and approval of the annual statement of accounts prior to their certification by the external auditor.

6 Financial Management

Budget Monitoring and Control – Revenue and Capital

- 6.1 Lead Officers are responsible for monitoring their income and expenditure against the revenue and capital budgets approved by the Authority.
- 6.2 The Treasurer will establish an appropriate framework of financial management and control for the Authority which ensures that:-
- (a) budget management is exercised within approved Authority revenue and capital budgets;
 - (b) expenditure and income is monitored using information held on the Authority's corporate financial information system; and
 - (c) timely and sufficient information on receipts and payments on each budget is available to enable managers to fulfil their budgetary responsibilities.
- 6.3 Unless otherwise determined by the Treasurer, each Lead Officer shall make appropriate arrangements for compliance with the Authority's Financial Procedure Rules for the proper management and monitoring of revenue and capital income and expenditure.

- 6.4 Lead Officers must personally ensure that any information which suggests a potentially significant variation against their approved budget (both overspends and underspends) is notified at the earliest opportunity to the Treasurer. Where appropriate, the Treasurer shall prepare a specific report for the Authority to consider the proposed approach to mitigate the effects of such variation.
- 6.5 In respect of a forecast overspend that cannot be contained within the relevant approved budget, the Lead Officer should seek to identify proposed corrective action or alternative funding options. The Treasurer will work with Lead Officers to consider these options. Wherever possible, action should be taken by the Lead Officer to reduce planned levels of expenditure.
- 6.6 Where additional revenue or capital resources become available, or are forecast to become available, the Lead Officer must notify the Treasurer at the earliest opportunity. If deemed appropriate, the Treasurer shall prepare a specific report for the Authority to consider the allocation of the additional available resources.
- 6.7 At the end of each financial year, the Treasurer will report to the Authority on the treatment of any residual overspending or underspending against the Authority's revenue and capital budgets.

Reporting of Budget Monitoring

- 6.8 The Treasurer will prepare revenue and capital budget monitoring reports in conjunction with Lead Officers for presentation to the Authority on a regular basis. The frequency and content of these reports shall be determined by the Treasurer, in consultation with the Authority.

Approval for Capital Expenditure

- 6.9 Where Lead Officers wish to propose new capital schemes or blocks for inclusion in the Authority's capital programme, they must first consult the Treasurer who will determine the approach to be taken for approval of the proposal.

The Capital Programme

- 6.10 The Capital Programme will be reported to the Authority at regular intervals as determined by the Treasurer.
- 6.11 Lead Officers must ensure that capital expenditure plans are phased as accurately as possible, and as soon as possible. These should be based on estimates if there is uncertainty regarding confirmation of funding sources or scheme details.
- 6.12 Any proposal to re-phase (i.e. delay or bring forward) programmed capital expenditure should be notified by the Lead Officer to the Treasurer at the earliest opportunity. If deemed appropriate, the Treasurer shall prepare a report for the Authority to consider the proposal.

7 Financial Planning

Budget Preparation

- 7.1 The Authority is required to establish an annual budget in line with its strategic plan. The Treasurer shall determine the appropriate timetable for the preparation of the annual budget that conforms to the statutory deadlines, including those in relation to setting the Levy for Constituent Councils.
- 7.2 The annual budget must take proper account of available resources and financial risk.
- 7.3 Each financial year, as part of the Authority's ongoing Medium Term Financial Strategy, Lead Officers will develop annual revenue and capital budget proposals in consultation with the Treasurer for consideration by the Authority.
- 7.4 Lead Officers shall also prepare a rolling three-year programme of capital expenditure, identifying realistic phasing of all approved schemes.
- 7.5 The Treasurer will advise the Authority on the robustness of budget proposals and the adequacy of reserves in accordance with his/her responsibilities under these Financial Procedure Rules.

8 Maintenance of Reserves and Balances

- 8.1 All revenue reserves held by the Authority will be kept under review by the Treasurer with a view to ensuring that they are spent on their specified purposes and that planned expenditure is properly phased.
- 8.2 The Treasurer will advise the Authority on prudent levels of reserves and general balances for the Authority.
- 8.3 The Authority will determine a reserves strategy as part of its Medium Term Financial Strategy on advice provided by the Treasurer.
- 8.4 In establishing its reserves strategy, the Authority must consider all known financial risks and future liabilities of the Authority.

9 Treasury Management

- 9.1 The Authority's treasury management activities shall be defined as the management of its investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 9.2 All treasury management activity shall be undertaken in full compliance with the Chartered Institute of Public Finance and Accountancy's Code of Practice: Treasury Management in Public Services (revised 2011) as may be revised from time to time or such other practices and procedures as may be approved by the Authority.
- 9.3 All investments and borrowings shall be made in the name of the Authority.

- 9.4 All of the Authority's funds shall be aggregated for the purposes of the treasury management and shall be under the control of the Treasurer.
- 9.5 Lead Officers shall ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the prior approval of the Treasurer and the Authority.
- 9.6 Credit arrangements, such as finance leases, operating leases, and borrowing cannot be entered into without the approval of the Treasurer.

10 Banking Arrangements and Cheque Security

- 10.1 No officer other than the Treasurer may open any bank account in the name of the Authority.
- 10.2 The Authority's banking terms and overdraft arrangements shall be agreed by the Treasurer.
- 10.3 All arrangements for the ordering and issuing of cheques shall be made by the Treasurer, who shall make proper arrangements for their custody.
- 10.4 All cheques drawn on behalf of the Authority shall be signed by the Treasurer.

11 Arrangements with External Organisations

Partnerships

- 11.1 The Treasurer must be consulted prior to the establishment of any financial arrangements as part of partnerships or joint arrangements with external companies, other public organisations and community and voluntary groups. No partnership or joint arrangements shall be entered into without the approval of the Authority.
- 11.2 Lead Officers must confirm whether any arrangement requires the Authority to be designated an 'Accountable Body'. Where this is the case, the Treasurer must be consulted and approval of the Authority must be obtained prior to the arrangement becoming operational.
- 11.3 The financial arrangements of all partnerships where the Authority is the Accountable Body should meet the requirements of the Authority's Financial Procedure Rules and Contract Procedure Rules.
- 11.4 Lead Officers must ensure that the accounting and monitoring arrangements to be adopted relating to partnerships and joint arrangements are in accordance with the requirements of the Treasurer.

External Funding

- 11.5 The Treasurer must be consulted on all submissions to central government and external agencies for funding. Prior to making any submission in relation to external funding, Lead Officers must ensure that:
 - (a) an exit strategy is identified to manage the ultimate cessation of the funding stream with no adverse impact on the Authority;
 - (b) any match-funding requirements are given due consideration prior

to entering into long-term agreements and that future revenue budgets reflect these requirements; and

- (c) they are able to comply with the terms and conditions of a grant scheme, including auditor certification requirements, before accepting them.
- 11.6 Lead Officers must seek approval from the Treasurer before accepting any offer of funding from external bodies.
 - 11.7 Lead Officers must ensure that all funding from external bodies is recorded, monitored and accounted for in accordance with Financial Procedure Rules and also the requirements of the funding body.
 - 11.8 Lead Officers are responsible for ensuring that all expenditure to be funded by grant is properly incurred in accordance with the requirements and conditions of the funding body, and is supported by adequate evidence.
 - 11.9 Lead Officers are responsible for ensuring the completion and submission of grant claims. Lead Officers must also ensure that grant claims comply with the requirements and grant conditions of the funding body, and are submitted promptly and supported by adequate evidence. The Treasurer will provide guidance and advice on compliance with general and specific grant conditions and the requirements for submission.
 - 11.10 Lead Officers must ensure that all income and expenditure relating to external funding approvals is properly budgeted for. These budgets should be monitored as part of the budget monitoring arrangements set out in these Financial Procedure Rules.
 - 11.11 The Treasurer will maintain a register of bids submitted to external bodies together with a register of all grant arrangements entered into with external bodies. Lead Officers are responsible for ensuring that the information held on these registers is accurate and up to date in accordance with the Authority's External Funding Strategy.

12 Income

- 12.1 All monies received on behalf of the Authority shall be paid in full into the Authority's bank account or, where approved by the Treasurer, Merseytravel or the relevant Constituent Council's bank account.
- 12.2 Any Value Added Tax should be accounted for separately.
- 12.3 The write off of unrecoverable debt should be in accordance with the Treasurer's write off criteria (see Financial Procedure Rule 19 below).

Fees and Charges (including Tunnel Tolls)

- 12.4 Any proposal to introduce new charges or make changes in existing charges for the provision of services by the Authority must be in line with the guidance of the Treasurer and must be agreed by the Authority.
- 12.5 A schedule of all fees and charges for the provision of services will be presented by the Treasurer for approval by the Authority on an annual

basis.

13 Ordering of and Payments for Works Goods and Services

General Ordering Procedures

- 13.1 All orders for works goods and services must be made in accordance with the Authority's Financial Procedure Rules and Contract Procedure Rules.

Contract Payments and Variations

- 13.2 Payments to contractors on account of contracts must be made in accordance with the requirements of the Authority's Financial Procedure Rules and Contract Procedure Rules.
- 13.3 Where a breach of contract occurs, the Lead Officer concerned shall seek appropriate legal advice and, in consultation with the Treasurer, shall prepare a statement of any liquidated and ascertained damages, or such other penalties stipulated in the contract. Any breach that may lead to termination of the contract shall be reported to the Monitoring Officer.
- 13.4 Any variation in the amount of a contract must be notified to the Treasurer. Where appropriate the Treasurer may require the matter to be reported to the Authority.

14 Payment of Expenses and Allowances

- 14.1 No remuneration shall be payable by the Authority to its members other than the reimbursement for allowable travel and subsistence. Such claims must be made in accordance with the Authority's guidance.
- 14.2 Any remuneration or reimbursement for travel and subsistence of co-opted members to the Authority shall only be payable in accordance with the terms agreed by the Authority.

15 Insurance

- 15.1 The Treasurer, in consultation with Lead Officers, shall be responsible for ensuring that all insurable risks of the Authority are adequately covered, for maintaining the necessary records and for making all claims on behalf of the Authority.
- 15.2 Lead Officers shall notify the Treasurer promptly of all risks, liabilities, properties or vehicles which are required to be insured, and of any alterations affecting risk or insurances indicating the amount of cover required.
- 15.3 Lead Officers shall immediately notify the Treasurer of any fire, loss, accident or other event that may give rise to a claim against the Authority's insurers.

16 Internal Audit

- 16.1 The Treasurer shall be responsible for maintaining an internal audit of all accounts and financial transactions of the Authority, and shall satisfy himself/herself as to security arrangements for the custody and safeguarding of the Authority's assets as laid down in any legislation applicable to the Authority and any relevant codes of practice adopted by the Authority.
- 16.2 The Treasurer, or nominated individuals undertaking internal audit functions, shall have authority to visit all establishments of the Authority, shall have access to all relevant records of any Service, and shall be entitled to require the production of all cash, stores and other property and to obtain information or explanations with regard to any matters under examination.
- 16.3 Lead Officers shall notify the Treasurer immediately of any circumstances which may suggest the possibility of irregularity or loss affecting cash, stores, property or transactions of the Authority. Where the Treasurer considers that an irregularity may have occurred, action shall be taken by way of an investigation and report.
- 16.4 Lead officers shall consider and respond promptly to recommendations in audit reports and ensure that any agreed actions arising from audit recommendations are implemented in a timely manner.

17 External Audit

- 17.1 The Treasurer will ensure that external auditors are given reasonable access to premises, personnel, documentation and assets considered necessary for the purposes of their work and to ensure effective liaison with the Authority's internal audit function.
- 17.2 Lead Officers shall ensure all records and systems are up to date and available for inspection by the external auditor.

18 Inventories/Asset Registers

- 18.1 Lead Officers shall ensure that an inventory is prepared and maintained in a manner agreed with the Treasurer.
- 18.2 Write off of any assets should be in accordance with the Treasurer's write off criteria (see Financial Procedure Rule 19 below).
- 18.3 The disposal of surplus, obsolete, or redundant equipment shall be effected in accordance with the procedures laid down by the Treasurer.

19 Write-Off Criteria

19.1 Any write offs shall be in accordance with the following write off criteria:

<u>Value of Individual Item to be Written off</u>	<u>Authorisation Required</u>
Up to and including £50,000	Appropriate Lead Officer and the Treasurer (unless considered by the appropriate Lead Officer and/or the Treasurer that the item should be referred to the Authority)
Above £50,000	Appropriate Lead Officer and the Treasurer in consultation with the Chair of the Authority (unless considered by the appropriate Lead Officer and/or the Treasurer that the item should be referred to the Authority).

B. Contract Procedure Rules

1. The need for Contract Procedure Rules

- 1.1 Every contract entered into by the Authority shall be entered into pursuant to or in connection with the Authority's functions and shall comply with:
- (a) all relevant statutory provisions;
 - (b) the relevant European procurement rules (i.e. the EC Treaty, the general principles of EU law and the EU public procurement directives implemented by the EU Regulations);
 - (c) the Authority's Constitution including these Contract Procedure Rules, the Authority's Financial Procedure Rules and the Authority's Scheme of Delegation; and
 - (d) the Authority's Procurement Strategy and policies.
- 1.2 These Contract Procedure Rules are intended to ensure that all Authority contracts are entered into following a transparent and fair procurement process and provide best value for the Authority.
- 1.3 The highest standards of probity are required of all officers and Members involved in the procurement, award, and management of Authority contracts. Members shall comply with the Code of Conduct for Members.
- 1.4 At all times during the contract award procedure, the Authority, through its Members and officers, shall consider and implement the principles of non-discrimination, equal treatment, and transparency.
- 1.5 The procurement guidance issued by the Treasurer assists with ensuring the consistency of approach to procurement across the Authority. Lead Officers shall have regard to the procurement guidance when undertaking procurement.
- 1.6 It is recognised, however, that through the normal course of its business, contracts will be entered into and expenditure incurred on behalf of the Combined Authority by its Constituent Councils and its Accountable Body.
- 1.7 Where expenditure is incurred or contracts entered into by Constituent Councils using Authority resources, it shall be that body's own Contract Procurement Rules that will be relevant in determining thresholds for the purposes of delegated authority to spend.
- 1.8 The Authority, through its Treasurer, shall maintain an up-to-date record of each Constituent Council's contract procurement rules for the purposes of assurance.
- 1.9 The Contract Procurement Rules contained within this document relate solely to contracts entered into and expenditure incurred directly by the Authority.

2. Commissioning and Procurement plans

2.1 Prior to the start of each financial year, each Lead Officer shall prepare a commissioning and procurement plan setting out the Authority's contracts within the scope of their delegation to be procured during that financial year and where possible for forthcoming years. A copy shall be supplied to the Treasurer. The Treasurer shall, from the individual service procurement plans, prepare the annual commissioning and procurement plan for the Authority.

3. Who has authority to carry out procurement on behalf of the Authority?

3.1 Any procurement carried out on behalf of the Authority may only be undertaken by officers within the scope of their delegated authority under the Authority's Constitution. Officers with delegated authority may only sub-delegate to other officers who have the skills and knowledge appropriate to the task. Officers shall be informed by his/her Lead Officer of the extent of any delegated authority and any applicable financial thresholds for each procurement. Lead Officers shall supply the Treasurer with a list of the sub-delegations which have been made and shall review and update this list on a regular basis.

3.2 Lead Officers may authorise their officers to place orders against framework agreements which have been entered into by the Authority or which the Authority has the benefit of using the provisions of Contract Procedure Rule 33.

4. What contracts do not require compliance with the Authority's Contract Procedure Rules?

4.1 These Contract Procedure Rules do not apply to the seeking of offers in relation to a public contract, framework agreement or dynamic purchasing system which is exempt under the provisions of the EU Regulations including the following:

- (a) employment or other contracts of service; and
- (b) for the disposal (see Land Procedure Rules) or acquisition of an interest in land (including buildings or other immovable property or concerning rights thereon).

4.2 Contracts procured by Merseytravel or Constituent Councils on behalf of the Authority under delegated powers, do not require compliance with the Authority's Contract Procedure Rules. In such circumstances, the Contract Procedure Rules of Merseytravel or the Constituent Council (as appropriate) shall be complied with.

5. What is the pre-procurement procedure?

5.1 Before commencing a procurement exercise, it is essential that the Lead Officer leading the procurement has identified the need and fully assessed any options for meeting those needs and, where proportionate to the value and risks of the procurement, the Lead Officer shall complete a procurement approach & initiation document and a risk assessment. The risk assessment shall be updated at regular intervals both during the

procurement phase and also after contract award. Consideration shall be given to the Authority's Procurement Strategy, procurement plans, and the duty to consider social, economic, and environmental well-being under the terms of the Public Services (Social Value) Act 2012.

- 5.2 Before undertaking a procurement exercise the Lead Officer shall:
- (a) consider all other means of satisfying the need (including recycling and reuse where appropriate);
 - (b) consider whether there is an appropriate standing list (see Contract Procedure Rule 31 below) or a framework agreement (see Contract Procedure Rule 33 below) that should be used;
 - (c) ensure that resources have been identified to fund the potential cost of the procurement; and,
 - (d) establish a business case for the procurement.
- 5.3 The Treasurer shall maintain a full list of framework agreements for use by Lead Officers. Any appropriate framework agreements in place shall be used by Lead Officers regardless of the potential value of a contract.

6. How does the Authority estimate the contract value?

- 6.1 The Authority should make the best use of its purchasing power by aggregating purchases wherever possible. Particular supplies, services, or works shall not be split in an attempt to avoid the applicability of these Contract Procedure Rules or the EU Regulations.
- 6.2 The choice of method used to calculate the estimated value of a contract may not be made with the intention of excluding it from the scope of the EU Regulations.

7. Low value procurements

- 7.1 Procurements that are valued below £10,000 shall be classed as low value. The Treasurer shall issue guidance to Lead Officers recommending the preferred method of procurement required in order to demonstrate the Most Economically Advantageous Offer for the Authority.

8. Intermediate and high value procurements

- 8.1 Procurements that are valued between £10,000 and the prevailing EU threshold for supplies and services, or between £10,000 and £1,000,000 in respect of works, shall be classed as intermediate value procurements.
- 8.2 These procurements shall be conducted by the Treasurer with a minimum of three quotations invited via the Authority's electronic quotation and tendering system.
- 8.3 Procurements that are valued above the prevailing EU threshold for supplies and services, or above £1,000,000 in respect of works, or which may involve a transfer of staff, shall be classed as high value procurements, and shall be conducted by the Treasurer in accordance with one of the four contract award procedures set out in Contract

Procedure Rules 13, 14, 15, and 16 as appropriate for the particular procurement, i.e. open, restricted, negotiated, or competitive dialogue.

9. Joint procurement

9.1 These Contract Procedure Rules shall apply to any procurement where tenders are invited by the Authority on behalf of any partnership, consortium, association or similar body of which the Authority is a member, unless such tenders are invited in accordance with the method prescribed by such consortium, association or body and where necessary with the requirements of the EU Regulations.

10. Contract terms and conditions

10.1 Contracts at or above £50,000 shall be entered into on the Authority's terms and conditions, which shall be included with each purchase order and Invitation to Tender, Invitation to Negotiate or Invitation to take part in Competitive Dialogue. For framework agreements (see Contract Procedure Rule 33), contracts shall be entered into on the terms and conditions of the central government agency, other local authority, or other public body that procured the framework. Exceptions to this rule must be approved in advance by the Treasurer.

10.2 Where contracts are subject to the EU Regulations, the rules relating to technical specifications shall be followed and any reference to a technical standard, make or type shall be prefaced with the words "or equivalent". This requirement applies to both Part A and Part B Services.

10.3 Every formal contract in writing within the meaning of Contract Procedure Rule 10 shall specify or contain (as a minimum):

- (a) the services, supplies, or works to be provided;
- (b) the price to be paid, with a statement of discounts or other deductions;
- (c) the time or times within which the contract is to be performed;
- (d) that all relevant health and safety legislation and codes of practice must be complied with and that any specific health and safety requirements set out in the Invitation to Tender or Invitation to Negotiate required prior to contract award have been satisfied;
- (e) a clause to secure that, should the Supplier fail to deliver the services, supplies or works within the time or times specified in the contract, the Authority shall be entitled to terminate the contract either wholly or in part and recover from the Supplier any additional costs arising from the obtaining of any suitable replacement;
- (f) a clause empowering the Authority to cancel the contract and recover from the Supplier the amount of any loss resulting from such cancellation, if the Supplier or any person acting on their behalf, in relation to the obtaining or execution of the contract or any other contract with the Authority, have committed any offence under the Bribery Act 2010, or shall have given any fee or reward the receipt of which is an offence under Section 117(2) and (3) of

the Local Government Act 1972;

- (g) a clause requiring the Supplier to provide information to the Authority in order for the Authority to fulfil its obligations under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004; and
 - (h) how, in respect of a service contract to which the Public Services (Social Value) Act 2012 applies, the Authority's social value duty will be achieved by the Supplier.
- 10.4 Contracts for the execution of construction, maintenance and repair work which exceed £50,000 (excluding VAT) in value or amount shall, except where otherwise agreed by the Treasurer, provide for liquidated damages to be paid to the Authority in case the terms of the contract are not duly performed.
- 10.5 Where an appropriate British Standard Specification or British Standard Code of Practice issued by the British Standards Institution or an equivalent European or International Standard is current at the date of the tender, every contract shall require that services supplies or works used or supplied and all workmanship shall be of a standard at least in accordance with the standard, or such higher standard as may be specified in the contract.

11. Bonds, guarantees and insurance

- 11.1 For high value procurements, the Lead Officer, in consultation with the Treasurer, shall consider, as part of its pre-qualification assessment and evaluation process, whether security, and if so of what form, shall be required from the preferred Supplier. The Lead Officer responsible for the procurement shall consult with the Treasurer as to the acceptability of the form of security agreed with the preferred Supplier.
- 11.2 The Authority shall require and take sufficient security for the due performance of every such contract with an estimated value in excess of £500,000 (excluding VAT), unless the Treasurer considers it is in the interests of the Authority not to do so.
- 11.3 The Lead Officer shall consider the appropriate type (employee liability, public liability, professional indemnity, product liability etc.) and level of insurance requirements for each contract. The evaluation team shall consult with the Treasurer when determining the appropriate levels of insurance.

12. Contracts subject to the EU Regulations

- 12.1 Where an estimated value of a contract exceeds the current EU threshold, the contract shall be tendered in accordance with the EU Regulations. Under the EU Regulations, the contract may be tendered under the open, restricted, competitive dialogue or, in exceptional circumstances exhaustively set out in the EU Regulations, the negotiated procedure. A contract notice in the prescribed form shall be published by the Lead Officer in the OJEU in order to invite tenders or expressions of interest for Part A services contracts, supplies, and works contracts subject to the EU Regulations. Contracts for Part B services do not need

to be advertised in OJEU.

- 12.2 The OJEU thresholds are revised by the EU every two years. The Treasurer will inform Lead Officers of the new OJEU thresholds when they are revised.
- 12.3 The EU Regulations set out the minimum timescales for receipt of expressions of interest and tenders (bids for the negotiated procedure). Where the Authority has published a Prior Information Notice announcing its forthcoming contracts for the year ahead, it may rely on reduced timescales if appropriate.
- 12.4 A copy of the OJEU notice published in accordance with 12.1 above shall be supplied to the Treasurer by the Lead Officer responsible for the procurement.
- 12.5 The EU Regulations only partly apply to works concessions and do not currently apply to service concessions (a concession contract is an agreement with a contractor/supplier for the right to exploit works or services whereby it receives some or all of the consideration from third parties). It is proposed by the European Commission that a concessions directive should apply to concession contracts (as at November 2013). Specific legal advice should therefore be obtained as to the appropriate procurement process to be followed in compliance with any applicable legislation and regulations in force at the time and following these Contract Procedure Rules where appropriate and applicable to any such process.

13. Open procedure

- 13.1 All Suppliers applying are invited to tender. If publication of a notice in the OJEU is not required then a notice shall be published in:
 - (a) the Authority's electronic tendering system; and,
 - (b) where appropriate local newspapers and/or trade journals in order to target the appropriate market for the particular contract.
- 13.2 The notice shall contain details of the proposed contract and specify a deadline within which interested parties may apply. The Invitation to Tender shall specify the return date for tenders.

14. Restricted procedure

- 14.1 All Suppliers applying are invited to submit a pre-qualification questionnaire. Suppliers that meet the published pre-qualification criteria related to those matters set out in Contract Procedure Rule 17 shall be invited to tender.
- 14.2 If publication of a notice in the OJEU is not required then the notice requirements are the same as in the open procedure (see Contract Procedure Rule 13 above) except that the notice shall state that the restricted procedure is being used.
- 14.3 If the EU Regulations apply, a minimum of five Suppliers shall be invited to tender, or, where less than five Suppliers meet the selection criteria,

such number as do meet the selection criteria.

- 14.4 Where the EU Regulations do not apply, a minimum of four Suppliers shall be invited to tender, or, where less than four Suppliers meet the selection criteria, such number as do meet the selection criteria.

15. Negotiated procedure

- 15.1 Negotiated procedures should only to be used in exceptional circumstances. Only those Suppliers selected by the Authority are invited to negotiate. Suppliers are selected on the basis of published pre-qualification criteria relating to those matters set out in Contract Procedure Rule 17.
- 15.2 If a publication of a notice in the OJEU is not required, the notice requirements are the same as in the open procedure (see Contract Procedure Rule 13 above). Any notice shall state that the negotiated procedure is being used.
- 15.3 A minimum of three Suppliers should be invited to negotiate following publication of a notice, or, where less than three Suppliers meet the selection criteria, such number as do meet the selection criteria.
- 15.4 At least two officers, at least one of whom shall be the Lead Officer responsible for the procurement or a person authorised by him/her, shall be present at all times during the negotiations.
- 15.5 The Lead Officer responsible for the procurement shall keep proper written records of all negotiations and, where appropriate, these shall be signed and/or approved as such by all participants.

16 Competitive dialogue

- 16.1 Competitive dialogue can be used where a procurement is particularly complex in technical terms or the project is not able to be specified clearly or is of legal or financial complexity.
- 16.2 A contract notice should be placed and selection should be made of those who will be invited to take part in the dialogue.
- 16.3 The dialogue may embrace all aspects of the contract for the purpose of identifying one or more solutions to the purchasers needs before seeking bids from those remaining in the dialogue.
- 16.4 A minimum of three Suppliers should be invited to the dialogue.
- 16.5 Competitive dialogue is used to help define the means of achieving broad objectives and allows bidders to produce innovative solutions.
- 16.6 The award criteria may not be changed during the award procedure so that all parties are treated equally.
- 16.7 During the dialogue the Authority shall ask participants to specify their proposals in writing. The Authority can continue the dialogue until it can identify the solution or solutions which are capable of meeting its needs.
- 16.8 At the appropriate time the Authority declares the dialogue concluded and informs the participants. The Authority then asks the participants to

submit their final tenders on the basis of the solution or solutions presented and specified during the dialogue.

17. Pre-qualification

17.1 The Authority shall only invite to tender or enter into a contract with a Supplier if it is satisfied as to the Supplier's:

- (a) personal situation/eligibility;
- (b) economic and financial standing; and,
- (c) technical and/or professional ability.

17.2 Technical and/or professional ability includes:

- (a) the Supplier's performance in respect of recent contracts providing similar works, services and supplies;
- (b) the educational and professional qualifications of the Supplier and/or its managerial staff or those providing the services or managing the work; and
- (c) quality management systems including human resources, health and safety, and environmental management systems, where relevant to the performance of the contract. This is in relation to the tools, plant or technical equipment available to the Supplier for carrying out the contract and the proportion of the contract which the Supplier intends possibly to sub-contract.

18. The Invitation to Tender or Invitation to Negotiate

18.1 The Invitation to Tender or Invitation to Negotiate shall include details of the Authority's requirements for the particular contract including:

- (a) a description of the services, supplies, or works being procured;
- (b) the procurement timetable including the tender return date and time, which shall allow a reasonable period for the applicants to prepare their tenders;
- (c) a specification and instructions on whether any variants are permissible;
- (d) the Authority's terms and conditions of contract;
- (e) the evaluation criteria including any relative or range of weightings assigned to each;
- (f) pricing mechanism and instructions for completion;
- (g) where appropriate, whether the Authority has determined that the Transfer of Undertakings (Protection of Employment) Regulations 1981 or any succeeding legislation may apply;
- (h) form and content of method statements to be provided;
- (i) rules for submitting of tenders; and

- (j) any further information which will inform or assist tenderers in preparing tenders.

19. Submission and opening of tenders

- 19.1 Tenders shall be submitted in accordance with requirements set out in the Invitation to Tender or Invitation to Negotiate, and via the Authority's electronic tendering system in accordance with Contract Procedure Rule 20. The deadline for the return of tenders is to be a Friday at 9.30am unless otherwise agreed by the Lead Officer responsible for the procurement and the Treasurer.
- 19.2 The Treasurer shall be notified by the Lead Officer responsible for the procurement immediately tenders are invited of:
 - (a) the time and date (or of any revision thereof) by which tenders should be received by the Treasurer; and
 - (b) the names of the persons invited to tender where tenders have been invited following public notice pursuant to Contract Procedure Rule 14 or from a standing list pursuant to Contract Procedure Rule 31.
- 19.3 Tenders shall be opened in the presence of the Treasurer, the Lead Officer responsible for the procurement or their respective designated representatives. Such opening shall commence at 9.30 am on the Friday morning immediately following the expiration of the time for receipt of tenders, or such other time as may be determined by the Treasurer.
- 19.4 The Treasurer, or his/her designated representative, shall unlock the secure system for the receipt of electronic tenders and record them on a form provided for the purpose.
- 19.5 The Lead Officer responsible for the procurement and the Treasurer, or their respective designated representatives, will verify that the tenders are opened and recorded correctly.
- 19.6 No tender shall be opened which is received after the deadline for that contract or which in any way contravenes the requirements of Contract Procedure Rule 19.1. Any such tender which is not considered will remain unopened. This will remain unopened by the Lead Officer responsible for the procurement until a tender is accepted, subject only to the preparation of any formal contract. The Lead Officer responsible for the procurement shall then inform the sender accordingly.

20. Electronic tendering and quotations

- 20.1 All documents required for procurement under these Contract Procedure Rules including Invitation for Quotation, Invitations to Tender/Negotiate shall be made available on the Authority's electronic tendering system.
- 20.2 Responses to an Invitation for Quotation, an Invitation to Tender or an Invitation to Negotiate shall be submitted onto the Authority's electronic tendering system, recorded, kept securely, and not opened until the deadline has passed for receipt of the quotation or tender.

21. Tender evaluation and the use of electronic auctions

- 21.1 Tenders subject to the EU Regulations shall be evaluated in accordance with the relevant regulations and the evaluation criteria set out in the Invitation to Tender or Invitation to Negotiate. All other tenders shall be evaluated in accordance with the evaluation criteria notified to tenderers in the contract notice and/or Invitation to Tender or Invitation to Negotiate. All contracts, except where lowest price was predetermined to be the appropriate contract award criterion, shall be awarded on the basis of the offer which represents the most economically advantageous offer to the Authority. The evaluation criteria shall be predetermined and listed in the Invitation to Tender or Invitation to Negotiate. In addition, the evaluation criteria shall be strictly observed at all times throughout the contract award procedure by any person involved in the tender evaluation.
- 21.2 It may be appropriate to evaluate tenders by use of an electronic auction provided that:
- (a) where the EU Regulations apply, the Lead Officer responsible for the procurement shall comply with the requirements set out those regulations;
 - (b) the means and procedures for carrying out the electronic auction have been agreed in advance of the issuing of the notice required by Contract Procedure Rule 13;
 - (c) before proceeding with an electronic auction, the Lead Officer responsible for the procurement shall make a full initial evaluation of the tenders in accordance with the agreed contract award criterion/evaluation criteria and with the weighting fixed for them to determine which are admissible tenders;
 - (d) all tenderers who submit admissible tenders shall be invited simultaneously by electronic means to offer new prices and/or new values;
 - (e) the invitation shall contain all relevant information concerning individual connection to the system being used, stating the date and time of the start of the electronic auction. The electronic auction may take place in a number of successive phases. The electronic auction may not start sooner than two working days after the date on which invitations are sent out;
 - (f) when the contract is to be awarded on the basis of the Most Economically Advantageous Offer, the invitation shall be accompanied by the outcome of a full evaluation of the relevant tenderer, carried out in accordance with Contract Procedure Rule 21.2.(c);
 - (g) the invitation shall also state the mathematical formula to be used in the electronic auction to determine automatic re-rankings on the basis of the new prices and/or new values submitted. That formula shall incorporate the weighting of all the evaluation criteria fixed to determine the Most Economically Advantageous Offer, as indicated in the contract notice or in the tender documents;
 - (h) the invitation shall specify the manner in which the electronic auction is to close; and

- (i) after closing an electronic auction the Lead Officer responsible for the procurement shall award the contract on the basis of the results of the electronic auction.

22. Post-tender negotiation

- 22.1 Where procurement is conducted using either the open or restricted procedures, no post tender negotiations are permitted. However, to avoid confusion, the Authority is entitled to seek clarification from Suppliers where appropriate.

23. Evaluation team

- 23.1 For each high value procurement, the Lead Officer responsible for the procurement undertaking the procurement shall form an evaluation team with responsibility for evaluating tenders with representation from other services as s/he considers appropriate in the circumstances.

24. Awarding contracts

- 24.1 Subject to Contract Procedure Rule 24.2, the Authority shall only award a contract where at the time of contract award this represents the Most Economically Advantageous Offer or is the lowest price depending on contract award criterion chosen by the Lead Officer responsible for the procurement.
- 24.2 This Contract Procedure Rule sets out the procedures that shall apply to the acceptance of tenders and quotations. The Lead Officer responsible for the procurement shall have authority to accept (as appropriate):
 - (a) the lowest tender if payment is to be made by the Authority;
 - (b) the highest tender if payment is to be received by the Authority; or
 - (c) the tender which represents the Most Economically Advantageous Offer to the Authority

This is provided that the amount of the tender does not exceed or fall short as the case may be of an estimate approved by the Authority, or Treasurer as the case may be, in accordance with the procedure set out in Contract Procedure Rule 6.

- 24.3 Where the value of the tender selected by the Lead Officer responsible for the procurement exceeds or falls short of the approved estimate by no more than 5% or £50,000 (excluding VAT) (whichever is the lower), the Lead Officer responsible for the procurement, in consultation with the Treasurer, shall have authority to accept the selected tender following a report submitted to Treasurer, which identifies and addresses the financial implications.
- 24.4 Where the value of the tender selected by the Lead Officer responsible for the procurement exceeds or falls short of the approved estimate by more than 5% or £50,000 (excluding VAT) (whichever is the lower), a report must be submitted by the Lead Officer responsible for the procurement to the Treasurer, which addresses the financial implications arising from approving the selected tender. The Lead Officer responsible for the procurement shall only have authority to accept the selected

tender if approval is given by the Treasurer.

- 24.5 Any significant error made by a tenderer in arithmetic, pricing or other matter relating to the performance of the proposed contract, discovered in a tender or accompanying documents before a contract has been executed, shall be reported by the Lead Officer responsible for the procurement concerned to the Treasurer. The Lead Officer responsible for the procurement in consultation with the Treasurer, shall then decide whether or not the tenderer shall be given the opportunity of confirming his offer/tender or of amending it to take account of any such error before any tender for the contract is unconditionally accepted.

25. Debriefing

- 25.1 The Lead Officer responsible for the procurement shall provide a debriefing to tenderers.

26. Contract award notice

- 26.1 Where a contract has been tendered pursuant to the EU Regulations, the Lead Officer responsible for the procurement shall publish a contract award notice in the OJEU no later than 48 days after the date of award of the contract. Contract award notices are required for Part B Services. In addition, notice of the contract award shall be given by the Lead Officer responsible for the procurement undertaking the procurement via the Contracts Register on the Authority's website.
- 26.2 Where the EU Regulations do not apply, in respect of any high value procurement, notice of the contract award shall be given by the Lead Officer responsible for the procurement undertaking the procurement via the Contracts Register on the Authority's website.

27. Execution of contracts

- 27.1 Any contracts valued at or above £50,000 shall be formal, made in writing and executed as a deed by the affixing of the Authority's common seal or signed by the Monitoring Officer or other person duly authorised in this regard (as considered appropriate). The exception is where the Monitoring Officer and the Lead Officer responsible for the procurement agree beforehand that such a formal contract can be dispensed with. All other contracts may be signed by the Lead Officer responsible for the procurement.
- 27.2 All payments and or variations shall be made in accordance with the terms of the executed contract and also the requirements of the Financial Procedure Rules.

28. Contract extension

- 28.1 Any contract may be extended in accordance with its terms.
- 28.2 Where the terms do not expressly provide for extension, and in exceptional circumstances and where it is necessary in order to comply with these Contract Procedure Rules, the Lead Officer, with approval of the Treasurer, may extend the contract for such period and on such terms as shall be agreed with the Supplier provided that the Lead Officer

shall always be satisfied that any extension will achieve value for money for the Authority and is reasonable in all the relevant circumstances.

- 28.3 No extension shall be entered into by a Lead Officer with the specific intention of avoiding the application of the EU Regulations to the procurement or where such extension would be in contravention of the EU Regulations. The Lead Officer shall take legal advice before entering into any extension under Contract Procedure Rule 28.2.

29. Termination of contract

- 29.1 For any contract resulting from high value procurement, termination shall be approved by the Lead Officer with approval of the Treasurer. Contracts of a lesser value may be terminated early by agreement prior to the expiry date or in accordance with the termination provisions set out in the contract. Legal advice should be sought as appropriate.

30. Records of tenders and contracts

- 30.1 The Treasurer shall maintain a list of all tenders received.
- 30.2 A Contracts Register of all contracts awarded, of whatever value, shall be maintained by Lead Officers in conjunction with the Treasurer. Information contained in the Contracts Register will be available publicly on the internet.
- 30.3 For every individual contract, of whatever value, a contracts file shall be maintained by the appropriate Lead Officer responsible for the procurement.

31. Standing lists of contractors

- 31.1 The Authority may maintain standing lists of Suppliers that meet its pre-qualification requirements. Lead Officers may use such standing list or a nationally procured and recognised alternative list. Quotations and tenders for contracts that are not subject to the EU Regulations may be invited from Suppliers included on such standing list or a nationally procured and recognised alternative list.
- 31.2 Each standing list shall:
- (a) be compiled and maintained by the relevant Lead Officer;
 - (b) contain the names of all Suppliers who wish to be included in it and who after appropriate enquiries have been made by the Lead Officer concerned and the Treasurer, are approved by the Authority or Lead Officer as provided for in the Scheme of Delegation; and,
 - (c) indicate whether a Supplier whose name is included in it is approved for contracts for all, or only some, of the specified values or amounts or categories.
- 31.3 At least four weeks before each standing list is first compiled, notice inviting applications for inclusion on it shall be published in accordance with Contract Procedure Rule 13 if a notice in OJEU is not required.

- 31.4 Each standing list shall be amended as required from time to time to include new applications for inclusion and to delete any Suppliers no longer thought fit to be included. Each standing list shall be formally reviewed in the manner set out below by the appropriate Lead Officer in consultation with the Treasurer at intervals not exceeding three years. At least four weeks before each review, each Supplier whose name appears in the standing list shall be asked whether it wishes its name to remain there. Notices inviting applications for inclusion in the list shall be published in the manner provided by Contract Procedure Rule 31.3 above.
- 31.5 Where an invitation to tender for a contract is limited to Suppliers named on the standing list maintained under this Contract Procedure Rule, an invitation to tender for that contract shall be sent to at least four of the Suppliers on the list. These Suppliers will be approved for a contract for that value or amount or of that category, or, if there are fewer than four such Suppliers, to all such Suppliers. If there are more than four Suppliers, the Lead Officer responsible for the procurement in consultation with the Treasurer, will select the Suppliers who will receive invitations, and the manner in which they are sent. This will be either generally or in relation to a particular contract or to a category of contracts provided that the manner of selection shall include a system of rotation from Suppliers appearing on the standing list.
- 31.6 Where the Lead Officer responsible for the procurement invites tenders from a nationally procured and recognised alternative list of Suppliers, s/he shall comply with any terms requiring a mini competition between those Suppliers specified by the organisation who procured the list. In the absence of such terms, so far as is reasonably possible, the Lead Officer responsible for the procurement shall comply with Contract Procedure Rule 31.5 above.

32. Nominated and named sub-contractors

- 32.1 If a sub-contractor, Supplier or sub-consultant is to be nominated or named to a main contractor, quotations or tenders must be invited in accordance with these Contract Procedure Rules and the terms of the invitation shall be compatible with the main contract.

33. Framework agreements and dynamic purchasing systems

- 33.1 Framework agreements are used where the Authority wishes to contract for the supply of supplies, services or works without conducting a new procurement exercise. However, the framework agreement may include within its terms a requirement for a mini competitive exercise between those Suppliers who are parties to the framework agreements. Any framework agreement shall be tendered in accordance with these Contract Procedure Rules. Where the Authority has entered into a framework agreement through procurement or is able to place orders from existing framework agreements procured by central government agencies, other local authorities, or other public bodies, then the Authority may benefit from using those contracts without entering into a separate procurement. A framework agreement shall not last for more than four years. Legal advice should be sought before considering the award of a contract using a framework agreement not procured directly by the

Authority.

- 33.2 A dynamic purchasing system shall be tendered in accordance with Contract Procedure Rule 13 for an open procedure. Where a dynamic purchasing system is established, the Authority must offer unrestricted, direct and full access to the specification and to any additional documents by electronic means from the date of publication of the contract notice to the date when the dynamic purchasing system ceases. A dynamic purchasing system shall not last for more than four years.
- 33.3 Any Supplier interested in joining a dynamic purchasing system, and which meets the selection criteria, can submit an indicative tender setting out terms for supplying the requirements. The Treasurer shall evaluate the indicative tender within 15 days of the date of its submission and must admit to the dynamic purchasing system any Supplier if the indicative tender complies with the specification and any additional documents. Once admitted to the dynamic purchasing system a Supplier may improve an indicative tender at any time.
- 33.4 Any appropriate framework agreements or dynamic purchasing systems in place shall be used regardless of value.

