

Public Document Pack



Executive Board

Thursday, 9 April 2015 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. RESOURCES PORTFOLIO	
(A) 2015/16 INSURANCE RENEWALS	1 - 9
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*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 Tuesday, 19 May 2015*

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

REPORT TO:	Executive Board
DATE:	9 April 2015
REPORTING OFFICER:	Strategic Director - Policy and Resources
PORTFOLIO:	Resources
SUBJECT:	2015/16 Insurance Renewals
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

To inform the Board of the strategy adopted in regard to the renewal of insurance premiums for 2015/16.

2.0 RECOMMENDATION: That;

- 1) The changes in the Council's insurance programme regarding the purchase of external insurance for 2015/16, be noted;**
- 2) The Risk Financing and Insurance Strategy presented in Appendix 1, be approved.**

3.0 SUPPORTING INFORMATION

- 3.1 Emerging trends in the insurance market are putting pressure on rates with many insurers looking for increased terms. Organisations that are prepared to accept a higher level of self-insurance are more attractive to insurers and benefit from lower premiums as a result.
- 3.2 Self-insurance can take the form of either:
 - Choosing not to purchase external insurance cover and financing losses from existing resources;
 - Purchasing insurance cover for risks over a certain financial threshold (i.e. policy excess). More competitive premiums are obtained where organisations accept a higher level of excess.
- 3.3 In setting appropriate levels of self-insurance, it is prudent for organisations to consider their risk bearing capacity and risk tolerance. The Council maintains an Insurance Reserve to meet its unpaid retained insurance liabilities. The current balance of the reserve is approximately £3m.
- 3.4 In recent years the Council has moved towards taking on a greater level of self-insurance in order to obtain cost-effective insurance cover and to minimise the revenue impact of increasing insurance premiums. This has seen large increases in the level of excess across the following classes of insurance:
 - In April 2013 the excess for motor vehicle claims was increased from £250 to £25,000.

- In April 2014 the excess for Employers' Liability claims was increased from £25,000 to £250,000.
- In April 2014 the excess for Public Liability claims was increased from £120,000 to £250,000.

3.5 Insurance cover for 2015/16 has been reviewed by the Operational Director – Finance under the powers delegated to him in section 6.3 of Finance Standing Orders. The main changes resulting from this review are summarised below:

- The excess on Property cover has been increased to £250,000 across the whole of the Council's property portfolio. Previously the excess was £100,000 for educational establishments and £250 for Council buildings.
- 'All Risks' cover has been removed except for Civic Regalia, Paintings and items of plant or equipment valued at £10k or higher.
- The excess on the Computer All Risks policy has been increased to £5,000 from the previous level of £100.
- The excess on the Fidelity Guarantee insurance policy has been increased to £100,000 from the previous excess of £1,000.
- Additional cover has been purchased in respect of Hirers' Liability. This will provide blanket cover in regard to all voluntary groups and other organisations that hire Council or school premises.

3.6 The changes to the Council's insurance cover have been taken after consultation with the Council's insurance broker and analysis of claims experience over the past five years. Account has also been taken of the Council's capacity to fund uninsured losses through the Insurance Reserve.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 The changes to the Council's externally procured insurance cover for 2015/16 will generate a revenue budget saving of approximately £100,000.

4.2 The total impact of the changes on the Council's overall financial position will be dependent on the value of losses that are experienced during the year. The strategy adopted will deliver a substantial net saving if the level and value of claims in 2015/16 is consistent with Council's claims experience over the past five years.

4.3 The draft Risk Financing and Insurance Strategy is attached at Appendix 1. This sets out how the Council seeks to ensure that the structure of its insurance programme achieves an optimum balance between self-insurance and externally procured insurance.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 The proposals aim to ensure that the Council's procurement of external insurance cover is cost effective. The revenue savings generated by increasing the level of self-insurance will facilitate the redirecting of financial resources towards the delivery of all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 There is a risk that 'over-insurance' and low levels of deductible make the Council unattractive to insurers. This inevitably leads to higher premiums and additional pressure on the revenue budget.
- 6.2 The risk in increasing the level of self-insurance is that the Council may potentially be required to fund a higher level of losses. This risk is however mitigated by the Council maintaining an adequate Insurance Reserve which can be used to fund any high value losses.
- 6.3 The cumulative impact of low value losses for casualty and motor claims is mitigated by agreeing an Aggregate Stop Loss with the insurer. Any losses above this threshold would be funded by the insurer.
- 6.4 A reduction in the level of external insurance cover ultimately presents increased financial risk to the Council. This risk needs to be considered in the context of the Council's capacity to self-fund potential losses.
- 6.5 The overall cost of financing risk can be minimised by the Council employing effective risk management practices.