34. Letters of intent

- 34.1 Letters of intent shall only be used in exceptional circumstances as follows:
- (a) where a Supplier is required to provide services, supplies, or works prior to formal written acceptance by the Authority; or
 - (b) where the Authority's form of tender does not include a statement that until such time as a formal contract is executed, the Authority's written acceptance of a tender or quotation shall bind the parties into a contractual relationship.
- 34.2 Any such letters of intent shall be issued by the Treasurer, which may allow a start upon the works or the ordering of services or supplies but shall not permit any payments to be made thereunder except where such payment shall not exceed a sum of £10,000 and that such payment shall only be payable if the formal contract is not entered into. Where the formal contract is entered into any such payment made under the letter of intent shall be treated as a payment made under the formal contract.

35. Appointment and Role of consultants

- 35.1 Any consultants used by the Authority shall be appointed in accordance with these Contract Procedure Rules. Where the Authority uses consultants to act on its behalf in relation to any procurement, then the Lead Officer responsible for the procurement shall ensure that the consultants carry out any procurement in accordance with these Contract Procedure Rules. No consultant shall make any decision on whether to award a contract or who a contract should be awarded to. A consultant may however form part of the Authority's evaluation team and may score tenders and/or quotations as if s/he were an officer of the Authority. The Lead Officer responsible for the procurement shall ensure that the

consultant's performance is monitored and appropriate records are kept.

36. Statistical returns

- 36.1 The Authority shall make any statistical returns to government departments for onward transmission to the European Commission concerning the contracts awarded during the year under the EU Regulations.
- 36.2 The Treasurer is responsible for these statistical returns and will make the necessary arrangements for information to be collected annually. Lead Officers shall provide all information which the Treasurer requires in order to make such statistical return.

37. Damage to Authority property

- 37.1 In the event of Authority property being damaged by fire or other insured peril and it is expedient in the Authority's interests not to proceed to effect reinstatement of the property using normal procedures under these Contract Procedure Rules, then upon the approval of the loss adjuster acting for the Authority's insurers, the appropriate Lead Officer, in consultation with the Treasurer, shall be authorised to accept the tender of a person, being one of at least four persons who have been invited to tender from the standing list of approved contractors under Contract Procedure Rule 31.

38. Emergency procedures

- 38.1 In the event of circumstances rendering emergency measures necessary which cannot expediently be approved through normal Authority procedures, the appropriate Lead Officer and the Treasurer are authorised, notwithstanding anything contained in the Authority's Contract Procedure Rules or Financial Procedure Rules, to carry out or contract for the immediate carrying out any necessary works or do anything else necessary on behalf of the Authority.
- 38.2 In a continuing emergency any action taken or contract entered into shall be reported to a Special Authority Meeting which shall take such action as necessary to deal with the situation.
- 38.3 Prior to reference to the Authority, such exercise of emergency measures shall be subject to a total limit of expenditure of £100,000 (excluding VAT).

39. Waivers of Contract Procedure Rules

- 39.1 Waivers of any of these Contract Procedure Rules shall only be given in exceptional circumstances. Waivers may not be made retrospectively. A Lead Officer empowered to let a particular contract shall consult with the Treasurer upon any proposal to waive these Contract Procedure Rules. Waivers shall be reported in writing by the Lead Officer to the Treasurer and the written report shall specify why the waiver was justified. A waiver of these Contract Procedure Rules shall be approved by the Treasurer.

40. Non compliance and ratification

- 40.1 If it comes to notice of a Lead Officer that there has been non compliance

with these Contract Procedure Rules in respect of any contract for which s/he is responsible as the Lead Officer with responsibility for the procurement, s/he shall without delay notify the Treasurer, who shall take such action as s/he deems necessary.

- 40.2 Where these Contract Procedure Rules have not been complied with, the decision to award a contract may be ratified by the Treasurer. Requests for ratification shall be reported in writing by the Lead Officer to the Treasurer and the report shall specify the circumstances relating to the non compliance with these Contract Procedure Rules and why ratification is requested. The Authority's auditor shall be supplied with a copy of any report seeking ratification.

Definitions

“Annual Procurement Plan”

A plan identifying procurements (see Contract Procedure Rule 8.1) and other major projects proposed by the Authority so that appropriate resources can be identified and procured. It also provides a basis for Prior Information Notices and other information provided to suppliers to give advance notice of bidding opportunities.

“Contracts Register”

A register held and maintained by the Treasurer containing details of contracts entered into by the Authority of whatever value.

“Dynamic Purchasing System”

A dynamic purchasing system is a completely electronic process for making commonly used purchases, the characteristics of which are generally available on the market and meet the requirements of the Authority. They are limited in duration to four years. Throughout its validity it is open to any Supplier which satisfies the selection criteria and has submitted an indicative tender that complies with the specification.

“Electronic Auction”

A process involving an online auction presenting new prices, revised downwards, and/or new values concerning certain elements of tenders, which occur after an initial full evaluation of the tenders, enabling them to be ranked using automatic evaluation methods.

“EU Regulations”

The UK regulations implementing the EU public procurement directives from time to time.

“Framework Agreement”

An agreement which allows the Authority to place orders with a Supplier to provide supplies, services, or works in accordance with the terms of the agreement. The framework agreement itself usually constitutes a non-binding offer with no obligations on the Authority to place orders with the Supplier. If the Authority places an order with the Supplier a binding contract comes into being. A framework agreement can be a binding agreement where it is executed as a deed.

“Most Economically Advantageous Offer”

From the Authority’s perspective the most economically advantageous offer from a Supplier assessed by reference to relevant evaluation criteria linked to the subject matter of the contract in question for example, quality, price, technical merit, aesthetic and functional characteristics, running costs, cost effectiveness, after sales service and technical assistance, delivery date and delivery period or period of completion, and social value.

“Supplier”

Any person or body of persons providing, or seeking to provide, supplies, services, or works to the Authority.

C. Land Procedure Rules

1. Application

1.1 These Land Procedure Rules apply where there is a land transaction.

1.2 The terms used within these rules, along with their meanings, are listed below:-

- (a) “land transaction” means the acquisition, disposal of, or other dealing with land, whether or not buildings, plant and equipment, fixtures and fittings or other assets are included in that transaction. A transaction concerning only plant and equipment, fixtures and fittings or other assets is not a land transaction;
- (b) “major disposal” means a land transaction which consists of either a disposal of the freehold where the consideration exceeds £250,000 or the grant of a lease or licence where the rent exceeds £50,000 per annum or where the premium exceeds £250,000;
- (c) “the property procedures” means the procedures adopted by the Authority from time to time (if any) in respect of the Authority’s property; and
- (d) “best consideration” means the obligation to achieve a consideration which is the best that can reasonably be obtained.

The Authority’s codes and protocols, and Contract Procedure Rules, shall continue to apply to major disposals unless otherwise stated in, or inconsistent with, the Land Procedure Rules. In these circumstances, the Land Procedure Rules shall prevail. The Contract Procedure Rules are:

- Rule 10 (Contracts Terms and Conditions)
- Rule 11 (Bonds, Guarantees and Insurance)
- Rule 19 (Submission and Opening of Tenders)
- Rule 20 (Electronic Tendering and Quotations)
- Rule 21 (Tender Evaluation and the Use of Electronic Auctions)
- Rule 23 (Evaluation Team)
- Rule 25 (Debriefing)
- Rule 27 (Execution of Contracts)
- Rule 30 (Records of Tenders and Contracts)
- Rule 40 (Non-Compliance and Ratification)

2. Approval of Major Disposals

2.1 The principle and method of each major disposal must be approved by the Authority, except that in the case of land held for transport functions, the principle and method shall be approved by Merseytravel Committee. When determining such matters, the Authority or Merseytravel Committee (as appropriate) shall consider a report which:-

- (a) specifies the land to be disposed of;

- (b) confirms whether the land has been declared surplus to the Authority's requirements;
- (c) advises upon the proposed method of disposal, and provides the reasons for selecting that method;
- (d) confirms whether or not the proposed method of disposal is likely to achieve best consideration and, where other than open competition is recommended, describes how this will be satisfied/evidence; and
- (e) in matters where it is proposed that the disposal should be for less than best consideration, gives reasons for and against seeking best consideration and specifies the relevant legal powers of the Authority to accept less than best consideration.

2.2 In major disposals, where the approved method of disposal is the inviting of formal tenders or informal offers, the disposal must be advertised in at least one local newspaper circulating in the district and on the Authority's website. For major disposals, where the value of the land is estimated to be greater than £500,000, it must also be advertised in at least one specialist journal or publication circulating among people who are likely to be interested in acquiring that land, as determined by the Authority.

3. Alteration to/errors in or late Formal Tenders and Informal Offers

3.1 Where

- (a) there are alterations/errors in a tender; or
- (b) where a tender or offer is received late, or otherwise fails to comply with the procedural requirements of these Land Procedure Rules; and
- (c) the Treasurer believes it is in the Authority's best interests to recommend acceptance of such alterations/errors, or to consider a tender or offer which is received late or otherwise fails to comply with the procedural requirements of these Land Procedure Rules, and where in the opinion of the Treasurer it is possible that other tenderers/offers will otherwise be prejudiced,

then all tenderers/offers shall be given the opportunity to re-submit their tenders/offers within a timescale specified by the Treasurer.

3.2 Where, in accordance with Rule 3.1 above, the decision is made to ask tenderers/offers to re-submit their tenders/offers, the Treasurer shall explain why the decision was made, supplying such additional information as may be necessary (if any) to assist tenderers/offers with their re-submission.

4. Approval of Land Transactions other than Major Disposals

4.1 The principal terms of land transactions other than major disposals (except where the approved method of disposal is by formal tender or auction), must be approved by the Treasurer. When determining such matters, the Treasurer shall confirm either that the consideration agreed represents best consideration, specify the reasons for accepting less than

best consideration and the relevant legal powers of the Authority to do so.

4.2 The Treasurer may:

- (a) negotiate rent reviews for leases of land/premises and take appropriate action to protect the Authority's interest;
- (b) terminate licences, leases or tenancies of land or property taken by the Authority which are no longer required;
- (c) consent to Land and Tenant protected renewals, the assignment, underletting or change of use requests of leases granted by the Authority and accept surrenders thereof;
- (d) appoint specialist valuers, where necessary, as provided within the budget, provided that the total expenditure does not exceed £50,000 in total;
- (e) grant or approve the entering into of any licences, tenancies and leases provided that the term is not in excess of seven years less one day duration and provided that no statutory protection attaches;
- (f) grant appropriate licences to commercial advertisers for the display of advertisements on the Authority properties;
- (g) accept display copy in accordance with the approved code of advertising practice;
- (h) grant easements of a minor nature over Authority land;
- (i) serve notice of termination of tenancy under Part II of the Landlord and Tenant Act 1954 (as amended by the Law of Property Act 1969) and to apply to the County Court under Section 24(A) of the 1954 Act, in those cases where the Authority is prepared to grant a new tenancy or lease and the service of such notice will expedite negotiations; and
- (j) grant wayleaves for the laying of services under, on or through land and premises owned by the Authority up to a maximum premium of £50,000

5. Application of the Property Procedures

All land transactions must be conducted in accordance with the property procedures.

6. The Treasurer shall keep a record of all land and buildings owned by the Authority and shall be responsible for the safekeeping and retention of all property deeds.

7. In relation to land and buildings, the Treasurer shall

- (a) ensure that lessees and other prospective occupiers of the Authority land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Monitoring Officer, has been established as appropriate;
- (b) ensure the proper security of all buildings and other assets under their control and take the appropriate action in any case where security is thought to be defective or where it is considered that special security arrangements may be needed;
- (c) identify land or buildings which are surplus to requirements;
- (d) ensure that no Authority-owned land or building is subject to personal use or any other use other than in pursuance of approved service delivery without proper authority and, where appropriate, documentation identifying terms, responsibilities and duration of use;
- (e) arrange for the valuation of assets for accounting purposes; and
- (f) not dispose of any land or property without the involvement of the Monitoring Officer.

8. Contractual Formalities

All contracts and other documentation for land transactions shall be in writing, signed or sealed, as appropriate, as determined by the Authority.

PART 7

Code of Conduct for Members

Part 1 General provisions

1. Introduction and interpretation

- 1.1 This Code applies to you as a Member of the Combined Authority (“the Authority”).
- 1.2 It is your responsibility to comply with this Code. Failure to do so may result in a sanction being applied by the Authority. Failure to take appropriate action in respect of a Disclosable Pecuniary Interest may result in a criminal conviction and a fine of up to £5,000 and /or disqualification from office for a period of up to 5 years. In this Code - “meeting” means any meeting of:
- (a) the Authority; and
 - (b) any of the Authority’s Committees or Sub-Committees, Joint Committees or Joint Sub-Committees;
- 1.3 “Member” includes a Member and a Substitute Member of the Authority and a Co-opted Member.

2. Scope

- 2.1 Subject to sub-paragraphs 2.2 and 2.3, you must comply with this Code whenever you are acting as a Member of the Authority and references to your official capacity are construed accordingly.
- 2.2 This Code does not have effect in relation to your conduct other than where it is in your official capacity.
- 2.3 Where you act as a representative of the Authority on any other body, you must, when acting for that other body, comply with this Code, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

3. General obligations

- 3.1 You must not:
- (a) do anything which may knowingly cause the Authority to breach the Equality Act 2010;
 - (b) bully or be abusive to any person;
 - (c) intimidate or attempt to intimidate any person who is or is likely to be:

- (i) a complainant,
- (ii) a witness, or
- (iii) involved in the administration of any investigation or proceedings,

in relation to an allegation that a Member (including yourself) has failed to comply with the Authority's Code of Conduct; or

- (d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, the Authority.

4. You must not:

- (a) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where:

- (i) you have the consent of a person authorised to give it;

- (ii) you are required by law to do so;

- (iii) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or

- (iv) the disclosure is:

- (a) reasonable and in the public interest; and

- (b) made in good faith and in compliance with the reasonable requirements of the Authority; or

- (b) prevent another person from gaining access to information to which that person is entitled by law.

5. You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or the Authority into disrepute.

6. You:

- (a) must not use or attempt to use your position as a Member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage; and

- (b) must, when using or authorising the use by others of the resources of the Authority:

- (i) act in accordance with the Authority's reasonable requirements; and

- (ii) ensure that such resources are not used improperly for political purposes (including party political purposes); and

- (c) must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986
7. (1) When reaching decisions on any matter you must have regard to any relevant advice provided to you by
- (a) The Authority’s Treasurer; or
 - (b) The Authority’s Monitoring Officer
- where that officer is acting pursuant to his or her personal statutory duties
- (2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by the Authority.

Part 2 - Disclosable pecuniary interests

8. Notification of disclosable pecuniary interests

- 8.1 Within 28 days of becoming a Member of the Authority, you must notify the Authority’s Monitoring Officer of any ‘disclosable pecuniary interests’.
- 8.2 A ‘disclosable pecuniary interest’ is an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in the table below.
- 8.3 "Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain
Sponsorship	Any payment or provision of any other financial benefit (other than from the Authority) made or provided within the 12 month period prior to notification of the interest in respect of any expenses incurred by you in carrying out duties as a Member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation Act) 1992 (a)
Contracts	Any contract which is made between you or your partner (or a body in which you or your partner has a beneficial interest) and the Authority –

Subject	Description
Land	<p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Licences	Any beneficial interest in land which is within the area of the Authority
Corporate Tenancies	<p>Any licence (alone or jointly with others) to occupy land in the area of the Authority for a month or longer</p>
Securities	<p>Any tenancy where (to your knowledge) -</p> <p>(a) the landlord is the Authority; and</p> <p>(b) the tenant is a body in which you or your partner has a beneficial interest</p>
	<p>Any beneficial interest in securities of a body where –</p> <p>(a) that body (to your knowledge) has a place of business or land in the area of the Authority; and</p> <p>(b) either –</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you or your partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class</p>

8.4 For the purpose of the above –

- (a) “a body in which you or your partner has a beneficial interest” means a firm in which you or your partner is a partner or a body corporate of which you or your partner is a director, or in the securities of which you or your partner has a beneficial interest;
- (b) "director" includes a member of the committee of management of an industrial and provident society;

- (c) "land" excludes an easement, interest or right in or over land which does not carry with it a right for you or your partner (alone or jointly) to occupy the land or receive income; and
- (d) "securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

9 Non participation in case of disclosable pecuniary interest

9.1 If you are present at a meeting of the Authority, or any Committee or Sub-Committee of the Authority, and you have a disclosable pecuniary interest in any matter to be considered or being considered at the meeting,

1. You must not participate in any discussion of the matter at the meeting.
2. You must not participate in any vote taken on the matter at the meeting.
3. If the interest is not registered, you must disclose the interest to the meeting.
4. If the interest is registered you are also required by Authority Procedure Rule 17 to disclose the interest to the meeting.
5. If the interest is not registered and is not the subject of a pending notification, you must notify the Authority's Monitoring Officer of the interest within 28 days.
6. You are also required by Authority Procedure Rule 17.4 to withdraw from the room of the meeting while the matter is being considered.

10 Offences

10.1 It is a criminal offence to

- Fail to notify the Authority's Monitoring Officer of any disclosable pecuniary interest within 28 days of appointment as a Member of the Authority;
- Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the Authority's Register;
- Fail to notify the Authority's Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the Authority Register that you have disclosed to a meeting;
- Participate in any discussion or vote on a matter in which you

have a disclosable pecuniary interest;

- Knowingly or recklessly provide information that is false or misleading in notifying the Authority's Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting.

10.2 The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.

Part 3 - Other interests

11 Notification of personal interests

11.1 In addition to the disclosable pecuniary interests notifiable under the Localism Act 2011, you must -

- (a) within 2 months of your appointment as a Member of the Authority (where that is later), notify the Authority's Monitoring Officer in writing of the details of your other personal interests, where they fall within the categories set out in paragraph 11(2) below for inclusion in the register of interests.

11.2 You have a personal interest in any business of the Authority where it relates to or is likely to affect -

- (a) any body of which you are in a position of general control or management and to which you are appointed or nominated by the Authority;
- (b) any body -
 - (i) exercising functions of a public nature;
 - (ii) directed to charitable purposes; or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;
- (c) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £100.

12 Disclosure of interests

12.1 Subject to paragraphs 12.4 to 12.7, where you have a personal interest described in paragraph 11.2 above or in paragraph 12.2 below in any business of the LCRCA, and where you are aware or ought reasonably to be aware of the existence of the personal interest, and you attend a meeting of the Authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when

the interest becomes apparent.

- 12.2 You also have a personal interest in any business of the Authority where a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward(s) affected by the decision.
- 12.3 In paragraph 12.2, a relevant person is -
- (a) a member of your family or any person with whom you have a close association;
 - (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
 - (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
 - (d) any body of a type described in paragraph 11.2(a) or (b).
- 12.4 Where you have a personal interest in any business of the Authority which relates, to or is likely to affect, a body described in paragraph 11.2(a) or 11.2(b)(i), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.
- 12.5 Where you have a personal interest in any business of the Authority of the type mentioned in paragraph 11.2(c) (gifts and hospitality), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.
- 12.6 Where you have a personal interest but, by virtue of paragraph 16, sensitive information relating to it is not registered in the Authority's Register of Members' Interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.
- 12.7 Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.

13 Non participation in case of prejudicial interest

- 13.1 Where you have a personal interest in any business of the Authority you also have a prejudicial interest in that business where the

interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest and where that business –

- (a) affects your financial position or the financial position of a person or body described in paragraph 12.3; or
- (b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 12.3.

13.2 Subject to paragraphs 13.3 and 13.4, where you have a prejudicial interest in any business of the Authority –

- (a) You must not participate in any discussion of the matter at the meeting.
- (b) You must not participate in any vote taken on the matter at the meeting.
- (c) If the interest is not registered, you must disclose the interest to the meeting.
- (d) If the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days.
- (e) You are also required by Authority Procedure Rule 17.4 to withdraw from the room of the meeting while the matter is being considered.

13.3 Where you have a prejudicial interest in any business of the Authority, you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise and you leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

13.4 Subject to you disclosing the interest at the meeting, you may attend a meeting and vote on a matter where you have a prejudicial interest that relates to the functions of the Authority in respect of -

- (a) school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
- (b) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay; and

- (c) any ceremonial honour given to Members.

14 Interests arising in relation to Scrutiny Panel

In any business before the Scrutiny Panel of the Authority where –

- (a) that business relates to a decision made (whether implemented or not) or action taken by the Authority or another of the Authority's Committees or Sub-Committees; and
- (b) at the time the decision was made or action was taken, you were a Member of the Authority, Committee or Sub-Committee mentioned in paragraph (a) and you were present when that decision was made or action was taken,

you may attend the meeting of the Scrutiny Panel for the purpose of explaining the reasons for the decision, or answering questions or giving evidence relating to the business, but you cannot participate otherwise in the discussion or in any vote on the matter.

Part 4 - General Matters relating to Parts 2 and 3

15 Register of interests

Subject to paragraph 16 any disclosable pecuniary interests or personal interests notified to the Authority's Monitoring Officer will be included in the Authority's Register of interests. A copy of the Register will be available for public inspection.

16 Sensitive interests

This paragraph applies where you consider that disclosure of the details of a disclosable pecuniary interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Authority Monitoring Officer agrees. In these circumstances, if the interest is entered on the Authority's Register of interests, copies of the Register that are made available for inspection and any published version of the Register will exclude details of the interest, but may state that you have a disclosable pecuniary interest, the details of which are withheld under Section 32(2) of the Localism Act 2011.

17 Dispensations

The Authority may grant you a dispensation to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest or a prejudicial interest. Any requests for a dispensation must be made in writing to the Monitoring Officer.

GIFTS AND HOSPITALITY GUIDANCE FOR MEMBERS

General Introduction

The Code of Conduct requires Members to notify the Monitoring Officer in writing of any gift or hospitality he/she receives which may be to the value of one hundred pounds or more (Part 3 11(c)). It is also a breach of the Code to act in such a way as to bring the Authority into disrepute or for a member to use his/her position as a member of the Authority improperly to confer on or secure for him/herself or any other person advantage or disadvantage.

The following guidance aims to assist Members in complying with the Code of Conduct for Members but it also goes beyond these basic provisions and seeks to provide wider guidance so Members can avoid any situation where their integrity may be brought into question as a result of gifts and hospitality.

Legal position

The Bribery Act 2010 provides that it is a criminal offence for a Member to request, agree to receive, promise, offer or give any gift, loan, fee, reward or advantage for doing anything or showing favour or disfavour to any person in their official capacity. It is for the Member to demonstrate that any such rewards have not been corruptly obtained.

Gifts and hospitality

Members are advised to treat with extreme caution any offer or gift, favour or hospitality that is made personally to them. The person or organisation making the offer may be doing business or seeking to do business with the Authority or may be applying to the Authority for some sort of decision in respect of which it is imperative that the member's independence should not be compromised.

The following rules should be applied:

A Member should refuse any gift offered to them or to an immediate relative of the Member, by any person who has or may seek to have dealings with the Authority. It is recommended that Members should notify the Monitoring Officer of all such refusals as soon as reasonably practicable regardless of the value of the offered gift (unless the gift falls within I or II below). The Monitoring Officer will maintain the register for this purpose.

The exceptions where it may be appropriate to accept a gift are set out below. Members should note that the Code of Conduct for Members requires all gifts and hospitality of one hundred pounds or more to be notified to the Monitoring Officer, who will maintain a register for this purpose.

- I. The gift is of purely token, advertising value given to a wide range of people, e.g. pens, key rings and other promotional items. As such promotional gifts will usually be less than one hundred pounds in value generally there will be no need to register but in cases of doubt Members should err on the side of caution and register the gift.
- II. A small gift where refusal would cause needless offence and the giver is not currently seeking a decision or business from the Authority. Again because such gifts would be of a small value generally there will be no need to register but in cases of doubt members should err on the side of caution and register the gift.

Cash or monetary gifts should always be refused without exception and the refusal notified to the Monitoring Officer as set out above.

Gifts given as prizes at exhibitions, conferences, seminars etc. as part of a free raffle or draw may be accepted but they belong to the Authority and should be registered with the Monitoring Officer as soon as reasonably practicable (notwithstanding that their value may be less than the one hundred pounds specified in the Code). The Monitoring Officer will determine whether it is appropriate to retain the gift in question.

Whilst it may be acceptable to accept a token or small gift on one occasion members should refuse repeated gifts, even if these are individually not of a significant value.

Hospitality

It is increasingly the case that private companies offer hospitality e.g. free drinks, tickets to shows or hotel accommodation to persons with whom they do business or with whom they hope to do business in the future. Such hospitality could convey the impression that Members' judgment would be influenced. It would however be too rigid to say that no hospitality can be accepted. Members are reminded that any hospitality of one hundred pounds or more is required by the Code of Conduct to be registered. However Members may wish to notify the Monitoring Officer of hospitality offered but refused and hospitality which is less than the one hundred pounds limit specified in the Code.

Some examples of hospitality which may be acceptable follow but much may depend on the particular circumstances, for example who is providing the hospitality, why the Member is there and the nature of the dealings between the Authority, the Member and the provider of the hospitality:

- A working meal provided to allow parties to discuss or continue to discuss business.
- An invitation to attend a dinner or function of a Society, Institute or other non commercial body with whom the Authority has contact.
- Invitations to attend functions where the member represents the Authority (opening ceremonies, public speaking events, conferences).

Unacceptable hospitality

The following are examples of unacceptable hospitality:

- Holidays, including accommodation and travel arrangements.
- Offers of theatre tickets for the Member and his family or free travel.
- Personal invitations for evenings out with representatives from a company or firm who have dealings with the Authority or who are likely to have dealings in the future.

Members are again urged to err on the side of caution and if in any doubt as to the integrity of the offer/invite, the Member should consult the Monitoring Officer or refuse.

Notifications

Notifications of gifts and hospitality should be sent to the Monitoring Officer. A form for this purpose is available from the Monitoring Officer.

The Register

The Register referred to in this protocol will be subject to scrutiny by the Standards Committee and regular inspection by the Monitoring Officer. The Register of Gifts and Hospitality of one hundred pounds or more should be available for public inspection. For consistency, registrations as regards gifts and hospitality offered and refused, or gifts and hospitality of a value less than one hundred pounds, will also be available for public inspection.

Gifts which cannot be retained

Where the Monitoring Officer determines that it would not be appropriate for a Member to retain a gift, that gift will be returned, utilised by the Authority or otherwise donated to an appropriate charitable organisation as determined appropriate by the Monitoring Officer.

Conclusion

Members are advised to seek the advice of the Monitoring Officer in cases where their position is unclear. Breaches of this guidance may result in a breach of the Code of Conduct for Members. Breaches of this guidance which do not result in a breach of the Code of Conduct will be reported by the Monitoring Officer to the Standards Committee.

Operating Agreement

This Agreement is made on the _____ day of April 2014 between:

- (1) The Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral Combined Authority (“the Authority”)
 - (2) Halton Borough Council
 - (3) Knowsley Metropolitan Borough Council
 - (4) Liverpool City Council
 - (5) Sefton Metropolitan Borough Council
 - (6) St. Helens Borough Council
 - (7) Wirral Metropolitan Borough Council
- (collectively referred to as “the Constituent Councils”)

Recitals

- (i) On 1 April 2014 the Authority was established as a Combined Authority for the area of the Constituent Councils and MITA was abolished.
- (ii) The functions of the Authority are those functions conferred on it by the Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral Combined Authority Order 2014 (“the Order”) or by any other enactment, including all the functions of the MITA which transferred to the Authority on the abolition of the MITA.
- (iii) The functions of the Authority include those economic development and regeneration functions set out in Schedule 2 of the Order, which are to be exercised concurrently with the Constituent Councils.
- (iv) The Constituent Councils were established as local authorities by statute with all the functions of metropolitan or unitary district councils and in particular they are, and continue to be, the local highway authority, local traffic and street authority for their area.
- (v) The Parties wish to co-operate with each other in the exercise of their functions and in particular their transport, economic development and regeneration functions.

It is now agreed as follows:

1. Definitions

In this Agreement:-

- 1.1 “the Authority” means the Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral Combined Authority;

- 1.2 “the Constituent Councils” mean the metropolitan district councils of Knowsley Liverpool Sefton St. Helens and Wirral and the unitary district council of Halton;
- 1.3 “the Order” means the Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral Combined Authority Order 2014;
- 1.4 “MITA” means the Merseyside Integrated Transport Authority;
- 1.5 “the Constitution” means the constitution of the Authority;
- 1.6 “the LDEDCA 2009” means the Local Democracy Economic Development and Construction Act 2009;
- 1.7 “the LGA 1972” means the Local Government Act 1972;
- 1.8 “the LGA 2000” means the Local Government Act 2000;
- 1.9 “the LGHA 1989” means the Local Government and Housing Act 1989;
- 1.10 “the Parties” mean the Authority and the Constituent Councils;
- 1.11 “the Merseytravel Committee” means the transport committee of the Authority comprising co-opted members of the Constituent Councils;
- 1.12 “Merseytravel” means the Merseyside Passenger Transport Executive, which is the executive body of the Authority pursuant to the Order for the purposes of Part 5 of the Local Transport Act 2008 and Part 6 of the LDEDCA 2009;
- 1.13 “Protocols” mean the protocols to be entered into by the Parties as outlined in this Agreement;
- 1.14 “the LEP” means the Liverpool City Region Local Enterprise Partnership.

2. Interpretation

- 2.1 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.
- 2.2 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- 2.3 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 2.4 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

- 2.5 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time.
- 2.6 A reference to “this Agreement” or to any other agreement or document referred to in this Agreement is a reference to this Agreement or such other document or agreement as varied from time to time.
- 2.7 References to Clauses and schedules are to the Clauses and Schedules of this Agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 2.8 No person other than a party to this Agreement shall have any rights to enforce any term of this Agreement.
- 2.9 This Agreement and any dispute or claim arising out of, or in connection with, it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 2.10 If any court or competent authority finds that any provision of this Agreement (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

3. The Authority

- 3.1 The Parties acknowledge that the legal and official title of the Authority is as set out in 1.1 above.
- 3.2 The Parties agree that for public purposes the Authority shall be known as the Liverpool City Region Combined Authority.
- 3.3 The Parties will take such steps as are necessary to ensure that the Authority is appropriately referred to in documentation and in any other sources of information.

4. Establishment of the Merseytravel Committee

- 4.1 The Authority shall establish the Merseytravel Committee and for this purpose shall co-opt a number of elected members from the Constituent Councils, for the municipal year 2014/15, as follows:

Halton - two
Knowsley - two
Liverpool - six
Sefton - four
St. Helens - two
Wirral - four

- 4.2 The Authority shall review the representation set out in Clause 4.1 before 30 April 2015 and the Constituent Councils shall nominate the number of elected members as required by the Authority for subsequent municipal years.
- 4.3 A Constituent Council shall be entitled to remove or replace any of its members of the Merseytravel Committee on written notification to the Authority's Head of Paid Service. The new appointment shall take effect and the previous appointment shall terminate at the end of one week from the date on which the notice is given (or such longer period not exceeding one month, as specified in the notice).
- 4.4 Those Constituent Councils which appoint three or more elected members to the Merseytravel Committee shall make those appointments in accordance with the principles of political balance set out in the LGHA 1989.
- 4.5 Members of the Authority may not be members of the Merseytravel Committee.
- 4.6 For the avoidance of doubt, the elected members co-opted onto the Merseytravel Committee are not members of the Authority.

5. Terms of Reference of the Merseytravel Committee

- 5.1 The Authority shall determine the terms of reference of the Merseytravel Committee in discharging any transport functions and shall set these out in the Constitution.
- 5.2 The transport functions of the Authority comprise:
- 5.2.1 all the functions of MITA transferred to the Authority by the Order;
 - 5.2.2 any function relating to transport conferred or imposed upon a combined authority or the Authority specifically by any enactment;
 - 5.2.3 the transport functions of Halton as set out in Article 8 of the Order.
- 5.3 In respect of those functions not delegated to the Merseytravel Committee or Merseytravel, either body may make recommendations to the Authority.

6. The Merseytravel Committee – Other Provisions

- 6.1 The Merseytravel Committee may establish Sub-Committees with such membership, terms of reference and delegations as it sees fit.
- 6.2 Appointments to Sub-Committees will be made in accordance with the principles of political balance set out in Section 15(5) of the LGHA 1989.
- 6.3 The Merseytravel Committee (and its Sub-Committees) will transact its business and discharge its functions in accordance with the Constitution.

- 6.4 The Merseytravel Committee and any of its Sub-Committees may, in respect of a function delegated to it by the Authority under Clause 5, arrange for its discharge by an officer of one of the Constituent Councils or by Merseytravel.
- 6.5 The costs and liabilities incurred by the Merseytravel Committee shall be defrayed by the Authority.

7. Protocols

- 7.1 The Parties have drawn up and agreed the Protocols set out in the Schedule to this Agreement in relation to the discharge of the following functions of the Authority:

Economic Development

Transport Strategy (to include the transitional arrangements in relation to the transport functions of Halton)

Employment and Skills

Housing Strategy

European Programme

Accountable Body

- 7.2 The Protocols have also been agreed with the LEP as setting out appropriate working arrangements by which those functions will be progressed for the benefit of the Liverpool City Region and the Parties have authorised their respective Chief Executive or Head of Paid Service to execute the Protocols as agreements.
- 7.3 The Parties will keep the Protocols under regular review and may revise them from time to time, such revisions to be agreed by the Chief Executives of the Constituent Councils, the Head of Paid Service of the Authority.
- 7.4 Additional Protocols which are deemed appropriate to improve and enhance the transport, economic development and regeneration functions may also be agreed between the Parties by their respective Chief Executive or Head of Paid Service who is authorised to execute such additional Protocols, unless agreement is otherwise reserved to the Authority.
- 7.5 Protocols drawn up, agreed or revised under this clause shall not override anything provided for or required under this Agreement.

8. Scrutiny Arrangements

- 8.1 The Authority will establish scrutiny arrangements to enable the Constituent Councils to exercise an overview and scrutiny role in relation to the decisions and activities of –

- (a) the Authority
- (b) the Merseytravel Committee
- (c) Merseytravel

8.2 The scrutiny arrangements are set out in the Constitution and the Constituent Councils will nominate the requisite number of elected members to give effect to those arrangements.

9. Review of Arrangements

9.1 The parties will undertake, pursuant to Section 111 of the LDEDCA 2009, a joint review of the matters set out in Clause 9.2 to be commenced, whichever is the earlier of –

- (a) the fifth anniversary of the date of this Agreement; or
- (b) immediately after notice is given by a Constituent Council requesting a joint review, provided that such notice is not given before the third anniversary of the date of this Agreement.

9.2 The matters are –

- (a) a matter in respect of which an order may be made under any of sections 104 to 107 of the LDEDCA 2009
- (b) a matter concerning the Authority which the authority has power to determine
- (c) any other matter contained in this Agreement

9.3 The provisions of this Clause are without prejudice to statutory rights of one or more of the Parties to undertake their own review at any time.

10. Amendments to this Agreement

10.1 This Agreement may be amended following a resolution approved by all the parties.

11. Dispute Resolution

11.1 Any dispute between the Parties arising out of this Agreement which cannot be settled shall be referred to the Head of Paid Service of the parties to the dispute, who will negotiate to resolve the matter in good faith.

12. Notices

12.1 Any notice, demand or other communication required to be served on the Authority under this Agreement shall be sufficiently served if delivered personally to, or sent by pre-paid first class recorded delivery post, or e-mail transmission to the Authority's Head of Paid Service. If so sent, any such notice, demand or other communication shall, subject to proof to the contrary, be deemed to have been received by the Head of Paid Service at the time of

personal delivery or on the second working day after the date of posting or transmission, as the case may be.

- 12.2 Any notice, demand or other communication required to be served on one or more of the Constituent Councils under this Agreement shall be sufficiently served if delivered personally to, or sent by pre-paid first class recorded delivery post, or e-mail to the Monitoring Officer(s) of the Constituent Council(s) concerned. If so sent, any such notice, demand or other communication shall, subject to proof to the contrary, be deemed to have been received by the Constituent Council(s) concerned at the time of personal delivery or on the second working day after the date of posting or transmission, as the case may be.

The Schedule

The Protocols

Economic Development

Transport Strategy

Employment and Skills

Housing Strategy

European Programme

Accountable Body

ECONOMIC DEVELOPMENT PROTOCOL

**This Economic Development Protocol has been made on
between:**

2014

- (1) The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority ('the CA');
- (2) The Borough Council of Halton Unitary Authority; The Metropolitan Borough of Knowsley; The City of Liverpool; The Metropolitan Borough of Sefton; The Metropolitan Borough of St Helens; The Metropolitan Borough of Wirral ('the Constituent Councils'); and
- (3) The Liverpool City Region Local Enterprise Partnership ('the LEP').

The purpose of this Protocol is to define the Economic Development functions and set out the respective roles of the CA, the LEP and the Constituent Councils in discharging those functions

1.0 BACKGROUND

The Local Democracy, Economic Development and Construction Act 2009 provides for the establishment of Combined Authorities with a remit around economic development, regeneration and transport: it does not provide a definition of economic development as this can vary in different areas depending on local circumstances. Liverpool City Region has taken economic development and regeneration to cover strategic activity related to business support, inward investment, trade and export, strategic housing, and employment and skills, in addition to the transport roles and functions being considered.

The purpose of this Protocol is to set out the respective roles of the CA, the LEP and the Constituent Councils in discharging the Strategic Economic Development functional areas defined below. It is recognised however that economic development and growth has a wider relationship with other areas of activity of the CA. The strategic work of the CA in defining the overall economic vision will inform the work and decision making of all areas of the CA.

Such functions of the Constituent Councils as are exercisable for the purpose of economic development and regeneration are exercisable in reliance on the general power of competence under section 1 of the Localism Act 2011(b).

2.0 CURRENT ROLES OF LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP AND THE CONSTITUENT COUNCILS

The Liverpool City Region Local Enterprise Partnership (LEP) was formally established in March 2012 as a partnership between businesses and Councils in the City Region. A membership company exists with over 450 company members. LEPs have been given a series of responsibilities by Government that are economically strategic.

A series of defined working protocols will be developed between the Constituent Councils and the LEP, in specific areas which will demonstrate how the City Region will discharge economic functions and roles in a complementary, non competitive way to ensure a collective approach to economic growth and job creation.

3.0 FUNCTIONS AND ROLES OF THE CA, LEP AND CONSTITUENT COUNCILS

The CA will be responsible for providing democratic and financial accountability and together with the LEP, strategic leadership for economic development within the Liverpool City Region. The LEP has been given a series of responsibilities by Government that are economically strategic and acts as the primary mechanism through which the private sector can influence and support economic development in the Liverpool City Region. The CA will support the implementation of those strategies and plans which it has commissioned, within allocated resources. Responsibilities of the CA will include (but not limited to):

- In partnership with the LEP, setting the strategic economic vision, outcomes and aligning strategic priorities for the Liverpool City Region including those relevant areas of Transport, Housing and Spatial Priorities and Employment and Skills;
- Agreeing the Single Local Growth Plan developed by the LEP and investment strategy to deliver the strategic economic vision and outcomes and subsequent or related City Region wide strategies or frameworks;
- Developing and agreeing a pipeline of strategic projects/initiatives with the LEP to attract financial and other support and be ready for new funding calls;
- In partnership with the LEP, agreeing the establishment, scope and scale of any Single Investment Fund or Single Investment Fund approach which the City Region is committed to achieving and which requires the alignment of different funding streams. An element of this will be the EU Programme funds for 2014-2020. A Protocol has been developed in relation to the EU 2014-2020 programme which defines the European programme functions and sets out the respective roles of the CA, the LEP Board and Constituent Councils.
- Development of the single appraisal framework/process with regard to the Single Investment Fund in consultation with the LEP.
- Making decisions in partnership with the LEP with regard to the Single Investment Fund and other such funds which might be aligned with that fund which may emerge.

The functions to be undertaken by the LEP together with the CA are as follows:

- Develop City Region wide economic strategies in partnership with the Constituent Councils and other partners in relation to the economic development function, including, but not limited to, the Local Growth Plan, 2014-2020 EU Programme and Business Support Strategies;
- Develop a single evidence base to support and inform strategic decision making and the development of the City Region's Local Growth Plan in partnership with the Constituent Councils;
- Supporting the development of the City Region's Visitor and Conference offer, working with key partners as appropriate;
- To work with the CA to co-ordinate inward investment activity across the Liverpool City Region subject to a Protocol between each of the Constituent Councils in relation to the sharing of information, handling of enquiries in particular in relation to how those relevant to their local area should be taken forward;
- To develop, with the private sector and the Constituent Councils, the international economic strategy for the Liverpool City Region to cover inward investment, trade and export, to particularly capture the benefits of the International Festival of Business;
- Lead the co-ordination of strategy and activity for place based marketing across the Liverpool City Region through working collectively with the Constituent Councils;
- Working collectively with the Constituent Councils to develop a Business Support strategy;
- Working collectively with the Constituent Councils and other partners to develop a prioritised pipeline of strategic projects for agreement by the CA;
- Development of City Region wide funding bids as appropriate such as Regional Growth Fund and any other relevant funding streams.

There are specific functions which Constituent Councils will continue to deliver and retain authority and decision making powers including but not limited to:

- Development of strategic pipeline of projects for their local areas;
- Delivery of strategic and locally important sites;
- Support for inward investment activity and international strategy in line with the protocols referred to above; and
- Development and delivery of Enterprise Zones as appropriate, working with the LEP to liaise appropriately with Government.

More broadly, the role of individual Constituent Councils should include the following:

- Working with the LEP, lead local partnerships and dialogues with business based in their area;
- Support the work of the CA and LEP by:

- Feeding back their local knowledge and needs to inform the Liverpool City Region strategic overview and monitoring of economic conditions of the area;
- Providing membership and expertise to the CA, the LEP and Sector Committees.

4.0 DISCHARGING THE STRATEGIC ECONOMIC DEVELOPMENT FUNCTION

The proposal to establish a CA sets out the added value of the CA in terms of effectiveness and efficiencies. The joint and inclusive approach taken to include the Chair of the LEP on the CA and the continued membership of the Mayor and Local Authority leaders on the LEP Board, provide a unified decision making platform which binds public and private sector together in the decision making processes.

In order to be effective the CA must lead to greater effectiveness in the delivery of economic development which will be shown by increased economic growth, investment and job creation. This will be achieved through a collaborative approach to delivery which defines the benefits at the City Region level regardless of specific locality issues.

The Local Authority/LEP partnership approach to economic development will remain and will be strengthened through the new governance arrangements and commitments to develop City Region priorities for investment and align funding resources, appraisal and decision making.

Clarity of roles and the delivery approach in those areas where the City Region will act together will be achieved through a series of protocols in the areas of inward investment, business support and the international strategy. Place based marketing has already provided a model to demonstrate how the City Region can work together in such a joint approach.

The CA is committed to the establishment of a Single Investment Programme made up of different funding streams. These funding streams will be aligned and a joint approach to appraisal taken to achieve the best use of resources across the City Region. Constituent Councils and the LEP will work collaboratively to develop an agreed strategic pipeline of projects against a defined investment and appraisal framework.

TRANSPORT STRATEGY PROTOCOL

**This Transport Strategy Protocol has been made on
between:**

2014

- (1) The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority ('the CA');
- (2) The Borough Council of Halton Unitary Authority; The Metropolitan Borough of Knowsley; The City of Liverpool; The Metropolitan Borough of Sefton; The Metropolitan Borough of St Helens; The Metropolitan Borough of Wirral ('the Constituent Councils'); and
- (3) The Liverpool City Region Local Enterprise Partnership ('the LEP').

1.0 BACKGROUND

Transport and connectivity are also essential components of the Liverpool City Region's objectives around economic growth, skills, housing, regeneration and the transition to a low carbon economy. Good connectivity between areas of new housing, schools, colleges, employment facilities and community facilities is a long standing priority for the City Region, recognising the entrenched problems of worklessness and deprivation in significant parts of the City Region.

Transport barriers contribute to worklessness and social exclusion, and conversely, improved transport and access boosts economic prosperity, economic activity levels, health and social inclusion. Similarly, congestion acts as a disincentive to inward investment and acts as a drain on business, hence the importance in encouraging a shift to walking, cycling and greater public transport use. An effective and efficient road and rail freight network is also of critical importance to the City Region, linked to its objectives relating to the SuperPort transformational activity, in particular.

The statutory Local Transport Plan (LTP) for Merseyside, and the aligned LTP for Halton, seek to ensure that transport supports economic growth across the Liverpool City Region. These plans reflect the economic 'enabling' nature of transport.

Transport is a core component of the Growth Deal process, which also identifies a list of major transport schemes, agreed originally by the Local Transport Body in July 2013.

2.0 CURRENT ROLES OF LIVERPOOL CITY REGION TRANSPORT BODIES

The current approach to transport governance is complex, both operationally and contractually, with powers vested across Halton BC, the Merseyside Integrated Transport Authority, the Merseyside Passenger Transport Executive, the City Region Local Transport Body and the Merseyside Local Authorities. The City Region Cabinet also has a non-statutory advisory role in relation to transport.

This splitting of powers and functions presents a challenging landscape for co-ordinated, long term delivery.

The principal legal powers and responsibilities vested with the existing bodies are identified within the following background papers as Appendix D (Transport Legislation) and Appendix E (Local Transport Powers and Duties).

3.0 ROLES OF CA, THE CONSTITUENT COUNCILS AND THE LEP

The complexities outlined in (2.0) above necessitate a staged approach in the transition from the current arrangements to a position whereby the CA will exercise its full range of duties and responsibilities. This will entail a process extending beyond the CA's commencement date of 1 April 2014.

The Schedule attached to this Protocol identifies how planning and delivery arrangements will work within Halton BC and Merseyside during the transitional period.

The creation of the CA involves the transfer of local transport authority powers from Halton BC and the Integrated Transport Authority (ITA) to the CA. The CA will be the strategic body that sets the strategic transport agenda, allocates funding, and makes the links to other policy areas. The ITA will be abolished and all of the ITA's existing powers, responsibilities and assets will also transfer to the CA.

The Merseyside Passenger Transport Executive will remain as the CA's executive body, and will be known as "Merseytravel", with a City Region wide remit. It will maintain its existing Passenger Transport Executive powers and other powers needed to deliver the CA's transport agenda. Its staffing function will largely be funded through the CA's levy as per current arrangements.

The CA will have a statutory responsibility for developing a Local Transport Plan, under section 108 of the Transport Act 2000. In the immediate term, the Local Transport Plans for Merseyside and Halton will continue to provide a strategic monitoring and performance framework for the 2014/15 financial year, this being the final implementation year of the current plans.

The CA will assume all of the ITA's current powers, responsibilities and assets and also the Local Transport Authority powers of Halton BC. It will be responsible for transport policy and strategy and agreeing the City Region's transport agenda.

Specific Halton BC powers will also transfer to the CA, such as those in respect of the procurement of supported bus services, though in practice, these will remain the responsibility of Halton BC during the CA's transitional period: the specific responsibilities in the transitional period are set out in the schedule to this operational Protocol.

Enabling powers are contained within the Orders that could allow the CA to be responsible for a defined strategic highway network on routes which are economically and environmentally important for the City Region. This will be a transitional process, with no expectation that this function would take effect from April 2014. This power would enable the CA to act as a Highway, Traffic and Street Authority as and when the CA Members agree. It would cover a strategic network that would be defined and agreed by the CA. At this point in time this would purely be an enabling provision and there is no compulsion on any of the individual Highway Authorities to transfer any routes into a Strategic Network.

The CA will become the levying body for transport revenue spend, in place of the ITA. A differential levy will be introduced from the outset recognising the different costs associated with transport provision between the Merseyside ITA Councils and Halton BC, and the need for a levy to be phased in. From April 2015, the CA will have responsibilities for managing formulaic transport funding allocations from the Department for Transport in the form of the Integrated Transport Block and Highways Maintenance allocation.

The City Region's Local Transport Body function will pass to the CA. The current LTB is responsible for taking decisions on major transport schemes. A revised Assurance Framework will be required to aid the transfer of this function. The LTB will be formally disestablished and its functions transferred to the CA.

A Transport Committee will be established, taking the form of a Committee of the CA. It will report to the CA and will comprise 18 Merseyside members, as now, plus 2 additional members from Halton BC, creating a Committee of 20 members in total. It will be known as the "Merseytravel Committee". This arrangement will be reviewed during 2014/15.

Merseytravel, as an officer-level delivery body, will also have a scheme of delegation from the CA to oversee specific activities and functions.

The local authority partnership approach to transport across the City Region will remain, and will be strengthened through the new governance arrangements, by virtue of greater scope to pool resources around agreed priorities and objectives, irrespective of their geographic location. The Transport Advisory Group (TAG) will support the transport agenda at an officer level, and will help to provide technical advice and recommendations to the CA or to its transport committee.

Transport officials will help to make links with other thematic groups, such as the Housing and Spatial Planning Board and the Employment and Skills Board, to secure integration between the various policy strands.

The creation of the CA will simplify transport planning, decision-making and delivery structures. It will also integrate transport decision-making with decision-making around economic growth, housing and employment and skills. It also provides an effective mechanism by which to integrate and maximise funding sources.

SCHEDULE

The transition of transport functions across the Liverpool City Region

Transport function / responsibility	Approach to delivery during transitional period		
	From 1 st April 2014	From 1 st April 2015	From 1 st April 2018
Develop statutory Local Transport Plan (LTP)	<p>Existing Halton LTP to remain in force to guide development and investment priorities within the borough.</p> <p>The Merseyside LTP and its supporting associated policy documents (e.g. park and ride and school travel) would continue to govern decisions across Merseyside. Extant supporting policies in Halton would prevail.</p> <p>Implementation plans for both LTPs run until end of 2014/15 financial year.</p>	<p>Existing Merseyside and Halton LTPs incorporated into a single plan, with a new LCR-wide 3 / 6 year implementation plan, to take effect from April 2015.</p> <p>CA responsible for agreeing plans and funding priorities, aided by the Transport Committee (Merseytravel Committee).</p>	<p>As per 2015 conventions.</p> <p>Any subsequent review of the LTP would be at an LCR-wide level.</p>
Transport policy decisions	<p>Transport planning and other local transport authority functions (e.g. freight, strategic funding decisions, co-ordination of bids) would pass to CA and the Merseytravel Committee.</p> <p>Halton BC to have two representatives on the Merseytravel committee.</p> <p>Merseytravel staff to provide support across LCR, in addition to Merseyside.</p> <p>Policy decisions affecting the Mersey Gateway and Silver Jubilee Bridge would remain the responsibility of Halton BC.</p>	<p>As per April 2014 conventions.</p> <p>Transport Committee to be reviewed, as per agreement to date by Leaders.</p>	<p>As per April 2014 conventions.</p>

Transport function / responsibility	Approach to delivery during transitional period		
	From 1 st April 2014	From 1 st April 2015	From 1 st April 2018
Set and receive the transport levy	<p>No change.</p> <p>No Combined Authority levy will be paid by Halton BC for 2014/15.</p> <p>Passenger transport services in Halton BC paid from existing Halton BC revenue budgets, as set by Halton BC before end of 2013/14 financial year.</p> <p>Informal balancing payments from Halton BC to CA or CA to Halton if necessary</p>	<p>No change.</p> <p>No CA levy will be paid by Halton for 2015/16.</p> <p>Process of scoping transitional levy to be at an advanced stage, identifying service enhancements sought and the associated costs.</p> <p>Informal balancing payments from Halton BC to CA or CA to Halton BC if necessary</p>	<p>Differential levy is paid to CA, in accordance with agreed scope, to allow enhanced and consistent transport services to be provided across the LCR.</p>
Receive and allocate Integrated Transport Block (ITB) and Highways Maintenance (HM) funding from DfT	<p>Funding for 2014/15 will be paid to Halton BC at the following agreed levels:-</p> <ul style="list-style-type: none"> • ITB - £1,020k • HM - £1,816k <p>Halton BC will manage this funding as part of its capital programme. A contribution will be made by Halton BC to support the cost of shared transport monitoring and modelling activities across the LCR.</p> <p>Merseyside to receive separate funding allocation, redistributed in accordance with a formula agreed by the ITA in January</p>	<p>Expectation that CA will receive and manage a single LCR-wide ITB and HM funding allocation from 2015/16 onwards, and be responsible for prioritisation and allocation of funding.</p>	<p>As per 2015 conventions, unless formulaic funding arrangements are changed by DfT.</p>

Transport function / responsibility	Approach to delivery during transitional period		
	From 1 st April 2014	From 1 st April 2015	From 1 st April 2018
	<p>2013.</p> <p>In early spring 2014 DfT will confirm allocations for the three year period from 2015/16 to 2017/18, with indicative allocations for 2018/19 to 2020/21.</p>		
Manage concessionary travel arrangements (i.e. concessions for older and disabled people)	<p>No change.</p> <p>Halton BC to remain part of Cheshire concessionary travel scheme, and operate in accordance with current scheme.</p>	<p>No change, though consideration to be given to termination of Halton BC's membership of Cheshire concessionary travel scheme.</p> <p>Consideration given to introduction of "top up" arrangement for Halton BC concessionary pass holders, to allow travel on LCR-wide rail services in addition to (minimum statutory) bus services. Top-up to be funded through Halton BC revenue support.</p>	<p>A new concessionary travel scheme to be in place, to provide consistent concessionary travel offer, on terms agreed by the CA and funded through the levy.</p>
Manage and fund supported bus services	<p>No change.</p> <p>Supported bus services in Halton procured and funded by officers at Halton BC, facilitated by appropriate scheme of delegation. This will be funded from HBC revenues.</p> <p>Merseytravel would procure Merseyside supported bus services, funded from levy.</p>	<p>No change from April 2014 approach.</p> <p>Bus service reviews across Merseyside and Halton BC to be carried out jointly.</p>	<p>All bus services commissioned and procured centrally by CA on behalf of the CA and funded by the levy.</p> <p>CA Supported Bus Service Policy adopted</p> <p>Review of community transport provision and services</p>

Transport function / responsibility	Approach to delivery during transitional period		
	From 1 st April 2014	From 1 st April 2015	From 1 st April 2018
	<p>Halton residents would continue to benefit from Halton Community Transport (HCT) dial-a-ride services, with Merseylink remaining a Merseyside-only service.</p> <p>New supported bus policy for Merseyside would become the responsibility of the CA (e.g. non-statutory home to school travel, demand responsive transport, bus subsidy criteria). Common Supported Bus Service policy for the CA to be developed.</p> <p>CA to commission a revised bus tendering policy framework for the LCR. This will include a review of the Merseylink DRT service, which is currently Merseyside-only.</p>		
Provide passenger transport infrastructure (e.g. bus shelters, bus shelter information, real time information, rail stations)	<p>No change.</p> <p>Halton BC would remain responsible for existing bus shelter maintenance contracts, bus shelter installation, bus stations and information provision across the borough.</p>	<p>Roll-out of Merseytravel standard, branded bus shelters across Halton BC, starting with key cross-boundary bus routes (e.g. 82, 61 and 14 services).</p> <p>To be funded from CA's ITB allocation.</p>	<p>Replacement of all Halton BC bus shelters to Merseytravel-branded standard, with associated timetable displays, supported by a single LCR-wide maintenance contract</p> <p>Real time bus information equipment / displays / compatibility would be introduced into Halton, as part of roll-out of emerging Merseyside RTI systems.</p> <p>Widnes and Runcorn East rail stations upgraded to 'Merseyrail' design and accessibility standards, with consistent branding and comparable staffing</p>

Transport function / responsibility	Approach to delivery during transitional period		
	From 1 st April 2014	From 1 st April 2015	From 1 st April 2018
			<p>arrangements.</p> <p>Consideration given to management and staffing of Widnes and Runcorn bus stations to a Merseytravel standard, with consistent branding.</p> <p>Capital works funded from CA's ITB allocation, with revenue support from the levy.</p>
Provide customer information (e.g. Traveline information service and bus and rail timetables)	<p>No change.</p> <p>Halton to remain part of Cheshire Traveline scheme and call centre arrangement, with weekend and evening calls taken by Merseytravel, as per existing conventions.</p> <p>Halton BC to maintain and publish Runcorn and Widnes bus maps.</p> <p>Merseytravel timetables to remain Merseyside-only.</p>	<p>Roll-out the production of bus and rail timetables in a 'Merseytravel' format across Halton. Halton travel information made available on Merseytravel's website.</p> <p>Secure agreement for migration of Halton Traveline calls from Cheshire to Merseytravel call centre.</p>	<p>Traveline functions for Halton to migrate from Cheshire to Merseyside, funded from the levy.</p> <p>All LCR-wide travel information available on Merseytravel website in a consistent format.</p>
Administer multi modal / multi-operator pre-paid tickets	<p>No change.</p> <p>Halton BC has no pre-paid ticketing scheme, other than commercial ticketing schemes managed by individual bus companies.</p> <p>Merseytravel pre-paid ticketing to remain Merseyside only, and not valid within Halton.</p>	<p>Ensure that Merseyside ticketing review covers the full geography of the LCR and plans for the rollout of Merseyside pre-paid ticketing to Halton.</p>	<p>Consistent LCR-wide pre-paid multi-modal ticketing scheme in place, linked to Walrus or equivalent platform.</p>

Transport function / responsibility	Approach to delivery during transitional period		
	From 1 st April 2014	From 1 st April 2015	From 1 st April 2018
Strategic highways powers	<p>No change.</p> <p>Halton BC remains responsible for all highways across the borough, including the Mersey Gateway and Silver Jubilee Bridge and their defined approaches.</p>	<p>No change.</p> <p>Halton BC remains responsible for all highways across the borough, including the Mersey Gateway and Silver Jubilee Bridge and their defined approaches.</p>	<p>CA and constituent authorities to agree scope, implications and management of strategic highway network by this date.</p> <p>Halton BC remains responsible for Mersey Gateway and Silver Jubilee Bridge highway and their defined approaches</p>
Ownership of Halton Borough Transport (bus company)	<p>No change.</p> <p>Halton Borough Transport to remain an independent bus operator, partly owned by Halton BC, at arm's length from local authority control, as per 1985 Transport Act provisions.</p>		
All powers, duties, responsibilities and obligations relating to Mersey Gateway and Silver Jubilee Bridges, and their defined approaches	<p>No change.</p>		

EMPLOYMENT AND SKILLS PROTOCOL

**This Employment and Skills Protocol has been made on
between:**

2014

- (1) The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority ('the CA');
- (2) The Borough Council of Halton Unitary Authority; The Metropolitan Borough of Knowsley; The City of Liverpool; The Metropolitan Borough of Sefton; The Metropolitan Borough of St Helens; The Metropolitan Borough of Wirral ('the Constituent Councils'); and
- (3) Liverpool City Region Local Enterprise Partnership ('the LEP').

1.0 BACKGROUND

The Order that establishes the CA provides that the functions of the Constituent Councils in relation to economic development and regeneration are exercisable in reliance on the general power of competence as set out in section one of the Localism Act 2011. It is under this general power that the Councils undertake Employment and Skills activity and under which the CA will discharge employment and skills functions.

In addition, the Constituent Councils have duties under sections 15ZA, 15ZB, 15ZC, 17A, 18A(1)(b), of the Education Act 1996(d) and the power under sections 514A and 560A of that Act which will be exercised concurrently with the CA, with the CA being able to take a wider labour market view of the issue that individual Councils are unable to do independently of each other.

The purpose of this Protocol is to set out the respective roles of the CA and the Constituent Councils in discharging functions around employment and skills. This Protocol also sets out the respective roles of the CA and the Constituent Councils in the production of the Liverpool City Region Employment and Skills Strategy and Skills for Growth Annual Reports.

2.0 CURRENT ROLES OF LIVERPOOL CITY REGION EMPLOYMENT AND SKILLS AND THE CONSTITUENT COUNCILS

Liverpool City Region has been working together formally on employment and skills matters since 2007, with the City Employment Strategy acting as a catalyst for this activity. This led to the establishment of the Employment and Skills Board in March 2010 and subsequent adoption of 'transform, compete, thrive', the City Region's 10 year Employment and Skills Strategy later in 2010. The Board has been responsible for managing £70m external investments, supporting over 10,000 people into work and many more tens of thousands into Apprenticeships and other training programmes. The Board has also led the advocacy for and development of new areas of

implementation, such as the Skills for Growth Bank and the Payment by Results for Adult Skills. The Board is supported by a range of officer groups, which are integrated within the wider CA governance arrangements. There is a clear sense around the strategic leadership of employment and skills provided by the Employment and Skills Board across the City Region as a whole, which complements the detailed Borough level work undertaken by Constituent Councils.

The Constituent Councils have been effectively discharging their duties in supporting young people past the compulsory school age into suitable employment and learning opportunities and there has been informal collaboration between them on this. The new tracking service provides the opportunity for Constituent Councils and the CA to take a wider labour market view of the support available for young people.

3.0 ROLES OF CA AND THE CONSTITUENT COUNCILS

The CA will be responsible for providing democratic accountability and strategic leadership to the employment and skills system within the Liverpool City Region. Responsibilities of the CA will focus on final agreement in relation to strategy, resources and risk and will include but not limited to:

- Setting the long-term Employment and Skills Strategy and priorities for the labour market.

There are specific functions that the CA will commission the Employment and Skills Board to deliver, and this will include:

- Developing the long-term Employment and Skills Strategy and priorities for the labour market;
- Securing and managing additional resources to meet the Board's priorities;
- More effective and efficient targeting of employment and skills resources to meet shared priorities, including the potential to align funding sources in a Community Budget approach;
- Strengthened accountability of mainstream provision;
- Tackling specific shared skills challenges and barriers to employment;
- Promoting lifelong learning;
- Identifying specific barriers to jobs and learning then working across delivery bodies to ensure that these are minimised;
- Developing new options for service delivery and advocating these with national decision makers;
- Scanning the horizon to understand the future needs of businesses and sectors and to communicate these effectively to residents, schools, colleges, learning providers and universities;
- Working with national partners (e.g. Skills Funding Agency, Education Funding Agency, Jobcentre Plus) to inform the strategic overview of provision and ensure that it meets the needs of businesses and learners;

- Co-ordinating the approach to Skills Capital to ensure that proposals are in line with City Region priorities;
- Seeking further devolution and local control over employment and skills programmes and investments where appropriate; and
- Working alongside Constituent Councils on the duty to record and report the education, training and employment status of their 16-18 year old residents.

The CA will be responsible for the future production, monitoring and updating of the City Region's Employment and Skills Strategy and Annual Skills for Growth Reports. This will be delegated to the Liverpool City Region Employment and Skills Board and co-ordinated through its supporting governance structure.

The role of individual Constituent Councils should include the following:

- Lead local partnerships and dialogues with businesses, colleges and providers based in their area;
- Support the work of the Employment and Skills Board by:
 - Feeding back their local knowledge and needs to inform the Liverpool City Region Employment and Skills Strategy, Skills for Growth Agreements and monitoring of performance; and
 - Providing membership and expertise to the Employment and Skills Board and Sub-Groups where appropriate.

The role of the LEP should include:

- Providing expertise and experience from the business community to inform the Liverpool City Region Employment and Skills Strategy and Skills for Growth Agreements; and
- Providing membership and expertise to the Employment and Skills Board and Sub-Groups where appropriate.

HOUSING STRATEGY PROTOCOL

**This Housing Strategy Protocol has been made on
between:**

April 2014

- (1) The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority ('the CA');
- (2) The Borough Council of Halton Unitary Authority; The Metropolitan Borough of Knowsley; The City of Liverpool; The Metropolitan Borough of Sefton; The Metropolitan Borough of St Helens; The Metropolitan Borough of Wirral ('the Constituent Councils'); and
- (3) The Liverpool City Region Local Enterprise Partnership ('The LEP').

1.0 BACKGROUND

The Order that establishes the CA provides that the duty under Section 8(1) of the Housing Act 1985 (the duty of local housing authorities to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation) is to be exercised by the CA concurrently with the Constituent Councils.

Section 8 of the Housing Act 1985 ('HA 1985') provides that:

- (1) Every local housing authority shall consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation.
- (2) For that purpose, the authority shall review any information that has been brought to their notice, including, information brought to their notice as a result of the consideration of the housing conditions in their district under Section 3 of the Housing Act 2004.

Section 3 of the Housing Act 2004 ('HA 2004') provides that:

- (1) A local housing authority must keep the housing conditions in their area under review with a view to identifying any action that may need to be taken by them under any of the provisions mentioned in subsection (2).
- (2) The provisions are –
 - (a) The following provisions of this Act
 - (i) This part
 - (ii) Part 2 (licensing of HMOs)
 - (iii) Part 3 (selective licensing of other houses), and
 - (iv) Chapters 1 and 2 of Part 4 (management orders);
 - (b) Part 9 of the Housing Act 1985 (demolition orders and slum clearance);

- (c) Part 7 of the Local Government and Housing Act 1989 (renewal areas);
and
 - (d) Article 3 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (s.1 2002/1860)
- (3) For the purpose of carrying out their duty under subsection (1) a local housing authority and their offices must –
- (a) Comply with any directions that may be given by the appropriate national authority, and
 - (b) Keep such records, and supply the appropriate national authority with such information as that authority may specify.

The purpose of this Protocol is to set out the respective roles of the CA and the Constituent Councils in discharging the function in relation to the duty to consider housing conditions in their district with respect to the provision of further housing accommodation pursuant to Section 8(1) of the Housing Act 1985. This Protocol also sets out the respective roles of the CA and the Constituent Councils in the production of the Liverpool City Region Local Investment Plan and Strategy.

2.0 CURRENT ROLES OF LIVERPOOL CITY REGION HOUSING GROUP AND THE CONSTITUENT COUNCILS

Since 2007 the Constituent Councils have produced a single Local Housing Investment Plan, which pulls together the six district housing strategies and identifies the sub regional priorities. Through this collaborative working the City Region has made good progress in improving housing conditions and providing new and affordable housing.

On 18 October 2013, the City Region Cabinet approved the Local Investment Plan for housing and key sites, and this strategy was ratified by the LEP.

The duties set out in Section 3 of the Housing Act 2004, (information derived from which informs both the Housing Strategies produced pursuant to Section 8 of the Housing Act 1985 by the Constituent Council), are discharged by the individual Constituent Councils.

3.0 ROLES OF CA, THE CONSTITUENT COUNCILS AND THE LIVERPOOL CITY REGION CABINET

The CA will be responsible for the future production, monitoring and updating of the Local Investment Plan. This will be co-ordinated through the Liverpool City Region Housing and Spatial Planning Co-ordinating Group.

The Local Investment Plan will be informed by information provided by the Constituent Councils, including:

- Information brought to their notice as a result of the consideration of the housing conditions in their district under Section 3 of the Housing Act 2004; and
- Information regarding
 - Public and private land supply.
 - Affordable housing completions.
 - Housing stock conditions.
 - Length of social housing waiting list.
 - Levels of homelessness.

The Constituent Councils will have regard for the housing conditions in each district pursuant to Section 8 of the Housing Act 1985 ('HA 1985')

The Constituent Councils will continue to co-operate with the CA in providing any information held by the Individual Council, that is required by the LCR Housing and Spatial Planning Co-ordinating Group for the production, delivery, monitoring and updating of the LCR Local Investment Plan.

The Constituent Councils will retain responsibility for discharging duties of Section 3 of the Housing Act 2004.

EUROPEAN PROGRAMME PROTOCOL

**This European Programme Protocol has been made on
between:**

2014

- (1) The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority ('the CA');
- (2) The Borough of Halton Unitary Authority; The Metropolitan Borough of Knowsley; The City of Liverpool; The Metropolitan Borough of Sefton; The Metropolitan Borough of St Helens; The Metropolitan Borough of Wirral ('the Constituent Councils'); and
- (3) The Liverpool City Region Local Enterprise Partnership ('the LEP').

The purpose of this Protocol is to define the European Programme functions and set out the respective roles of the CA, the LEP and the Constituent Councils in discharging those functions.

1.0 BACKGROUND

- 1.1 The Liverpool City Region European Programme 2014-2020 is a key component to growing our business and supporting more people into jobs over the next seven years.
- 1.2 Government has given the strategic responsibility for a large part of the new round of European Structural and Investment Funds (ESIF) 2014-2020 to the Local Enterprise Partnerships.
- 1.3 The CA will work in support with the LEP and Government to deliver the EU Programme 2014-2020 and will scrutinise performance and expenditure.

2.0 FUNCTIONS AND ROLES OF THE COMBINED AUTHORITY, LEP AND CONSTITUENT COUNCILS

- 2.1 The current governance structure of the Merseyside EU Programme 2007-2013 is managed locally by a sub-committee of the regional Local Management Committee (LMC). This Sub-Committee supports and advises the LMC in discharging some of its responsibilities specifically in the role of strategic development and review of the programme in the Merseyside Phasing in area.
- 2.2 Arrangements are currently in place to ensure that any European resources attributed to Halton complement the Merseyside Phasing in area/transition area.

3.0 CURRENT ROLES OF LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP AND CONSTITUENT COUNCILS

- 3.1 The LEP is responsible for overseeing the delivery of the European Programme 2014-2020 in the City Region.
- 3.2 The CA will fulfil any responsibilities or tasks delegated by Government in their capacity as Managing Authority for EU Structural Funds to the CA. These duties have yet to be determined but may include the following responsibilities.
- 3.3 The commissioning criteria for projects for the European Programme will be determined in accordance with the EU Programme Rules and Regulations.
- 3.4 Working with Government as they develop national arrangements, the implementation of calls for bids processes, will be developed in line with the Liverpool City Region strategic investment priorities.
- 3.5 A robust project appraisal/programme management processes will be implemented, working with CLG as they develop national arrangements and will report regularly on programme performance to the CA.
- 3.6 The City Region European Board will, subject to national arrangements, recommend projects for approval and will defer projects for further development and seek clarification and/or reject projects transparently.
- 3.7 The CA and LEP will robustly review/scrutinise the EU Programme performance, ensuring ESIF targets and strategic objectives of the City Region are met through the efficient delivery of EU projects, including relevant 'Financial Instruments'.

4.0 DISCHARGING THE EUROPEAN PROGRAMME FUNCTION

- 4.1 The Liverpool City Region European Programme (2014-2020) has been developed by the LEP in consultation with the Constituent Councils, Local Business and a wide range of Local Partners.
- 4.2 The Programme builds on the significant assets and potential and aims to reverse the long term underperformance of our key assets and will address social inequality. Local Partners have prioritised our Programme on five key areas of genuine strength and economic opportunity.
- 4.3 The LEP will take strategic responsibility for the EU Programme through its City Region European Board, working with CLG as they develop national arrangements.
- 4.4 The CA will act as the Intermediary Body in order to undertake tasks on behalf of the Managing Authority, should this be required.

- 4.5 The CA will have the responsibility for the Scrutiny of the performance of the European Programme both financially and outcomes, working with CLG as they develop national arrangements.

ACCOUNTABLE BODY PROTOCOL

**This Accountable Body Protocol has been made on
between:**

2014

- (1) The Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority ('the CA');
- (2) The Borough Council of Halton Unitary Authority; The Metropolitan Borough of Knowsley; The City of Liverpool; The Metropolitan Borough of Sefton; The Metropolitan Borough of St Helens; The Metropolitan Borough of Wirral ('the Constituent Councils'); and
- (3) Liverpool City Region Local Enterprise Partnership ('the LEP').

1.0 BACKGROUND

- 1.1 The Order that establishes the CA provides that the functions of the Constituent Councils in relation to economic development and regeneration are exercisable in reliance on the general power of competence as set out in section one of the Localism Act 2011. It is under this general power that the CA will discharge functions as an Accountable Body.
- 1.2 There is an expectation that the creation of the CA will enable the City Region to attract additional income to support economic growth and jobs. This funding will be granted to the City Region as a whole for use on a range of different activities and as such an organisation would need to act as Accountable Body for that funding. The CA would be both reactive to funding announcements and proactive, based upon implementing the City Region's agreed Growth Plan.
- 1.3 The CA will become the presumed default Accountable Body for new City Region level fund.

2.0 ROLE OF AN ACCOUNTABLE BODY

It is ultimately the responsibility of the Accountable Body to assure itself that decisions are made in a robust and coherent fashion, relevant outcomes are achieved and grant is spent in line with the relevant funding rules and regulations. These are covered in the following sections.

2.1 Decision-making

Decision-making, involving the spending of CA will need to demonstrate this, as well as any Boards or Committees who will be acting on the CA's behalf.

2.2 Financial management

The CA as Accountable Body will require evidence of how decisions have been made and a clear audit trail from a decision, to the award of a contract (for example) and payment being made. In addition, full records will need to be kept by delivery organisations.

2.3 Performance management

The CA as Accountable Body will need to evidence that the funds distributed have been used for the purposes for which the fund were allocated, and that this is in line with the requirements of the funder. Regular reports will need to be submitted to the CA as Accountable Body, with an overall view taken by the CA of performance against the delivery of funds.

3.0 ROLES OF CA AND THE DELIVERY ORGANISATIONS

3.1 The CA will be responsible for providing democratic accountability and strategic leadership around economic development, housing, transport and employment and skills within the City Region. This is provided for in the general power of competence under section 13 of the Localism Act 2011, which amended the Local Democracy, Economic Development and Construction Act of 2009.

3.2 The CA will act as Accountable Body for a range of different funds which seek to promote improvements in economic development, housing, transport, employment and skills and other regeneration activity. This will primarily (but not necessarily exclusively) be to fund activities which will have a City Region impact. The CA may administer the funds with strategic decisions on commissioning being made elsewhere or it may administer the funds and commission activity itself.

3.3 The responsibilities of the CA on the administration of Accountable Body funds will include:

- To fulfil any responsibilities for EU Structural Funds on behalf of the CA as an intermediary body;
- Acting as Accountable Body for Single Local Growth Fund, RGF, EU Funds and other City Region resources which may flow to the CA/LEP for the purpose of economic development;
- Providing financial monitoring statements on a regular basis on behalf of the CA and LEP and to provide accounting arrangements to Audit standards;
- Ensuring that the implications of the agreements associated with the funds are fully understood;

- Put in place processes through Financial Procedure Rules to ensure appropriate financial and contractual administration of the funds including compliance with procurement regulations and audit;
- Entering into agreements with delivery organisations and holding them to account for their performance; and
- Regular reporting to the CA on the performance and outputs of funds.

3.4 There are specific responsibilities around making investment decisions (through commissioning or procurement) that the CA may retain or commission a Board or Committee to undertake. This will include:

- Confirming the strategic fit of the proposed activities with the City Region's Growth Plan and strategic investment priorities;
- Commissioning activity through a range of procurement methods;
- Implementing a robust project appraisal process to ensure activity delivers outcomes and value for money;
- Implementing a robust programme management approach;
- Making strategic decisions on the investment of the funds transparently;
- Receiving regular updates on the activity being delivered through the funds; and
- Ensuring that there is a thorough approach to evaluation of the activity being delivered through the funds.

3.5 The role of individual delivery organisations should include the following:

- Design activity in line with the requirements of the funds which supports the delivery of the City Region's Growth Plan;
- Deliver activity in line with contractual agreements with the CA;
- Ensure that financial and commercial requirements are met; and
- Maintain records of activity and expenditure in line with funding agreements.

Signed by **Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority** Authorised Signatory

Dated

Signed by Constituent Councils Authorised Signatories

Signed by the **Borough Council of Halton Unitary Authority:**

Signed by the **Metropolitan Borough of Knowsley**

Signed by The **City of Liverpool**

Signed by The **Metropolitan Borough of Sefton**

Signed by The **Metropolitan Borough of St Helens**

Signed by The **Metropolitan Borough of Wirral**

Dated

Signed by the **Liverpool City Region Local Enterprise Partnership**
Authorised Signatory

Dated

**Transport legislation affecting current governance structures –
Changes as a result of creation of Combined Authority**

Current strategic transport responsibilities in summary

Merseyside Integrated Transport Authority

- Local Transport Authority
- Travel Concession Authority
- Levying authority
- Accountable body to non-statutory Local Transport Body

Merseyside Passenger Transport Executive

- Legally distinct body, charged with delivering the policies of the ITA, with discrete powers to support this role.

Merseyside metropolitan district councils

- Highway Authorities
- Traffic Authorities
- Licensing Authorities (e.g. taxis)
- Local Planning Authorities
- Authorities for local air quality management / Environmental Health (e.g. declare Air Quality Management Areas)

Halton BC

- Local Transport Authority
- Travel Concession Authority
- Highway Authority
- Traffic Authority
- Licensing Authority (e.g. taxis)
- Local Planning Authority
- Authority for local air quality management / Environmental Health
- Owns arms-length bus company (Halton Transport), but a commercial venture, by law

The tables that follow highlight in more depth, the principal statutory provisions considered to be most relevant to the operational requirements of the ITA, the PTE, Halton BC and the local authorities and how these would be affected by the creation of the Combined Authority.

The tables are in three parts:-

- Part 1 - Transport Provisions set out in different legislation
- Part 2 - General Public Sector Related Legislation
- Part 3 - How the draft CA transport functions could apply in practice

NB - Reference to “Transport Executive” in this document is shorthand for the body that will deliver the CA’s policies and which will incorporate all existing functions and duties of the current Passenger Transport Executive. The preferred option is that the TE is renamed “Merseytravel” within the CA Order, with all previous powers of the PTE vested within it, in addition to the new functions that it will deliver on behalf of the CA.

Appendix D

PART 1

Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
Transport Act 1968	<ul style="list-style-type: none"> The Act gave the ITAs the ability to give directions to PTE's 	ITA	Combined Authority			Procedural issues but 1968 Act does not apply to Halton BC but some provisions contained in 1985 Act for Halton BC
	<ul style="list-style-type: none"> PTEs to be accountable to ITA's (s15A) 	PTE	Transport Executive			
	<ul style="list-style-type: none"> PTEs to provide passenger transport services for their areas 	PTE	Transport Executive	By Transport Executive (Merseyside only)	By LCR-wide single Transport Executive	Opportunity to pool MT and HBC staff
	<ul style="list-style-type: none"> ITA to seek and have regard to PTE advice in determining appropriate services for PTEs to secure for the purpose of meeting any public transport requirements in the given area (s9A) 	ITA	Combined Authority	Advice to stem from Transport Executive	Advice to stem from Transport Executive	
	<ul style="list-style-type: none"> PTE/Halton to secure the provision of services [considered appropriate by the ITA] (s9A) (S63 of 1985 Act for Halton) 	PTE/Halton	Transport Executive	By Transport Executive (and Halton) in accordance with CA policy	By single Transport Executive in accordance with CA policy	
<ul style="list-style-type: none"> PTE/Halton to take measures promoting availability of services and convenience of public [in accordance with ITA general policies (s9A)] (S63 of 1985 Act for Halton) 	PTE/Halton	Transport Executive			Opportunity to pool MT and HBC staff, rationalise contracts and reduce costs	

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	<ul style="list-style-type: none"> PTE to keep local railway passenger services under review (s20) 	PTE	Transport Executive	Transport Executive (a Halton BC)	Transport Executive will have LCR-wide remit over rail	
	<ul style="list-style-type: none"> PTE to exercise control over subsidiary companies in order to ensure that they do not engage in activities which PTE has no power to engage in (s10) 	PTE	Transport Executive	Procedural issue		Opportunity to improve local railway services in Halton
	<ul style="list-style-type: none"> PTE can do anything it considers appropriate for the purposes of carrying out its functions (“functional purposes”) etc. and may also exercise any of these general powers for a commercial purpose (s10A) 	PTE	Transport Executive	Procedural issue		Subsidiary companies being disestablished over time
	<ul style="list-style-type: none"> PTE can enter into service subsidy agreements, subject to competitive tendering in accordance with ss89/90 Transport Act 1985 (s9A) 	PTE	Transport Executive	Procedural issue		
	<ul style="list-style-type: none"> PTE can carry passengers (other than by bus) within its area and up to the permitted distance outside the boundary (twenty-five miles from the nearest point on the boundary) (s10) 	PTE	Transport Executive	Procedural issue		Opportunity to enhance cross-boundary service provision

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	<ul style="list-style-type: none"> PTE can enter into agreements with heavy rail network and station operators for replacement, redevelopment, operation or staffing, subject to ITA approval (s10) 	PTE	Transport Executive			Legislative provisions that will transfer from PTE to new Transport Executive, in the main
	<ul style="list-style-type: none"> PTE can let passenger vehicles on hire under a service subsidy agreement (s10) 	PTE	Transport Executive			
	<ul style="list-style-type: none"> PTE can let rolling stock on hire to rail franchisees where the PTE is a co-signatory of the franchise agreement or in connection with local rail services or otherwise with Secretary of State consent (s10) 	PTE	Transport Executive			
	<ul style="list-style-type: none"> PTE can develop land for use by others, subject to ITA approval (s10); 	PTE	Transport Executive subject to CA approval			
	<ul style="list-style-type: none"> PTE can dispose of land, subject to ITA approval (s10) 	PTE	Transport Executive subject to CA approval			

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	<ul style="list-style-type: none"> • PTE can obtain land through compulsory purchase orders (CPO) if authorised by the Secretary of State at the request of the ITA (s10) • PTE and ITA have financial powers such as to borrow/guarantee moneys in certain circumstances (ss12-13) • ITA and PTE have duty to have regard to the combination of economy, efficiency and effectiveness (s9A) • ITA and PTE have duty to have regard to the transport needs of elderly or disabled persons (s9A) • ITA and PTE have financial duties (ss11 and ss14-16) • ITA/PTE - prohibition on directors/operators of public transport services being appointed as members, officers or servants of ITAs/PTEs (s9A) 	PTE	Transport Executive at request of CA			Legislative provisions that will transfer from PTE to new Transport Executive, in the main
		PTE/ITA	Transport Executive/CA			
		ITA/PTE	CA /Transport Executive			
		ITA/PTE	CA /Transport Executive			
		ITA/PTE	CA /Transport Executive			
		ITA/PTE	CA /Transport Executive			

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
County of Merseyside Act 1980/Mersey Tunnels Act 2004	<p>The Mersey Tunnels Order 1986 made pursuant to the Local Government Act 1985 transferred the responsibility for the operation of the Mersey Tunnels to the MITA on 1 April 1986. Part XIII of the County of Merseyside Act 1980 (as amended by the Mersey Tunnels Order 1986 and the Mersey Tunnels Act 2004) governs the Mersey Tunnels. The Act:-</p> <ul style="list-style-type: none"> • empowers the MITA to take tolls - toll increases are to be linked to the RPI. • states that MITA shall in each February make an order to come into force on the first day of April immediately following the making of the order fixing the amount of the tolls. • entitles the MITA to apply to the Sec of State for any other increase in tolls or re-classification provided the procedure laid down in the Act is followed. • gives MITA the power to use surplus toll revenue to support transport related schemes in the region. • places an obligation on the MITA to consult the people of Merseyside on the issue of toll levels once the tunnel debts have been paid off. • gives MITA the power to carry out or 	ITA	Combined Authority	Transport Executive	Transport Executive	<p>Combined Authority will assume all functions of the ITA in respect of the Mersey Tunnels, and bring toll income within its control</p> <p>Delivery arrangements will remain as now via Transport Executive</p> <p>Mersey Tunnels Police are currently employees of the ITA, and will become employees of CA</p> <p>CA Order likely to need to make provision to transfer affected staff to the staffing structures of the Transport Executive, as CA does not wish to be a staffing body</p>

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	<p>instruct others to carry out traffic noise insulation work on any residential building on the Kingsway Tunnel approach road.</p> <ul style="list-style-type: none"> • requires the MITA to notify holders of a road service licence for a route through the tunnel of any proposed closure of the tunnels (28 days' notice except in case of an emergency). • requires the MITA to notify the public by advert in a newspaper of any proposed closure of the tunnels (7 days' notice except in case of an emergency). • requires the MITA to display traffic signs communicating proposed closures at the entrances to the tunnels for a period of 7 days prior to any proposed closure of the tunnels. • requires MITA to keep an annual account of their income and expenditure and within 4 months after the end of each financial year (or such other longer period as the Minister may allow) send to the Secretary of State a copy of that account. • entitles the MITA to make and enforce byelaws for the regulation control and protection of the tunnels etc. • requires MITA to display a copy of all 					

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	byelaws in conspicuous positions within a reasonable distance of each of the entrances to the tunnels. <ul style="list-style-type: none"> entitles the MITA to appoint law enforcement officers for the policing of the tunnels etc. 					
Transport Act 1983	PTEs shall perform their functions to ensure so far as practicable that their combined revenues (including revenues of their subsidiaries) for any accounting period are sufficient to meet their combined charges properly chargeable to revenue account in that period (s2)	PTE	Transport Executive	Transport Executive	Transport Executive	Halton BC will retain powers in respect of tendering of bus services during the transitional period
	ITAs, in exercising or performing any of their functions, shall have regard to the duty imposed on PTEs by this section (s2)	ITA	Combined Authority	Combined Authority	Combined Authority	
	PTEs shall, in the case of such of their activities as they may determine to be appropriate, invite other persons to submit tenders to carry on those activities for such period and on such basis as decided by the PTEs. A tender shall be accepted where to do so would result in the relevant activities being carried on in a satisfactory manner and at less cost (s8)	PTE	Transport Executive	Transport Executive	Transport Executive	

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	ITAs can require PTEs to invite tenders to carry on, for such period and on such basis as may be specified by the ITAs, such activities carried on by the PTE as the ITA specifies (s8).	ITA	Combined Authority	Delivered by Transport Executive	Delivered by Transport Executive	
Transport Act 1985	s92 provides that Halton/PTEs must have regard to the interests of the public and bus operators.	Halton/PTE	PTE	Transport Executive	Transport Executive	Halton BC will retain powers in respect of tendering of bus services during the transitional period
	s106 provides powers for Halton/PTEs to provide grants for transport facilities and services.	Halton/PTE	PTE	PTE	PTE	
	Ss93-103 includes powers for Halton/ITA/PTE to establish local travel concession schemes. The administrative duties and limitations placed on Halton/ITA/PTE running such schemes are in ss94-103. Subordinate legislation of relevance includes the Travel Concession Scheme Regulations 1986 and the Travel Concessions (Eligible Services) Order 2002 which further regulate how travel concession schemes are organised.	ITA/PTE/ Halton	Combined Authority/ Transport Executive	Combined Authority/ Halton	Combined Authority/ PTE	
	Halton/PTEs, under s81 of the 1985 Act, also have the power to maintain and operate bus stations and associated facilities. This includes ensuring that bus station charges	Halton/PTE	Transport Executive	Halton/Transport Executive	Transport Executive	

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	<p>are reasonable and PSV operators may apply to the traffic commissioner to challenge the reasonableness of such charges.</p> <p>s82 of the Act places Halton/PTEs under a duty not to act in any way so as to discriminate against any bus operator. This duty applies to the Halton/PTE provision of bus stations and associated facilities and bus station charges and s82 also precludes Halton/PTEs from engaging bus operators to operate bus stations or associated facilities that Halton/PTEs are empowered to provide.</p> <p>Halton/PTEs must co-operate with other authorities to secure best value for money from public transport expenditure (s88).</p> <p>Halton/PTEs have duties in respect of receiving/evaluating tenders for subsidised services (s89-90)</p>	Halton/PTE	PTE	Halton/Transport Executive	Transport Executive	
	Halton/PTEs must co-operate with other authorities to secure best value for money from public transport expenditure (s88).	Halton/PTE	PTE	Halton/Transport Executive	Transport Executive	
	Halton/PTEs have duties in respect of receiving/evaluating tenders for subsidised services (s89-90)	Halton/PTE	PTE	Halton/ Transport Executive	Transport Executive	
Transport Act 2000 (as amended by Transport Act 2008)	ITA to prepare Local Transport Plans (s108).	ITA and Halton BC	Combined Authority	Transport Executive, steered by Transport Advisory Group	Transport Executive, steered by Transport Advisory Group	Responsibility for single LTP to pass to CA, but in practice, would need to be delegated to Transport Committee.