7.0 EQUALITY AND DIVERSITY ISSUES

None

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

None under the meaning of the Act

HALTON BOROUGH COUNCIL**RISK FINANCING AND INSURANCE STRATEGY****1. Background**

- 1.1 Risk financing refers to the arrangements established to fund the financial consequences of risk. The purpose of this strategy is to establish a framework that will govern the Council's approach to funding losses sustained in the course of its business.
- 1.2 Losses can be funded either:
- **Internally** – By retaining and managing particular risks with losses being financed through the Council's own funds.
 - **Externally** – By transferring particular risks, generally by purchasing external insurance cover.
- 1.3 This strategy seeks to ensure that the structure of the Council's insurance programme achieves an optimum balance between self-insurance and externally procured insurance.

2. Factors influencing the strategy

- 2.1 The total cost of risk to the Council is significant and includes expenditure on:
- Insurance premiums
 - Self-insured losses
 - Uninsured losses
 - Brokerage fees
 - Insurance administration / claims handling costs
 - The cost of risk mitigation activities

As a public body it is vitally important that the Council can demonstrate that it seeks to obtain value for money from this expenditure.

- 2.2 The Council does not have the financial resources to self-insure against all the risks it faces. Data produced by the insurance industry indicates that the number and value of catastrophic losses in the public sector is increasing. The Council therefore needs to ensure that it has appropriate external insurance in place to finance any such loss should it occur.
- 2.3 Recent changes in the insurance market have resulted in insurers seeking significant increases in premium from local authority clients. This consequently incentivises local authorities to accept greater levels of self-insurance in order to avoid increased costs and further pressure on revenue budgets.
- 2.4 A compensation culture has become established in the United Kingdom and there are sections of society and claimant solicitors who see local authorities as 'fair game'. The Council therefore needs to ensure that it has robust procedures in place to defend against speculative and / or fraudulent liability claims. Provision also needs to be made to limit the extent of the Council's exposure to the cumulative effect of such claims in any one financial year.

3. Objectives of the strategy

3.1 The objectives of this strategy are to:

- Protect the Council's assets (people and physical assets);
- Incentivise effective risk management to prevent, reduce or minimise the risk of loss, damage or injury;
- Self-insure whenever the cost of a potential loss would not significantly affect the Council's financial position;
- Purchase insurance cover for those risks where the cost of a potential loss is significant or insurance is required by law or contractual agreement;
- Minimise the Council's exposure to catastrophic losses and the cumulative effect of attritional losses;
- Make appropriate provision to finance retained risk (self-insured risks);
- Protect the Council's finances through the operation of robust claims handling procedures;
- Formalise a scheme of delegation for the settlement of claims;
- Minimise spend on insurance premiums by employing effective procurement practice;
- Set out the basis for the internal recharging of risk financing expenditure.

4. Procurement of external insurance cover

4.1 External insurance cover helps to improve financial certainty by smoothing year on year fluctuations in the cost of claims and losses. It also provides financial protection against spikes in costs due to large losses and/or aggregate costs. However, the cost of insurance cover will always reflect the Council's underlying loss experience and may not present the most cost-effective option.

4.2 Finance Standing Orders delegate responsibility to arrange insurance cover to the Operational Director – Finance. The decision to purchase external insurance or to self-insure will take account of a range of factors, which include:

- Analysis of risk exposures;
- The Council's financial capacity to assume risk;
- The effectiveness of the Council's risk management arrangements;
- The cost of insurance versus the cost of claims;
- The condition of the insurance markets and the availability of cover;
- The availability of alternative risk transfer options;
- Benchmarking and actuarial assessment data;
- Advice from the Council's insurance broker.

- 4.3 Procurement of external insurance will therefore focus on risks that are outside the risk tolerance of the Council, i.e. where the potential loss arising from a risk would be considered financially unacceptable. Lower-value losses will be self-funded.
- 4.4 Insurance cover is purchased in accordance with the Council's Procurement Standing Orders and relevant EU procurement rules. Due to the specialist nature of insurance procurement, the Council uses an insurance broker to provide advice on the procurement process and tender evaluation.
- 4.5 The Operational Director – Finance will determine the duration of insurance contracts in consultation with the Council's insurance broker.

5. Self-insurance

- 5.1 Adopting a higher level of self-insurance makes the Council more attractive to insurance underwriters and provides a greater opportunity to obtain cost-effective insurance cover.
- 5.2 The Council will therefore seek to minimise the overall cost of risk financing by:
- Employing effective risk management and self-insuring some risks in their entirety;
 - Purchasing insurance cover for some risks over a certain financial limit that is considered outside the risk tolerance of the Council;
 - Agreeing an 'Aggregate Loss Limit' for some risks to restrict the potential total loss exposure in a particular year to a specific sum.
- 5.3 At policy renewal the Operational Director - Finance will review:
- The level of deductible for each class of insurance cover and take account of the sensitivity of changes in premium for the Council accepting a higher or lower level of self-insurance;
 - The level at which the 'Aggregate Loss Limit' is set.
- 5.4 Any significant changes in the Council's insurance cover or self-insurance arrangements will be agreed by the Operational Director – Finance and reported to the Executive Board.

6. Management of claims

6.1 Claims handling

- 6.1.1 The Insurance team handles all pre-litigation Public Liability (PL) & Employers' Liability (EL) claims in-house up to the value of £25,000. This arrangement has delivered a substantial saving on external claims handling costs and assists the defence of claims through the team's knowledge of the Council and the local area.
- 6.1.2 The Insurance team received a programme of comprehensive training prior to taking on responsibility for claims handling. Regular refresher training and ongoing support from external solicitors is also provided.

6.1.3 The Council's in-house claims handling arrangements are subject to annual audit by the Council's insurers.

6.1.4 PL and EL claims valued in excess of £25,000 are handled by the Council's insurers. The insurer is also responsible for handling any claims received under all of the Council's other insurance policies.

6.2 Legal support

6.2.1 External solicitors are used to provide advice and support to the Insurance team and to case manage litigation and any claims of a complex nature.

6.3 Reserving

6.3.1 A realistic approach is taken to claims reserving (estimating the likely total cost of each claim) that takes into account forecast costs and potential indemnity.

6.3.2 The Judicial Studies Board (JSB) guidelines are followed when assessing general damages.

6.3.3 Reserves on open claims are reviewed at least every 12 months and on receipt of relevant additional information.

6.4 Management information system

6.4.1 A bespoke claims handling management information system has been developed in-house and is used to record claims information.

6.4.2 Claims bordereaux are produced from this system and issued to the relevant insurers on a quarterly basis.

6.5 Defence of claims

6.5.1 A robust approach is adopted to defending claims:

- The Insurance team works closely with the relevant Council department responsible for the claim in order to determine the Council's position on liability.
- Regular claims surgeries are held with external solicitors to discuss the strategy for defending litigated claims. Where appropriate the Council will run cases to trial.
- A zero-tolerance approach is taken in regard to fraudulent or exaggerated claims and opportunities to publicise the successful defence of such claims are pursued.

6.6 Settlement of Claims

6.6.1 All claim settlements must be authorised before payment is made. Delegated authority to settle claims is consistent with the financial authorisation limits set out in Finance Standing Orders:

Officer

Principal Insurance Officer

Delegated limit

Up to £10,000

Divisional Manager – Audit & Operational Finance	Up to £100,000
Operational Director – Finance	Up to £1,000,000

6.6.2 Formalised arrangements are in place with the Council's external claims handlers and insurers that allow the settlement of claims on behalf of the Council. Payments made by the Council's claims handlers or insurers are reimbursed via a monthly invoice.

6.7 Claimant legal costs

6.7.1 When a claim is settled the claimant solicitor's costs are usually significantly greater than the damages awarded to the claimant. Where appropriate, the Council uses the services of legal costs draftsmen to provide challenge and assurance over the amount of costs claimed.

7. Financing of retained risk

7.1 Insurance reserve

7.1.1 The Council maintains an Insurance Reserve so that it can meet its unpaid retained insurance liabilities, i.e. the settlement costs of known and future (unknown) claims from current and past policy years.

7.1.2 'Known' claims are those that have already been reported or made against the Council, some of which will go on to be settled (paid).

7.1.3 'Unknown' claims are those incidents that will already have occurred but have not yet been reported to the Council. These are typically referred to as IBNR (Incurred but not reported).

7.1.4 The Insurance Reserve may only be used to finance expenditure in the following circumstances:

- **Property damage claims** - to cover the cost of repair, replacement, reinstatement, site clearance, making safe or other associated costs in the event of an insured peril (or agreed peril for self-insurance), within the limits of any relevant policy excesses.
- **Liability claims** - to cover the cost of settlement under the insurance policy excess where the Council has become legally liable to settle (compensate) a liability claim that has been made against it or its officers and elected members.
- **Other claims** - to cover the cost of settlement under the policy excess where the claim meets the requirement for settlement under the terms of the relevant insurance policy (or relevant self-insurance criteria).

7.1.5 The balance of the Insurance Reserve is kept under review by the Operational Director - Finance to ensure that it is maintained at an appropriate level.

7.1.6 A full actuarial valuation of the Insurance Reserve will be undertaken at least every three years. This will involve a qualified actuary analysing the Council's past insurance claims experience (numbers, cause and cost of past and current claims) in order to assess the adequacy of the reserve.

7.2 Municipal Mutual Insurance (MMI) reserve

- 7.2.1 A separate reserve has been established in regard to the Council's potential liabilities in regard to the MMI Scheme of Arrangement. MMI were previously the Council's insurers and wrote its last policy in 1992. It is anticipated that it could be a further 20-25 years before all its claims are paid.
- 7.2.2 As a scheme creditor the Council was required to pay an initial levy of 15% (£177,854) of the total value of all claims paid on its behalf since 30 September 1993. The levy will also apply to all future claim settlements.
- 7.2.3 It is forecast that at least one further levy will be declared in future years in order to address MMI's deficit of assets to meet forecast liabilities.
- 7.2.4 A reserve of £420k has been established against the potential for a further levy. This has been calculated based on an additional levy of 35% of the total value of claims paid. The adequacy of this reserve will be kept under review by the Operational Director – Finance.