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	Mandatory concessions outside Greater London are provided for, imposing an obligation on PTEs to provide elderly and disabled people in their areas with a concessionary travel pass free of charge and people who are entitled to a statutory travel concession with a permit to travel half price (s145). PTE's are the travel concession authority for ITA areas (S146)	PTE/Halton	Transport Executive/ /CA	Transport Executive and Halton	By single Transport Executive	Scope to integrate Halton and Merseyside concessions to provide a more consistent offer for the LCR. Halton would need to transfer from Cheshire scheme to LCR concessionary travel arrangements
	Local transport authority (including an ITA), (or two or more acting jointly) may make a quality partnership scheme if it is satisfied that the scheme will contribute to the implementation of its local transport policies. (s114)	Halton/ITA	Combined Authority	Transport Executive	Transport Executive	Scope to extend SQPS provision into Halton and improve cross-boundary bus links
	A local transport authority, (or two or more acting jointly) may make a quality contracts scheme covering the whole or any part of their area, or combined area (s124)	Halton/ITA	Combined Authority	Transport Executive	Transport Executive	Policy decision for CA to take in future, with advice from Transport Committee and Executive Body.
	A local transport authority (or two or more acting jointly) may make a ticketing scheme covering the whole or any part of their area, or combined area, if they consider that the proposed scheme would be in the interests of the public and would contribute to the implementation of their local transport	Halton/ITA	Combined Authority	Transport Executive	Transport Executive	No pre-paid ticketing scheme within Halton at present. Opportunity post-transitional period for pre-paid ticketing system to extend into

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Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	<p>policies (s135).</p> <p>In respect of ticketing schemes, local transport authorities must co-operate with one another (s135(7)), and in considering whether to make a ticketing scheme, a local transport authority must have regard to the desirability, in appropriate cases, of making a scheme jointly with another authority (s135(8)). Additional provisions in relation to ticketing schemes and their administration are provided within ss136-138 of the Act.</p> <p>Local transport authorities to determine what local bus information is to be made available to the public and if necessary to ensure it is made available (ss139-141).</p> <p>Local transport authorities have the power under the Act to require operators of local services to provide specified information regarding services (s143):</p> <p>s153 and Sch 10 of the Act apply competition tests in respect of the exercise of functions relating to quality partnership schemes, ticketing schemes, subsidised local services, voluntary partnership agreements and certain other agreements, decisions and practices</p>	<p>Halton/ITA</p> <p>Halton/ITA</p> <p>Halton/ITA</p> <p>Halton/ITA</p>	<p>Combined Authority</p> <p>Combined Authority</p> <p>Combined Authority</p> <p>Combined Authority</p>	<p>Transport Executive and Halton BC</p> <p>Transport Executive and Halton</p> <p>Transport Executive and Halton</p> <p>Transport Executive</p>	<p>Transport Executive</p> <p>Executive Body</p> <p>Transport Executive</p> <p>Transport Executive</p>	<p>Ticketing and information provision within Halton limited at present. Opportunity to extend Merseytravel information offer into Halton</p>

Appendix D

Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
	relating to bus services.					
Railways Act 2005	<p>The role of PTEs in relation to rail franchising is set out in s13. This provides that:</p> <ul style="list-style-type: none"> • the Secretary of State must consult a PTE on proposed franchising of services within or to or from the PTE’s area; • PTEs may enter into contracts with franchisees including, where approved by the Secretary of State, by being parties to franchise agreements under which rail services are provided in their areas • PTEs may not enter into any agreements with rail franchisees without the consent of the Secretary of State (a general consent to various categories of agreements was included in “The new system for the role of English PTEs in the rail franchising process” as issued by the Secretary of State in 2006) 	PTE	Transport Executive	Transport Executive and Halton	Transport Executive	Opportunity to improve Halton BC rail offer through single Transport Executive approach
			Transport Executive	Transport Executive	Transport Executive	
		PTE	Transport Executive	Transport Executive	Transport Executive	

Appendix D

Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
The Merseyrail Electrics Order 2002	<ul style="list-style-type: none"> PTEs and the Secretary of State have a mutual duty to provide each other with information that the other requires for purposes connected with their rail related functions. 	PTE	Transport Executive	Transport Executive	Transport Executive	Important to ensure existing PTE arrangements are transferred via Order to Transport Executive, (if required) as PTE is signatory to existing legal agreement
	<ul style="list-style-type: none"> Railway funding authorities (defined at s45 to include PTEs in certain circumstances) have rights to make network modifications, including the proposal of closures of local railway stations/services under ss22-45 of the Act. 	PTE	Transport Executive	Transport Executive Transport Executive	Transport Executive Transport Executive	
	<ul style="list-style-type: none"> Made the Merseyrail network a rail concession and not a rail franchise, exempt from national Franchising arrangements. 	PTE	PTE			

Appendix D

Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
EU Regulation on public passenger transport services by rail and by road (1370/2007)	<ul style="list-style-type: none"> This Regulation regulates how PTEs and ITAs may intervene to grant exclusive rights and/or compensation to operators of public transport services by rail or road. 	Halton/ITA/PTE	Combined Authority/Transport Executive	Halton/Transport Executive	Transport Executive	
Local Transport Act 2008	<p>Passenger Transport Authorities were renamed Integrated Transport Authorities (s77).</p> <ul style="list-style-type: none"> The Act allows ITAs to work with local authorities to put forward proposals to Government to (ss78-98) extend their boundaries, extend their influence over the highway network, extend their powers over the local heavy rail network, change their names and change their Governance structures. The Act provided wellbeing powers to ITAs. Accordingly, an ITA has power to take any action if it determines that doing so is likely to achieve any one or more of the objects listed in section 99. These powers may be exercised for the 	ITA ITA	Combined Authority	Combined Authority	Combined Authority	ITA will be disestablished and functions transferred to CA
	<ul style="list-style-type: none"> The Act provided wellbeing powers to ITAs. Accordingly, an ITA has power to take any action if it determines that doing so is likely to achieve any one or more of the objects listed in section 99. These powers may be exercised for the 	ITA	Combined Authority (delegated to Transport Executive)	Transport Executive and Halton BC	Transport Executive	

Appendix D

Transport provisions						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional period	Final arrangements	
Royal Charter 1330/ Ferries (Acquisition by Local Authorities) Act 1919/ Transport Act 1968	<p>benefit of the whole or any part of the ITA's area or of persons resident or present in, or travelling in or through the area. An ITA may delegate to a PTE its function of taking action under s99 but not the function of determining what action to take.</p> <ul style="list-style-type: none"> Operation of the Mersey Ferries 	PTE	Transport Executive	Transport Executive	Transport Executive	No change from current delivery arrangements, but overall ferries policy steered by CA

Appendix D

PART 2

General Public Sector Related Legislation						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional	Final	
Local Government Act 1972	Makes provision for councils, their members, meetings, proceedings and finance, confers powers and functions and makes miscellaneous and general provisions. Several of its provisions affect local transport bodies for example, meetings and proceedings (s99) and the access to information provisions (VA and s146A)	Halton/ITA	Halton/ Combined Authority	Transport Executive	Transport Executive	Largely procedural issues. The CA is required to have specific named officers.
	s151 requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its financial affairs. An analogous provision for joint authorities is contained in s73 of the Local Government Act 1985.	Halton/ITA	Combined Authority	Transport Executive	Transport Executive	
	s224 requires local authorities to make proper arrangements in respect of the records that they create.	Halton/ITA	Combined Authority	Halton/Executive Body	Transport Executive	

Appendix D

General Public Sector Related Legislation						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional	Final	
Local Government Act 1985	Set up joint authorities following the abolition of the former metropolitan county councils. It provides the constitutional basis for ITAs. Schedule 10, Part III deals with the number of members of Merseyside joint authorities.	ITA	Combined Authority Transport Cttee	Executive Body would provide technical and professional advice to the CA and Transport Committee	Executive Body would provide technical and professional advice to the CA and Transport Committee	Transport Committee of the CA could be a joint committee, to provide proportional representation from each of the constituent authorities.
	s34 requires ITAs to appoint a chairman, vice-chairman, and clerk. s73 requires ITAs to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has responsibility for the administration of those affairs. s73 provides that a new authority under s73 includes a reference to a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009.	ITA	Combined Authority			Assumed that constitution of CA will need to address appointment / nomination of statutory officers. Transport Executive to support as appropriate.
Local Government Finance Act 1988	Part VIII deals with financial administration and includes the required qualifications of the	ITA/PTE	Combined Authority/ Transport	Transport Executive	Transport Executive	No change in practice

Appendix D

General Public Sector Related Legislation						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional	Final	
	responsible finance officer together with a significant duty in s114 on the chief finance officer to report to the ITA/PTE under specified circumstances including unlawfulness, loss or deficiency or expenditure in excess of resources.		Executive			
Local Government and Housing Act 1989	<p>Part I - local authority members, officers (including the monitoring officer), staff and committees etc;</p> <p>Part V - companies in which local authorities have interests. This includes ITAs and PTEs. Part I contains important provisions affecting transport bodies including the requirement to appoint a monitoring officer, politically restricted posts and political proportionality in allocating seats to political groups.</p>	<p>ITA/Halton</p> <p>ITA/PTE</p>	<p>Combined Authority</p> <p>Combined Authority/ PTE</p>	<p>Transport Executive</p> <p>Transport Executive</p>	<p>Transport Executive</p> <p>Transport Executive</p>	Need to agree what 'statutory officers' are required for CA purposes
Local Democracy, Economic Development and Construction Act 2009	This Act allows the creation of appointed combined authorities covering multiple local authority areas.					Legislative provision to establish the CA.
Localism Act 2011	Further and wider general powers granted for ITAs (s102B). These	ITA	Combined Authority	Delegable to Transport	Delegable to Transport	

Appendix D

General Public Sector Related Legislation						
Legislation	Key/Notable Provisions	Who holds now	Where will it go	How supported/deployed		Comments
				Transitional	Final	
	<p>provide that an ITAs can do anything it considers appropriate for the purposes of carrying out its functions (“functional purposes”) etc.</p> <p>Chapter 7 of Part 1 (together with Schedule 4) contains the statutory infrastructure for the new standards regime affecting the ITA</p>	ITA	Combined Authority	Executive Transport Executive	Executive Transport Executive	

Appendix D

PART 3

How the draft CA transport functions could apply in practice				
CA Functions within draft scheme	What this means in practice or in law	Current arrangement or convention	How supported/deployed under CA model	
			Transitional	Final
Setting the long-term strategic transport vision and outcomes for the Liverpool City Region	A requirement to produce a Local Transport Plan under Local Transport Act 2008	Transport planning is the responsibility of the ITA and Halton BC.	Transport Executive would be responsible for co-ordinating technical and professional input, supported by LA officers and other stakeholders via the Transport Advisory Group (TAG).	
Agreeing the development and approval of a single, city region Local Transport Plan (or its equivalent), which will include high level policy responsibility for major investments (e.g. freight, cycle, rail, highway maintenance, new transport infrastructure, traffic management)	As per above. This will also include wider responsibilities for co-ordinating activity around, and lobbying around HS2, port access and related 'big ticket' issues.	Functions split at present between ITA Halton BC, LAs and LEP, with associate risk of inconsistency or duplication.	<p>The CA's Transport Committee would be charged with overseeing drafts and detailed considerations arising as part of the development of a transport strategy.</p> <p>CA would take strategic decisions on key issues and sign-off responses to government and other external bodies.</p> <p>CA would have influential, co-ordination role over all transport functions, including school travel (LEA duty) and social services transport and taxi licensing. Transport Executive could become the delivery agent for these services, to allow consistency, joint procurement and economies of scale, but statutory responsibility or appeal roles would remain with LAs.</p>	
Agreeing a long-term transport investment strategy as part of the Single Local Growth Plan to deliver the strategic economic vision and outcomes (which includes housing, employment and skills)	Linked to above requirements and associated decision-making.	<p>The LTPs for Merseyside and Halton provide the current transport investment strategy for the LCR.</p> <p>The Local Transport Body agreed a prioritised list of major schemes as</p>	<p>By the Transport Executive and the Transport Advisory Group.</p> <p>The move towards a Growth Deal provides a strategic focus for economic development, skills and transport issues, linked to a single funding pot.</p> <p>Decisions by the CA would need to address transport and economic development considerations in an integrated and mutually supportive way.</p>	

Appendix D

How the draft CA transport functions could apply in practice				
CA Functions within draft scheme	What this means in practice or in law	Current arrangement or convention	How supported/deployed under CA model	
			Transitional	Final
		required by DfT in July 2013 There is a structural disconnect between other policy issues around economic development and skills, however.	Representation by officers of the Transport Executive on other thematic groups, such as the Planning and Housing Board will be important so as to secure integration between the themes that will form the core functions of the CA. There will be a need to agree protocols for setting CA agendas and developing reports, to ensure consistency and read-across.	
Aligning transport investment with inward investment activity across the Liverpool City Region	A co-ordination and strategic alignment role to ensure that transport priorities are linked to economic development priorities. The Growth Deal would introduce a single, strategic funding source against which candidate schemes and priorities would be considered.	No single body with this responsibility at present, as it is split between thematic areas or funding sources (e.g. LTP, Regional Growth Fund, ERDF, Growing Places Fund)	As above.	
Ensuring strategic traffic and highway management co-ordination across the City Region	To be discussed at CA working group	To be discussed at CA working group	To be discussed at CA working group	To be discussed at CA working group
Setting the transport levy for the City Region	As per legislative provisions relating to levying authorities.	ITA sets the levy for Merseyside No levy exists in Halton	A transitional levy would exist, whereby Halton BC would pay no more than its current levels of expenditure	All LAs would pay a levy in respect of their transport functions, delivered by a single Executive Body across the LCR.

Appendix D

How the draft CA transport functions could apply in practice				
CA Functions within draft scheme	What this means in practice or in law	Current arrangement or convention	How supported/deployed under CA model	
			Transitional	Final
	CA Order would need to make legislative provision for a transitional levy in respect of Halton.	by virtue of being a unitary, non-metropolitan authority.	on passenger transport services	This would become more consistent between Halton and Merseyside, with additional levied funds used to enhance service provisions and align concessions, ticketing and service provision within Halton.
Strategic decisions relating to the Integrated Transport Block and Highway Maintenance funds across all networks (as per existing ITA responsibilities)	Ability to receive and allocate core funds from DfT for Highways Management and the Integrated Transport Block across the LCR	<p>ITA has this responsibility for decisions affecting funding Merseyside. Funding allocation is largely formulaic, with some central holdback.</p> <p>A separate funding allocation exists for Halton, and is outside of any decisions taken by the ITA.</p>	<p>CA would be responsible for receiving and deploying an LCR-wide transport block/maintenance block, linked to the priorities of the LCR.</p> <p>This would be likely to move away from a formulaic reallocation, between LAs, especially in the case of the identification of a strategic highway network.</p> <p>The Transport Advisory Group would remain closely involved in the provision of advice to the Transport Executive and thence to the CA.</p>	
Assuming the role of the Local Transport Body in respect of major transport schemes	LTB is a non-statutory body, but is charged, under current conventions, with making decisions on developed major transport funds post 2015.	LTB sits as a stand-alone constituted body to take decisions on major transport schemes (leaders, Chair of ITA and Chair of LEP) The ITA is its accountable body.	<p>In practical terms, LTB issues would be addressed as part of a CA meeting agenda, with provision for the Chair of the LEP and Chair of the Transport Committee to join the meeting and vote, in line with the current Assurance Framework principles.</p> <p>The Assurance Framework would need to be amended to take account of the creation of the CA and the abolition of the ITA.</p> <p>The ITA would be disbanded as a result of the CA and a new accountable body would need to be formalised. This could be the</p>	

Appendix D

How the draft CA transport functions could apply in practice				
CA Functions within draft scheme	What this means in practice or in law	Current arrangement or convention	How supported/deployed under CA model	
			Transitional	Final
			Transport Executive, on behalf of the CA.	
Acting as accountable body for Transport Schemes, e.g. devolved major transport scheme funding	The legal ability to hold funds and make payments, whilst holding relevant partners to account	<p>Split across LCR local authorities and LAs at present.</p> <p>LEP cannot act as an accountable body.</p> <p>ITA is accountable body for LSTF funds and core LTP funding at present (Merseyside only).</p> <p>LAs are accountable bodies for other funds, e.g. ERDF</p>	<p>Likely that existing accountable body arrangements would remain in the short term (for the transitional period), as it would be difficult to change extant funding programme arrangements.</p> <p>Transport Executive would inherit all existing PTE and ITA 'accountable body' functions in the short term</p>	<p>Considered logical to move towards a single accountable body for all strategic LCR funding sources, on behalf of the CA.</p> <p>The Transport Executive would be a logical accountable body for funds, as it enjoys all relevant accounting practices and the ability to arrange audits and scrutiny.</p>
Setting a differential transport levy ("the Differential Levy") in respect of a Constituent Authority	That a differential levy would apply to Halton Borough Council under the CA arrangements during the transitional period.	Does not apply at present. The five Merseyside LAs pay the levy on a population basis. Halton does not pay a levy.	Halton would pay no more than their current level of expenditure on passenger transport services.	Beyond the transitional period, Halton would be levied at a higher rate, reflecting enhanced transport provision across the borough to bring LCR provision to a more consistent level.

Local Transport Powers and Duties

Local Transport and Local Passenger Transport Services

Legislation	Duty / Power	CA/LA/Shared/ Concurrent	Council or Executive Function
Transport Act 2000			
Transport Act 2000 Section 108 (As amended by Local Transport Act 2008)	To prepare a Local Transport Plan (LTP) and in developing this and carrying out functions to taken into account Government Policies and have regard to any guidance issued by the Secretary of State relating to climate change and the protection or improvement of the environment.	Combined Authority	Executive
Transport Act 2000 Section 109	To consult when preparing the LTP and keep it under review, replacing the LTP every 15 years with shorter term implementation plans.	Combined Authority	Executive
Transport Act 2000 Section 112 (As amended by 2008 Act)	To have regards to any guidance issued by the Secretary of State and the needs of elderly or disabled persons when developing the LTP.	Combined Authority	Executive
Transport Act 2000 Section 114 (As amended by 2008 Act)	To have regard, in considering whether to make a Quality Partnership Scheme (QPS), to the desirability of making a scheme jointly with another authority and to cooperate with other authorities when carrying out functions relating to QPS.	Combined Authority	Executive
Transport Act 2000 Section 115 (As amended by 2008 Act)	To give notice of proposal to make a QPS and to consult with specified bodies.	Combined Authority	Executive

Transport Act 2000 Section 116 (As amended by 2008 Act)	To give notice of the scheme not later than 14 days after it is made.	Combined Authority	Executive
Transport Act 2000 Section 117 (As amended by 2008 Act)	To give notice and consult specified bodies before deciding to postpone the QPS for a period not exceeding 12 months.	Combined Authority	Executive
Transport Act 2000 Section 118 (As amended by 2008 Act)	To provide the specified QPS facilities not later than the date specified and throughout the operation of the scheme.	Combined Authority	Executive
Transport Act 2000 Section 120	Power to vary or revoke QPS.	Combined Authority	Executive
Transport Act 2000 Section 123	To have regard to any guidance issued by the appropriate national authority concerning the carrying out of functions in relation to the QPS.	Combined Authority	Executive
Transport Act 2000 Section 124 (As amended by 2008 Act)	To have regard, in considering whether to make Quality Contract Schemes (QCS), to the desirability of making a scheme jointly with another authority, to cooperate with the other authorities and to keep under review the extent to which their quality contracts are complied with.	Combined Authority	Executive
Transport Act 2000 Section 125 (As amended by 2008 Act)	To give notice of a proposal to make a QCS and to consult with specified bodies.	Combined Authority	Executive
Transport Act 2000 Section 126 (As amended by 2008 Act)	To apply to the appropriate national authority for approval for a QCS.	Combined Authority	Executive

Transport Act 2000 Section 127 (As amended by 2008 Act)	To make the QCS if approved by the appropriate national authority.	Combined Authority	Executive
Transport Act 2000 Section 134A (As inserted by 2008 Act)	To have regard to any guidance issued by the national authority concerning the performance of their QCS functions.	Combined Authority	Executive
Transport Act 2000 Section 135 (As amended by 2008 Act)	Duty regarding Ticketing Schemes (TS) to co-operate with other local transport authorities and in considering whether to make a TS to have regard to the desirability of making a scheme jointly with another authority.	Combined Authority	Executive
Transport Act 2000 Section 136	To give notice of a proposal to make a TS and to consult with specified bodies.	Combined Authority	Executive
Transport Act 2000 Section 137	To make the TS and give notice of it within 14 days after it is made.	Combined Authority	Executive
Transport Act 2000 Section 139 (As amended by 2008 Act)	To consult on and determine what local bus information should be made available to the public and the way in which it should be made available.	Concurrent	Executive
Transport Act 2000 Section 140	To make information available where satisfactory arrangements for information provision cannot be made with the operators.	Concurrent	Executive
Transport Act 2000 Section 141	Duty regarding ss 139 and 140 to have regard to economy, efficiency and effectiveness, to the desirability of carrying out those functions jointly with	Concurrent	Executive

	another authority and to co-operate with other authorities.		
Transport Act 2000 Section 143	Power to obtain information relating to specified matters from operators of local services.	Concurrent	Executive
Transport Act 2000 Section 145A (As substituted by Concessionary Bus Travel Act 2007)	To issue permits indicating entitlement to travel concessions to elderly or disabled residents who apply for one (England National Travel Concessionary Scheme).	LA	Executive
Transport Act 2000 Section 149 (As substituted by 2007 Act)	To reimburse the operator for providing travel concessions (ENTCS).	LA	Executive
Transport Act 2000 Section 150	To publish the proposed arrangements for reimbursing operators (ENTCS).	LA	Executive
Transport Act 1985			
Transport Act 1985 Section 63(1)	Duty to secure the provision of such passenger transport services as the Council considers appropriate to meet any public transport requirements which would not otherwise be met.	LA	Executive
Transport Act 1985 Section 63(5) (As inserted by 2008 Act)	Power to enter into an agreement providing for service subsidies for the purpose of securing any service.	LA	Executive
Transport Act 1985 Section 63(6)	Power to take any measures that appear to be appropriate for the purpose of or in connection with promoting the availability and operation of public passenger transport	LA	Executive

	services other than subsidised services.		
Transport Act 1985 Section 63(7) (As amended by 2008 Act)	In exercising their power to promote availability of public passenger transport services, to have regard to a combination of economy, efficiency and effectiveness.	LA	Executive
Transport Act 1985 Section 63(8) (As amended by 2008 Act)	In exercising their power to promote availability of public passenger transport services, to have regard to the needs of elderly or disabled persons.	LA	Executive
Transport Act 1985 Section 81 (As amended by 2008 Act)	Power to provide, maintain and operate bus stations.	LA	Executive
Transport Act 1985 Section 82 (As amended by 2000 Act)	Duty not to discriminate when exercising powers in relation to provision or operation of bus stations in relation to charges to be made for the use of any accommodation at a bus station or of any associated facilities.	LA	Executive
Transport Act 1985 Section 93	Power to establish a travel concession scheme for blind and disabled persons, children, persons over 60 and others specified in regulations.	LA	Executive
Transport Act 1985 Section 95 (As amended by 2008 Act)	To publish particulars of the scheme and reimbursement arrangements for service operators.	LA	Executive
Transport Act 1985 Section 96 (As amended by 2008 Act)	To admit eligible service operators to participate in travel concession schemes.	LA	Executive
Transport Act 1985	To impose obligation to	LA	Executive

Section 97 (As amended by 2008 Act)	provide travel concessions on any operator (participation notice).		
Transport Act 1985 Section 98 (As amended by 2008 Act)	Further provision in relation to participation notices.	LA	Executive
Transport Act 1985 Section 99	Power to release an operator from compulsory participation in travel concession scheme.	LA	Executive
Transport Act 1985 Section 101	Power to enforce participation in travel concession schemes.	LA	Executive
Transport Act 1985 Section 103 (As amended by 2008 Act)	Subsidies for travel Concessions.	LA	Executive
Transport Act 1985 Section 105 (As amended by 2000 Act and 2007 Act)	Power to provide travel concessions on services provided by local authorities.	LA	Executive
Transport Act 1985 Section 106 (As amended by 2008 Act and Local Democracy, Economic Development And Construction Act 209)	Power to make grants to assist the provision of transport facilities for the disabled or to support revenue expenditure incurred in providing services other than those for which a PSV licence is required.	LA	Executive
Traffic Management Act 2004			
Traffic Management Act 2004 Section 16	Duty to manage road network to secure the expeditious movement of traffic and to facilitate the expeditious movement of traffic on other Authorities road networks.	Shared	Executive
Traffic Management Act 2004 Section 17	To make arrangements for planning and carrying out action to be taken in performing network management duty	Shared	Executive

	including the appointment of a Traffic Manager.		
Traffic Management Act 2004 Section 18	To have regard to any guidance issued by the appropriate national authority in performing network management duty.	Shared	Executive

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Strategic Director – Children and Enterprise

PORTFOLIO: Children, Young People and Families

SUBJECT: Capital Programme – 2014/2015

WARD(S): Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 This report provides a summary of the capital programmes for 2014/15 for Children & Enterprise Directorate.

2.0 RECOMMENDATION: That

- 1) The capital funding available for 2014/15 is noted;
- 2) The position in respect of Basic Need is noted;
- 3) The proposals to be funded from Universal Infant Free School Meals capital are approved;
- 4) The proposals to be funded from Capital Maintenance and Capital Expenditure Revenue Account are approved;
- 5) The proposals for the Halebank Voluntary Controlled Church of England Primary School are approved; and
- 6) The report is submitted to Full Council for approval of the Capital Programme 2014/15.

3.0 SUPPORTING INFORMATION

3.1 In December 2013 the Department for Education announced the schools capital grant allocations for 2014/15. The table below details the funding received.

GOVERNMENT FUNDING	
Basic Need	
3 Year Allocation (2014/15, 2015/16 & 2016/17) according to relative need for new places based on forecast data to address basic need pressures.	£2,429,250

GOVERNMENT FUNDING	
Capital Maintenance – Local Authority maintained schools Allocated to fund condition and suitability projects at Local Authority maintained schools.	£1,366,456
Capital Maintenance – Voluntary Aided maintained schools Allocated to fund condition and suitability projects at Voluntary Aided schools.	£802,726
Universal Infant Free School Meals Capital Allocated to ensure school kitchens and dining rooms can provide free school lunches for reception, year 1 and year 2 pupils. Local Authority maintained schools Voluntary aided schools	£240,710 £125,156
Devolved Formula Capital – Local Authority maintained schools Allocated directly to Local Authority maintained schools for their own use to address school building and Information Communication Technology needs.	£278,180
Devolved Formula Capital – Voluntary Aided maintained schools Allocated directly to Voluntary Aided maintained schools for their own use to address school building and Information Communication Technology needs.	£163,405
LOCAL AUTHORITY FUNDING	
Capital Expenditure Revenue Account funding In addition to the funding outlined above, the Local Authority makes a contribution towards capital works in schools (funding to be confirmed).	£431,330

4.0 Capital Maintenance and Capital Expenditure Revenue Account funding.

4.1 The table below details how the Capital Maintenance and Capital Expenditure Revenue Account funding will be allocated.

Description	Estimated costs	Description
Computer Aided Design Plans	£5,000	Used to update plans of school buildings where improvement works have been carried out.
Fire Compartmentation	£20,000	A rolling programme to address fire compartmentation in school buildings.
Asbestos Management	£15,000	Annual update of asbestos surveys and undertaking of resulting remedial works.
Access Initiative Projects	£100,000	Fund that schools can bid for to resolve accessibility issues within school buildings.
School Modernisation Projects	£500,000	Fund that schools can bid for to resolve educational development and curriculum suitability issues within school buildings.
Contingency	£75,000	Used for emergency and health and safety works that arises during the year.
Capital Repairs	£1,006,000	The detailed capital repairs programme for 2014/15 can be found in Appendix 1.
Total	£1,721,000	

5.0 Basic Need Capital Funding.

- 5.1 The Basic Need funding is provided to local authorities to provide school places in their area in all categories of tax-payer funded schools. Halton has recently used Basic Need funding to carry out building works to provide additional school places at Lunts Heath, St Bedes Infants and Juniors, Windmill Hill and Weston Primary schools therefore alleviating pressure for the demand for school places in these areas. All works are now complete.
- 5.2 Building works to provide post 16 facilities at Ashley School and increase capacity at Beechwood Primary School are also being funded from Basic Need capital funding – works to commence later this year.
- 5.3 The use of any unallocated balance of Basic Need capital funding will be subject to a further report to Executive Board later in the year.

6.0 Halebank Church of England Voluntary Controlled Primary School.

- 6.1 Halebank Church of England Voluntary Controlled Primary School is included in the Department for Education's Priority School Building Programme – a

national, privately financed programme to address those schools in the worst building condition.

- 6.2 The Education Funding Agency, acting on behalf of the Department for Education, has recently announced its Outline Business Case for the northwest batch of schools in the Programme has been approved. It is anticipated the first schools will be built in 2015 and it is likely Halebank CE VC Primary will be rebuilt sometime between 2016 and 2017.
- 6.3 A voluntary pre-school operates from a mobile classroom on the site. The Education Funding Agency has advised there is no funding available to accommodate the pre-school in the new school building and when the existing school is demolished the building services that serve the pre-school will be terminated.
- 6.4 The pre-school provides vital services for the local community and acts as a feeder for the Halebank School. The provision of the free early year's entitlement for 2, 3 and 4 year olds is a statutory duty on the Local Authority and the demand for places in Ditton ward is high compared to the Widnes average and this will increase further with the expansion of the free entitlement for 2 year olds up to September 2014.
- 6.5 The cost of retaining the gas, electric and water services to the pre-school mobile will be in the region of £20,000 which can be funded from Capital Programme 14/15.
- 6.6 In order to deliver the expansion of the free entitlement for 2 year olds it will be necessary to carry out some repairs and upgrade works to the pre-school mobile. The estimated cost of these works is £25,000 which can be funded from the Early Education for Two Year Old Capital previously allocated to the local authority in 2012/13.

7.0 UNIVERSAL INFANT FREE SCHOOL MEALS

- 7.1 Universal Infant Free School Meals Capital has been provided to local authorities to ensure school kitchen and dining rooms are able to provide every child in reception, year 1 and year 2 with a free school lunch. The works to be carried out from the Local Authority maintained schools allocation (£240,710) have been determined through suitability, condition and pupil projections, in discussion with the Council's School's Catering Service and are detailed in Appendix 2.
- 7.2 The works to be carried out from the Voluntary Aided allocation (£125,156) for Voluntary Aided maintained schools is to be agreed by the Diocese in consultation with their respective Voluntary Aided schools and will similarly be based upon suitability, condition, and pupil projections.

8.0 POLICY IMPLICATIONS

- 8.1 This programme of works will allow the Council to continue to meet its requirement to enhance the environments through capital projects.

9.0 OTHER/FINANCIAL IMPLICATIONS

9.1 Capital repairs programme

This will contribute to Halton's Carbon Management Programme by producing more energy efficient buildings.

10.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

10.1 Children and Young People in Halton.

The Capital Programme will address condition and suitability issues within school buildings and will improve the learning environment for children and young people.

The Early Education for Two Year Old Capital is intended to support the implementation of early education for lower income families.

10.2 Employment, Learning & Skills in Halton

The Early Education for Two Year Old Capital is intended to support the implementation of early education for lower income families.

10.3 A Healthy Halton

The Universal Infant Free School Meals programme will lead to positive improvements to health encouraging positive eating habits helping to improve concentration and performance.

10.4 A Safer Halton

N/A

10.5 Halton's Urban Renewal

N/A

11.0 RISK ANALYSIS

11.1 Capital Repairs

It is current practice for schools to contribute towards the cost of works. This consultation with schools has yet to take place therefore if schools are not willing to contribute these projects will not be carried out in 2014/15. In the event that schools are unable to contribute towards the cost of the works when completed, an element of the contingency budget can be used for this purpose. The school would then be required to make their contribution in the next financial year.

12.0 EQUALITY AND DIVERSITY ISSUES

12.1 The Access Initiative Programme provides funding to improve the accessibility of mainstream schools for pupils with disabilities and the wider community. Consideration to access issues is given in all building projects. The capacity of schools to meet the needs of children with more complex needs and disabilities will be developed further through building works at schools.

13.0 REASON(S) FOR DECISION

13.1 To deliver and implement the capital programmes.

14.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

14.1 Not applicable.

15.0 IMPLEMENTATION DATE

15.1 Capital Programmes for 2014/15 to be implemented with effect from 1 April 2014.

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

Document	Place of Inspection	Contact Officer
Schools Capital Announcements – DfE 01/03/2013 & 18/12/2013	Children & Enterprise	Phil Dove

Capital Repairs Programme 2014/15

School	Description	Estimated Costs inc Fees
Various	Retentions from 2013/14 Capital Repairs Programme	£25,000
Gorsewood Primary School	Boiler replacement	£15,000
Daresbury Primary School	Boilers and Hot water heater	£42,000
Daresbury Primary School	Roofing works	£11,000
Moore Primary School	Electrical works to lighting and power (phase 1 of 2)	£59,000
Pewithall Primary School	Roofing	£30,000
Simms Cross Primary School	Roofing	£60,000
Brookvale Primary School	Electrical works to lighting and power (phase 1 of 2)	£60,000
Moorfield Primary School	Window replacement	£30,000
Weston Point Primary School	Radiators and pipework replacement (phase 2 of 2)	£40,000
Chesnut Lodge School	Electrical works to lighting and power (phase 1 of 2)	£115,000
Brookfields School	Air handling plant to swimming pool	£90,000
The Bridge School, Astmoor	Electrical works to lighting and power (phase 1 of 2)	£70,000
Oakfield Primary School	Electrical Works (lighting) (final phase)	£40,000
Ashley School	Electrical works to lighting and power (final phase)	£50,000
Simms Cross Primary School	Electrical upgrade (phase 4)	£60,000
Hallwood Park Primary School and Nursery	Window replacement	£70,000
Astmoor Primary School	Boiler	£62,000
Woodside Primary School	Radiators	£77,000
	Total	£1,006,000

UNIVERSAL INFANT FREE SCHOOL MEAL CAPITAL (COMMUNITY & VOLUNTARY CONTROLLED SCHOOLS)

	Basic Essential	Estimated Costs	School Total
BROOKVALE PRIMARY	Ventilation Canopy	£4,000	£4,000
DARESBUY PRIMARY	Steamer	2,000	
	Ventilation Canopy	3,000	
	Mobile Servery counter	4,000	
	Single Fryer	1,500	
	Dishwasher	4,000	14,500
DITTON PRIMARY	Combinaton Oven	7,000	
	Mobile Servery	3,000	10,000
FAIRFIELD PRIMARY	Convection oven	3,000	3,000
FARNWORTH PRIMARY	Dual Flow Serving counter	7,000	
	Convection Range	3,000	
	Convection oven	3,000	
	Centre island/ventilation canopy/ wall down	5,000	
	Dishwasher	6,000	
	Sico furniture	11,200	35,200
GORSEWOOD PRIMARY	Mobile Servery	4,500	
	Ventilation Canopy	4,000	
	Convection range	3,000	
	Fridge	1,500	13,000
HALE CE PRIMARY	Dishwasher	5,000	5,000
HALEBANK CE PRIMARY	Heated servery counter	5,000	5,000
HILLVIEW PRIMARY	Ventilation Canopy	4,000	
	2 convection ranges	6,000	

UNIVERSAL INFANT FREE SCHOOL MEAL CAPITAL (COMMUNITY & VOLUNTARY CONTROLLED SCHOOLS)

	Basic Essential	Estimated Costs	School Total
	Deep Fat fryer	2,000	
	Fridge	1,500	
	Dishwasher	6,000	19,500
LUNTS HEATH PRIMARY	Complete refurbishment		
	Servery counter	6,000	
	mobile servery	3,000	
	Steamer	2,000	
	2 no convection ranges	6,000	
	convection oven	3,000	
	Dishwasher	6,000	
	Sico furniture	11,200	
	Relocate dishwash area convert to chair store	4,000	41,200
MOORE PRIMARY	Heated Servery counter	7,000	
	Convection range	3,000	
	Deep Fat Fryer	2,000	
	Dishwasher	7,000	
	Fridge	1,500	
	Pan rack	300	
	Stainless steel table	300	
	Chest freezer	600	
	Ventilation Canopy	4,000	25,700
MOORFIELD PRIMARY	Combi oven	7,000	
	Sico furniture	6,400	
	Clearing trollies	800	
	Mobile servery	4,000	18,200
PEWITHALL PRIMARY	Freezer	600	600

UNIVERSAL INFANT FREE SCHOOL MEAL CAPITAL (COMMUNITY & VOLUNTARY CONTROLLED SCHOOLS)

	Basic Essential	Estimated Costs	School Total
SPINNEY AVENUE PRIMARY	Steamer	2,000	
	Convection Range	3,000	
	Deep Fat Fryer	2,000	
	Ventilation canopy	4,000	
	Dishwasher	5,000	16,000
WOODSIDE PRIMARY	Serving counter	5,000	
	Steamer	2,000	
	Deep fat fryer	2,000	9,000
OVERALL ESTIMATED TOTAL		£219,900	£219,900

REPORT TO:	Executive Board
DATE:	27 February 2014
REPORTING OFFICER:	Strategic Director, Children & Enterprise
PORTFOLIO:	Children, Young People and Families
SUBJECT:	Learning and Achievement Strategy
WARDS:	All wards

1.0 PURPOSE OF THE REPORT

- 1.1 To inform Executive Board of the newly developed Learning and Achievement Strategy
- 1.2 To seek Executive Board's approval of the Learning and Achievement Strategy
- 1.3 To outline what actions are being taken to ensure the school Improvement Service is prepared in the event of an Ofsted inspection.

2.0 RECOMMENDATION: That Executive Board endorses and approves the proposed implementation of the Learning and Achievement Strategy.