8. Recharging of risk financing costs

- 8.1 The cost of financing risk (externally procured insurance cover, the cost of self-insured claims settled, claims handling costs, insurance brokerage costs etc.) is charged to the cost centre of the Insurance team, including any costs relating to schools that have opted into the Council's insurance programme.
- 8.2 On an annual basis internal departments and schools are re-charged for the cost of risk financing. Recharges are calculated at cost centre level and schools are charged individually.
- 8.3 The basis of apportioning costs varies according to the type of cover provided but the main factors used to determine recharges are employee numbers in each business area, the number and value of claims received, and the total sum insured for buildings and contents.
- 8.4 An internal excess of £250 is charged to the relevant department in respect of all motor vehicle claims. No departmental excess is charged in respect of liability claims.
- 8.5 The basis upon which risk financing costs are recharged will be reviewed annually by the Operational Director – Finance.

April 2015

REPORT TO: Executive Board

DATE: 9 April 2015

REPORTING OFFICER: Strategic Director – Policy & Resources

SUBJECT: Discretionary Non-Domestic Rate Relief

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to consider 3 applications for discretionary non-domestic rate relief, under the amended provisions of the Local Government Finance Act 1988.

2.0 RECOMMENDED: That

1) Discretionary rate relief be granted to the following organisations at the percentages indicated, for the period from 1st April 2015 to 31st March 2019;

Halton Community Partnership Trust	15%
Halton Disability Partnership	15%

2) that discretionary rate relief is backdated in respect of the following organisation, at the percentage indicated, for the period up to 31st March 2015;

Halton Community Partnership Trust	20%
Halton Disability Partnership	20%

3) the application for discretionary rate relief from The Cyrenians Ltd, be refused on the grounds of them being a national organisation.

3.0 SUPPORTING INFORMATION

3.1 Under the amended provisions of the Local Government Finance Act 1988, the Council is able to grant discretionary rate relief to any business ratepayer. This relief had previously only been available to organisations that were a charity, a community amateur sports club or a not-for-profit organisation. A summary of the applications is presented below and the associated financial implications are shown in Appendix 1.

- 3.2 Since 1st April 2013 the Council has been responsible for funding 49% of any award of mandatory or discretionary rate relief granted, with the Government meeting the remaining 51%. Previously, the Government fully funded all mandatory relief awards.
- 3.3 On 26th February 2015 the Board approved providing 15% discretionary relief in future, where applications were approved from registered charities or community amateur sports clubs

Halton Community Partnership Trust Ltd
The Old Police Station, Mersey Road, Runcorn

- 3.4 Halton Community Partnership Trust (HCPT) Ltd has become a registered charity, with effect from 5th February 2013. The Trust is responsible for the management of the Community Partnership Centre and the letting of facilities within the premises to community and voluntary organisations.
- 3.5 The premises are used by such groups to offer programmes in order to advance education, offer facilities in the interest of social welfare and also for recreational use. It is intended that the provision of such opportunities will improve the quality of life of residents. In addition, the property is used as an administrative base for the charity.
- 3.6 HCPT Ltd had previously been awarded 100% discretionary rate relief, as a not-for-profit organisation. However, following their registration as a charity, the Trust is now entitled to 80% mandatory rate relief, at an annual cost of £6,518.57 to the Council. An application has been received for the additional 20% discretionary rate relief from the date of registration as a charity. As referred to in paragraph 3.3 above, it is proposed to provide 15% discretionary rate relief the cost of which would be as follows;

Annual Cost to Taxpayer (49%)	£1,222.23
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HCPT Ltd would therefore need to meet the remaining 5% of their rates liability totalling £831.45 pa.

- 3.7 It is recommended that the backdated element of discretionary rate relief is provided at 20% rather than 15%, as this was the policy in operation during that period.

Halton Disability Partnership
Part Ground Floor, Sefton House, Public Hall Street, Runcorn

- 3.8 Halton Disability Partnership (HDP) is a registered charity, which provides advice and support for disabled people in Halton. HDP is a user led organisation, which aims to improve the lives of disabled persons within the Borough.

3.9 The application is in respect of the premises in Runcorn, which are used by the charity to provide advice services and peer support for disabled people. The offices are also utilised as an administrative base for the charity, in which to facilitate and co-ordinate such operations.

3.10 As a registered charity, the organisation has already been awarded 80% mandatory rate relief. The annual cost of the award of mandatory relief to the Council is £944.72. An application has also been received for discretionary rate relief for the remaining 20% of their rates liability. As referred to in paragraph 3.3 above, it is proposed to provide 15% discretionary rate relief the cost of which would be as follows;

Annual Cost to Taxpayer (49%)	£177.14
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HDP would therefore need to meet the remaining 5% of their rates liability totalling £120.50 pa.

3.11 It is recommended that the backdated element of discretionary rate relief is provided at 20% rather than 15%, as this was the policy in operation during that period.

The Cyrenians Ltd
1 Ann Street West, Widnes

3.12 The Cyrenians Ltd (whose operating name is Changing Lives) is a registered charity, which builds the capacity of voluntary and community organisations. The organisation also promotes co-operation and partnership working between the third sector, statutory and other relevant bodies.

3.13 The premises are used as an administrative office and also as a base in Halton, in order to provide volunteer centres, training, funding advice, network support, a community accountancy service and social care involvement.

3.14 As a registered charity the organisation has already been awarded 80% mandatory rate relief. The annual cost of the award of mandatory rate relief to the Council is £4,959.78. An application has been received for discretionary rate relief for the remaining 20%. The additional cost if 15% rate relief were granted would be as follows;

Annual Cost to Taxpayer (49%)	£929.96
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3.15 However, The Cyrenians Ltd is a national organisation and historically the Council has not provided discretionary rate relief for national organisations. Therefore it is recommended that this application is refused.

4.0 POLICY IMPLICATIONS

4.1 The Board is required by the regulations to consider each application on its own merit. Any recommendations provided are given for guidance only, are consistent with Council policy and, wherever possible, previous decisions.

5.0 FINANCIAL IMPLICATIONS

5.1 It should be noted that 49% of any discretionary rate relief granted to organisations receiving mandatory rate relief must be met by the Council Taxpayer. Any awards of mandatory rate relief will also have to be funded at the same percentage (49%) by the Council. Appendix 1 identifies the cost to the Council Taxpayer for each application.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None specifically applicable.

6.2 Employment, Learning and Skills in Halton

HCPT Ltd offers facilities to promote learning.

6.3 A Healthy Halton

None specifically applicable.

6.4 A Safer Halton

The Cyrenians Ltd offers supported housing to vulnerable families seeking refuge.

6.5 Halton's Urban Renewal

None specifically applicable.

7.0 RISK ANALYSIS

7.1 There are no key risks associated with the proposed action.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The applicants offer their services to all sections of the community, without any prejudice.

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

9.1	Document	Place of Inspection	Contact Officer
	Application forms and supporting evidence	Kingsway House, Caldwell Road, Widnes	Phil Murphy, Business Rates Manager

APPENDIX 1

Ratepayer	Address	Annual Rates 2014/15	Actual Rates Liability 2014/15	Mandatory Rate Relief Awarded	Annual Cost of Mandatory Rate Relief to HBC	Actual Rates Payable 2014/15	Disc. Rate Relief	Annual Cost of Disc. Rate Relief to HBC	Actual Cost of Disc. Rate Relief to HBC 2014/15
		£	£	%	£	£	%	£	£
Halton Community Partnership Trust Ltd	The Old Police Station, Mersey Road, Runcorn.	16,629.00	16,629.00	80%	6,518.57	3,325.80	15%	1,222.23	1,222.23
Halton Disability Partnership	Ground Floor, Sefton House, Public Hall Street, Runcorn	2,410.00	1,855.37	80%	944.72	371.07	15%	177.14	136.37
The Cyrenians Ltd	1 Ann Street West, Widnes	12,652.50	9,498.04	80%	4,959.78	1,899.61	15%	929.96	698.11

REPORT TO:	Executive Board
DATE:	9 April 2015
REPORTING OFFICER:	Strategic Director, Policy & Resources
PORTFOLIO:	Resources
SUBJECT:	ICT & Support Services Capital Programme
WARDS:	Borough-Wide

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to detail to the Executive Board the proposals for the ICT & Support Services Capital Programme, highlighting the programme objectives that support the maintenance and development of the Councils technology infrastructure.

2.0 RECOMMENDATION: That the Executive Board notes and approves the details of the programme and is aware of and supports the financial spend profile for 2015/2016.

3.0 SUPPORTING INFORMATION

The continued and long-term investment the Council has made in its ICT infrastructure has played a major part in its drive for greater efficiency. It has enabled the Council, amongst other things to:

- Reduce its estate.
- Introduce automated processes.
- Provide simplified access to information and interactive services to the public.
- Facilitate greater use of agile working.
- Enhance its income from SLAs from third parties, given the infrastructure it has in place.

In addition the Administrative Shared Service has successfully launched the Picow Farm Records Management Service and is now delivering not only scanning and document management services within the Council but extending its capacity within other neighbouring authorities, the CCG and external agencies. The Council has significant statutory duties around records retention and, given the reduction in the number of corporate buildings, it has been necessary to develop this facility. Picow Farm forms a major focus for this years ICT development strategy as it now houses the Council's second Data Centre. The second data centre enhances the Council's resilience from a business continuity perspective and enables it to offer services to others.