3.0 SUPPORTING INFORMATION

- 3.1 The framework for the inspection of Local Authority arrangements for supporting School Improvement was published in May 2013.
- 3.2 Sir Michael Wilshaw in his 'Back to school' speech 9 September 2013, said *"The best local authorities know the future lies with outstanding heads like you, and are already using you to effect change in their area. The worst local authorities haven't yet woken up and adapted to the new educational landscape. They have failed to appreciate that increasingly autonomous Headteachers, working in local partnership are driving improvement. They don't engineer and facilitate these partnerships and are not pro-active in using their existing powers to challenge schools to do better"*.
- 3.3 Since the publication of the above framework, several local authority school improvement services have been inspected.
- 3.4 The inspection reports identify strengths particularly where local authorities have intervened successfully in schools at risk of being

judged inadequate by Ofsted.

- 3.5 The key themes identified in areas for development in most inspection reports has been the lack of a well understood, strategic approach to building a sustainable model for school improvement and within it a coherent approach for school to school support.
- 3.6 Whilst most schools in Halton where the local authority have intervened successfully understand our approach to school and setting support and intervention, schools that have never been in adverse Ofsted categories will have very limited working knowledge of our support and intervention policy.
- 3.7 Halton has used good and outstanding schools to support under-performing schools effectively through the use of National Leaders in Education, Local Leaders in Education and Headteachers of good and outstanding schools. Some of the processes in place are based on relationships and local intelligence. This now needs to be formalised
- 3.8 Since the introduction of Teaching Schools and the reduction of resources in local authorities for school improvement, the market place for school improvement services has grown and become more diverse over the last two to three years.
- 3.9 The capacity for local authorities to provide school improvement services they used to provide before the coalition government has been significantly reduced.
- 3.10 The strategy does not apply to Academies or free Schools, however should concerns arise about these schools consideration will be given about notifying the Regulator, Ofsted.

4.0 SCHOOL IMPROVEMENT CAPACITY

- 4.1 Teaching Schools were introduced by the current government in 2011. Their remit is to provide school improvement services within and outside their local authority area. In Halton, the first teaching school (The Heath) has under its wing mostly good and outstanding schools within its Teaching School Alliance. Another Teaching School (Wade Deacon) should be approved soon. In both Teaching Schools the local authority is a named strategic partner.
- 4.2 Schools within the Teaching School Alliance are responsible for offering support to other schools within the Teaching School Alliance.
- 4.3 Teaching Schools have a key role to play in school improvement. Their Role is to co-ordinate expertise from the Teaching School Alliance by using the best leaders and teachers to: (The big six)

1. play a greater role in training new entrants to the profession
 2. lead peer to peer professional leadership development
 3. identify and develop leadership potential
 4. provide support to other schools
 5. designate and broker specialist leaders in education (SLE's)
 6. research and development
- 4.4 The local authority, in order to increase its capacity for school improvement, will work with Teaching Schools at a strategic level to secure and sustain school capacity across the local area.
- 4.5 The local authority will work with Teaching Schools in the following areas:
- developing school leadership and succession planning
 - school to school support
 - professional development for teachers and leaders
- 4.6 Such an approach will address some of the criticism levelled at school improvement services that were inspected recently. Local Authorities' School Improvement Services are often criticised for not having a coherent strategy for school to school support.

5.0 NEXT STEPS

- 5.1 The attached Learning and Achievement Strategy, once approved by Executive Board, will be sent to all schools. The Strategy will be available through Perspective Lite towards the end of the Spring Term 2014.
- 5.2 Following the launch period with schools, a survey with the key questions that inspectors would ask Headteachers and Governors if they were inspecting school improvement service will be sent to all schools again through Perspective Lite. This will be done in the spring term 2014.
- 5.3 The outcomes of the survey will be used to inform our school improvement service action plan.
- 5.4 In addition, members of Children and Enterprise Senior Leadership Team (SMT) will be visiting schools in the summer term 2014. SMT will use the survey questions to prompt discussions with Headteachers and Governors. Any post survey SMT visits to schools could focus on the gaps identified in the survey.
- 5.5 The outcomes of the survey will be analysed at the end of the spring Term 2014.
- 5.6 An action plan based on the survey outcomes and our internal self-evaluation process will be used to inform future practice.

5.7 The plan is to conduct a similar survey after 12 months.

6.0 FINANCIAL IMPLICATIONS:

6.1 The Council's School Improvement Services have been significantly reduced over recent years with the vast majority of funding now directly allocated to schools. The small remaining Team will focus on the statutory responsibilities of the Council, detailed within the strategy. Whilst the Council will deliver the strategy on a cost neutral basis, it will have to rigorously prioritise service according to available resources as we go forward.

7.0 POLICY IMPLICATIONS

The Learning and Achievement Strategy allows the local authority to support all of its schools. Previously, because of reduced resources support was only targeted at schools in adverse Ofsted categories and schools causing concern to local authority. Collaboration with Teaching Schools will increase the local authority's capacity and enable all schools to be supported and monitored. More importantly, this policy is underpinned by school to school support which will lead to sustainable improvements across the whole school system.

8.0 OTHER/FINANCIAL IMPLICATIONS

There are no financial implications as most of the financial resources to support this strategy and aspects of school improvement have been allocated to Teaching Schools.

9.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

9.1 Children and Young People in Halton

The above proposals will ensure that children and young people in Halton will have access to a good or better school in the local area.

9.2 Employment, Learning and Skills

Implementing the Learning and Achievement Strategy will ensure that all young people have the skills to stay on in education, employment and training. The proportion of young people not in education, employment or training is likely to reduce over time. Young people will be well equipped for the world of work if they attend good or better schools in Halton.

9.3 A Healthy Halton

Children and Young people awareness and knowledge of healthy life styles is likely to increase through the provision of good education in Halton schools. The strategy will contribute to reducing health inequalities across the Borough.

9.4 **A Safer Halton**

N/A

9.5 **Halton's Urban Renewal**

N/A

10.0 RISK ANALYSIS

10.1 Failure to engage with schools and partners within the context defined by the Learning and Achievement Strategy could have an adverse impact on underperforming schools and the attainment and progress of their pupils.

10.2 Failure to prepare and/or use the framework for inspecting local authority School improvement services as a self-evaluation tool could lead to a poor rating of LA school improvement services.

11.0 EQUALITY AND DIVERSITY ISSUES

11.1 Implementation of the Learning and Achievement Strategy will seek to ensure that all children have equality of access to a good or better school.

11.2 All children and young people will have opportunities to succeed and access higher and further education.

11.3 This strategy will contribute towards increasing the number of young people in education and training.

12.0 REASON(S) FOR DECISION

Since the grant funding for school improvement advisers and consultants under the National Strategies was withdrawn at the end of the 2010/11 financial year, the core school improvement team was significantly reduced. Their capacity to offer a wide range of school improvement services to all schools was significantly reduced.

Working in partnership with our Teaching Schools will increase Halton's school improvement capacity and ensure a sustainable model for the future. School to school support underpins the Learning and Achievement Strategy.

"Local authorities still have a critical role to play in school-led improvement system, in particular through creating an 'enabling environment' within which collaboration can flourish. We also support the new system which is emerging with recognition that the expertise lies within schools but with local authorities as part of the picture."

Extract from section 16 – Commons Select Committee on School Partnerships and Cooperation

13.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The alternative is not to offer any school improvement services to our schools; schools will have to buy these services on the open market. This will lead to a lack of coordination and loss of intelligence on our schools. Local priorities such as *Closing the Attainment Gap* will be left to individual schools to tackle in isolation.

This would leave the local authority and its schools in a very vulnerable position, given that school improvement services can now be inspected and the role of the local authority in enabling school to school support will be scrutinised.

14.0 IMPLEMENTATION DATE

The implementation date of the Learning and Achievement Strategy is April 2014.

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

Document	Place of Inspection	Contact Officer
The Importance of teaching	Department for Education	Steve Nyakatawa
The Education Act 2011(amended the 2006)	Department for Education	Steve Nyakatawa
Halton's Approach to School and Setting Support and Intervention	Rutland House Runcorn	Gill Bennett
The SEND Green Paper 2011	Department for Education	Anita Parkinson
The Children and Families Bill 2013	Department for Education	Anita Parkinson
The new Code of Practice	Department for Education www.education.gov.uk	Anita Parkinson



Halton's Learning and Achievement Strategy

April 2014 to March 2016

DRAFT

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INTRODUCTION AND STRATEGIC VISION

Halton Borough Council and partner agencies have a commitment to excellence in Education and believe that all children and young people deserve to be educated in successful schools. By supporting and enabling strong school leadership and management and early intervention when necessary, we aim to work in partnership with schools, and Dioceses, to bring about the best possible educational outcomes for our children and young people.

Our strategy for Learning and Achievement is aligned to the priorities that have been agreed through Halton Children's Children Trust within the Halton Children & Young People's Plan (2011-14). This Plan is the key strategic document that shapes the work of all agencies working to improve outcomes for children, young people and families in Halton, who collectively come together to form the Halton Children's Trust partnership. These strategic priorities have been agreed as:

- Improve outcomes for children and young people through embedding integrated processes to deliver early intervention
- Improve outcomes for children and young people through effective integrated commissioning
- Improve outcomes for our most vulnerable children and young people by targeting services effectively

The agreed priorities of the Trust are described in detail within the Halton Children & Young People's Plan.

This Learning and Achievement Strategy is set within the context of achieving the Trust's priorities. This Strategy brings together all relevant partners within Halton Children's Trust to work in collaboration to meet the agreed aims and objectives.

EARLY HELP AND SUPPORT

A local model for early help and support has been developed known as Team Around the Family (TAF). This builds on national reviews undertaken by Professor Eileen Munro (2010), Graham Allen (January and June 2011), Dame Clare Tickell (2010) and the Rt Honourable Frank Field (2010) all highlight the importance of early help and support. A number of key issues emerged from these:

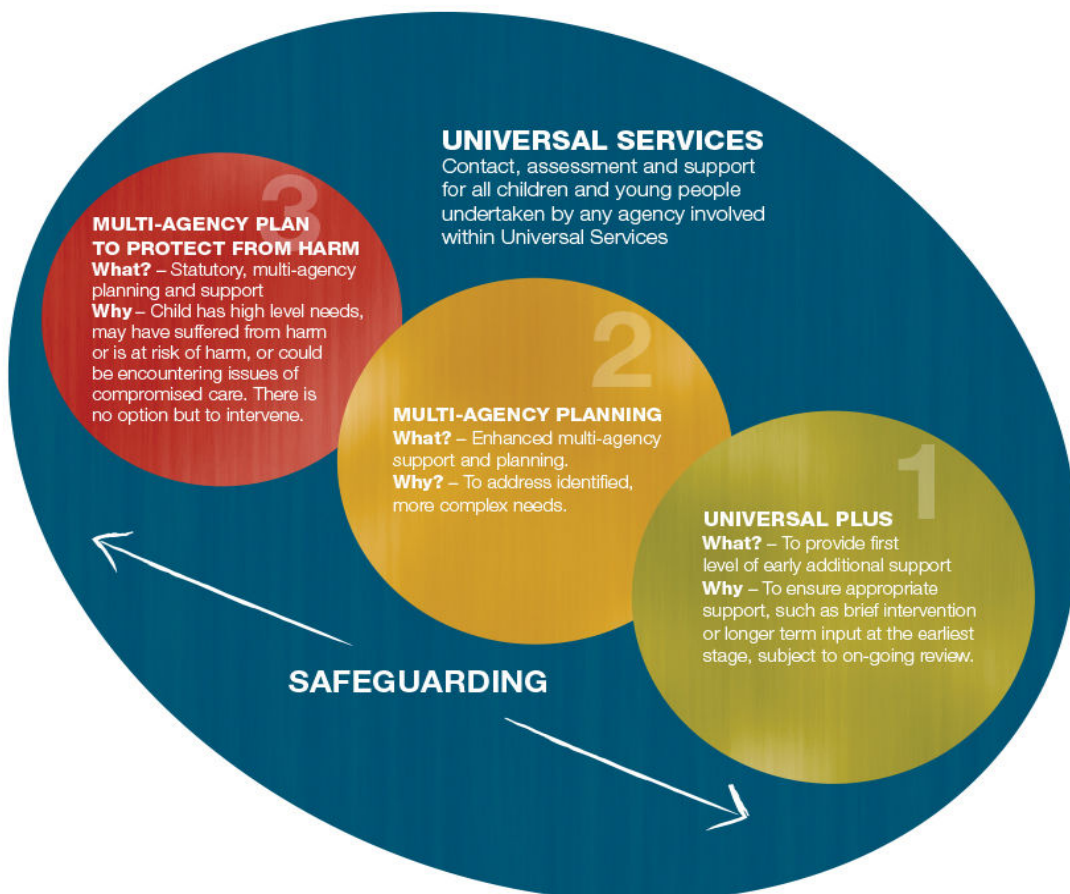
- (i) That strong early help services can help prevent needs escalating within families
- (ii) That success within early help depends significantly on needs being identified and help deployed within the first five years of a child's life
- (iii) That early help services need to be integrated and coordinated at both strategic and operational level
- (iv) That families benefit more from preventative, rather than reactive services, which is cost effective both for families and partners.

The TAF model in Halton has been fully embraced and endorsed by all partners within Halton Safeguarding Children Board and Halton Children’s Trust and Early Help & Support is a key strategic priority for both. There is a clear recognition from all partners that early identification of need and effective, well-coordinated services will help those families with additional needs in the Borough.

Halton’s Early Help & Support offer is inclusive – it is for all children, all parents and carers and all families, covering the full 0 – 19 and 0 – 25 age range as appropriate. The framework developed in Halton facilitates the integration of services and strategies for all partner agencies to form a combined early help offer for Halton.

This Learning & Achievement Strategy will play a crucial role in the continued development of TAF in Halton.

We recognise that in order to be able to intervene early, services need to be available to identify needs and support families across Halton. This is in line with the locally agreed Halton Levels of Need Framework on behalf of all agencies in Halton. The Framework aims to assist practitioners and managers in assessing and identifying a child’s level of additional needs and how best to respond in order to meet those needs as early as possible to prevent needs escalating further. The diagram below illustrates this Framework:



The broad nature of the work undertaken by colleagues in the Learning and Achievement Department to meet this Strategy means that all levels of the Framework will need to be considered within different areas of work.

LEARNING AND ACHIEVEMENT DEPARTMENT SERVICES

Halton Borough Council's Learning and Achievement Department sits within the Council's Children & Enterprise Directorate. The Department works in partnership with schools and early years settings to raise standards of attainment and achievement. Our overall aim is that no school or setting should fall into a category of concern. This work is undertaken by a team of specialists who focus on for example the curriculum, attendance, inclusion and behaviour within the different phases of education. We work together with the other departments of Children and Enterprise to achieve the best possible outcomes for all young people and to close the gap in outcomes for Halton's most vulnerable children and young people. The Department's main areas of responsibility are summarised in the boxes below:

0-19 Learning

- Early Years Foundation Stage (EYFS) and Key Stages 1 – 4 and School Sixth Form standards of achievement and attainment
- Monitoring and evaluation of the effectiveness of all schools and settings - categorisation
- Targeted support and intervention for satisfactory / requiring improvement and inadequate schools and settings
- Statutory assessment and moderation – EYFS, KS1 & K2
- Newly Qualified Teacher (NQT) registration, monitoring, quality assurance and induction programme
- Standing Advisory Council for Religious Education – statutory role around locally agreed syllabus
- Support for Head Teacher recruitment
- Head Teacher induction, leadership and succession planning
- Virtual head teacher for CiC and Vulnerable Pupils
- Education Safeguarding in schools
- Portage service
- Support for development of Music, school games and disability sports in schools

0-25 Inclusion

- Statutory assessments for pupils with Special Educational Needs (SEN)
- Statutory duties covering all areas of SEN for young people to the age of 0-19
- Provision of Additional resources and support for higher needs band of pupils including Action Plus Enhanced Provision
- Presentation of the LA case at SENDIST Appeals
- Statutory provision of Parent Partnership support to parents of children & young people with Special Education Needs
- Behaviour and attendance and Exclusions with the statutory duty to provide SEN Expert support for pupils at Exclusion Appeals
- Transition 0-19
- SEN service delivery for schools covering areas such as cognition and learning, visually impaired and hearing impaired Autism Speech Language and Communication
- Monitoring of provision and outcomes of provision for children and young people in the higher needs band of provision. This is including Special School provision, resource bases in borough, including those with academy status.
- Monitoring of provision and outcomes for pupils placed out of borough in all provision.

LEARNING & ACHIEVEMENT STRATEGIC OBJECTIVES

This Strategy is framed around the following three objectives:

- Increase the percentage of schools and Early Years settings where Ofsted judge overall effectiveness to be good or better.
- Increase the GCSE attainment for 5 or more A*-C including English and Maths
- Close the gap in attainment between vulnerable groups and their peers through early identification of need

Work in order to meet these objectives will be monitored and reported on a quarterly basis within Halton Children's Trust. The detail of how we are working to meet these objectives is contained within the appendices to this document.

Appendix A - Halton's Approach to School and Setting Support and Intervention

Introduction

It is our belief that every child has the right to succeed. At the heart of our vision is the ambition that all schools will be good or better, so that life chances for all children are improved. We value collaborative working with schools to deliver these aims. Schools have a responsibility for their own improvement and for making the best use of resources available to them. We believe that the strong partnership that exists between schools and the Local Authority, and between Local Authorities, is a valuable factor in Halton's history of successful outcomes for children and young people. This is reflected in our end of key stage outcomes, and Ofsted's judgement of school effectiveness. Standards are high and are continuing to improve. Our ambition is that all schools will be judged as good or better, and, by working collaboratively to eliminate inconsistencies in performance, we will ensure that no schools are vulnerable to falling below floor standards in the future. Our successful schools are key players in realising this ambition.

Our school improvement priorities are:

- That every school will be encouraged and supported to drive its own improvement resulting in strengthened accountability
- To ensure that no school remains below floor standards and that vulnerable schools in danger of falling below are identified in a timely manner and supported to ensure that they remain on an upward trajectory and above floor standards
- To ensure that there is sufficient leadership capacity to develop the overall effectiveness of schools to become good or outstanding

We are committed to working effectively with all schools to build capacity for school improvement through the effective deployment of the resources that are available to us, including the support of successful schools.

Collaboration

School to school collaboration is a strength in Halton and a variety of formal and informal networks exist. The Dioceses also have strong networks. Historically informal collaboration has been brokered by the LA including the identification of mentor heads, identifying and signposting good practice through the SIP role and, as appropriate, formal collaboration as part of an intervention strategy for schools causing concern. Schools will continue to be encouraged to develop their individual strengths, with system leadership development and sustainability being a key driver for capacity building and school improvement. The LA will continue to broker school to school links and will support successful schools to become a key player in school improvement. Choice and diversity will be increased through formal collaboration.

Teaching Schools

Teaching schools have a key role in school improvement. As well as offering training and support for their alliance themselves, teaching schools will identify and co-ordinate expertise from their alliance, using the best leaders and teachers to:

1. play a greater role in training new entrants to the profession
2. lead peer-to-peer professional and leadership development
3. identify and develop leadership potential
4. provide support for other schools
5. designate and broker specialist leaders of education (SLEs)
6. Research and development

The LA will work in partnership with Teaching Schools at a strategic level to increase and secure school improvement capacity across the local area. The LA will work with Teaching Schools in the following areas:

- developing school leadership and succession planning
- school to school support
- professional development for teachers and leaders

Working with the Teaching Schools we are recruiting a number of very experienced professionals to undertake the role of School Evaluation Partners (SEPs). The SEPs role will be to provide professional challenge and support to schools in Halton commissioned / brokered by Halton Teaching Schools and the LA. The SEP will act as a critical professional friend to schools to help build their capacity to improve pupils' achievement and provide challenge and support for the senior leadership team and provide an accurate and robust health check on the school's overall performance and development to governing bodies.

Improving Underperforming Schools

Despite successes, there continues to be variation in performance and quality across Halton schools. At some time or other, schools may need additional support. This support will be tailored to the school's specific circumstances and may involve a range of Local Authority Officers, and external support. The Local Authority may also act as a broker for school to school support. The level of support is determined by the School Categorisation process. The LA will offer advice to schools, based upon school categorisation, regarding the required level of support.

Halton has retained a core team of School Improvement Professionals to fulfil the strategic responsibilities for school improvement, ensuring accurate and timely identification of need and early intervention as appropriate. Whilst there will be some support provided by the central school improvement team, support will predominantly be provided through the commissioning of a range of expertise including through Teaching Schools, school to school support including National and Local Leaders of Education (NLEs /LLEs) and also through schools' access to traded school improvement services. This will enable schools to continue to access a wide range of quality assured support as required.

We will continue to learn from and extend existing models within Halton where a more creative collaborative school to school approach has been taken and has been successful.

Schools continue to have responsibility for their own improvement and for making the best use of resources available to them, including purchase of school improvement support from the market place. However, when schools fail to bring about the required improvement the LA will exercise its powers of intervention.

Categorisation of schools

Halton has always made effective use of data to categorise its schools. This approach will continue to inform levels of support, challenge and intervention (inverse proportion model). We continue to target support and challenge to address school to school variation. A range of data, including 'soft intelligence', is used to identify and monitor schools that we consider to be underperforming. This is recorded and shared with schools through our school categorisation systems.

This data includes:

- Ofsted outcomes
- analyses of Alerts and Triggers indicators
- Cross service sharing of information – Cross Service Monitoring Group (CSMG)
- DfE determined floor standards

Whilst we focus primarily upon those schools that are in an LA or Ofsted category of concern, we consider all of our satisfactory / requires improvement schools to be vulnerable. The vulnerability of satisfactory schools has been reinforced through changes to the Ofsted inspection framework, outlined by HMCI in his consultation – A Good Education for All (February 2012):

'Just over two million pupils are educated in schools judged to be 'satisfactory'. For around half of these children, that may cover the whole of their primary or secondary schooling. Children need and deserve better. Our expectation is that the quality of education for all children should be at least good. This proposal will mean that any school not providing a 'good' or better education will be deemed to be a school causing concern.' Sir Michael Wilshaw HMCI.

As a result we will continue to monitor, challenge and target support for our schools causing concern and satisfactory / requires improvement schools. Where considered necessary the LA will continue to exercise its intervention powers including the issuing of Warning Notices, provision of additional capacity on Governing Bodies, withdrawal of delegated powers and the establishment of Interim Executive Boards (IEB).

Our expectation is that schools will:

- continue to raise standards, particularly those schools that fall below floor standards
- ensure that the attainment gap is closed for vulnerable pupils
- have rigorous tracking and monitoring systems in place where assessment practice is contributing to identification, intervention and accelerated progress
- build effective system leadership through collaboration

And that our most successful schools will provide support for vulnerable schools and schools causing concern as an integral part of the LA's collective capacity for school improvement.

What school improvement services do we offer?

The 0 – 19 Division, through its school standards and effectiveness team, continues to provide a **universal** school improvement service for **all schools**. This includes:

- Link officer for all schools, time allocation based upon category
- Monitoring of all schools and settings – categorisation (gathering local intelligence to get a holistic picture of the overall effectiveness of schools)
- Statutory assessment and moderation – EYFS, KS1 and K2
- NQT registration, monitoring, quality assurance and induction programme
- Headteacher induction, leadership and succession planning
- Support for Head Teacher recruitment
- Virtual Head Teacher for Children in Care and vulnerable groups
- Education Safeguarding in schools
- Portage service
- EYFS Consultant Teacher team (including area SENCO role for private and voluntary settings)
- Music service offered through a Hub arrangement with Warrington (Accent)
- School Games Organisation, competition opportunities
- Promotion of Disability Sports
- Standing Advisory Council for Religious Education

Schools can also purchase support for data tracking through a service level agreement.

Preventative – as universal offer +

- Support and intervention for satisfactory / requiring improvement schools and settings, including brokering of school to school support
- Half-termly single school update meetings
- Additional capacity for Governing Bodies as appropriate
- Partnership reviews

Targeted – as universal and preventative offer +

- Support and intervention for schools and settings in LA or Ofsted categories of concern, serious weaknesses and special measures, including deployment of LLE / NLE as appropriate
- Additional capacity for Governing Bodies and / or establishment of an Interim Executive Board (IEB)

Approach to Support and Intervention for Schools in Halton

Introduction

The Local Authority (LA) approach is in line with the Department for Education (DfE) Revised Statutory Guidance for Schools Causing Concern. It takes account of the guidance in relation to those schools that are failing to provide an acceptable level of education to pupils and are a cause of concern.

This strategy will:

- Explain what a school can expect from the Local Authority in terms of procedures in relation to schools causing concern.
- Explain what the Local Authority can expect from a school in terms of procedures relating to schools causing concern.

The aims are:

- to show a relentless commitment to raising standards through high quality learning, teaching and leadership based on self-evaluation and self-improvement;
- to identify and disseminate best practice and challenge all schools to build upon this exemplification through collaboration
- to intervene early and establish constructive dialogue seeking self-remediation with advice but to use powers to warn schools where improvement is not sufficient;
- to use clear criteria where identifying schools causing concern, with particular emphasis on schools that are under-performing in relation to their pupil intake and general context;
- to provide a co-ordinated support from appropriate sections of the Children and Enterprise Directorate, targeted at those issues which bring about speedy improvement;
- to build the capacity of school leadership and management so that it is secure enough to generate self-improvement;
- to work in constructive partnership with Diocesan Authorities and other appropriate partners;
- to ensure that, where a school is causing concern, account is taken of the Children's Organisation and Provision data to arrive at a judgement regarding continued viability;
- to be decisive in using the full range of intervention powers if schools are not making adequate progress;
- to enable failing schools to be quickly removed from Special Measures / Serious Weaknesses and those schools requiring improvement to address issues promptly;

Academy Solutions

In May 2013 Lord Nash, Parliamentary Under Secretary of State for Schools, wrote to all Directors of Children Services stating the Department's position on schools in an Ofsted inadequate category:

As you will be aware this government has been very clear that underperformance in any school is unacceptable. We strongly believe underperformance needs to be tackled quickly and that matching a failing school with a strong Academy sponsor is the best way to bring about rapid and sustainable improvements.

As outlined in the Schools Causing Concern Guidance for Local Authorities there is a clear expectation that in cases where a school has been judged by Ofsted to have 'serious weaknesses' or require 'special measures' conversion to an Academy with a strong sponsor will be the normal route to secure improvement.

In the context of the DfE's position the LA will work with the DfE (and Diocese as appropriate) to support the identification of a suitable sponsor.

LA defined Categories of support

Halton uses an A - E categorisation system to indicate the level of support that a school may need. The categorisation of schools results from the analyses of a range of information, including standards data and Ofsted inspection findings.

There are 5 categories of support to schools:

A - High performing / outstanding schools - Universal offer and may also be providing the capacity to support other schools.

B - Good and Improving Schools Universal offer

C - Satisfactory / requiring improvement support – preventative offer, without which a school might become a cause for concern. It is essential that schools are drawn into support at an early stage and that their own evidence of performance, and the context within which they operate, is taken account of. **Schools in this category will be expected to show at least satisfactory improvement within 6 – 12 months.** As a result of reviews, or following support work in a vulnerable school, the LA reserves the right to issue a warning notice to the school, which acts as a Notice to Improve; the issue of a Notice to Improve is most likely where the response to support is showing that issues for improvement are inadequately addressed. **A Notice to Improve will directly put a school into the next category and it will be designated as a School Causing Concern (SCC).**

D - Schools Causing Concern (SCC) – designated by LA as having serious weaknesses (warning notice issued) – targeted support.

E - Formal Intervention – Ofsted designated special measures / serious weaknesses – targeted intervention in place

Where a school is in category D or E it is judged that it does not currently have the capacity to improve without support. The LA can designate a school as failing its pupils and a cause for concern equivalent to Special Measures / Serious Weaknesses without waiting for an Ofsted inspection where LA monitoring shows this to be warranted. It is the responsibility of the Operational Director for Learning and Achievement , acting on information and advice provided by school improvement officer, to place a school in a school causing concern category or to remove it from that category. Evidence that removal is justified is likely to be based on clear improvement against the criteria listed in the improvement plan and judgements will take into account the school's capacity to improve.

For schools that are either vulnerable or a cause for concern, the quality of information available is an important element in determining categorisation and the type of support required. In addition, a clear process is needed to enable support to have impact. The aim will be to share the evidence with Headteacher, governors and, as appropriate, others in the school community. Problems can arise in schools gradually or very rapidly when a number of complex problems occur simultaneously.

Information that will define vulnerability or trigger a cause for concern

Achievement

Pupil data showing attainment, progress and performance over time, including in relation to DfE determined floor standards. Critically, it will be used to check if the school is in the bottom percentile on one or more key performance indicators. It will be scrutinised to see if the school is in a declining trend for the second or subsequent years on a number of indicators. Significant underachievement by a large proportion of pupils or particular groups of pupils will be taken into account, especially in the core subjects and in relation to value added. There will also be consideration given to the school's effectiveness in closing the gap for vulnerable groups and the effectiveness of the school's use of pupil premium.

Inclusion and pupil behaviour and safety

- Poor attendance and behaviour not dealt with adequately by the school
- Significant shortcomings in provision for pupils with Learning Difficulties and Disabilities (LDD)
- Concerns regarding the safeguarding of pupils
- Matters of health and safety which place individuals at serious risk of harm
- Significant concerns regarding inclusive practice.

Leadership and Management

- The effectiveness of leadership and management as judged against Ofsted criteria and taking account of the capacity to improve
- The quality of school self-evaluation and improvement planning
- The quality of performance management and continuous professional development
- The quality of internal relationships which might be poor where there is a breakdown in communications, morale or a sense of coherent direction
- Financial information including evidence of financial misconduct or neglect
- Levels of sickness absence and staff turnover

- Consistent failure to discharge statutory duties.

Quality of Teaching

- The quality of teaching particularly where there are significant amounts of inadequate teaching – normally 10% or more
- How well learners acquire new knowledge and skills and make progress in lessons and over time
- The quality of assessment including the effective use of information to track pupil progress, set targets and improve learning
- The quality of the curriculum including its relevance, breadth and balance, taking account of the aptitude and abilities of the pupils
- The equality of opportunity provided for all pupils to learn and make progress in relation to their capabilities.

Other Evidence

- Significant levels of harassment or racial tension
- Gross misconduct resulting in quantifiable incapacity to effectively deliver the curriculum which prejudices the future viability of the school
- A less than satisfactory response to previous support and insufficient progress in addressing areas for which this support was given
- A high level of concern / complaints raised by parents / carers in the local community

Schools will be classed as a cause for concern when there are significant weaknesses in a combination of the above key factors. Information is drawn from a number of sources including:

- Standards data
- Ofsted information
- Cross Service Monitoring Group
- Partnership reviews including direct observation

Partnership Review

The nature of a partnership review will vary according to the issues at the school. Not all reviews will include observation of teaching and learning as the evidence on this might be clear and this might not be the area that requires improvement. Overall the process is:

Audit and review to gather evidence and establish priorities for support

This will comprise of a joint LA / School review where a team of school improvement and other officers where appropriate, establish with the school an evidence base of the key issues faced and, consequently the support required. This will comprise:

- Pre-review commentary shared with school setting out evidence and key questions
- A review in the school to gather first hand evidence
- A post-review report to the Headteacher and governors

This review will draw on: the schools use of self-review tools, SEF, Ofsted and other appropriate documentation. Evaluations will be shared with the school and school self-review information will form an important part of this process as it indicates the school's capacity to

improve, Review will be co-ordinated by a LA adviser and in consultation with the SIP and school leadership.

Planned improvement support

A Raising Achievement Plan (RAP) will be agreed between the school and the LA. This should complement the School Development Plan (SDP). It will set out the key objectives to be achieved, actions to be undertaken, success measures, professional development needs, timescales and resources to be allocated. The Senior School Effectiveness Officers and Strategy Managers will ensure that any support provided following the review is coherent and co-ordinated.

Monitoring and evaluation of agreed success against the RAP with progress reported to governors at least once each term. The School Adviser will monitor and assess the impact of any support, taking into account the RAP and the success criteria within it. The likely areas to be **reviewed** and **supported** are set out below but reviews will vary according to school needs and circumstances and will depend on progress against action plan objectives:

a. Achievement

Account will be taken of performance over time, in relation to targets and contextual value added indicators. Particular consideration will be given to pupils at risk of underachieving, vulnerable pupils (including Children in Care) and those with LDD. Attendance will be taken as a key indicator.

b. Leadership and Management

The evidence to evaluate leadership and management will come from SIP notes of visit, the school self-review, Ofsted reports or from Joint LA / School review. Where a Joint LA / School review evaluates leadership, it will be based on Ofsted criteria. The criteria for leadership apply to all of those with leadership responsibilities: Headteacher, Governing Body, Senior Management and others as appropriate. A key task will be to support the capacity-building for improvement. This will be especially important where there has been significant change in leadership or where there is a long-term absence of key staff or workforce pressures such as recruitment and retention.

c. Learning and Teaching

The aim of this support will be to improve the quality of learning and teaching, throughout a school, at a Key Stage or in particular subjects or year groups. Evidence to evaluate the quality of learning and teaching will come from school self-review, SIP reports (where commissioned), Learning and Achievement department notes of visits (NOVIS) Ofsted reports and Joint LA / School review. In judging the quality of learning and teaching, Joint LA / School review will take account of Ofsted criteria. Teaching will be evaluated in terms of the impact it has on learning.

d. Behaviour and Safety

Evidence that might generate support would come from analysis of attendance and exclusion data. The support will be provided by the Attendance and Behaviour service.

Cross Service Monitoring Group (CSMG)

The remit of the group is to ensure that timely intervention and support results in a reduction in the number of schools in (or approaching) a category of concern. The role of the CSMG is:

- To provide a cross-service forum for the sharing of intelligence in relation to schools, including good practice and areas of concern, in order to ensure an holistic view of the school's overall effectiveness.
- To encourage and facilitate productive networking across and beyond teams
- To develop, implement and monitor a system of alerts and triggers to support the categorisation of schools in line with the Halton Strategy for Support and Intervention
- To provide support for schools that have been identified as vulnerable or causing concern - to work collaboratively as a 'team around the school'
- To provide an update on developments in schools and where relevant to monitor progress towards removal from a category of concern

The LA Cross-Service Monitoring Group (CSMG) checks the progress of all vulnerable schools and SCC to enable decisions to be made which schools move in and out of these categories, taking account of the triggers and information listed above.

- The CSMG meets each term; it consists of senior officers and service leads
- The CSMG will give particular consideration to Vulnerable Schools and SCC but will also review provision of other schools at the recommendation of the Operational Director (Learning and Achievement Service)
- Prior to CSMG meetings, the LA will gather evidence of the type set out above and this will form the basis of information taken to the CSMG
- Following meetings of the CSMG, schools will be informed of categorisation changes by the Operational Director (Learning and Achievement)
- The progress of SCC will be discussed on a regular basis at Children and Enterprise SMT meetings
- Progress of SCC will be reported to the Members Policy and Performance Board
- It is anticipated that open exchanges of information and on-going dialogue should ensure that situations rarely occur where the school does not agree with the category of concern in which it is placed. However, where the Headteacher and / or the Governing Body do not agree that there are concerns at the level indicated, the Operational Director (Learning and Achievement) will visit the school and clarify the nature and degree of concern.
- The aim will always be to seek early and constructive dialogue with the Headteacher, Chair of Governors and, as appropriate, the full Governing Body or Sub-Committee.

Where a school is a cause for concern, it will receive a commensurate amount of support, challenge and monitoring, including Joint LA / School review as appropriate, which will be reported to the Governing Body.

Formal Warning Notice

The move to formal warning / intervention will apply in rare circumstances. It is relevant only to those schools with significant concerns that fail to address their responsibilities, despite extensive support having been provided by the LA. The decision to move to this level will be taken after full consultation with the school and other appropriate authorities. In making the decision, the LA will seek to establish whether the situation at the school is at least comparable in seriousness to a finding by Ofsted of Special Measures.

The LA is committed to working with schools to secure improvement, but will comply with its duty to undertake formal intervention, including, where appropriate, the appointment of additional governors, suspension of the delegated budget, federation and closure.

A school becomes '*eligible for intervention*' – the term used in the Education and Inspection Act 2006 to denote schools subject to the spectrum of intervention powers – if the governing body has received a formal warning and has failed to comply with it to the Local Authority's satisfaction.

The Local Authority must have provided reasonable written notice to the governing body that intervention is being contemplated. When a notice is issued, it must inform them of their right to appeal to Ofsted within the initial period of 15 working days. The school can avoid intervention if Her Majesty's Chief Inspector (HMCI) decides not to confirm the warning notice following representations from the governing body.

The governing body has a further period of 15 working days to respond appropriately to the warning notice starting immediately after the initial period or when HMCI confirms the notice if an appeal has been made.

Warning notices will only be used where there is evidence to justify both the LA's concerns and the school's reluctance to address these concerns through a professional dialogue with the Local Authority within a reasonable timeframe.

Issuing a warning notice

Once the grounds for issuing a warning notice have been established, the Local Authority will set out their concerns in writing to the governing body. This written notice must include:

- a. The reasons for issuing the warning notice, including references to the quantitative and qualitative evidence the authority has used in deciding to issue the notice
- b. The action the Governing Body needs to take in order to address the concerns raised
- c. The action the Local Authority is considering if the Governing Body do not comply satisfactorily with the warning
- d. The date when the 15 working-day compliance period will come to an end
- e. A reminder to the Governing Body that they may appeal to Ofsted within 15 working days if they feel that the grounds for issuing the warning notice are not valid or that the action proposed if the school fails to comply is disproportionate

The Local Authority must send the warning notice to the Governing Body of the school and copy the notice to the Headteacher, HMCI at Ofsted, and the appropriate appointing authority for church, foundation or voluntary schools.

Appealing against the warning notice

The Governing Body of a school that has received a warning notice can appeal to Ofsted under section 60(7) of the Act, if it believes that the Local Authority has:

- issued the warning notice without sufficient objective evidence, or;
- proposed action that is disproportionate to the scale of the issues facing the school.

The appeal must be made in writing within 15 working days of receipt of the warning notice. It should be sent to the Regional Divisional Manager at Ofsted, and copied to the LA.

The written appeal may contain, as appropriate:

- why the governors disagree with the grounds for the warning notice; or
- why the governors consider the action proposed by the authority is disproportionate to the scale of the issues facing the school; or
- a combination of both the above

Role of Ofsted

- Ofsted will send an e-mail to the school, copied to the Local Authority, acknowledging receipt of the appeal.
- Ofsted may request additional documentary evidence; if such evidence is requested, it should be supplied within 5 working days.
- Ofsted will scrutinise the evidence provided, and may also examine other relevant documents (e.g. the school's Ofsted report, RAISE online data, and the Local Authority's Joint Area Review report).
- Ofsted may make its judgment based on written evidence alone, if the documentation is sufficiently comprehensive. In some circumstances, for example if there is insufficient written evidence to reach a decision, Ofsted may inspect the school.
- Ofsted will decide either to uphold or reject the appeal, and will communicate this decision in writing to the school and the LA.

Supporting Information

Context and legislation

Schools Causing Concern Guidance for Local Authorities

Part 4 of, and Schedule 6 to, the 2006 Act set out that a school causing concern is one which is “eligible for intervention”. This is where:

- performance standards and safety warning notice has been given (section 60) and the school has failed to comply;
- teachers' pay and conditions warning notice has been given (section 60A)¹ and the school has failed to comply;
- a school requires significant improvement (section 61);
- a school requires special measures (section 62).

Where a school is eligible for intervention there are a number of powers the local authority or the Secretary of State may use to drive school improvement. These interventions are set out in sections 63-66 of the 2006 Act in respect of local authorities and sections 67 to 69 in respect of the Secretary of State. Local authorities must give reasonable notice in writing to the governing body that they propose to exercise their powers under any one or more of sections 63 to 66.

<http://www.education.gov.uk/aboutdfe/statutory/g00192418/scc>

This is statutory guidance given by the Department for Education, on behalf of the Secretary of State, relating to schools causing concern.

Section 72 of the Education and Inspections Act 2006 places a statutory duty on all local authorities in England, in exercising their functions in respect to schools causing concern as set out in Part 4 of the 2006 Act, to have regard to any guidance given from time to time by the Secretary of State. Local authorities must have regard to this guidance.

What legislation does this guidance relate to?

- School Standards and Framework Act 1998
- Education and Inspections Act 2006 (“the 2006 Act”)
- Apprenticeships, Skills, Children and Learning Act, 2009 (ASCL Act)
- The School Governance (Transition from an Interim Executive Board)(England) Regulations 2010 (Transition Regulations)
- Academies Act 2010
- Education Act 2011

Key points

- This guidance provides information, on the legislative requirements for intervening in schools causing concern. All those using this guidance, particularly local authorities, who must have regard to it, should also be familiar with the actual wording of the legislation to which this guidance relates, in particular Part 4 of, and Schedule 6 to, the 2006 Act. This legislation has been amended by several, subsequent Acts, including recently changes made by the Education Act 2011.

- For the purposes of this guidance “schools causing concern” are not just those schools “eligible for intervention” within the meaning of Part 4 of the 2006 Act but are also those about which the local authority has other serious concerns, such as those consistently below the floor standards where the local authority may want to consider using their intervention powers and give those schools a warning notice.

A local authority may be directed “to consider” giving a performance standards and safety **warning notice** in the terms specified in the direction, if the Secretary of State thinks there are reasonable grounds for the local authority to do so and:

- the local authority have not given a warning notice to the governing body; or
- the local authority have done so, but in inadequate terms; or
- the local authority have given a warning notice to the governing body but Ofsted have failed or declined to confirm it; or
- the school has become eligible for intervention, but the period of two months following the end of the compliance period has ended.

A school will be “eligible for intervention” if they have not complied with a warning notice or where they require significant improvement or require special measures.

Where schools are eligible for intervention local authorities may exercise their powers to:

- i. require the governing body to enter into arrangements;
- ii. to appoint additional governors;
- iii. to suspend the delegated authority for the school’s budget;
- iv. to appoint an Interim Executive Board

A. Local Authority Powers of Intervention

i. To require the governing body to enter into arrangements

Section 63 enables a local authority to require a school which is eligible for intervention to enter into arrangements with a view to improving the performance of the school. The local authority may give the governing body a notice requiring them:

1. to enter into a contract or other arrangement for specified services of an advisory nature with a specified person (who may be the governing body of another school)
2. to make arrangements to collaborate with the governing body of another school
3. to make arrangements to collaborate with a further education body or
4. to take specified steps for the purpose of creating or joining a federation.

ii. The appointment of additional governors

Section 64 enables a local authority to appoint additional governors where a school is eligible for intervention. The local authority is likely to appoint additional governors when they would like a school to be provided with additional expertise and may appoint as many additional governors as they think fit. In the case of a voluntary aided school where the local authority have exercised the power to appoint additional governors, the appropriate appointing authority in relation to that school may appoint an equal number of governors to those appointed by the local authority.

iii. The appointment of an Interim Executive Board (IEB)

Section 65 of the 2006 Act enables the local authority to apply to the Secretary of State for consent to constitute the governing body as an IEB in accordance with Schedule 6 to the 2006 Act. An IEB can be used to accelerate improvement in standards and attainment and provide challenge to the leadership of the school to secure rapid improvement or where there has been a serious breakdown of working relationships within the governing body of the school.

iv. The suspension of delegated authority for the governing body to manage a school's budget.

Section 66 of the 2006 Act enables a local authority, by giving the governing body of the school notice in writing, to suspend the governing body's right to a delegated budget. This applies where a maintained school is eligible for intervention and the school has a delegated budget within the meaning of Part 2 of School Standards and Framework Act 1998. A copy of the notice to suspend the right to a delegated budget must be given to the headteacher of the school and the governing body. If the local authority has appointed an Interim Executive Board (IEB), it cannot suspend the school's right to a delegated budget.

B. Secretary of State Powers of Intervention

Where schools are eligible for intervention the Secretary of State has the power to:

1. appoint additional governors;
2. appoint an Interim Executive Board,
3. make an academy order
4. direct the local authority to close a school.

1. Power to appoint additional governors

Section 67 of the 2006 Act allows the Secretary of State to appoint additional governors at any time a maintained school is eligible for intervention; the Secretary of State may appoint any such number of additional governors as he sees fit. Before making any appointment, the Secretary of State must consult:

1. the local authority
2. the governing body of the school
3. in the case of a Church of England school or a Roman Catholic Church school, the appropriate diocesan authority and
4. in the case of any other foundation or voluntary school, the person or persons by whom the foundation governors are appointed.

The Secretary of State may pay any governor appointed such remuneration and allowances as is considered appropriate. Where the Secretary of State has exercised this power, the local authority may not exercise their power to suspend the governing body's right to a delegated budget. In contrast to the local authority's power, the legislation provides that a voluntary aided school is not authorised to appoint foundation governors for the purpose of outnumbering the other governors appointed by the Secretary of State.

2. Power to provide for the governing body to consist of interim executive members

Under Section 69 of the 2006 Act the Secretary of State may require the governing body of a school to be constituted as an IEB in accordance with Schedule 6 to the 2006 Act where the school is eligible for intervention. Before this power can be exercised the Secretary of State must consult:

1. the local authority
2. the governing body of the school
3. in the case of a Church of England school or a Roman Catholic Church school, the appropriate diocesan authority; and
4. in the case of any other foundation or voluntary school the person or persons by whom the foundation governors are appointed.

This requirement to consult does not apply if the local authority has already done so or if an academy order has effect in respect of the school.

3. Power to make an Academy Order

Section 4 of the Academies Act 2010 permits the Secretary of State to make an academy order in two circumstances: firstly, on the application of a school's governing body under section 3; or secondly, if the school is eligible for intervention within the meaning of Part 4 of the 2006 Act .

If an academy order is made in respect of a school, the Secretary of State must give a copy of the order to:

- a) the governing body of the school;
- b) the head teacher; and
- c) the local authority.

Following the making of an academy order, the governing body must consult on whether the school should be converted into an academy before the school becomes an academy.

4. Power to direct the closure of a school

Section 68 enables the Secretary of State to direct a local authority to cease to maintain a school where that school is eligible for intervention by virtue of it requiring special measures only. This will usually be done where there is no prospect of the school making sufficient improvements. Before this power can be exercised the Secretary of State must consult:

1. the local authority and the governing body of the school
2. in the case of a Church of England school or a Roman Catholic Church school the appropriate diocesan authority
3. in the case of any other foundation or voluntary school the person or persons by whom the foundation governors are appointed and
4. such other persons as the Secretary of State considers appropriate.

If the direction to close a school has been given, the local authority will be expected to meet any costs of terminating staff contracts and make appropriate arrangements for the pupils continuing education, whether in a replacement school, or through transition to an alternative school.

Associated resources

- **Academies Act 2010**
- **Apprenticeships, Skills, Children and Learning Act 2009 (amended the 2006 Act)**
- An Act to make provision for apprenticeships, education, training and children's services.
- **Education and Inspections Act 2006**
- **Education Act 2011 (amended the 2006 Act)**
- **School Governance (Transition from an Interim Executive Board) (England) Regulations 2010**
- Download the School Governance Regulations 2010 from the Opsi website.
- **School Standards and Framework Act 1998**
- The 1998 School Standards and Framework Act contains provisions for schools and nursery education. This covers further education for young people at school, and in FE institutions across the UK.

Appendix B – Halton’s Approach to the Inclusion of Children and Young People with Special Educational Needs 0-25

INTRODUCTION

The purpose of this document is to describe progress in establishing an ethos of inclusive learning for children and young people with additional learning needs in Halton. It will describe what work has been undertaken in shaping service provision within the borough. It will also highlight the areas which require further development in ensuring Halton establishes Early Help, Support and intervention through a graduated approach and where Special Educational Need (SEN) provision is no longer seen as an ‘add on’ but as part of an overall strategy to facilitate and promote the learning opportunities and improved outcomes of all children and young people in Halton.

Halton Children and Young People Plan (2011-2014) highlights the Trust’s overall vision to build stronger safer communities which are able to support the development and learning of children and young people so they grow up feeling safe, secure happy and healthy and ready to be the future of Halton. The approach will continue to maintain a focus and strong emphasis upon “narrowing the gap” in attainment and achievement for those most at risk to achieving poor learning outcomes. Provision to meet needs will be delivered across a continuum that supports Inclusion as an acknowledged right for all children and young people in Halton within the spirit of Presence Participation Achievement and Attainment (PPAA.) The support to PPAA lies within the structure of the Inclusion Division 0-25. The delivery of support is outlined within a series of Service Planning encompassing the following:

- Attendance and exclusion Behaviour support and alternative provision
- Educational Child Psychology
- Statutory Assessment
- Enhanced Provision
- Cognition and Learning
- Progression and outcomes
- Social Communication and Autism
- Hearing Impairment
- Visual Impairment
- Medical & Physical needs

PRESENCE:

Is concerned with where learners are educated and whether they attend regularly and arrive punctually. In line with Government policy, we believe wherever possible, all learners should be enabled to receive their education in a mainstream setting

PARTICIPATION

Is concerned with the equality of educational experiences of all learners. It includes their feelings of involvement and value. It also concerns listening to their views of the quality of the services they receive

ACHIEVEMENT and ATTAINMENT

Is concerned with the learning outcomes across the whole curriculum, including activities inside and outside of the classroom and therefore judgements should be made on holistic attainment and progress of pupils but not solely on the basis of test and examination results.

The Children and Enterprise Directorate, with partner agencies, has endeavoured to establish structures and relationships with a range of professionals, agencies, organisations including schools and settings through regular consultation. The existence of a Strategic Trust Board has provided solid foundations upon which to further develop inclusive learning and improved outcomes for children and young people with additional needs in Halton. Halton's approach to the Inclusion of Pupils with Special Educational Needs and disabilities is embedded within the aims and priorities of The Children and Young People Plan. This graduated approach aligns closely to **The Early Help Strategy and Halton's Levels of Need Approach to early intervention** (see page 3 of this Strategy).

The Early Help Strategy

This strategy embodies the principle that all agencies work together with children and families to deliver early help and support through a think family approach to ensure a positive impact upon all individuals within the family.

NATIONAL CONTEXT

- The SEND Green Paper 2011
- The Children & Families Bill 2013
- The new Code of Practice

The SEN Review 2010 and subsequent Reforms encased within the Children and Families Bill 2013, recommends wholesale change in the delivery of support to children and young people with SEN and additional needs 0-25. Implementation is required by September 2014. It is acknowledged that this is a complex task, and will require continued commitment from all partners over the coming months and years in developing: Education Health and Care Plans (EHC Plans) Personalised Budgets and a local offer that demonstrates a range of provision, responsive to the continuum of need experienced by children and young people within the borough and which can strengthen conditions for further "narrowing the gap" in attainment and achievement.

Therefore this document must be viewed as an enabling approach, where agencies work together with children and families to ensure positive outcomes upon individual children and young people within the family

The goals of the GREEN PAPER

- replacing SEN statements and Learning Difficulty Assessments (for 16- to 25-year-olds) with a single, simpler 0-25 assessment process and Education, Health and Care Plan from 2014
- providing statutory protections comparable to those currently associated with a statement of SEN to up to 25 in further education – instead of it being cut off at 16
- requiring local authorities to publish a local offer showing the support available to disabled children and young people and those with SEN, and their families
- giving parents or young people with Education, Health and Care Plans the right to a personal budget for their support
- introducing mediation for disputes and trialing giving children the right to appeal if they are unhappy with their support.

The legislation would draw on evidence from 20 local pathfinders set up in September 2011. The

HALTON CONTEXT

It is essential that factors combine to ensure that retained services and outreach support should be supportive of the family, and settings, staffing and systems as well as providing direct support to children and young people. Only then can Halton deliver a programme of personalised learning that embodies the flexible curriculum so outcomes for children and young people with LDD are improved.

Halton has embraced the key objectives in

- *Early intervention through improved early years provision and through reduced reliance on statements in mainstream schools, through the Introduction of Enhanced Provision Support*
- *The develop of specialist provision and services*
- *Ensuring a continuum of provision embracing both special and mainstream schools*
- *Improved monitoring accountability and self-evaluation by schools.*

In attempting to deliver this programme Halton has:

- **Built increased confidence in schools** to use the totality of resources open to them when managing the diversity of learning needs within their school community. In doing this we have **seen a reduction in the number of requests of statutory assessments in the borough and a reduction in the overall percentage of pupils with statements.** As a result of this reduction in statutory assessments we have been able **to re-invest the savings in earlier intervention such as School Action Plus Enhanced and the further development of Specialist Provision, responding to identified need within the Borough and supporting the local offer.** This has supported children in all settings, including pre-school
- Monitored the learning outcomes of the most vulnerable learners and succeeded in narrowing the gap. The gap is continues to narrow and therefore **it is clear that reduced statements in the borough has not had a detrimental effect on pupil achievement**
- **In Halton, we have developed a focus on services to ensure that all children in Halton are able to access inclusive, high quality provision across all key stages.**
- **All settings are supported and developed to ensure good excellent opportunities that lead to improved outcomes for children and young people. Children and families are supported through a graduated approach by universal as well as targeted services**

- **Advice and support can be offered on a preventative basis**, this includes outreach support from special school settings, and specialist resourced bases thereby making the best use of specialist provision including special schools and delivering outreach support on a locality footprint.
- **Within Halton, systems are embedded to support young children with additional and exceptional need in private and voluntary settings**, using Early Intervention Grant funding. This ensures equality of support across all learning provision and settings within Halton.
- We maintain the capacity building and training that has resulted in the reinvestment of funding. This has seen a **significant reduction in the number of pupils with ASC educated in special schools outside the borough**.
- We ensure that all **savings are reinvested and recycled to meet the needs of pupils with additional needs earlier**
- **We maintain a structure that requires the views of the child** to be obtained through increased practice of Person Centred planning and reviewing with significant emphasis upon the voice of the child. This is accessed through a range of strategies, including advocacy and photo voice.
- **We strive to embed the practice of early help and intervention and align Inclusion Learning Practices with The Early Help Strategy in Halton.**
- **We remain committed to the Every Disabled Child Matters Pledge**
- **Acknowledged that we need to continue to focus under provision** to ensure the implementation Section 3 of the Children and Families Bill 2013 to ensure that we deliver a good local offer that facilitates the inclusion of children and young people with a wide range of Special Educational Needs 0-25 wherever possible within borough provision.
- **Recognised we must, wherever possible, take the resource to the child to meet identified learning needs.**
- **Closing the gap is seen as a priority** within Halton and therefore is embedded within Halton's Children and Enterprise Directorate Plan and The Early Help Strategy.
- Recognise that the labels of SEN and LDD can become barriers to achievement as they look at concerns and problems, which prevent or alter learning. **Good practice in SEN and LDD should be good practice for all children.**

EDCM pledge for Local Authorities is:

Families with disabled children to have ordinary lives

Disabled children to matter as much as all other children

Disabled children and their families to be fully included in society

All disabled children and their families to get the right

Primary and Secondary Resource Bases are

centres of expertise that will be sufficiently resourced and staffed to support children young people and schools both in the base. These bases can

Halton still needs to

- **progress the development of an integrated approach** to services for children with LDD specialist activities across agencies.
- **Implement the recommendations outlined in section 3 Children and Families Bill 2013 and ensure readiness to undertake the duties of the intended Act**
- **Keep the practice and delivery of support from resource bases under annual review to ensure that they are flexible in their approach to outreach as well as** to provide a small number of children and young people with full time education and **develop awareness of purpose and the expertise of resource bases** and the cohort of children and young people these bases are able to support, specifically low incidence needs.
- **Continue to build partnerships** with schools which are based on trust and respect for the expertise and knowledge of all partners engaged in delivering the Green paper agenda
- Continue to support and **develop cross agency training.**
- **Develop the strategic coordination of all existing outreach support services** to avoid duplication
- **Promote the use of Halton's Integrated Commissioning Framework within all educational settings** to aid transparency and the continued provision of good quality services that provide value for money.
- **Continue the development of systems and process that encourage evidence based needs assessment.** Thus enabling a transparent process for the application of additional support and resources to facilitate earlier intervention. This will be based on an inclusive model of managing the needs of all children.

WHAT WE WANT TO ACHIEVE

We recognise that the relationship between all agencies and organisations working with children and young people with additional needs is key to implementing the recommendations of the Children and Families Bill 2014 enforcing outcomes focussed planning and “closing the gap”. No single agency can manage in isolation as each aspect has something unique and valuable to offer.

Collective objectives are:












- **To ensure the Implementation of the recommendations of Section 3 of Children Families Bill 2013**
- **Education, Health and Care Plans** to replace statements and extended from 0-25
- LAs to produce a **Local Offer** giving information on what services are available locally
- Parents to be offered **Personal Budgets**
- Parents to be offered **Mediation** before going to Tribunal
- **School Action and School Action Plus** to be reduced to a single category
- Improve the levels of educational achievement and attainment for pupils with additional need who may be at risk of underachievement.
- Maximise opportunities for all pupils to be educated in mainstream schools alongside their peers and to recognise this as their entitlement
- Provide Specialist provision to facilitate and promote inclusive practice, in particular develop processes that ensure the voice of the child is represented in the design, delivery and planning for inclusive learning in Halton.
- Ensure pupil needs are met early and effectively in line with a graduated approach and that there is an integrated approach to services for children with additional needs and their families
- Monitor SEN resources including those held by the Local Authority and those delegated to schools to ensure that they are allocated consistently and efficiently
- Work in Partnership with parents and carers and other agencies to deliver the Early Help and Support Model and the undertake the duties identified in the Children & Families Bill 2013 and Act 2014
- Promote and maintain partnership with all agencies to ensure pupils with the most complex needs have access to Education Health and Care plans that are personalised, outcomes focussed and have the have the voice of the child/young person at the centre.

HALTON LOCAL AUTHORITY SCHOOL IMPROVEMENT SATISFACTION SURVEY

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Please answer the following questions in relation to your school. The final 2 questions are just for those rated Outstanding or Good at the last Ofsted Inspection. You can add a grade and a comment against any of the questions as well as an overarching comment at the bottom if you wish. If you have any questions or comments, please contact Steve Nyakatawa at steve.nyakatawa@halton.gov.uk

Issued By: Halton
Date Issued: 18/10/2013
Deadline: 18/11/2013

	KPIs		Comments	Unavailable
Please rate the Local Authorities knowledge of your school, your performance and the standards your pupils achieve:	1		<input type="text"/>	<input type="checkbox"/>
- How effective is the performance data provided by the LA for use to inform your school self-evaluation?:	1-4		<input type="text"/>	<input type="checkbox"/>
- How confident are you that LA officers understand the context of your school and its performance?:	1-4		<input type="text"/>	<input type="checkbox"/>
Please rate how well the LA measures to support and challenge your school are meeting those needs:	1		<input type="text"/>	<input type="checkbox"/>
- How would you rate the LA's categorisation process?:	1-4		<input type="text"/>	<input type="checkbox"/>
- How would you rate the rationale for differentiated support?:	1-4		<input type="text"/>	<input type="checkbox"/>
Please rate the impact of the Local Authority Support and Challenge over time to help your school improve?:	1		<input type="text"/>	<input type="checkbox"/>
- How would you rate the LA's ambition for school improvement in Halton?:	1-4		<input type="text"/>	<input type="checkbox"/>
- How effective is the LA in clearly articulating this ambition?:	1-4		<input type="text"/>	<input type="checkbox"/>
- How effectively is this built upon the trust and credibility of senior officers?:	1-4		<input type="text"/>	<input type="checkbox"/>
For Outstanding & Good schools, please rate how well the Local Authority is making use of your school's strengths to help others improve?:	1		<input type="text"/>	<input type="checkbox"/>
- How would you rate the LA's effectiveness in promoting and engaging with sector led improvement, including school to school support?:	1-4		<input type="text"/>	<input type="checkbox"/>

Please add any **further comments** to your census return here:

*** Is a required KPI**

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Strategic Director, Communities

PORTFOLIO: Health and Wellbeing

SUBJECT: Extension of Residential and Nursing Care Contract

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 To seek agreement and approval from the Executive Board to formally extend service provision of identified Residential and Nursing Care contracts for a period of 10 months from 1st April 2014 to 28th February 2015.
- 1.2 To seek agreement to enter into negotiations with current providers of registered residential and nursing care during this extension period regarding a potential uplift in annual price.

2.0 RECOMMENDATION: That the Board

- 1) **approve using Procurement Standing Order 1.8.4(c) of the Council's Standing Orders to waive Part 2 of Standing Orders which refers to contracts exceeding £1,000,000 in value and to extend existing Residential and Nursing Care contracts in Halton for a period of up to 10 months from 1st April 2014 to 28th February 2015 so as to align Health and Social care contract end dates;**
- 2) **the Strategic Director Communities be authorised in consultation with the Portfolio Holder for Health and Adults, be granted delegated authority to determine an uplift for the extended contract period; and**
- 3) **approve using Procurement Standing Order 1.8.4(c) to waive Part 2 of Standing Orders which refers to contracts exceeding £1,000,000 in value, to allow existing registered residential providers that are not on the NHS North West Framework for Continuing Health Care, the option to enter into a contract from April 2014 to April 2015, with an option to extend for an additional four years, on an annual basis. The contract would be awarded at the rate to be determined, by the Strategic Director Communities in consultation with the Portfolio**

Holder for Health and Adults.

3.0 SUPPORTING INFORMATION

- 3.1 The existing contracts have been in operation since 2010 and cover all residential and nursing care provided by the local authority. The existing contracts for the provision of registered residential and nursing care have been in operation since 2010 and cover all residential and nursing care provided within the local authority. These contracts do not follow a traditional procurement route in Halton or other Local Authorities due to the nature of the services. Residential and Nursing Care services are registered to provide business through the Care Quality Commission (CQC) but it is Local Authorities that then enter into contractual arrangements with the registered services in order quality assure the service delivered in each local area and to safeguard people living in the services. We are seeking a waiver in order to comply with Procurement Standing Orders i.e. seeking permission to waiver the fact that we are not undertaking competition as required, but are securing value for money in the short term by reviewing such contracts and exploring the option to develop joint contracting arrangements with partners as outlined below.
- 3.2 A number of providers in Halton also operate under the North West NHS Framework for Continuing Health Care contract that is due to expire on 28th February 2015. The preferred option would be to develop a joint contract between ourselves and Halton Clinical Commissioning Group to meet both health and social care needs within registered services. The extension period would provide the time needed for commissioning managers to work with health and social care practitioners, providers, people in receipt of a service and their families to develop a joint contract by December 2014.
- 3.3 Halton Borough Council has been in consultation with providers for over twelve months and providers have been invited to submit information and suggestions to inform future contracting arrangements in Halton. This open dialogue with providers will be on-going.
- 3.4 In the interim period between April 2014 and February 2015 it is anticipated that a negotiated approach in relation to the annual uplift will be appropriate to continue to support this vital sector of the business. Dialogue with care providers is on-going and we are continuing to agree the process of extension and the implications of the request.
- 3.5 Some providers that are not on the NHS framework for continuing health care have indicated that they wish to enter into a five year contract with the council. However, the five year contract would include a break clause at 28th February 2015.

4.0 **BUSINESS CASE FOR EXTENSION OF CONTRACTS**

4.1 **Value for money**

Current contracted rates were established through a negotiated agreement between the parties and remain competitive when benchmarked against neighbouring authorities. Rates will be subject to further review during the development of the joint contract.

4.2 **Transparency**

Contracts will be recorded in the Council's Contract Register accessible via the internet together with the publication of all spend in excess of £500.00.

4.3 **Propriety and Scrutiny**

The extension of the contracts referred to in this report will be compliant with Halton Borough Council's Procurement Standing Orders. Compliance with anti-corruption practices will be adhered to and any of the contracts within the subject of this report will be terminated if there is any occurrence of corruption by any organisations or their staff.

4.4 **Accountability**

The contracts will be performance managed and service standards monitored by commissioners and the contracts team.

5.0 **POLICY IMPLICATIONS**

5.1 The Government White Paper Care and Support published earlier this year was a direct response to the recommendations of the Dilnot Commission which concluded in July 2011. The paper outlines a number of goals that care reform must deliver and will be an important element of the residential care contract.

6.0 **FINANCIAL IMPLICATIONS**

6.1 The Residential Care AND Nursing Care contract is currently valued at £10.6 million per annum. The funding is contained within the existing Community Care budget to meet these costs.

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

7.1 **Children & Young People in Halton**

None identified.

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

Halton's health and wellbeing priorities enable local people to maintain good health and improve poor health. The delivery of an effective, high quality residential care service is vital to ensure

people are able to maintain a positive role within their local community.

7.3 A Healthy Halton

Residential Care is an important part of the service provision for older people within the borough. This is a key component of the strategic aims to keep people safe and healthy for as long as possible.

7.4 A Safer Halton

Halton's health and Wellbeing priorities enable local people to improve their health and this can impact on the safety of local people.

7.5 Halton's Urban Renewal

None

8.0 RISK ANALYSIS

8.1 The current Residential and Nursing Care Contracts expire on 31st March 2014 and this waiver will approve the issue of a new contract for a 10 month period. This course of action is low risk as it allows alignment with the NHS North West contract.

8.2 A decision in support of approval of service extensions for 10 months will ensure that there are no gaps in service provision and stability is maintained at a time of systematic change in the health care system.

9.0 EQUALITY AND DIVERSITY ISSUES

9.1 Any equality and diversity issues are addressed in the existing contracts/service specifications.

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

None.

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Strategic Director, Communities

PORTFOLIO: Health & Wellbeing

SUBJECT: Adult Social Care Contracts

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To seek approval from Executive Board to extend the current services provided by external providers in the voluntary sector for a one year period to from 1st April 2014 to 31st March 2015, which requires a waiver to Procurement Standing Orders.

2.0 RECOMMENDATION: That Executive Board

- 1) **agree to using Procurement Standing Orders 1.8.3 (d), (e) and (f) to waive Procurement Standing Order 4.1 in respect of voluntary sector contracts with a value not exceeding £173,934, as listed in Appendix 1; and**
- 2) **agree to an extension of existing voluntary sector contracts for a period of up to 1 year from 1st April 2014 to 31st March 2015.**

3.0 SUPPORTING INFORMATION

3.1 The forthcoming statutory duties placed on the authority by the Care Bill 2013, and plans to develop the Better Care Fund have necessitated a review of the Communities Directorate approach to the delivery of prevention and early intervention.

3.2 In Halton, the voluntary sector has played a significant role in delivering prevention and early intervention services, as outlined in the list of contracts in Appendix 1.

3.3 So that the Authority can ensure that it both meets its forthcoming statutory duties under the Care Bill, and that the commissioned services are efficient, effective and meets the needs of the individuals that are using them, it is proposed that those listed services are reviewed.

3.4 The outcome of the review will determine whether any of the current services can be re-designed or that the scale of changes to delivery that are required would necessitate the undertaking of a tender process.

4.0 **BUSINESS CASE FOR EXTENSION OF CONTRACTS**

4.1 **Value for money**

The financial contribution from the council is supported by the contribution from local volunteers and as such the services listed in Appendix 1 provide good value for money. The Council's contribution to all services will be subject to further review in 2014/5.

4.2 **Transparency**

Contracts will be recorded in the Council's Contract Register accessible via the internet together with the publication of all spend in excess of £500.00.

4.3 **Propriety and Scrutiny**

The extension of the contracts referred to in this report will be compliant with Halton Borough Council's Procurement Standing Orders. Compliance with anti-corruption practices will be adhered to and any of the contracts within the subject of this report will be terminated if there is any occurrence of corruption by any organisations or their staff.

4.4 **Accountability**

The contracts will be performance managed and service standards monitored by commissioners and the contracts team.

5.0 **POLICY IMPLICATIONS**

5.1 Under the Care Bill 2013, Local Authorities will take on new functions that will help to improve people's independence and wellbeing. This is to make sure that people who live in their areas:

- Receive services that prevent their care needs from becoming more serious.
- Can get the information they need to make good decisions about care and support.
- Have a good range of providers to choose from.

5.2 On 17th January 2008, the Department of Health issued a Local Authority Circular entitled 'Transforming Social Care'. The circular set out information to support transformation of social care and at the heart of this change is the personalisation agenda. As we develop community provision within prevention services we will need to consider the implications of personalisation for the whole community.

5.3 Equity and Excellence: Liberating the NHS, July 2010, also sets out

plans to radically transform the NHS. This includes development of Clinical Commissioning Groups that means local clinicians having more of a say in how they commission services. This has had a major impact on the voluntary sector as they have had to adapt to a whole new way of working and prepare for commissioning changes in the sector.

- 5.4 Locally, to support these National documents, the Older People's Commissioning Strategy and the Early Intervention and Prevention Strategy identify the need to support Older People to maintain their independence and a high quality of life. The Learning Disability Commissioning Strategy Mid-term review, The Carers Commissioning Strategy and the Joint Commissioning Strategy for People with Physical and/or Sensory Disabilities all outline the current position and needs of different service areas in the borough. These documents look at the need for a range of support services to help people achieve the best outcomes for them including information, transport, advocacy and health promotion.

6.0 **FINANCIAL IMPLICATIONS**

- 6.1 The total financial implication of the contracts listed in Appendix 1 is £569,332. This is funded jointly from the Local Authority and the Clinical Commissioning Group.

- 6.2 The contracts will be reviewed during the course of 2014/15 to ensure that service objectives are in line with the new Health and Wellbeing and Clinical Commissioning Group Priorities and that services continue to provide value for money.

- 6.3 The cost of the recommended extension to contracts can be met within existing budget allocations.

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

7.1 **Children & Young People in Halton**

None

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

Voluntary sector organisations rely significantly on volunteer time to deliver services. The organisations provide training and placement opportunities for volunteers, increasing their skills and employability.

7.3 **A Healthy Halton**

The services provided by Age UK Mid Mersey and Red Cross deliver direct support from people in their own home or as they are being discharged from hospital. Information and Advocacy is a vital

mainstay of helping people to remain healthy and independent in their own homes.

7.4 **A Safer Halton**

The prevention agenda is well supported by the voluntary sector and Age UK Mid Mersey offer practical help and information to ensure that older people's homes are safe and secure. In addition Red Cross offer practical support for people when they leave hospital.

7.5 **Halton's Urban Renewal**

None

8.0 **RISK ANALYSIS**

8.1 The Quality Assurance Team will monitor the grants and ensure the Council and Halton residents receive value for money

9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 To receive funding a voluntary sector organisation has to ensure that that acceptable equality and diversity policies are in place.

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

None.

Appendix 1

Name of provider & details of service	Contract start date	Contract end date	Budget 2014/15	Funding source
Crossroads Support for Carers	01/04/14	31/03/15	£40,000	HBC Base budget
Vision Support	01/04/14	31/03/15	£42,268	HBC (Base budget) £25,200 CCG £17,068
MIND	01/04/14	31/03/15	£37,890	HBC Base budget
Advocacy Works	01/04/14	31/03/15	£46,330	50% HBC Base Budget - £23,165 50% CCG budget - £23,165
Age UK Mid Mersey – Information Service	01/04/14	31/03/15	£78,000	50% HBC Base Budget - £39,000 50% CCG budget - £39,000
Age UK Mid Mersey – Practical Tasks Is this the home safety service	01/04/14	31/03/15	£66,842	50% HBC Base Budget - £33,421 50% CCG budget - £33,421
Age UK Halton Open	01/04/14	31/03/15	£21,500	50% HBC Base Budget - £10,750 50% CCG budget - £10,750
Age UK Installation Officers	01/04/14	31/03/15	£33,090	50% HBC Base Budget - £16,545 50% CCG budget - £16,545

Age UK Traders Register	01/04/14	31/03/15	£18,000	50% HBC Base Budget - £9,000 50% CCG budget - £9,000
Age UK Participation Groups	01/04/14	31/03/15	£18,275	50% HBC Base Budget - £9,137.50 50% CCG budget - £9,137.50
The Reader Group	01/04/14	31/03/15	£7,500	HBC Base Budget - £7,500
The Stroke Association	01/04/14	31/03/15	£15,000	HBC Base Budget - £15,000
Alzheimer's Society	01/04/14	31/03/15	£50,000	HBC Base Budget - £50,000
Red Cross – Home from Hospital	01/04/14	31/03/15	£67,152	50% HBC Base Budget - £33,576 50% CCG budget - £33,576
Carers Centre	01/04/14	31/03/15	£105,253	Communities - £70,253 Children and Young People - £35,000
Halton Speak Out	01/04/14	31/03/15	£96,439	HBC Base Budget - £96,439

REPORT TO:	Executive Board
DATE:	27 February 2014
REPORTING OFFICER:	Operational Director – Finance
PORTFOLIO:	Resources
SUBJECT:	2013/14 Quarter 3 Spending
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 To report the Council's overall revenue and capital spending position as at 31 December 2013.

2.0 RECOMMENDED: That

- 1) all spending continues to be limited to the absolutely essential;**
- 2) Strategic Directors ensure overall spending at year-end is within their total operational budget; and**
- 3) Council approve the revised capital programme as set out in Appendix 3.**

3.0 SUPPORTING INFORMATION

Revenue Spending

- 3.1 Appendix 1 presents a summary of spending against the revenue budget up to 31st December 2013, along with individual statements for each Department. In overall terms revenue expenditure is £0.95m below the budget profile. However the budget profile is only a guide to eventual spending and experience shows that spending can accelerate towards the end of the financial year. Directorates should continue to limit all spending to the absolutely essential to ensure that each Directorate's spending at year-end is within its total operational budget.
- 3.2 On 10th December 2013 the Council approved the early implementation of budget savings for 2014/15 totalling £6.5m. A number of these will provide a part-year saving in 2013/14 and will assist in keeping overall spending within budget at year-end.
- 3.3 Total spending on employees is £0.5m below the budget profile at the end of the 3rd quarter. During the course of the year to date a number of posts have been held vacant across the Council; some of these have or will need to be eventually filled whilst others will have been put forward as

saving proposals for 2014/15. The vacant posts have helped Directorates achieve staff turnover saving targets for the year to date.

- 3.4 Expenditure on general supplies and services is £0.6m under budget against a budget profile of £9.2m at 31st December 2013, which equates to approximately 6.6%. The variance in spend on the supplies & services budget is evidenced across the three Directorates and can be linked to improved procurement procedures and limiting spend to what is absolutely essential.
- 3.5 Expenditure on children's residential placements is £0.7m above the profiled budget of £1.2m for the period to 31st December 2013. This is an unpredictable budget, due to emergency placements and some long term placements continuing longer than originally anticipated. Although every effort is made to utilise in house services, this is not always possible. At present, there is a high demand for long term placements, which are at a higher cost than in house placements. It is expected that the overspend against budget will increase in the final quarter of the year.
- 3.6 Spending on in-house adoption has been high for the year to date due to some special guardianship allowances having been re-assessed and increased. At the end of the third quarter of the year, spend is £0.2m above budget. This is slightly less than at the mid-way point but it is expected that spend will continue to be above budget until the end of the year.
- 3.7 Borrowing costs to support expenditure on the capital programme is below the budget profile for the year to date. This is due to interest rates remaining at record low levels, which the Council has been able to take advantage of particularly for Mersey Gateway advance land acquisitions.
- 3.8 Whilst nationally there are signs of a slight upturn in the economy there is still pressure on income targets for the year.
- 3.9 From 1st April 2013 Halton Borough Council (HBC) and the Clinical Commissioning Group (CCG) agreed to pool their resources due to the increasing challenges for the Health and Social Care economy in Halton, The gross pooled budget excluding grant is approximately £35m. This will result in the alignment of systems, more effective and efficient joint working, improved pathways, speed up of discharge processes, transforming patient/care satisfaction and set the scene for the future sustainability of meeting the current and future needs of people with complex needs.
- 3.10 There is a slight underspend against the pooled budget to date of £0.1m for the first three quarters of the year. However, this expenditure by nature is volatile and fluctuating depending on the number and value of new packages being approved and existing packages ceasing, trends of expenditure and income will be scrutinised in detail throughout the remainder of the year to ensure a balanced budget is achieved at year-end. Attached at Appendix 2 is a statement of spending against the Complex Care Pooled Budget up to 31st December 2013.

- 3.11 The collection rate for Council Tax is slightly below (1.1%) what it was at this stage last year, although the impact of the reduction is netted off against an increase in the amount of Council Tax billed. The overall collection rate for the year was anticipated to be lower than in previous years due to the introduction of the localised Council Tax scheme. The forecast retained element of business rates is in line with what was set as the Council's business rate baseline for the year.
- 3.12 The Council's overall net spending is below the budget profile at 31st December 2013. It is important that budget managers continue to closely monitor and control spending and income for the remainder of the financial year.

Capital Spending

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

- (i) Beechwood Primary Basic Need
- (ii) Mersey Gateway Land Acquisition
- (iii) Mersey Gateway Development Costs
- (iv) SciTech Daresbury Scheme
- (v) Widnes Waterfront
- (vi) Johnsons Lane Infrastructure
- (vii) Lowerhouse Lane Depot
- (viii) Former Crosville Site
- (ix) Brookvale Leisure Centre Biomass Boiler
- (x) Disabled Facilities
- (xi) Social Care Capital Grant
- (xii) Basic Need Projects
- (xiii) Universal Infant Free School Meals
- (xiv) LTP allocation 14/15
- (xv) Open Spaces Scheme

- 3.14 Capital spending at 31st December 2013 totalled £30.6m, which is 98% of the planned spending of £31.3m at this stage. This represents 58% of the total capital programme of £52.7m (which assumes a 20% slippage between years).

Balance Sheet

- 3.15 The Council's Balance Sheet is monitored regularly in accordance with the Reserves and Balances Strategy which forms part of the Medium Term Financial Strategy. The key reserves and balances have been reviewed and are considered prudent and appropriate at this stage in the financial year.