3.1 Key Programme Areas for the 2015/2016 ICT Programme

The programme for this year will be split into the 3 distinct areas within the ICT

environment:

- Licensing to support the strategy;
- Server Replacement and Development; and
- Desktop Device Refresh.

3.2 Licensing

As the current server infrastructure matures plans are in place to replace a considerable proportion of the server hardware base, although currently effective this platform will not allow the authority to cost effectively consolidate upon the physical server footprint as the demand for more powerful and faster centralised technology increases.

Through the evolving delivery of change within this environment, investment will be made within the Data Centre network solution and the associated links connecting the two corporate Data Centres. In line with these plans the associated enterprise licensing will be reviewed and upgraded supporting the new infrastructure plans – the licensing mix once the sole domain of Microsoft will continue to be reduced and spread over a number of vendors as per the previous year’s strategy due to highly restrictive changes in many of the vendor licensing models. This will limit the reliance upon any one vendor and extract maximum value from the investment made, as licensing forms a major aspect of the ICT investment profile at any one time.

Reducing the licensing implications will also be reflected across the Council’s desktop estate as the use of fixed multi user terminals and tablet technologies grows.

3.3 Server Infrastructure

Now that the second Data Centre location is up and running the 14/15 strategy successfully allowed for the delivery of “high availability” storage facilities.

The 2015/16 strategy is to now quickly expand upon this excellent base by delivering a highly available server platform that will control and manage not just the application servers but also deliver the base for the desktop platform, utilising the existing Halton Cloud as its front end.

The proposed server platform will be based upon what is known as UCS Blade technologies allowing considerably more servers to be racked within the same physical footprint as the more traditional server hardware units. This reduces the growing space requirements and, more importantly, the power hungry cooling needs of the Data Centre.

Complimenting this new server platform will be a considerably faster Data Centre networking facility that will enable data to transfer at speeds of 10 Gigabits per second rather than the traditional 4 – 8 Gigabit backbones of today. This increased speed will then allow the two Data Centres to be linked together and replicate data and services in a seamless manner. This puts the Authority in a very strong position in terms of the resilience of what is a crucial service for nearly all the Council’s activities.

3.4 Desktop Device Refresh

Following a number of trials over the last 12 months aimed at complimenting the authority's accommodation strategy, plans are in place to rollout corporately the use of the cloud based Virtual desktop and Application deployment solutions. This technology allows the authority to revisit its wider requirement for laptop technologies and look specifically at the wider officer device requirement. Offering devices to suit the individual's working needs reduces the demand for expensive and unnecessary device deployment. This is done through the use of fixed multi user technologies. Once the new desktop technologies are fully deployed existing agile workspaces will be reviewed and equipped with the new devices.

Proposed Financial Spend Profile:

The proposed spend profile for 2015/16 ICT Capital Programme is detailed below:

	£
Licensing:	
Microsoft Desktop Licence EA	200,000
VMare Server and Desktop Licences	200,000
Additional SharePoint Licences	60,000
UAG	70,000
VPN Upgrade	30,000
	<hr/> 560,000
Server:	
UCS Technologies	250,000
Associated Cisco Network Technologies	200,000
Power Upgrade	120,000
	<hr/> 570,000
Device:	
Device Replacement	350,000
	<hr/> 350,000
Total Programme Value	1,480,000

As shown above the projected spend profile exceeds the budgetary allowance of £1.1m considerably. Through smart procurement and changes to the way in which the authority accesses its desktop space it is envisaged that all projects will be delivered within the scope of the current budgetary allowance. If this does not prove to be the case, then some re-profiling will take place to ensure spend remains within the budget allocation. As will be noted from the profile above software licensing forms a major part of this year's financial requirement

and plans are in place to maintain the review of how the authority manages this significant investment, to ensure best value is achieved.

The continued development of the two Data Centre facilities will be a key focus over the coming years, with further improvements to the power supply to the site this year held back from 14/15.

4.0 POLICY IMPLICATIONS

- 4.1 The provision of a first class ICT service will remain important to the delivery of all services and to the delivery of the Council's Efficiency Programme.

5.0 OTHER IMPLICATIONS

- 5.1 The ICT Capital programme will continue to be scrutinised by the ICT Strategy Board, monthly meetings with the Strategic Director Policy and Resources, monthly review with Financial Services and fortnightly meetings with the Portfolio Member for the ICT & Support Service.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 Children and Young People in Halton

The proposal will support staff in delivering the service efficiently and in modern ways.

- 6.2 Employment, Learning and Skills in Halton

The proposal will support staff in delivering the service efficiently and in modern ways.

- 6.3 A Healthy Halton

The proposal will support staff in delivering the service efficiently and in modern ways.

- 6.4 A Safer Halton

The proposal will support staff in delivering the service efficiently and in modern ways.