4.0 POLICY AND OTHER IMPLICATIONS

4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

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

6.0 RISK ANALYSIS

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

6.2 In preparing the 2013/14 budget, a register of significant financial risks was prepared which has been updated as at 31st December 2013 and is presented in Appendix 4.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

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

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

Summary of Revenue Spending to 31st December 2013

Directorate / Department	Annual Budget £'000	Budget To Date £'000	Actual Spend £'000	Variance To Date (overspend) £'000
Children and Families Services	16,784	12,184	13,147	(963)
Children's Organisation and Provision	11,102	-22	-412	390
Learning and Achievement	7,509	3,901	3,439	462
Economy, Enterprise & Property	3,478	1,010	1,013	(3)
Children and Enterprise	38,873	17,073	17,187	(114)
Human Resources	39	-141	-261	120
Policy, Planning & Transportation	16,078	7,730	7,647	83
Legal & Democratic Services	776	492	410	82
Finance	4,928	2,370	2,080	290
ICT & Support Services	391	-1,071	-1,054	(17)
Public Health	1,549	1,172	1,163	9
Policy and Resources	23,761	10,552	9,985	567
Community & Environment	25,302	14,796	14,932	(136)
Prevention & Assessment	26,725	17,150	16,935	215
Commissioning & Complex Care	13,717	11,364	11,297	67
Communities	65,744	43,310	43,164	146
Corporate & Democracy	-13,264	518	167	351
	115,114	71,453	70,503	950

CHILDREN & ENTERPRISE DIRECTORATE

Children & Families Department

Revenue Spending as at 31st December 2013

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
<u>Expenditure</u>				
Employees	7,986	6,282	6,379	(97)
Premises	419	286	270	16
Supplies & Services	1,303	821	692	129
Transport	33	12	10	2
Agency Related Expenditure	285	229	236	(7)
Commissioned Services	404	254	237	17
Out of Borough Placements	1,621	1,174	1,917	(743)
Out of Borough Adoption	216	60	44	16
Out of Borough Fostering	414	335	358	(23)
In House Adoption	524	404	618	(214)
In House Foster Carer Placements	1,695	1,371	1,452	(81)
Care Leavers	316	217	205	12
Family Support	113	85	81	4
Capital Financing	6	0	0	0
Total Expenditure	15,335	11,530	12,499	(969)
<u>Income</u>				
Fees & Charges	-113	-91	-95	4
Adoption Placements	-41	0	0	0
Transfer to/from Reserves	-1,504	-1,504	-1,504	0
Adoption Reform Grant	-273	-273	-273	0
Youth Remand Funding	-21	-21	-21	0
Reimbursements & Other Grant Income	-174	-77	-79	2
Total Income	-2,126	-1,966	-1,972	6
Net Operational Budget	13,209	9,564	10,527	(963)
<u>Recharges</u>				
Premises Support Costs	347	261	261	0
Transport Support Costs	91	59	59	0
Central Support Service Costs	3,091	2,300	2,300	0
Asset Rental Support Costs	46	0	0	0
Total Recharges	3,575	2,620	2,620	0
Net Expenditure	16,784	12,184	13,147	(963)

**Children's Organisation & Provision
Department
Revenue Spending as at 31st December 2013**

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
<u>Expenditure</u>				
Employees	3,757	2,368	2,296	72
Premises	437	50	47	3
Supplies & Services	1,081	682	598	84
Transport	5	1	1	0
Agency Related Expenditure	1,954	473	469	4
Commissioned Services - Youth Serv.	900	675	675	0
Commissioned Services	1,745	1,117	942	175
Connexions	923	570	552	18
Nursery Education Payments	2,149	1,868	1,868	0
Schools Contingency Costs	107	0	0	0
NQT Contingency	184	0	0	0
Schools Non Delegated Support	228	3	3	0
Schools Transport	946	558	558	0
Special Education Needs Contingency	882	155	155	0
Total Expenditure	15,298	8,520	8,164	356
<u>Income</u>				
Fees & Charges	-271	-26	-27	1
Transfer to / from Reserves	-571	-571	-571	0
Dedicated Schools Grant	-10,923	-8,192	-8,192	0
Reimbursements & Other Income	-581	-475	-487	12
Schools SLA Income	-198	-198	-219	21
Total Income	-12,544	-9,462	-9,496	34
Net Operational Budget	2,754	-942	-1,332	390
<u>Recharges</u>				
Premises Support Costs	152	115	115	0
Transport Support Costs	272	156	156	0
Central Support Service Costs	1,070	649	649	0
Asset Rental Support Costs	6,854	0	0	0
Total Recharges	8,348	920	920	0
Net Expenditure	11,102	-22	-412	390

**Learning & Achievement Department
Revenue Spending as at 31st December 2013**

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
<u>Expenditure</u>				
Employees	3,870	2,347	2,167	180
Premises	10	10	10	0
Supplies & Services	1,075	563	284	279
Agency Related Expenditure	91	61	63	(2)
Commissioned Services	33	1	1	0
Independent School Fees	1,584	1,099	1,099	0
Asset Recharges	3	0	0	0
Inter Authority Recoupment	811	206	206	0
Speech Therapy	120	0	0	0
Total Expenditure	7,597	4,287	3,830	457
<u>Income</u>				
Fees & Charges	-153	-114	-119	5
Government Grant Income	-77	-77	-77	0
Inter Authority Income	-578	-136	-136	0
Reimbursements & Other Income	-40	-30	-30	0
Schools SLA Income	-39	-29	-29	0
Total Income	-887	-386	-391	5
Net Operational Budget	6,710	3,901	3,439	462
<u>Recharges</u>				
Premises Support Costs	112	0	0	0
Transport Support Costs	19	0	0	0
Central Support Service Costs	667	0	0	0
Asset Rental Support Costs	1	0	0	0
Total Recharges	799	0	0	0
Net Expenditure	7,509	3,901	3,439	462

Economy, Enterprise & Property Department
Revenue Spending as at 31st December
2013

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
<u>Expenditure</u>				
Employees	4,419	3,521	3,572	(51)
Repairs & Maintenance	2,703	2,048	2,040	8
Energy & Water Costs	606	421	413	8
NNDR	637	621	622	(1)
Rents	376	355	355	0
Marketing Programme	128	23	17	6
Promotions	84	34	27	7
Supplies & Services	1,251	839	823	16
Agency Related Payments	168	145	145	0
Total Expenditure	10,372	8,007	8,014	(7)
<u>Income</u>				
Fees & Charges	-587	-471	-471	0
Rent - Markets	-758	-577	-580	3
Rent - Industrial	-965	-615	-610	(5)
Rent – Commercial	-533	-452	-450	(2)
Government Grant Income	-914	-559	-559	0
Transfer from Reserves	-361	-361	-361	0
Recharges to Capital	-420	-207	-207	0
Reimbursements & Other Grant Income	-659	-577	-585	8
Schools SLA Income	-494	-494	-494	0
Total Income	-5,691	-4,313	-4,317	4
Net Operational Budget	4,681	3,955	3,958	(3)
<u>Recharges</u>				
Premises Support Costs	1,498	1,133	1,133	0
Transport Support Costs	38	22	22	0
Central Support Service Costs	1,706	1,289	1,289	0
Asset Rental Support Costs	2,390	0	0	0
Repairs & Maintenance Recharge Income	-2,185	-1,639	-1,639	0
Accommodation Recharge Income	-2,759	-2,070	-2,070	0
Central Supp. Service Rech. Income	-1,891	-1,419	-1,419	0
Total Recharges	-1,202	-2,684	-2,684	0
Net Expenditure	3,478	1,010	1,013	(3)

POLICY & RESOURCES DIRECTORATE

Human Resources

Revenue Spending as at 31st December 2013

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	1,697	1,313	1,306	7
Employee Training	320	106	70	36
Supplies & Services	193	170	174	(4)
Total Expenditure	2,210	1,589	1,550	39
<u>Income</u>				
Fees & Charges	-136	-132	-204	72
School SLA's	-390	-382	-391	9
Transfers from Reserves	-32	0	0	0
Total Income	-558	-514	-595	81
Net Operational Expenditure	1,652	1,075	955	120
<u>Recharges</u>				
Premises Support	72	54	54	0
Transport Recharges	16	11	11	0
Asset Charges	1	0	0	0
Central Support Recharges	505	379	379	0
Support Recharges Income	-2,207	-1,660	-1,660	0
Net Total Recharges	-1,613	-1,216	-1,216	0
Net Departmental Total	39	-141	-261	120

Policy, Planning & Transportation
Revenue Spending as at 31st December 2013

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	4,958	3,822	3,875	(53)
Other Premises	236	80	73	7
Hired & Contracted Services	438	208	208	0
Supplies & Services	309	250	248	2
Street Lighting	1,791	1,070	1,070	0
Highways Maintenance	2,223	1,337	1,337	0
Bridges	96	48	38	10
Fleet Transport	1,235	945	945	0
Lease Car Contracts	622	622	622	0
Bus Support – Halton Hopper Tickets	231	182	182	0
Bus Support	531	356	341	15
Out of Borough Transport	51	34	33	1
Capital Financing	406	307	307	0
Grants to Voluntary Organisations	68	68	68	0
NRA Levy	62	62	59	3
Mersey Gateway	4,966	3,262	3,262	0
Total Expenditure	18,223	12,653	12,668	(15)
<u>Income</u>				
Sales	-310	-248	-271	23
Planning Fees	-506	-354	-373	19
Building Control Fees	-81	-71	-80	9
Other Fees & Charges	-519	-351	-387	36
Rents	-8	-4	-2	(2)
Reimbursements & Other Grants	-171	-128	-138	10
School SLAs	-39	-39	-44	5
Recharge to Capital	-2,736	-995	-995	0
Transfer from Reserves	-2,567	-2,267	-2,267	0
Total Income	-6,937	-4,457	-4,557	100
Net Controllable Expenditure	11,286	8,196	8,111	85
<u>Recharges</u>				
Premises Support	770	333	332	1
Transport Recharges	568	430	430	0
Asset Charges	7,432	0	1	(1)
Central Support Recharges	3,200	2,400	2,401	(1)
Departmental Support Recharges	446	0	0	0
Support Recharges Income – Transport	-4,699	-2,823	-2,823	0
Support Recharges Income – Non Transport	-2,925	-806	-805	(1)
Net Total Recharges	4,792	-466	-464	(2)
Net Departmental Total	16,078	7,730	7,647	83

Legal & Democratic Services
Revenue Spending as at 31st December 2013

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	1,976	1,441	1,422	19
Supplies & Services	339	239	221	18
Civic Catering & Functions	29	7	1	6
Mayoral Allowances	21	17	20	(3)
Legal Expenses	207	171	169	2
Total Expenditure	2,572	1,875	1,833	42
<u>Income</u>				
Land Charges	-97	-73	-75	2
School SLA's	-48	-48	-67	19
License Income	-268	-201	-199	(2)
Other Income	-28	-23	-40	17
Transfers from Reserves	-68	-59	-59	0
Total Income	-509	-404	-440	36
Net Operational Expenditure	2,063	1,471	1,393	78
<u>Recharges</u>				
Premises Support	122	91	91	0
Transport Recharges	33	25	21	4
Asset Charges	19	0	0	0
Central Support Recharges	484	363	363	0
Support Recharges Income	-1,945	-1,458	-1,458	0
Net Total Recharges	-1,287	-979	-983	4
Net Departmental Total	776	492	410	82

Finance

Revenue Spending as at 31st December 2013

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	7,157	5,364	5,195	169
Supplies & Services	588	413	368	45
Other Premises	133	115	58	57
Agency Related	1	0	0	0
Insurances	1,537	1,129	1,129	0
Charitable Relief	120	0	0	0
Concessionary Travel	2,247	1,499	1,499	0
Discretionary Support Scheme	601	50	50	0
Rent Allowances	52,985	41,457	41,457	0
Non HRA Rebates	60	45	45	0
Contribution to Reserves	820	0	0	0
Total Expenditure	66,249	50,072	49,801	271
<u>Income</u>				
Fees & Charges	-69	-52	-87	35
SLA to Schools	-763	-763	-725	(38)
NNDR Administration Grant	-169	0	0	0
Hsg Ben Administration Grant	-1,166	-875	-875	0
Rent Allowances	-52,370	-40,609	-40,609	0
Discretionary Support Scheme	-787	-787	-787	0
Reimbursements & Other Grants	-1,153	-1,104	-1,119	15
Liability Orders	-373	-361	-361	0
Non HRA Rent Rebates	-60	-49	-49	0
Transfer from Reserves	-295	-9	-9	0
Total Income	-57,205	-44,609	-44,621	12
Net Controllable Expenditure	9,044	5,463	5,180	283
<u>Recharges</u>				
Premises	426	320	320	0
Transport	60	45	38	7
Asset Charges	24	0	0	0
Central Support Service	2,838	2,130	2,130	0
Support Service Income	-7,464	-5,588	-5,588	0
Net Total Recharges	-4,116	-3,093	-3,100	7
Net Department Total	4,928	2,370	2,080	290

ICT & Support Services
Revenue Spending as at 31st December 2013

	Annual Budget	Budget to Date	Actual to Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	5,728	4,335	4,228	107
Supplies & Services	635	426	400	26
Computer Repairs & Software	606	472	449	23
Communications Costs	407	305	326	(21)
Other Premises	15	11	20	(9)
Capital Financing	303	252	260	(8)
Total Expenditure	7,694	5,801	5,683	118
<u>Income</u>				
Fees & Charges	-409	-364	-206	(158)
Reimbursements & Other Grants	-39	-29	-39	10
SLA to Schools	-537	-537	-549	12
Transfers from Reserves	-40	0	0	0
Total Income	-1,025	-930	-794	(136)
Net Controllable Expenditure	6,669	4,871	4,889	(18)
<u>Recharges</u>				
Premises	434	325	325	0
Transport	20	15	14	1
Asset Charges	1,646	0	0	0
Central Support Services	1,090	818	818	0
Support Service Income	-9,468	-7,100	-7,100	0
Net Total Recharges	-6,278	-5,942	-5,943	1
Net Department Total	391	-1,071	-1,054	(17)

Public Health
Revenue Spending as at 31st December 2013

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (underspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	1,433	1,057	1,049	8
Supplies & Services	34	25	18	7
Consumer Protection Contract	393	314	332	(18)
Other Agency	20	20	18	2
Contracts & SLA's	6,023	3,857	3,826	31
Transfer to Reserves	207	0	0	0
Total Expenditure	8,110	5,273	5,243	30
<u>Income</u>				
Other Fees & Charges	-68	-51	-31	(20)
Sales Income	-26	-26	-25	(1)
Reimbursements & Grant Income	-45	-38	-38	0
Government Grant	-8,510	-4,255	-4,255	0
Total Income	-8,649	-4,370	-4,349	(21)
Net Operational Expenditure	-539	903	894	9
<u>Recharges</u>				
Premises Support	47	35	35	0
Central Support Services	2,014	218	218	0
Transport Recharges	27	16	16	0
Net Total Recharges	2,088	269	269	0
Net Departmental Total	1,549	1,172	1,163	9

COMMUNITIES DIRECTORATE
Community & Environment
Revenue Spending as at 31st December 2013

	Annual Budget £'000	Budget To Date £'000	Actual to Date £'000	Variance To Date (overspend) £'000
<u>Expenditure</u>				
Employees	12,206	9,205	9,370	(165)
Other Premises	1,363	969	876	93
Supplies & Services	1,549	1,083	1,023	60
Book Fund	225	186	187	(1)
Promotional	290	206	205	1
Other Hired Services	991	528	542	(14)
Food Provisions	773	499	460	39
School Meals Food	1,660	917	887	30
Transport	70	52	33	19
Other Agency Costs	877	145	153	(8)
Waste Disposal Contracts	4,799	2,697	2,667	30
Leisure Management Contract	1,492	1,011	1,042	(31)
Grants To Voluntary Organisations	333	290	287	3
Grant To Norton Priory	222	222	224	(2)
Rolling Projects	185	42	42	0
Capital Financing	33	0	0	0
Total Spending	27,068	18,052	17,998	54
<u>Income</u>				
Sales Income	-2,216	-1,508	-1,431	(77)
School Meals Sales	-2,224	-1,154	-1,192	38
Fees & Charges Income	-2,729	-1,750	-1,676	(74)
Rents Income	-156	-97	-94	(3)
Government Grant Income	-111	-31	-43	12
Reimbursements & Other Grant Income	-510	-291	-330	39
Schools SLA Income	-278	-254	-226	(28)
Internal Fees Income	-104	-59	-48	(11)
School Meals Other Income	-2,265	-1,883	-1,916	33
Meals On Wheels	-188	-132	-135	3
Catering Fees	-173	-130	-62	(68)
Capital Salaries	-103	-77	-39	(38)
Transfers From Reserves	-247	-185	-185	0
Total Income	-11,304	-7,551	-7,377	(174)
Net Controllable Expenditure	15,764	10,501	10,621	(120)
<u>Recharges</u>				
Premises Support	1,491	924	925	(1)
Transport Recharges	2,242	1,384	1,398	(14)
Departmental Support Services	9	0	0	0
Central Support Services	3,119	2,362	2,362	0
Asset Charges	3,052	0	0	0
HBC Support Costs Income	-375	-375	-374	(1)
Net Total Recharges	9,538	4,295	4,311	(16)
Net Departmental Total	25,302	14,796	14,932	(136)

**Prevention & Assessment
Revenue Spending as at 31st December 2013**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (underspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	6,710	4,934	4,829	105
Other Premises	61	35	31	4
Supplies & Services	494	301	314	(13)
Aids & Adaptations	113	42	42	0
Transport	5	4	6	(2)
Food Provision	17	13	20	(7)
Other Agency	23	15	13	2
Contribution to Complex Care Pool	18,224	10,748	10,638	110
Total Expenditure	25,647	16,092	15,893	199
<u>Income</u>				
Other Fees & Charges	-221	-154	-163	9
Reimbursements & Grant Income	-330	-84	-97	13
Transfer from Reserves	-496	-329	-329	0
Capital Salaries	-52	0	0	0
Government Grant Income	-40	-29	-27	(2)
CCG Contribution to Service	-520	-417	-417	0
Total Income	-1,659	-1,013	-1,033	20
Net Operational Expenditure	23,988	15,079	14,860	219
<u>Recharges</u>				
Premises Support	373	284	284	0
Asset Charges	294	0	0	0
Central Support Services	2,430	1,750	1,750	0
Internal Recharge Income	-419	0	0	0
Transport Recharges	59	37	41	(4)
Net Total Recharges	2,737	2,071	2,075	(4)
Net Departmental Total	26,725	17,150	16,935	215

**Commissioning & Complex Care
Revenue Spending as at 31st December 2013**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	7,152	5,148	5,119	29
Premises	233	178	182	(4)
Supplies & Services	2,080	1,667	1,675	(8)
Emergency Duty Team	103	51	50	1
Carers Breaks	471	401	394	7
Transport	170	128	150	(22)
Contracts & SLAs	199	138	83	55
Payments To Providers	3,839	2,696	2,689	7
Other Agency Costs	828	616	615	1
Total Expenditure	15,075	11,023	10,957	66
<u>Income</u>				
Sales & Rents Income	-218	-193	-204	11
Fees & Charges	-169	-69	-58	(11)
CCG Contribution To Service	-846	-519	-507	(12)
Reimbursements & Grant Income	-914	-657	-670	13
Transfer From Reserves	-245	0	0	0
Total Income	-2,392	-1,438	-1,439	1
Net Operational Expenditure	12,683	9,585	9,518	67
<u>Recharges</u>				
Premises Support	304	229	229	0
Central Support Services	1,958	1,327	1,327	0
Transport Services	440	223	223	0
Asset Charges	79	0	0	0
Internal Recharge Income	-1,747	0	0	0
Net Total Recharges	1,034	1,779	1,779	0
Net Departmental Total	13,717	11,364	11,297	67

Corporate & Democracy
Revenue Spending as at 31st December 2013

	Annual Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance (Overspend) £'000
<u>Expenditure</u>				
Employees	738	299	306	(7)
Interest Payments	2,042	1,419	1,200	219
Members Allowances	760	570	564	6
Supplies & Services	508	227	250	(23)
Contingency	1,200	0	0	0
Precepts & Levies	172	172	159	13
Capital Financing	2,286	0	0	0
Contribution to Reserves	2,745	0	0	0
Bank Charges	78	58	58	0
Audit Fees	203	64	64	0
Total Expenditure	10,732	2,809	2,601	208
<u>Income</u>				
External Interest	-374	-280	-374	94
Government Grants	-3,506	-2,883	-2,933	50
Fees & Charges	-69	-43	-42	(1)
Reimbursements & Other Grants	-382	-53	-53	0
Total Income	-4,331	-3,259	-3,402	143
Net Controllable Expenditure	6,401	-450	-801	351
<u>Recharges</u>				
Premises	8	7	7	0
Transport	3	2	2	0
Asset Charges	1	0	0	0
Support Services	2,535	1,238	1,238	0
Support Service Recharges	-22,212	-279	-279	0
Net Total Recharges	-19,665	968	968	0
Net Departmental Total	-13,264	518	167	351

APPENDIX 2

**Complex Care Pooled Budget
Revenue Spending as at 31st December 2013**

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

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	3,288	2,084	2,051	33
Contracts & SLA's	1,846	1,236	1,204	32
Transport	5	4	3	1
Joint Equipment Store	518	210	210	0
Adult Care:				
Residential & Nursing Care	18,026	11,447	11,446	1
Domiciliary & Supported Living	10,419	6,752	6,745	7
Direct Payments	3,076	2,338	2,335	3
Block Contracts	171	119	111	8
Day Care	415	308	307	1
Total Expenditure	37,764	24,498	24,412	86
<u>Income</u>				
Residential & Nursing Income	-4,564	-3,160	-3,170	10
Community Care Income	-1,541	-1,067	-1,075	8
Direct Payments Income	-187	-130	-135	5
CCG Contribution to Pool	-12,627	-9,498	-9,498	0
Reablement & Section 256 Grant	-1,273	-566	-566	0
Transfer from Reserves	-100	0	0	0
Other Contributions to Care	-114	-57	-57	0
Total Income	-20,406	-14,478	-14,501	23
Net Operational Expenditure	17,358	10,020	9,911	109
<u>Recharges</u>				
Central Support Services	329	329	329	0
Premises Support	122	87	87	0
Internal Recharge	409	307	307	0
Transport Support	6	5	4	1
Net Total Recharges	866	728	727	1
Net Departmental Total	18,224	10,748	10,638	110

Capital Expenditure to 31st December 2013

Directorate/Department	Actual Expenditure to Date £000	2013/14 Cumulative Capital Allocation		Capital Allocation 2014/15 £000	Capital Allocation 2015/16 £000
		Quarter 3 £000	Quarter 4 £000		
<u>Children & Enterprise</u>					
Schools Related					
Asset Management Data	2	2	15	0	0
Fire Compartmentation	1	1	20	0	0
Capital Repairs	894	894	1,400	0	0
Asbestos Management	11	11	20	0	0
Schools Access Initiative	92	92	108	0	0
Education Programme (General)	46	69	92	0	0
Short Breaks for Disabled Children	242	242	247	0	0
Basic Need Projects	0	0	1,033	602	892
School Modernisation Projects	339	424	580	0	0
Weston Primary School	37	38	38	0	0
Lunts Heath Primary School	158	158	163	0	0
St Bedes Infant School	39	43	116	0	0
St Bedes Junior School	370	366	366	0	0
Weston Point Basic Need	85	84	85	0	0
Beechwood Primary Basic Need	1	1	100	0	0
Ashley School	52	52	500	0	0
Early Education for 2 Year olds	9	10	356	0	0
Universal Infant Free School Meals	0	0	0	241	0
Wade Deacon High School (BSF)	962	962	1,423	0	0
The Grange (BSF)	4,916	4,916	5,841	0	0
Wade Deacon ICT	1,132	1,132	1,465	0	0
The Grange ICT	1,132	1,132	1,465	0	0

Directorate/Department	Actual Expenditure to Date £000	2013/14 Cumulative Capital Allocation		Capital Allocation 2014/15 £000	Capital Allocation 2015/16 £000
		Quarter 3 £000	Quarter 4 £000		
Employment, Economic Regeneration & Business Development					
Castlefields Regeneration	70	70	826	0	0
3MG	2,280	2,400	5,695	0	0
Widnes Waterfront	0	0	1,000	0	0
Johnsons Lane Infrastructure	0	0	500	0	0
The Hive	88	108	214	0	0
Decontamination of Land	64	64	155	0	0
SciTech Daresbury – Power Infrastructure	1,949	1,950	3,587	931	0
SciTech Daresbury - Transport	164	150	350	0	0
SciTech Daresbury – Tech Space	0	0	0	8,630	0
SciTech Daresbury – Site Connectivity	0	0	0	1,662	0
Queens Arms – Moore Lane	44	44	69	0	0
HBT Bus Park	71	71	71	0	0
Former Crosville Depot	0	0	518	0	0
Former Fairfield Site – Demolition	201	301	450	0	0
Former Fairfield Site - Contingency	6	6	50	0	0
Travellers Site Warrington Road	65	65	849	0	0
Widnes Town Centre Initiative	22	22	85	0	0
Lowerhouse Lane Depot - Upgrade	66	56	757	0	0
Disability Discrimination Act	42	72	150	300	300
Total Children & Enterprise	15,652	16,008	30,759	12,366	1,192

Directorate/Department	Actual Expenditure to Date £000	2013/14 Cumulative Capital Allocation		Capital Allocation 2014/15 £000	Capital Allocation 2015/16 £000
		Quarter 3 £000	Quarter 4 £000		
<u>Communities Directorate</u>					
Community & Environment					
Stadium Minor Works	8	8	60	30	30
Stadium Gym Equipment	0	0	30	0	0
Widnes Recreation Site	108	110	2,680	0	0
Children's Playground Equipment	24	25	81	65	65
Landfill Tax Credit Schemes	13	13	340	340	340
Arley Drive	2	2	66	0	0
Runcorn Hill Park	52	53	120	250	250
Crow Wood Park	0	0	13	0	0
Open Spaces Scheme	71	72	72	0	0
Runcorn Cemetery Extension	1	1	9	0	0
Widnes Crematorium Cremators	5	5	396	0	0
Runcorn Busway Works for Gas Powered Buses	30	30	30	0	0
Litter Bins	29	37	50	20	20
Prevention & Assessment					
Grants for Disabled Facilities	223	250	584	665	787
Energy Promotion	0	0	6	0	0
Joint Funding RSL Adaptations	82	150	350	0	0
Stair Lifts	162	187	250	0	0

Directorate/Department	Actual Expenditure to Date £000	2013/14 Cumulative Capital Allocation		Capital Allocation 2014/15 £000	Capital Allocation 2015/16 £000
		Quarter 3 £000	Quarter 4 £000		
Commissioning & Complex Care					
Choice Based Lettings	5	5	7	0	0
Bungalows at Halton Lodge	0	0	400	0	0
Bredon Respite Unit	13	13	13	0	0
Grangeway Court Refurbishment	0	0	347	0	0
Section 256 Grant/Contingency	0	0	29	0	0
Community Capacity Grant	0	0	0	351	0
Social Care Capital Grant (Better Care)	0	0	0	0	356
Total Communities	828	961	5,933	1,721	1,848

Directorate/Department	Actual Expenditure to Date £000	2013/14 Cumulative Capital Allocation		Capital Allocation 2014/15 £000	Capital Allocation 2015/16 £000
		Quarter 3 £000	Quarter 4 £000		
<u>Policy & Resources Directorate</u>					
ICT Rolling Programme	787	825	1,100	1,100	1,100
Brookvale Leisure Centre – Biomass Boiler	0	0	415	0	0
Policy, Planning & Transportation					
<i>Local Transport Plan</i>					
Silver Jubilee Bridge Maintenance	1,253	1,400	2,305	2,029	4,990
Bridge & Highway Maintenance	1,410	1,400	2,470	2,003	0
Integrated Transport	205	210	725	1,020	0
Street Lighting Structural Maintenance	22	22	105	200	200
Surface Water Management	0	0	214	0	0
Local Pinch Point – Daresbury Expressway	36	36	1,805	589	0
<i>Mersey Gateway</i>					
Early Land Acquisition	9,016	9,016	15,378	10,584	2,712
Development Costs	995	995	3,500	3,289	2,909
<i>Other</i>					
Mid Mersey Local Sustainable Transport	9	9	150	270	0
Risk Management	26	26	118	120	120
Fleet Replacements	365	365	950	300	300
Total Policy & Resources	14,124	14,304	29,235	21,504	12,331
Total Capital Programme	30,604	31,273	65,927	35,591	15,371
Slippage (20%)			-13,185	-7,118	-3,074
				13,185	7,118
Total			52,742	41,658	19,415

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

TITLE: Treasury Management 2013/14
3rd Quarter: October – December

WARDS: All Wards

1.0 PURPOSE OF REPORT

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

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Economic Background (Provided by Capita Asset Services)

3.1 During the quarter ended 31st December 2013:

- There were signs that Gross Domestic Product (GDP) growth may have accelerated;
- Evidence pointed to a moderation of household spending growth;
- Inflation fell to its lowest level since November 2009;
- Unemployment approached the Monetary Policy Committee's (MPC) 7% forward guidance threshold;
- The MPC maintained the stance of monetary policy;
- 10-year gilt yields rose to 3% and the FTSE 100 reach 6749;
- The Federal Reserve decided to reduce the size of its monthly asset purchases by \$10bn (from \$85bn to \$75bn).

3.2 After growing at a healthy quarterly rate of 0.8% in Q3 of 2013, some of the early signs are that GDP growth was even stronger in the final quarter of 2013. On the basis of past form, the CIPS/Markit business activity surveys point to quarterly GDP growth of around 1.5% in the final quarter. The official data available for the fourth quarter so far have also been encouraging. For example, if October's 0.4% monthly expansion in industrial output was matched in the final two months of the year, quarterly growth in Q4 would have been almost 1%.

- 3.3 Household spending growth, though, may have slowed. Numerous indicators of retail sales, including the official measure and those produced by the CBI and BRC, suggest that consumer spending growth was weak in the first two months of Q4. This is not to say the consumer recovery has run its course. Indeed, the CBI survey showed a strong pick-up in sales in December. And the official measure of retail sales in the same month will be boosted by the inclusion of 'Black Friday' (despite this actually falling in the last week of November) which more timely data suggests saw a strong surge in sales, but it would take monthly growth of 1.6% in December for retail sales to flat line in Q4 as a whole.
- 3.4 Nevertheless, growth in sales off the high street may not have done so badly. For instance, although growth in new car registrations slowed in Q4, it remained fairly strong, achieving 7% annual growth in December. So it still seems likely that overall household spending rose in the fourth quarter.
- 3.5 Although it is still high, the unemployment rate has been falling quickly towards the Monetary Policy Committee's (MPC) 7% threshold for re-assessing the stance of monetary policy. Employment rose by 250,000 in the three months to October, the largest quarterly gain since mid-2010. This brought the unemployment rate down to 7.4%, compared to a rate of 7.7% in the three months to July. What's more, the Office for National Statistics' (ONS) experimental single-month estimate of unemployment reached 7% in October.
- 3.6 The decline in unemployment, which has been faster than the MPC predicted in November, has prompted overnight index swap markets to price in a rate rise as soon as Q1 2015. But Committee members have increasingly emphasised that the 7% unemployment rate is a threshold for reconsidering policy, rather than a trigger for raising rates. Indeed, the Bank's Chief Economist Spencer Dale said that interest rates would remain low not just until unemployment had dropped, but also until the economy had "seen a prolonged period of strong growth...[and] real incomes are higher".
- 3.7 The recent fall in, and improvement in the outlook for, inflation, suggests that interest rates will probably remain on hold even if the unemployment rate falls quickly to the 7% threshold. Indeed, the Consumer Prices Index (CPI) inflation rate has fallen quite sharply, reaching 2.1% in November. This was the lowest rate in four years. A number of factors contributed to this. Falling commodity prices put downward pressure on food and petrol prices, while sterling's 7% appreciation on a trade-weighted basis since its low point in July may have helped core inflation to fall. Admittedly, CPI inflation might have ticked up again in December when energy companies raised their prices, but inflation should continue to fall after that, given that commodity prices have been flat over the past year or so and sterling's

recent strength has reduced import prices, which should begin to feed into prices on the high street.

- 3.8 The housing market continued to recover in Q4, supported by the earlier implementation of the mortgage guarantee element of the Government's Help to Buy Scheme. Prices rose at an annual rate of 8.4% and 6.4% in November according to the Halifax and Nationwide measures, respectively. Would-be buyers continue to enter the market more quickly than sellers, with the RICS survey pointing to further price rises. The cost of new mortgages remains low, too, with the quoted interest rate on a 5-year fixed mortgage at a 75% loan-to-value ratio at 3.36% in November, 2 basis points lower than the average in Q3 and 81 basis points lower than when the Funding for Lending Scheme (FLS) was introduced in July 2012. Talk of a housing bubble on the national level still seems to be wide of the mark, with prices well below their pre-crisis peak in real terms. Moreover, the FLS was adjusted so that it no longer provides cheap finance for mortgages.
- 3.9 There were few surprises in the Autumn Statement. The Chancellor announced a fiscally neutral package of policies, with measures to ease the cost of households' utility bills offset by further spending cuts. More bullish forecasts from the Office for Budget Responsibility (OBR) left expected public borrowing over the next five years £73 billion lower than projected in the March Budget. All this left Mr Osborne expected to meet his primary fiscal mandate to balance the cyclically adjusted current budget in five years, a year early, though he still misses the supplementary target for the debt to GDP ratio to be falling in 2015/16.
- 3.10 Internationally, the biggest news was the Federal Reserve's decision at its December meeting to begin tapering its asset purchases. Although the announcement that the Fed's monthly purchases would be reduced by \$10bn was not the consensus view, which saw tapering beginning in the early part of 2014, it was not a big surprise. The decision reflected the relative strength of the US labour market, which on average added over 200,000 jobs per month in the four months up to November.
- 3.11 Markets took the Fed's move in their stride, with equities and bond yields up slightly on the day. Over the quarter, equities performed well domestically and overseas as economic prospects improved. The FTSE 100 was up by 4.4% to 6749, while the S&P 500 rose by almost 10%. Gilt yields also rose, with the ten-year rate ending Q4 28 basis points higher at 3%, having closely tracked US Treasury yields. Sterling rose by 2.3% against the dollar to finish the year at 1.66, while it rose by 0.5% against the euro to 1.20.
- 3.12 Activity indicators in the Eurozone point towards continued weak, albeit positive, economic growth in the fourth quarter of 2013 after a mere 0.1% quarterly expansion in Q3 and disinflationary pressures are

intense. Although CPI inflation rose from 0.7% to 0.9% in November, it remains well below the European Central Bank's (ECB) target of below but close to 2%. This is despite the ECB cutting its main refinancing rate by 25 basis points to 0.25% in November.

Interest Rate Forecast

3.13 The following forecast has been provided by Capita Asset Services:

	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.00%	1.25%
5yr PWLB rate	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.40%
10yr PWLB rate	3.60%	3.70%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.20%	4.30%	4.30%	4.40%	4.50%
25yr PWLB rate	4.40%	4.50%	4.50%	4.60%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.10%
50yr PWLB rate	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.20%

Capita Asset Services undertook a review of its interest rate forecasts in late November, after the Bank of England's latest quarterly Inflation Report. This latest forecast now includes a first increase in Bank Rate in quarter 2 of 2016 (previously quarter 3) and reflects greater caution as to the speed with which the MPC will start increasing Bank Rate than the current expectations of financial markets.

SUMMARY OUTLOOK

UK economy

3.14 Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth strongly rebounded in 2013 - quarter 1 (+0.3%), 2 (+0.7%) and 3 (+0.8%), to surpass all expectations as all three main sectors, services, manufacturing and construction contributed to this strong upturn. The Bank of England has, therefore, upgraded growth forecasts in the August and November quarterly Inflation Reports for 2013 from 1.2% to 1.6% and for 2014 from 1.7% to 2.8%, (2015 unchanged at 2.3%).

3.15 Forward surveys are currently very positive in indicating that growth prospects are also strong for 2014, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction. This is very encouraging as there does need to be a significant rebalancing of the economy away from consumer spending to construction, manufacturing, business investment and exporting in order for this start to recovery to become more firmly established. One drag on the economy is that wage inflation continues to remain

significantly below CPI inflation so disposable income and living standards are under pressure, although income tax cuts have improved this to some extent. This therefore means that labour productivity must improve significantly for this situation to be corrected by the warranting of increases in pay rates.

- 3.16 While Bank Rate has remained unchanged at 0.5% and quantitative easing has remained unchanged at £375bn in 2013, the Funding for Lending Scheme (FLS) was extended to encourage banks to expand lending to small and medium size enterprises.
- 3.17 Inflation has fallen from a peak of 3.1% in June 2013 to 2.1% in November. It is expected to remain near to the 2% target level over the MPC's two year time horizon.
- 3.18 The UK has lost its AAA rating from Fitch and Moody's but that caused little market reaction.

The Global Economy

- 3.19 **The Eurozone (EZ):** The sovereign debt crisis has eased considerably during 2013 which has been a year of comparative calm after the hiatus of the Cyprus bailout in the spring. In December, Ireland escaped from its three year EZ bailout programme as it had dynamically addressed the need to substantially cut the growth in government debt, reduce internal price and wage levels and promote economic growth. The EZ finally escaped from seven quarters of recession in quarter 2 of 2013 but growth is likely to remain weak and so will dampen UK growth.
- 3.20 **USA:** The economy has managed to return to robust growth in Q2 2013 of 2.5% y/y and 4.1% y/y in Q3, in spite of the fiscal cliff induced sharp cuts in federal expenditure that kicked in on 1 March, and increases in taxation. The Federal Reserve therefore decided in December to reduce its \$85bn per month asset purchases programme of quantitative easing by \$10bn. It also amended its forward guidance on its pledge not to increase the central rate until unemployment falls to 6.5% by adding that there would be no increases in the central rate until 'well past the time that the unemployment rate declines below 6.5%, especially if projected inflation continues to run below the 2% longer goal'. Consumer, investor and business confidence levels have all improved markedly in 2013. The housing market has turned a corner and house sales and increases in house prices have returned to healthy levels. Many house owners have, therefore, been helped to escape from negative equity and banks have also largely repaired their damaged balance sheets so that they can resume healthy levels of lending. All this portends well for a reasonable growth rate looking forward.

Capita Asset Services' Forward View

- 3.21 Economic forecasting remains difficult with so many external influences weighing on the UK. Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, and safer bonds.
- 3.22 There could well be volatility in gilt yields over the next year as financial markets anticipate further tapering of asset purchases by the Fed. The timing and degree of tapering could have a significant effect on both Treasury and gilt yields. Equally, while the political deadlock and infighting between Democrats and Republicans over the budget has almost been resolved the raising of the debt limit, has only been kicked down the road. A final resolution of these issues could have a significant effect on gilt yields during 2014.
- 3.23 The longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Increasing investor confidence in economic recovery is also likely to compound this effect as a continuation of recovery will further encourage investors to switch back from bonds to equities.
- 3.24 The overall balance of risks to economic recovery in the UK is currently evenly weighted. However, only time will tell just how long this period of strong economic growth will last; it also remains exposed to vulnerabilities in a number of key areas.
- 3.25 Downside risks currently include:
- UK strong economic growth is currently very dependent on consumer spending and recovery in the housing market. This is unlikely to endure much beyond 2014 as most consumers are maxed out on borrowing and wage inflation is less than CPI inflation, so disposable income is being eroded.
 - A weak rebalancing of UK growth to exporting and business investment causing a major weakening of overall economic growth beyond 2014
 - Weak growth or recession in the UK's main trading partners - the EU and US, depressing economic recovery in the UK.
 - Prolonged political disagreement over the raising of the US debt ceiling.
 - A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
 - A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.

- The potential for a significant increase in negative reactions of populaces in Eurozone countries against austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- The Italian political situation is frail and unstable; this will cause major difficulties in implementing austerity measures and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- Problems in other Eurozone heavily indebted countries (e.g. Cyprus and Portugal) which could also generate safe haven flows into UK gilts, especially if it looks likely that one, or more countries, will need to leave the Eurozone.
- A lack of political will in France, (the second largest economy in the EZ), to dynamically address fundamental issues of low growth, poor international uncompetitiveness and the need for overdue reforms of the economy.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Geopolitical risks e.g. Syria, Iran, North Korea, which could trigger safe haven flows back into bonds.

3.26 The potential for upside risks to UK gilt yields and PWLB rates especially for longer term PWLB rates include: -

- A sharp upturn in investor confidence that sustainable robust world economic growth is firmly expected, causing a surge in the flow of funds out of bonds into equities.
- A reversal of Sterling's safe-haven status on a sustainable improvement in financial stresses in the Eurozone.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.
- In the longer term – an earlier than currently expected reversal of QE in the UK; this could initially be implemented by allowing gilts held by the Bank to mature without reinvesting in new purchases, followed later by outright sale of gilts currently held.

3.27 Short Term Borrowing Rates

The bank base rate remained at 0.50% throughout the quarter.

	Start	Oct		Nov		Dec	
		Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
Call Money (Market)	0.48	0.47	0.47	0.47	0.47	0.47	0.38
1 Month (Market)	0.49	0.49	0.49	0.49	0.49	0.49	0.49
3 Month (Market)	0.52	0.52	0.52	0.52	0.52	0.52	0.53

3.28 Longer Term Borrowing Rates

	Start	Oct		Nov		Dec	
		Mid	End	Mid	End	Mid	End
	%	%	%	%	%	%	%
1 Year (Market)	0.87	0.89	0.87	0.88	0.88	0.87	0.91
10 Year (PWLB)	3.73	3.89	3.63	3.84	3.85	3.99	4.14
25 Year (PWLB)	4.46	4.56	4.38	4.53	4.55	4.57	4.64

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

3.29 Temporary Borrowing/Investments

Turnover during period

	No. Of Deals Struck	Turnover £m
Short Term Borrowing	28	73.24
Short Term Investments	41	73.30

Position at Month End

	Oct £m	Nov £m	Dec £m
Short Term Borrowing	75.00	76.00	85.00
Short Term Investments	49.05	48.90	48.65

Investment Income Forecast

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

	Cumulative Budget £'000	Cumulative Actual £'000	Cumulative Target Rate %	Cumulative Actual Rate %
Quarter 1	92	170	0.26	1.12
Quarter 2	163	302	0.36	1.04
Quarter 3	223	412	0.35	0.99
Quarter 4	257			

The actual rate exceeds the benchmark rate. This is due to the management of cash deposits around the planned delivery of the capital programme and most notably the acquisition of land for the Mersey Gateway project.

The target rate is based on the 7-day LIBID rate. For comparison purposes the 1 month average rate was 0.36%, 3 month rate was 0.40% and the 6 month rate was 0.47%.

3.30 New Borrowing

No new long term borrowing was taken during the quarter.

3.31 Policy Guidelines

The Treasury Management Strategy Statement (TMSS) for 2013/14, which includes the Annual Investment Strategy, was approved by the Council on 6th March 2013. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield

The Council will also aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate and the heightened credit concerns it is considered appropriate to keep investments short term with a maximum duration of 12 months in accordance with Capita Asset Services rating methodology.

3.32 Treasury Management Indicators

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators are included in the approved Treasury Management Strategy Statement.

There are no breaches to report during the quarter.

4.0 DEBT RESCHEDULING

4.1 No debt rescheduling was undertaken during the quarter.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

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

6.0 RISK ANALYSIS

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

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 There are no issues under this heading.

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

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

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Strategic Director – Policy and Resources

PORTFOLIO: Resources

SUBJECT: Discretionary Housing Benefit Scheme Guidance

WARD(S): Borough-wide

1. PURPOSE OF REPORT

- 1.1. To consider the attached Discretionary Housing Benefit Scheme Guidance, as recommended by the Corporate Policy and Performance Board.

2. RECOMMENDATION: That the Discretionary Support Scheme Guidance document recommended by the Corporate Policy and Performance Board, as shown in Appendix 1, be approved.

3. BACKGROUND

- 3.1 Discretionary Housing Payments (DHP) provide claimants with financial assistance, in addition to welfare benefits, in those circumstances where the Council considers that additional support with housing costs is required.
- 3.2 Given the significant changes in welfare provision currently taking place, it is considered helpful to provide further guidance to those Officers who administer applications for DHPs, to ensure consistency and equitable treatment when such applications are assessed.
- 3.3 Appendix 1 presents a report considered by the Corporate Policy and Performance Board on 22nd January 2014, which recommends the adoption of the Discretionary Housing Benefit Scheme Guidance. A copy of the Guidance is also attached within Appendix 1.
- 3.4 Discretionary Housing Payments are available to claimants who are entitled to:
- (i) Housing Benefit (HB), or
 - (ii) Universal Credit (UC), and
 - (iii) Have a rental liability, and
 - (iv) Require further financial assistance with housing costs
- 3.5 The level of DHP award may cover all or part of a shortfall in rent, or may assist with the cost of taking up a tenancy.

- 3.6 There are various types of shortfalls which a DHP award can provide assistance for, including;
- (i) under-occupation in the social rented sector
 - (ii) where the benefit cap has been applied
 - (iii) Local Housing Allowance restrictions
 - (iv) rent shortfall (in part or in full) between eligible rent and HB award
 - (v) non-dependant deductions
 - (vi) income tapers
 - (vii) reductions in HB or UC
- 3.7 In general, 'housing costs' means rental liability and include; rent, rent deposits, or rent in advance, or other lump sum costs associated with a housing need such as removal costs.
- 3.8 Discretionary Housing Payments cannot be awarded towards:
- (i) Ineligible service charges (example – gardening charges, water charges, meals).
 - (ii) Support charges (example – charges which relate to care or supervision).
 - (iii) Increases in rent to cover rent arrears which are not liable for housing benefit.
 - (iv) Sanctions and reductions in benefit (including HB overpayment recovery action).
 - (v) Amounts of HB/CTB that have been suspended.
 - (vi) Rent where a person is getting support through a Council Tax Reduction Scheme (CTRS) but not HB or UC.

4. Discretion Housing Payment Scheme Guidance

- 4.1 The DHP Guidance included within Appendix 1 is intended to give Officers a framework to work to when assessing claims. This will help to ensure a consistent and equitable treatment of applications for what is a cash-limited sum of money.
- 4.2 Notwithstanding this each case will still be considered on its individual merits, to ensure that the Guidance does not fetter cases of exceptional hardship not covered in the document.
- 4.3 In addition there is an Appeals Process to Members which is already in existence.

5. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 5.1 Delivery of the Discretionary Housing Payments Scheme has the potential to affect all of the Council's priorities.

6. RISK ANALYSIS

6.1 Payments will be monitored from the scheme to ensure that these remain within the total budget available.

7. EQUALITY AND DIVERSITY ISSUES

7.1 The Guidance will ensure the consistent and equitable consideration of each application.

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

Document	Place of Inspection	Contact Officer
Notifications from the Department of Works and Pensions	Revenues & Benefits & Customer Services Division Kingsway House Widnes	Peter McCann

REPORT TO: Corporate Policy and Performance Board

DATE: 22nd January 2014

REPORTING OFFICER: Strategic Director – Policy and Resources

PORTFOLIO: Resources

SUBJECT: Discretionary Housing Benefit Scheme

WARD(S): Borough-wide

1. PURPOSE OF REPORT

- 1.1. To consider the attached Discretionary Housing Benefit Guidance, designed to assist staff when considering applications to the Fund.

RECOMMENDATION: To recommend to Executive Board the adoption of the attached Discretionary Housing Benefit Guidance.

2. BACKGROUND TO SCHEME

3.1 Discretionary Housing Payments (DHP) provides claimants with financial assistance, in addition to any welfare benefits, when the Council considers that help with housing costs is required.