- 6.5 Halton's Urban Renewal

The proposal will support staff in delivering the service efficiently and in modern ways.

7.0 RISK ANALYSIS

- 7.1 The key risk for the project is ensuring that there is an effective balance between supporting evolving business needs and supporting existing working practices. By implementing the correct technology, alignment with the Accommodation Strategy and effective training programme and project management, this key risk will be mitigated.

8.0 EQUALITY AND DIVERSITY ISSUES

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

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

9.1 None under the meaning of the Act

REPORT TO: Executive Board

DATE: 9th April 2015

REPORTING OFFICER: Strategic Director Children and Enterprise

PORTFOLIO: Physical Environment

SUBJECT: Marketing and Promotional Activities Within Runcorn and Widnes Town Centres

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide and update on existing and proposed Marketing and Promotions activities within Runcorn and Widnes Town Centres, including activities to promote Runcorn and Widnes indoor and outdoor markets.

2.0 RECOMMENDATION: That

- 1) Members note existing marketing and promotional activities in Runcorn and Widnes Town Centres; and**
- 2) The Board approve future proposals outlined in the report.**

3.0 SUPPORTING INFORMATION

- 3.1 In recent years there have been a number of Policy Papers and research documents that have focused on high streets and town centres. These include the Portas Review, The Grimsey Review, The Centre for Cities Report and in December 2014 the department of Business Innovation and Skills produced a research entitled, Policy Implications of recent trends in the high street/retail sector. The contents of this research paper were presented to the Council's Environment and Urban Renewal PPB on 25th March 2015.
- 3.2 In summary, the paper identifies the key trends impacting on the UK's high street but the paper also identifies Town Centre "types" and presents some conclusions and recommendations. These recommendations could be adapted to improving and sustaining the vitality and vibrancy of Halton's town centres.
- 3.3 A number of the recommendations described above focus on place marketing and "sense of place" measures as a way of increasing the number of visitors to a high street or town centre. In light of this, it is considered that Members would welcome a summary of current and proposed marketing and promotions activities taking place within our town centres and markets. Further information on specific marketing

and promotions activities are set out in appendix 1 However, a summary of priority work areas is presented below.

- 3.4 **Widnes Markets:** Members are advised that the sustainability of Widnes Indoor Market continues to be a priority. Trading conditions are challenging and competition in the retail sector is intense. Although occupancy levels are still encouraging (85%) compared with neighbouring areas, i.e. St. Helens (67%) and Warrington 50% (pending opening of the new market hall) there have been fewer enquiries from potential traders
- 3.5 Therefore, in January a “Pinpoint Session” took place with market traders to develop a joint approach to promoting Halton’s markets. (A pinpoint session is a group discussion technique that enables all participants to take part and discuss their ideas. Over 30 traders attended the session.
- 3.6 The key areas of interest for the session were:
- The strengths and weaknesses of promotions and marketing campaigns during the last year; and
 - What market traders want or think should be achieved from marketing and promotions campaigns and how the success of these campaigns can be measured.
 - Traders taking a more active role and control of marketing and promotions activities.
- 3.7 It is encouraging to note that since January, 7 new indoor traders have signed licences to trade in the indoor market, and 5 have commenced trading.
- 3.8 The pin point session promoted positive discussions took place with traders, and in good time to prepare a longer term programme.
- 3.9 For example, preparations are well advanced for the Love Your Local Market event which takes place from 13th May to 27th May.
- 3.10 **Runcorn Town Centre:** The Council is supporting the development of a Business Improvement District for Runcorn, because if it is successful, retailers and traders in Runcorn will be able to pool resources to fund activities that are aimed at encouraging more people to visit the town.
- 3.11 In Runcorn town centre, there is a good understanding of its Unique Selling Point arising from the physical assets that it holds. Runcorn has benefitted from funding from the High Street Innovation Fund. For

relatively small sums of money a high level of goodwill and positive media have resulted.

- 3.12 This is also in part due to the fact that the Council has promoted an ongoing communication channel with town centre stakeholders through the Runcorn Town Team. This has enabled the Council to not only manage expectations, but also enabled the community to help themselves.
- 3.13 It has also demonstrated that 'softer' small scale measures can have a significant impact on increasing confidence in town centres.

3.14 Widnes Town Centre:

- 3.15 In Widnes, it is suggested that by using some of the Section 106 grant to fund activities this will generate an increased Community spirit in the town and greater collaborative working between the public, private and voluntary sectors. It is not easy to coordinate the respective interests of retailers and traders in Widnes given the absence of a town centre/ton team forum. However, there could be an opportunity to emulate some of the work that both the Runcorn town team and Runcorn Festival Committee have undertaken. One example being at Christmas, where discussions are taking place via our events officer to bring into the town centre, Christmas Street Stalls, as illustrated in the photographs appended to this report.