3.2 Discretionary Housing Payments are available to claimants who are entitled to:

- Housing Benefit (HB), or
- Universal Credit (UC), and
- Have a rental liability, and
- Require further financial assistance with housing costs

3.3 The level of award may cover all or part of a shortfall in rent or assist with the cost of taking up a tenancy.

3.4 The various types of shortfalls that a DHP can cover include:

- under-occupation in the social rented sector
- benefit cap has been applied
- Local Housing Allowance restrictions

- rent shortfall (in part or in full) between eligible rent and HB award
- non-dependant deductions
- income tapers
- reductions in HB or UC

3.5 In general, 'housing costs' means rental liability and include:

- rent
- rent deposits, or
- rent in advance, or
- other lump sum costs associated with a housing need such as removal costs

3.6 Discretionary Housing Payments cannot be awarded towards:

- Ineligible service charges (example – gardening charges, water charges, meals)
- Support charges (example – charges which relate to care or supervision)
- Increases in rent to cover rent arrears which are not liable for HB
- Sanctions and reductions in benefit (including HB overpayment recovery action)
- Amounts of HB/CTB that have been suspended
- Rent where a person is getting support through a Council Tax Reduction Scheme (CTRS) but not HB or UC

3. Discretion Housing Payment Guidance

4.1 Given the significant changes in welfare provision that is taking place it is considered helpful to provide further guidance to staff who administer DHPs.

The attached draft DHP Guidance document attached is intended to do just that. The views of this Board are sought. If the Board is happy with this guidance then members are asked to recommend its adoption to Executive Board. This guidance is intended to give Officers a framework to work to when assessing claims to the Fund. This will help in ensuring an equitable treatment of applications for what is a cash limited sum of money.

4.2 Notwithstanding this each case will still be looked at on its individual merits to ensure that the guidance does not fetter cases of exceptional hardship not covered in this document.

4.3 In addition there is an Appeal Process to Members which is already in existence which provides a further test to the fairness of the application of the policy.

7. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 It has the potential to affect all Council priorities.

8. RISK ANALYSIS

8.1 Payments will be monitored from the scheme to ensure that these remain within budget.

9. EQUALITY AND DIVERSITY ISSUES

9.1 The guidance will ensure a consistent and equitable consideration of applications.

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

Document	Place of Inspection	Contact Officer
Various letters from the Department of Works and Pensions	Revenues & Benefits & Customer Services Division Kingsway House Widnes	Peter McCann

Draft Discretionary Housing Payment Scheme

Discretionary Housing Payment
Scheme

DRAFT

Draft Discretionary Housing Payment Scheme

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DRAFT

Draft Discretionary Housing Payment Scheme

a) Overview of scheme

The overview of the scheme is defined by national Housing Benefit legislation and is not subject to any localised Halton Borough Council discretion.

Discretionary Housing Payments (DHP) provides claimants with further financial assistance, in addition to any welfare benefits, when the Council considers that help with housing costs is required.

Discretionary Housing Payments are available to claimants who are entitled to:

- Housing Benefit (HB), or
- Universal Credit (UC), and
- Have a rental liability, and
- Require further financial assistance with housing costs

The level of award may cover all or part of a shortfall in rent or assist with the cost of taking up a tenancy.

The various types of shortfalls that a DHP can cover include:

- under-occupation in the social rented sector
- benefit cap has been applied
- Local Housing Allowance restrictions
- rent shortfall (in part or in full) between eligible rent and HB award
- non-dependant deductions
- income tapers
- reductions in HB or UC

In general, 'housing costs' means rental liability and include:

- rent
- rent deposits, or
- rent in advance, or
- other lump sum costs associated with a housing need such as removal costs

Discretionary Housing Payments cannot be awarded towards:

- Ineligible service charges (example – gardening charges, water charges, meals)
- Support charges (example – charges which relate to care or supervision)
- Increases in rent to cover rent arrears which are not liable for HB
- Sanctions and reductions in benefit (including HB overpayment recovery action)
- Amounts of HB/CTB that have been suspended

Draft Discretionary Housing Payment Scheme

-
- Rent where a person is getting support through a Council Tax Reduction Scheme (CTRS) but not HB or UC

b) Under occupation social housing (known as “Bedroom Tax”)

In April 2013 the Government brought in a number of Welfare Reform changes that included changes to the amount of Housing Benefit that some people receive. These changes included the Bedroom Tax and the Benefits Cap.

Applications received from tenants affected by the Bedroom Tax will be treated differently under certain circumstances. This is because the Government granted additional DHP funds to Local Authorities to assist with specific household groups including foster carers or properties with a disabled adaptation.

The introduction of the Bedroom Tax means a working-age claimant living in the social rented sector may face a reduction to their eligible rent if they are under-occupying their property.

The rates of reduction to the eligible rent for those affected by this measure are:

- 14% where there is under-occupation by 1 bedroom
- 25% where there is under-occupation by 2 or more bedrooms.

Social Housing tenants who are treated as under occupying their home may apply for Discretionary Housing Payment to assist with the shortfall of payments between Housing Benefit and their rent charge.

DHP may be claimed to give short-term, temporary relief to families who may face a variety of challenges whilst they adjust their finances, are unlikely to be able to meet the shortfall and for whom moving to a smaller property may be inappropriate or impossible.

Whilst any claimant affected by the Bedroom Tax can apply for DHP, central Government (circular S1/2013) has provided an additional £30m (nationally) Discretionary Housing Payment funding to assist claimants in two main groups:

- **Disabled people living in significantly adapted accommodation** – including any adaptations made for disabled children; and
- **Foster carers**, whose housing benefit is reduced because of a bedroom being used by, or kept free for, foster children.

Guidance in this area will be subject to a 12 monthly review and depending on allocation of funding from the Government.

Draft Discretionary Housing Payment Scheme

2.1. Properties with disabled adaptations

Any application received where the claimant indicates the property is adapted for a disability for themselves (or a member of their family) will require further investigation regarding the adaptation before decision-making on award.

Where it is a non qualifying adaptation (see Table 1 below) the application will be decided based on normal under-occupancy guidance and an income / expenses check carried out.

Where there are qualifying adaptations (Table 1 below) then an award of Discretionary Housing Payment will be made to meet the shortfall between Housing Benefit and the rent charged, irrespective of income and expenditure.

This award will be made for the remainder of the financial year from the date of application subject to funds being available.

Table 1 below shows a listing of the qualifying and non-qualifying adaptations. This list is not exhaustive and other adaptations may be considered that are not listed.

Table 1

Qualifying Adaptation	Non-Qualifying Adaptation
Internal & external widening of doorways	Grab-rails only
Level Access Shower facility	Stair-rails only
Installation of Wet Room	Level taps only
Hoists installed	Other non-structural changes to property
Ramps	
Stair-lift	
Other structural changes to property	

2.2. Foster carers

Under Occupation (bedroom tax) regulations allow for one additional room to be granted to a household where the claimant is registered to provide foster care and/or are currently providing foster care.

Any applications received will be granted an award to meet the shortfall between Housing Benefit and rent charge irrespective of income and expenditure.

Draft Discretionary Housing Payment Scheme

The award will be granted for the remainder of the financial year from the date that the application has been made subject to funds being available.

c) Criteria of scheme

For all other claimants affected who are not in the above groups, applications will be considered based upon an assessment of the household income and expenses.

Decisions to make an award of Discretionary Housing Payment will be based upon demonstration of hardship and an inability to meet the rent payments themselves.

In addition to the shortfalls in rent due to Welfare Reform changes as stated above, Discretionary Housing Payment can also be made for shortfalls due to a variety of reasons including:

- Local Housing Allowance restrictions
- Benefits Cap
- Rent shortfall (in part or in full) between eligible rent and HB award
- Non-dependant deductions
- Income tapers
- Reductions in Housing Benefit or Universal Credit
- Removal Costs (max £100)
- Rent in advance (but not for social landlords)

4. Treatment of Income and expenditure

The Discretionary Housing Payment application requests an individual to list their weekly expenses across a range of essential and non-essential expenditure.

Table 2 below gives a definition of the expenses that will be considered allowable.

Draft Discretionary Housing Payment Scheme

Table 2: Types of Expenditure

Essential Expenditure
Rent
Mortgage
Council Tax
Water Rates
Gas
Electricity
T.V Licence
T.V rental
Telephone (allowance for 1 phone)
Food
Public Transport
Clothing (allowance per person in household)
Broadband Internet Services
Disability related expenses
School Meals / children's travel to school
Child Minding/Nursery fees
House Insurance / Life Insurance

Draft Discretionary Housing Payment Scheme

Overdraft facility / loan repayments

Any amounts that can be attributed to a bank overdraft facility, loan repayments (including catalogues, pay day loans or other money lenders) will be allowable on the first DHP application received.

The individual will be referred for money advice and budgeting with the Councils Money Advice Team and will be expected to seek guidance from the service with their finances.

If the individual does not seek this guidance, then upon receipt of a subsequent application (during a 12 month period) the expenses will not be allowable.

4.1 Variance of essential expenses

The amount of expenses that are listed as an essential expense often varies between individuals and households.

There are no recognised standards on the amounts that could be considered as excessive for expenses such as heating, light, water or food.

Upon receipt of a first application during a rolling 12 month period the total allowable (essential) expenditure will be multiplied by 1.5 in order to take consideration of a household change in circumstances or finances. This will give an allowance for non-essential expenses on this application whilst the household adjust their circumstances before applying for DHP again in the future.

Subsequent applications made during a rolling 12 month period will not provide an allowance for non-essential expenditure and only the expenses that are deemed allowable (Table 2 above) will be considered.

4.2 Treatment of Disability Living Allowance (DLA) income

Disability Living Allowance (DLA) will be considered as income in the assessment of Discretionary Housing Payment on the basis that the claimant is expected to have listed their disability related outgoings within their expenses.

Where an application is refused on the grounds of income being more than expenditure, a further check will be carried out with Income & Assessment Team to attempt to verify their disability related outgoings.

Where information is not held with the Team, the claimant will be requested to provide details of any disability related expenses. A list of the types of disability related expenditure (used by Income & Assessment Team) that could be taken into account will be provided to the claimant to help ensure all applicable outgoings are identified.

Draft Discretionary Housing Payment Scheme

5. Discretionary Housing Payment awards

5.1 Amount of awards

Where it is decided to grant a DHP, the amount awarded will be decided as the lower of:

- a) The difference between the claimants' income and expenses assessment OR
- b) The amount of eligible rent shortfall OR
- c) An amount defined as a DHP Maximum Limit which is set as a percentage of the eligible LHA rate (Local Housing Allowance cases) or a percentage of the Housing Benefit eligible rent in cases of RSL's (Registered Social Landlords).

The DHP Maximum Limit amount shall be decided by an amount of a percentage as the Authority shall from time to time determine.

Examples of how the scheme will operate are shown at Appendix 1.

Applications can also be considered for lump sum amounts in relation to:

- Removal costs (Max £100)
- Rent in advance (Housing Solutions cases only)

Individuals who are receiving support from Housing Solutions to be re-housed will be considered for a payment of Discretionary Housing Payment for rent in advance at the start of a tenancy.

Where an individual is not getting any assistance from Housing Solutions their application will be assessed upon their need and consideration of their income, expenses and ability to pay a rent in advance themselves or through family / friends.

Where the need for support is identified a contribution towards the rent in advance payment will be made, ranging between 50% and 100% depending on the individual circumstances

- Any requests for Discretionary Housing Payment to cover rent in advance for social landlords will be refused except where there is evidence of homelessness or the individual is currently occupying homeless accommodation.

Draft Discretionary Housing Payment Scheme

5.2 Length of award

An award will be granted for a period of 12 weeks or less if the circumstances of the claimant require this.

The length of award will be determined by the circumstances of the application:

- One off payment to assist with rent in advance or removal costs to move to alternative accommodation
- Up to a 12 week period awards to assist with rent shortfall as a result of any welfare reforms or general shortfall between Housing Benefit award and rent an individual pays to their landlord
- Annual award for those affected by welfare reforms and who are in substantially adapted properties or foster carers

5.3 Number of awards

A claimant may only receive three awards from the Discretionary Housing Payment fund during any rolling 12 month period.

6. Rights of Review

The claimant or their authorised representative will have the right to request that the decision be reviewed.

When requesting a review of a decision, the claimant will be expected to give reasons why they feel the original decision should be reviewed and provide additional information to support the request if appropriate.

The review process has two stages:

Stage 1 – Officer Review

Senior Officer carries out a review of the initial decision and consideration will be given to the claimants' reasons for review.

There is no time limit in which to ask for a Review.

Draft Discretionary Housing Payment Scheme

Stage 2 – Members Review

The appeal is submitted to Committee Services and is referred to an Appeals Panel, which consists of three Members of the Council.

An oral hearing is arranged with an officer of the Benefits Service, the claimant (appellant) and three Members of the Council.

There is no further right of review, however, the claimant or their representative will retain the right to make a complaint through the Council's complaints procedure or the Local Government Ombudsman.

7. Exceptional circumstances

This document offers advice and guidance for staff assessing claims for DHPs. Each case, however, will be judged and assessed on its individual merits.

All cases are considered on an individual basis and where they are deemed to have exceptional circumstances then a panel of officers will review such cases to apply further discretion to the application.

8. Amendments to guidance

Amendments to this guidance can be made at any time during the year by way of:

- 8.1 Full review of guidance to be put forward to Corporate Services Policy and Performance Board to revise the guidance in significant areas of impact
- 8.2 Minor amendments to the guidance can be approved by the Strategic Director (Policy & Resources) or Executive Board Member (Policy & Resources). Such amendments that are deemed as minor include:
 - i. number of awards a person can receive in any rolling 12 month period
 - ii. allowable amount relating to household expenses upon receipt of a first application whereby an allowance is granted for non-essential amounts

Draft Discretionary Housing Payment Scheme

Appendix 1 – Examples of DHP Awards

- In each of the examples below the figures provided are weekly.
- The “household essential expenses” includes the amount of “rent shortfall” so that the rent the individual has to pay is taken into account in their expenses.
- In LHA cases a DHP Maximum Limit is applied as a set percentage of the household LHA rate. In the case of under 35 year olds, it is a percentage of a one bedroom LHA rate.
- In RSL cases the DHP Maximum Limit is applied as a set percentage of the household HB eligible rent.

Example 1.1 – Local Housing Allowance

Step 1

Household income	£100
Household essential expenses	£160
Excess difference	£ 60

Step 2

Rent	£100
Housing Benefit award	£ 80
Rent Shortfall	£ 20

Step 3

In order to safeguard and protect against payments towards excessively high rents, a DHP Maximum Limit will apply to some cases

DHP Maximum Limit award at 50%	£ 46	(limit is based on an LHA rate of £92)
Potential Award	£ 20	(rent shortfall amount)

Draft Discretionary Housing Payment Scheme

Example 1.2 – Local Housing Allowance

Step 1

Household income	£225
Household essential expenses	£300
Excess difference	£ 75

Step 2

Rent	£130
Housing Benefit award	£ 30
Rent Shortfall	£100

Step 3

DHP Maximum Limit award at 50% **£ 46** (Max Limit is based on an LHA rate of £92)

Potential Award **£ 46** (DHP Maximum Limit)

Example 2.1 – Registered Social Housing Tenant

Step 1

Household income	£ 90
Household essential expenses	£150
Excess difference	£ 60

Step 2

Rent	£ 80
Housing Benefit award	£ 60
Rent Shortfall	£ 20

Step 3

DHP Maximum Limit award at 50% **£ 40** (Max Limit is based on eligible rent)

Potential Award **£ 20** (Rent Shortfall)

Draft Discretionary Housing Payment Scheme

Example 2.2 – Registered Social Housing Tenant

Step 1

Household income	£ 90
Household essential expenses	£180
Excess difference	£ 90

Step 2

Rent	£ 80
Housing Benefit award	£ 25
Rent Shortfall	£ 55

Step 3

DHP Maximum Limit award at 50%	£ 40	(Max Limit is based on eligible rent)
Potential Award	£ 40	(DHP Maximum limit)

Example 3 – Under 35 year old (Local Housing Allowance)

Step 1

Household income	£110
Household essential expenses	£155
Excess difference	£ 45

Step 2

Rent	£140
Housing Benefit award	£ 55
Rent Shortfall	£ 85

Step 3

DHP Maximum Limit award at 50% £92.00)	£46	(Max Limit is based on one bedroom LHA rate of
Potential Award	£45	(difference between income and expenses)

REPORT TO: Executive Board

DATE: 27 February 2014

REPORTING OFFICER: Strategic Director – Policy and Resources

PORTFOLIO: Resources

SUBJECT: Business Rates Retail Relief Scheme

WARD(S): Borough-wide

1. PURPOSE OF REPORT

1.1 To consider the new Discretionary Business Rates Retail Relief Scheme announced by the Government and to adopt a local scheme for Halton for the award of such relief.

2. RECOMMENDATION: That

1) the Scheme, as detailed in this report, for the award of Business Rates Retail Relief in Halton, be approved; and

2) the Board approve the granting of Business Rates relief for any properties which meet the eligibility criteria set out within this report.

3. BACKGROUND

3.1 The Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16.

4. HOW WILL THE RELIEF BE PROVIDED?

4.1 As this is a measure for 2014-15 and 2015-16 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out below, reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief.

4.2 It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47. The Government will fully reimburse local authorities for cost of providing the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

4.3 Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for

2014-15 and 2015-16. Central government will provide payments of the local authorities' share to authorities over the course of the relevant years.

5. WHICH PROPERTIES WILL BENEFIT FROM THE RELIEF?

5.1 Properties that will benefit from the relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

5.2 The Department for Communities and Local Government has provided guidance which defines shops, restaurants, cafes and drinking establishments to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc.)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc.)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

5.3 To qualify for the relief the hereditament should be wholly or mainly used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

5.4 The lists above are not exhaustive and there will also be mixed uses. Councils should determine for themselves whether particular properties not listed are broadly similar in nature to those above and thereby whether or not they are considered eligible for the relief.

6. WHICH PROPERTIES WILL NOT BENEFIT FROM THE RELIEF?

6.1 As the grant of the relief is discretionary, councils may choose not to grant the relief if they consider that appropriate, such as where granting relief would go against the council's wider objectives for the local area.

6.2 The list below sets out the types of use which the Government does not consider to be retail use for the purpose of this relief. It is for each council to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for relief under their local scheme.

i. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting office

ii. Hereditaments that are not reasonably accessible to visiting members of the public

7. HOW MUCH RELIEF WILL BE AVAILABLE?

7.1 The total amount of Government funded relief available for each property for each of the years under this scheme is £1,000.

7.2 The amount does not vary with rateable value and there is no taper.

7.3 There is no relief available under this scheme for properties with a rateable value of more than £50,000.

7.4 In addition to the above the Council may use its existing discretionary powers to offer further discounts outside this scheme (and under local rate retention, 50% of the cost would be locally funded and 50% funded by Government).

8. STATE AID

8.1 State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However Retail Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)¹.

8.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).

8.3 To administer De Minimis it is necessary for the Council to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid.

9. HALTON'S POSITION

9.1 There are approximately 850 businesses in Halton that could be affected by the Scheme. Approximately 400 of these businesses, however, already receive Small Business Rate Relief and so have no Business Rates to pay and hence would not receive this additional relief.

9.2 This leaves approximately 450 businesses that would be eligible for an actual payment under the scheme. Indications are that the relief would be worth in the region of £440,000 which would be fully funded from Government grant.

10. APPLICATION PROCESS

10.1 It is up to the Council to devise its own local scheme. As the scheme is fully funded by the Government and is intended to aid local businesses it is proposed that no application process will be necessary on the obvious assumption that eligible businesses will want this relief.

10.2 The Relief will be granted once the computer software is in place to administer the scheme (see below)

10.3 A notice will accompany the amended bill advising the business of the need to comply with the EU law on State Aid.

11. COMPUTER SOFTWARE CHANGES

- 11.1 Northgate Information Services, who supply the computer software that is used for the administration of Business Rates, have announced that due to the late notification of this new relief they will not be able to amend the system in time for the relief to be reflected in bills sent out in March for the 2014/2015 financial year.
- 11.2 Northgate Information Systems supply Business Rates systems to some 175 authorities in the country. There will therefore be pressure exerted from local authorities to develop the software as quickly as possible.
- 11.3 Until such time as the software is available, bills for the 2014/2015 tax year will be sent without the relief showing but accompanied by a note explaining the reason and assuring businesses that an amended bill will be sent as soon as possible and any instalments adjusted accordingly.

12. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 12.1 The Scheme has the potential to affect all Council priorities.

13. RISK ANALYSIS

- 13.1 It will be for each individual business to opt out of the scheme. This will in the main be businesses subject to State Aid limits.

14. EQUALITY AND DIVERSITY ISSUES

- 14.1 The automatic award of relief will ensure that as far as possible obstacles for businesses receiving this relief are removed.

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

Document	Place of Inspection	Contact Officer
Business Rates Retail Relief Guidance	Revenues & Benefits & Customer Services Division Kingsway House Widnes	Peter McCann

REPORT TO:	Executive Board
DATE:	27 February 2014
REPORTING OFFICER:	Strategic Director – Communities
PORTFOLIO:	Community & Sport Environmental Services Physical Environment
SUBJECT:	Review of Fees and Charges – Community & Environment
WARDS:	Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 In conjunction with the annual budget review it is proposed to increase the charges under the control of the Communities Directorate in accordance with the schedules shown in the Appendix to this report.

RECOMMENDATION: That the proposed fees and charges as set out in the Appendix to this report be agreed for 2014/15.

3.0 SUPPORTING INFORMATION

- 3.1 The review of Fees and Charges within the Communities Directorate has been carried out as part of the budget preparations for 2014/2015. As a consequence of the review, it is proposed that existing fees and charges be increased generally in line with inflation, although some, such as the Cemeteries and Crematorium fees have been increased by more to ensure full cost recovery of the service. Others have been increased to reflect the charges in other local authority areas.

4.0 POLICY IMPLICATIONS

- 4.1 There are no new policy implications as a result of the proposed increases in Fees and Charges.

5.0 FINANCIAL IMPLICATIONS

- 5.1 These are contained within the report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

There are no implications for this priority.

6.2 Employment, Learning and Skills in Halton

There are no implications for this priority.

6.3 A Healthy Halton

There are no implications for this priority.

6.4 A Safer Halton

There are no implications for this priority.

6.5 Halton's Urban Renewal

There are no implications for this priority.

7.0 RISK ANALYSIS

7.1 There is a requirement for the fees to be paid and in order to avoid the risk of them not being paid, all fees should be received before the service is provided.

8.0 EQUALITY AND DIVERSITY ISSUES

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

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

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

APPENDIX 1 – CURRENT AND PROPOSED FEES AND CHARGES

Waste and Environmental Improvement Services	Present Charge	Proposed Charge
Waste and Recycling	2013/14	2014/15
Charge for a new or replacement wheeled bin	£25.00	£26.00
Charge for the collection of bulky household items.	£20.00 for up to 3 items. Additional items at £5.00 each. Maximum of 10 items per collection.	£21.00 for up to 3 items. Additional items at £5.50 each. Maximum of 10 items per collection.
Charge for the collection of Commercial Waste	Variable charges dependent upon size of containers & frequency of collection.	Increase of 2% on 2013/14 charges
Community Centres	2013/14	2014/15
Community Groups:		
Room Hire – Hall (per hour)	£7.90	£8.05
Room Hire – Small Room (per hour)	£2.85	£2.90
Room Hire – Large Room (per hour)	£4.45	£4.55
Room Hire – Stage (per hour)	£2.85	£2.90
Room Hire – Kitchen (per hour)	£2.25	£2.30
Room Hire – Cafeteria (per hour)	£4.45	£4.55
Private and Commercial Groups:		
Monday to Friday (as per Community Group Charges plus 15%)	Above +15%	Above +15%
Weekends (as per Community Group Charges Plus 50%)	Above +50%	Above +50%
Performing Rights (of total charge)	5%	5%
Sports hall at Upton Community Centre (Adults)	£30.00	£31.00
Sports hall at Upton Community Centre (Juniors)	£20.00	£25.00

Open Space Services	Present Charge	Proposed Charge
Parks and Open Spaces	2013/14	2014/15
Summer Games		
Bowling Green Hire (Alternate weeks)	Free	Free
Summer Rugby Adult	£360.00	£520.00
Summer Rugby Juniors*	£205.00	£306.00
Winter Games		
Adult B/B Pitch Hire (Alternate Weeks)	£510.00	£520.00
Adult Casual Hire	£130.00	£132.00
Junior B/B Pitch Hire* (Alternate weeks)	£300.00	£306.00
Mini Soccer B/B Hire*	£225.00	£229.00
Junior Casual Hire	£65.00	£66.00
Adult Baseball Field (Annual)	£1540.00	£1570.00
Junior Baseball Field* (Annual)	£770.00	£785.00
<i>*Presently provided at 33.3% of cost. From 2014/15 to be provided at 50% of cost. Junior pitch for Alternate weeks will be £153.00</i>		
Exhibition Unit Day Hire		
In-house Service	£400.00	£500.00
Private Hire	£600.00	£650.00
Event Equipment Hire (per day)		
Pop Up Gazebo (3m x 3m)	£150.00	£160.00
Walkie Talkies x 10	£300.00	£350.00
PA (Speakers, Amp, CD Player, Microphone)	£400.00	£425.00
Bandstand Hire (by written request only)	£100.00	£200.00
SJB Bridge Zip Wire Hire (1hire day per year)	£1000.00	£1200.00
Fair and Circus Park Hire 6000 m² Spike Island/Heath Park		
Non Trading Days (per day)	£150.00	£155.00
Trading Days (per day)	£325.00	£355.00
Fair and Circus Park Hire 3000 m² Victoria Park/Picow Farm Road		
Non Trading Days (per day)	£100.00	£105.00
Trading Days (per day)	£250.00	£260.00
Allotments		
Annual Allotment Rent (Levied from 1 January each year)	0.412p M2	0.422p M2
New tenant administration fee (includes £20.00 refundable cost of key)	£40.00	£40.00

Cemeteries and Crematorium		
Purchase of Exclusive Right of Burial (50 year lease)		
(a) Three interments	£815.00	£850.00
(b) One or two interments	£725.00	£760.00
(c) Cremated remains grave	£415.00	£450.00
(price includes fee for concrete beam for installation of memorials)		
Interment Fee		
(a) 1 interment – Adult	£625.00	£675.00
(b) 2 Interments – Adult	£725.00	£785.00
(c) 3 Interments – Adult	£825.00	£890.00
(d) 1 interment (Child 1 month -16 years)	£300.00	£300.00
(e) 2 interments – child (1 month-16 years)	£330.00	£330.00
(f) 3 interments - child (1 month-16 years)	£410.00	£410.00
(g) Stillborn child or child not exceeding 12 months	Nil	Nil
(h) Burial of cremated remains (Mon-Fri)	£155.00	£170.00
(i) Burial of two cremated caskets at same time (Mon-Fri)	-	£255.00 (New Charge)
Additional fee outside of core times (<i>Monday to Thursday 10.00 a.m. – 3.00 pm, Friday – 10.00 a.m. to 2.00 pm</i>).	£115.00	£120.00
Saturday morning additional fee (full burials)	+50% of interment fee	+50% of interment fee
Non-resident charge for (a)-(h) above	+100%	+100%
Indemnity fee	£65.00	£75.00
Use of Crematorium Chapel for funeral service	£100.00	£100.00
Transfer of Ownership of Exclusive Right of Burial	£65.00	£75.00
Civil Funeral Celebrant	£190.00	£195.00
Grave search – up to 10 names	£30.00	£30.00
Crematorium charges <i>Applicable Monday-Thursday 9.00 a.m. – 3.30 p.m. Friday – 9.00 am. – 2.00 p.m. (later times only by agreement)</i>		
Cremation charge – adult	£575.00	£625.00
Cremation charge – child (1 year-16 years)	£275.00	£300.00
Cremation charge – child under 1 year	£55.00	£65.00

Cremation charge – after anatomical examination	£310.00	£335.00
Saturday morning – additional charge	+50%	+50%
Scattering of remains – with an appointment (cremation at Widnes Crematorium) – Mon-Fri	£45.00	£55.00
Scattering of remains (no attendance) when cremation has taken place At another crematorium – Monday to Friday <i>(Scattering of remains not available on a Saturday)</i>	£85.00	£95.00
Casket – wooden	£65.00	£65.00
Casket - aluminium	£40.00	£40.00
Casket - small wooden (child)	£30.00	£30.00
Token box	£20.00	£20.00
Storage of cremated remains after one calendar month from date of cremation	£60.00	£65.00 per month
Postage of cremated remains (by secure carrier)	By Request	By Request
Certified Extract from the Cremation Register	£40.00	£45.00
Civil Funeral Celebrant	£185.00	£200.00
Memorials		
New headstone	£165.00	£170.00
Additional inscription	£32.00	£35.00
Vase/tablet/book – not exceeding 12” x 12” x 12	£42.00	£45.00
Vase/tablet/book – up to 18” x 12” x 12”	£62.00	£65.00
Vase/tablet/book – over 18” up to 30” x 12” x 12”	£78.00	£80.00
Registration of BRAMM registered masons	Nil	Nil
Inscription to Baby Headstone (inc.of VAT)	£55.00	£60.00
Memorial Benches (10 year lease) – Prices exclusive of VAT		
5ft hardwood bench, with engraved plaque	£710.00	£710.00
Renewal of 10 year lease (new bench/plaque)	£560.00	£580.00
Granite bench – Four Seasons Garden only	£1,250.00	£1,290.00
Renewal of 10 year lease (existing bench)	£510.00	£525.00
Plaques (10 year lease) – Prices exclusive of VAT		
Bronze plaque	£220.00	£240.00
Renewal for further 10 years	£105.00	£110.00
Granite plaque on Planter – Four Seasons/ Runcorn Cemetery Sundial	£370.00	£375.00

Renewal for further 10 years	£150.00	£155.00
Book of Remembrance – Prices exclusive of VAT		
2 line entry	£91.00	£91.00
3 line entry	£118.00	£118.00
4 line entry	£145.00	£145.00
5 line entry	£172.00	£172.00
6 line entry	£199.00	£199.00
7 line entry	£226.00	£226.00
8 line entry	£253.00	£253.00
Flower designs	£78.00	£78.00
Other designs	£88.00	£88.00
Extra line to existing entry	£45.00	£45.00
Slate Tablets per letter	£3.75	£4.00
Memorial Cards – Prices exclusive of VAT		
2 line entry	£37.00	£37.00
3 line entry	£49.00	£49.00
4 line entry	£61.00	£61.00
5 line entry	£73.00	£73.00
6 line entry	£85.00	£85.00
7 line entry	£97.00	£97.00
8 line entry	£109.00	£109.00
Flower design	£78.00	£78.00
Other designs	£88.00	£88.00
Sanctum Vaults		
10 year lease	£540.00	£575.00
Renewal for further 10 years	£245.00	£260.00
20 year lease	£745.00	£775.00
Renewal for further 20 years	£340.00	£365.00
(includes first placing of remains)		

Monday to Friday (<i>not available Saturday</i>)		
Placing 2 nd casket of remains Monday to Friday (<i>not available Saturday</i>)	£55.00	£60.00
Designs and lettering – Prices exclusive of VAT		
Lettering, per letter	£3.70	£3.80
Small design	£70.00	£75.00
Large design	£95.00	£95.00
Photo tile (portrait – 1 person)	£130.00	£135.00
Photo tile (landscape – 2 persons)	£170.00	£175.00
The Brindley Proposed Hire Fees	2014/15	2015/16
Commercial Hirers (Mon – Thurs) 1 perf or up to 8 hrs	£1,150.00	£1,150.00
Commercial Hirers (Fri/Sat) 1 perf or up to 8 hrs	£1,260.00	£1,260.00
Commercial Hirers (Sun & B/Holidays) 1 perf or up to 8 hrs	£1,380.00	£1,380.00
Commercial Hirers (Mon – Thurs)	£725.00	£725.00
Commercial Hirers (Fri/Sat)	£820.00	£820.00
Commercial Hirers (Sun & B/Holidays) 1 perf or up to 8 hrs	£930.00	£930.00
Commercial Hirers Rehearsal per 4 hrs or part thereof (Mon-Thurs)	£315.00	£315.00
Commercial Hirers Rehearsal per 4 hrs or part thereof (Fri&Sat)	£370.00	£370.00
Commercial Hirers Rehearsal per 4 hrs or part thereof (Sun & B/Holidays)	£420.00	£420.00
Halton Community Hirers (Mon – Thurs)	£675.00	£675.00
Halton Community Hirers (Fri/Sat)	£750.00	£750.00
Halton Community Hirers (Sun & B/Holidays)	£850.00	£850.00
Halton Community Hirers Rehearsal per 4 hrs or part thereof (Mon-Thurs)	£280.00	£280.00
Halton Community Hirers Rehearsal per 4 hrs or part thereof (Fri&Sat)	£330.00	£330.00
Halton Community Hirers Rehearsal per 4 hrs or part thereof (Sun & B/Holidays)	£425.00	£425.00

The Studio		
Per 8 hour performance with technical support (Mon-Thurs)	£365.00	£365.00
Per 8 hour performance with technical support (Fri&Sat)	£425.00	£425.00
Per 8 hour performance with technical support (Sun & B/Holidays)	£490.00	£490.00
Per 4 hour rehearsal with technical support (Mon-Thurs)	£210.00	£210.00
Per 4 hour rehearsal with technical support (Fri&Sat)	£240.00	£240.00
Per 4 hour rehearsal with technical support (Sun & B/Holidays)	£270.00	£270.00
Per 2 hour hire without technical support (Mon-Thurs)	£70.00	£70.00
Per 2 hour hire without technical support (Fri&Sat)	£95.00	£95.00
Per 2 hour hire without technical support (Sun & B/Holidays)	£130.00	£130.00
Per 4 hours dressing room facility (Mon-Thurs)	£130.00	£130.00
Per 4 hours dressing room facility (Fri&Sat)	£185.00	£185.00
Per 4 hours dressing room facility (Sun & B/Holidays)	£245.00	£245.00
Per 8 hours dressing room facility (Mon-Thurs)	£260.00	£260.00
Per 8 hours dressing room facility (Fri&Sat)	£360.00	£360.00
Per 8 hours dressing room facility (Sun & B/Holidays)	£480.00	£480.00
Per 12 hour dressing room facility (Mon-Thurs)	£360.00	£360.00
Per 12 hour dressing room facility (Fri&Sat)	£420.00	£420.00
Per 12 hour dressing room facility (Sun & B/Holidays)	£490.00	£490.00
Sales, Marketing & Admin		
Inclusion within the Brindley season Brochure	£125	£125.00
Inclusion in the Brindley's Monthly Newspaper	£60	£60
Brindley to manage ticket sales	40p per ticket	40p per ticket
Programme/Merchandise sales by hire company	10%	10%
Programme/Merchandise sales by Brindley staff	20%	20%
Admin charge for orders made on behalf of hirer	10% of total order value	10% of total order value

Technical		
Additional technicians	£15 per hour	£15.00
Pre rig (sound, lighting or stage)	£325 Mon - Fri £370 Sat, Sun & BH	£325.00 £370.00
Use of the orchestra pit	£140	£140.00
Smoke Machine	£16.50 per day £33 weekly	£20.00 £40.00
Haze Machine	£16.5 per day £33 weekly	£20.00 £40.00
Radio Microphones	£28 per mic £84 weekly	£28.00 £84.00
1400 Lumen Projector – Studio	£105 per day £335 weekly	£105.00 £335.00
Film Screen – Studio	£22 per day £65 weekly	£22.00 £65.00
Cinema projector & Screen	£170	£170.00
Media Package – projector, dvd, cd & laptop	£50 per day £150 weekly	£50.00 £150.00
Harlequin Dance Floor	£65 per day £200 weekly	£65.00 £200.00
Steinway Grand Piano – (Theatre only) - Without Tune	£110 per day £330 per week	£110 per day £330 per week
Steinway Grand Piano – (Theatre only) - tune	£110 per day Mon to Friday £140 per day Sat & Sun	£110 per day Mon to Friday £140 per day Sat & Sun
Front of House & Hospitality		
Additional Front of House Stewards	£15 per hour	£15.00
Post show bar	£45 – Waived if bar sales over £130	£50.00 – waived if bar sales over £150.
Catering	Prices on application	

Stadium, Libraries and Sports Development	2013/14	2014/15
Library Service Loan charges	Present Charge	Proposed Charge
Talking Books for 3 weeks	£1.20	£1.25
Talking Books for 3 weeks Halton Leisure Card	70p	75p
DVDs Children's collection for 1 week	£1.30	£1.35
Learning for Life Collection non-book items	£1.20	£1.25
Learning for Life Collection non-book items	FREE	FREE
Library Service Fines on overdue items		
Books, Talking books, CDs Learning for Life Collection		
Adult tickets (maximum £2.00 per item)	15p per day	15p per day
Halton Leisure Card (maximum £2.00 per item)	5p per day	5p per day
Children's tickets	no charge	no charge
Young Persons ticket (16-18)	no charge	no charge
DVDs – Adult ticket	50p per day	55p per day
– Halton Leisure Card	20p per day	25p per day
Maximum £3.00 per item		
In addition an administrative charge of 30p (which includes postage) is payable when an overdue reminder is sent. Children's books borrowed on an adult ticket are subject to the adult fine rate.		
Library Service Reservations		
For items currently in stock	FREE	FREE
For items which have to be bought for stock	£2.00 per item	£2.00 per item
For items which have to be bought for stock (HLC)	£1.00 per item	£1.25 per item
For items which have to be obtained through Inter Library Loan or British Library	£8.00 per item	£8.25 per item
For items which have to be obtained through Inter Library Loan or British Library (HLC)	£5.00 per item	£5.25 per item
Printing		
Printing black & white	15p per page	15p per page
Printing black & white (HLC)	10p per page	10p per page
Printing colour	25p per page	25p per page
Printing colour (HLC)	15p per page	15p per page
Photocopies A4	15p per sheet	15p per sheet
Photocopies A3	25p per sheet	25p per sheet
Fax to UK per sheet received	50p per sheet received £1.00 first sheet 25p subsequent sheets	50p per sheet received £1.00 first sheet 25p subsequent sheets
Fax to Europe	£2.00 first sheet 50p subsequent sheets	£2.00 first sheet 50p subsequent sheets
Fax to International	£3.00 first sheet £1.00 subsequent sheets	£3.00 first sheet £1.00 subsequent sheets
Lost tickets – Adults	£1.50	£1.60
Lost tickets – Children and HLC	75p	80p
Room Hire Halton Lea		
Meeting Room 2	£8.75 per hour	£9.00 per hour
Meeting Room 3	£8.75 per hour	£9.00 per hour
Meeting Rooms 2 & 3	£17.50 per hour	£17.75 per hour
Meeting Room 4	£4.25 per hour	£4.50 per hour
Meeting Room 5 – ICT Suite	£8.75 per hour	£9.00 per hour
Meeting Room 6	£6.75 per hour	£7.00 per hour
Meeting Room 7	£5.25 per hour	£5.50 per hour
Room Hire Runcorn		
Meeting Room	£6.50 per hour	£6.75 per hour
Block bookings		

Less 15% in respect of 10 or more bookings made at any one time.		
Free Lettings		
New activities and groups initiated by the Manager may, in their initial period of operation, receive a maximum of 4 free lettings to establish the groups. Subsequent bookings should then be considered a community user paying the appropriate rate.		
Equipment - Training kitchen /Laptops – available by arrangement with the Manager £3 per session		
Private and Commercial Groups - The above charges increased by 25% and 50% respectively and cumulatively. Performing Rights – 5% of the total booking charge (excluding any discount).		
Other - Other than those in 1 or 2, by negotiation with the Manager		
Kingsway Learning Centre	Present Charge	Proposed Charge
Meeting Room 13 Community Rate	£12.75	£13.00
Other Meeting Rooms Community Rate	£6.75	£7.00
Meeting Room 13 Council Standard Rate	£15.75	£16.00
Other Meeting Rooms Council Standard Rate	£8.25	£8.50
Block bookings		
Less 15% in respect of 10 or more bookings made at any one time.		
Free Lettings		
New activities and groups initiated by the Manager may, in their initial period of operation, receive a maximum of 4 free lettings to establish the groups. Subsequent bookings should then be considered a community user paying the appropriate rate.		
Performing Rights		
5% of the total booking charge (excluding any discount)		
Leisure Prices	Present Charge	Proposed Charge
Halton Leisure Card (HLC)	4.00	4.00
SWIMMING		
Adult	3.30	3.40
Junior	1.80	1.90
HLC	2.00	2.10
Under 8s ^admission policy applies		Free
Junior Lessons (10 lessons)	38.00	39.50
Senior Lessons (10 lessons)	39.50	41.00
Aqua class	4.80	4.90
Health suite	5.90	6.00
SPORTSHALL		
Adult	3.60	3.70
Junior	1.80	1.85
Halton Leisure Card	2.15	2.20
ACTIVITY		
Half Hall BB Hire	27.25	28.00
Adult admit fee	2.10	2.20
Junior admit fee	1.10	1.15
HLC admit fee	1.30	1.35
Squash (40 min)	3.40	3.50
Junior Squash	1.70	1.75
Casual Gym/Aerobics	4.80	4.90
Junior Fitness	2.40	2.45
Creche per hour	1.50	1.60
Table Tennis	2.40	2.50
Junior Table Tennis	1.20	1.25

SPECTATOR		
Adult	0.50	0.50
Junior	0.25	0.25
HLC	0.25	0.25
Shower	1.00	1.00
SPECIAL EVENTS		
KLC		
Half Hall Booking	40.00	41.00
Full Hall Booking	80.00	82.00
Gymnasium	31.00	32.00
Creche	24.00	25.00
Swimming Pool	60.00	60.00
Small Pool	45.00	45.00
Studio 1 & 2	30.00	31.00
RSP		
Swimming Pool	50.00	50.00
BROOKVALE RECREATION CENTRE		
Swimming Pool	54.00	55.00
Sportshall Adult	66.50	66.50
Sportshall Junior	38.00	38.00
Half Hall Booking - Adult	34.00	35.00
Half Hall booking - Junior	19.00	20.00
Gymnasium - Adult	29.00	30.00
Gymnasium - Junior	19.50	20.00
Studio	25.00	25.50
Artificial Grass Pitch		
Adult Casual	38.00	39.00
Junior Casual	19.00	19.50
Block Booking		
Adult	33.00	33.50
Junior	16.50	16.75
Hockey Match		
Adult	48.00	48.00
* 9am - 5pm weekend rate available on request		

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