4.0 POLICY IMPLICATIONS

- 4.1 A report on Town Centre Policies was presented to Members in December 2014. Therefore, there are no further policy implications arising from this report.

5.0 OTHER / FINANCIAL IMPLICATIONS

- 5.1 Members are advised that there is a small marketing budget to support Halton's markets. This includes a contribution from Widnes market traders.
- 5.2 Future marketing and promotions will either need to be income generating or will need to be drawn from the private sector.
- 5.5 The forthcoming Retail Study will provide an improved understanding of why people visit or do not visit our town centres, but further work is needed with the private sector (including retailers and traders) to prioritise, and to confirm with limited financial resources what our respective sectors can or cannot deliver in our town centres.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People

N/A

6.2 Employment Learning and Skills in Halton

Town Centres represent a key source of employment opportunities in the borough.

6.3 A Healthy Halton

N/A

6.4 A safer Halton

6.5 Halton's Urban Renewal

It is acknowledged that our town centres are part of our 'offer' to visitors and inward investors, but also contribute to improving the quality of life of local residents, making Halton a good place to live. There is a requirement to drive up footfall and increase the numbers of people that shop, work in and use our town centres.

7.0 RISK ANALYSIS

7.1 The main risk associated with the development of existing and future activities identified in this report is that they become short-term and unsustainable.

7.2 To mitigate this risk, it is proposed that more formal and longer term relationships continue to be developed with key stakeholders within the town centres. The development of the town team in Runcorn is a good example of where a town centre action plan has been developed that does not rely on exclusively public sector funding but draws down private sector and voluntary sector match funding.

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

8.1 None under the meaning of the Act.

APPENDIX 1 Executive Board 9th April

MARKETING AND PROMOTIONS IN RUNCORN AND WIDNES TOWN CENTRES

Runcorn Town Centre and Runcorn Outdoor Market

Town Team Funding

Initiatives selected by the Town Team taken forward include:

- Commercial Property Renewal Grants;
- Business Start-up Grants;
- Support for the Street Market (leaflets, advert on minibus, bags, street market mural etc.);
- Runcorn Market/ Reindeer 2nd December. Also advertising for market opening days.
- Environmental improvements including graffiti removal;
- Public arts programme for 2014;
- WWI Commemorative Events and support for Christmas Festival;
- Installation of fake shop fronts on long standing vacancies depicting the Runcorn town centre heritage trail and children's art work;
- Commitment to provide a new town centre map (on-going).
- Runcorn Town Team web page www.runcorntownteam.co.uk

Commercial Property Renewal Grants

£50k *was* allocated to Commercial Property Renewal grants. This entire budget has now been spent or committed.

Businesses that have received support through these grants include: Sabor tapas bar & restaurant (a welcomed new quality restaurant for Runcorn located on Church Street), Halton Carers, Mersey Bridge View, Halton Autistic Family Support Centre, the former Synergy building (a long-standing and prominent vacant unit which has been transformed and now has tenants), Sweet Memories (the traditional sweet shop on Church Street) the Wat Phra Singh Buddhist Temple, Hazlehurst Craft Studios to name a few.

Business Start-up Grants

£18,840 has been allocated to new business start-up grants. The Runcorn Town Team is still offering grants of up to £1,500 to assist new business start-ups locating within the Runcorn Town Team Focus Area. The grant is to help cover the costs associated with making the premises fit for purpose. Proof of lease or purchase of business premises located within the Town Team Focus area;

Fake shop fronts on Long-standing Vacant Units

Two different projects have been commissioned and all fake shop fronts are now in place.

1. Heritage Trail Hoardings – located on High Street (opposite the entrance to the Co-op car park)
2. Children's art work/ old photographs depicting local Runcorn scenes on the former Senga Furniture building, Church Street.

Public Arts Programme:

- **CO3:** New Roots a dance and poetry performance took place on Saturday, 14th June 2014 and saw local community groups coming together to perform at locations throughout the town centre.
- **Old Town Bloom:** Hazlehurst Studios worked alongside the Town Team to bring some blooms into the Old Town, Runcorn throughout the summer of 2014. Working with community groups, schools and businesses in the old town an oasis of flowering tins were created which were displayed in the garden next to the 'Of Heroes and Industry' mural on High Street.
- **The Raven:** An outdoor performance of Edgar Allen Poe's 'The Raven' took place on Monday, 27th October 2014 at All Saints Church, Church Street. This was a youth production run by the Suitcase Ensemble which aimed to support young people aged 16+ with skills and experience in theatre, contributing to their Silver and Golden Arts awards.

Support for the Christmas Festival

The Christmas festival takes place in Runcorn every year organised by the Runcorn Festival Group a voluntary group who have been running this event for years. It consists of a parade/ Christmas tree light switch-on, on the Friday night (early December) followed by a Christmas market the following Saturday in Runcorn Old Town. This year they also did children's workshops at Runcorn Shopping Centre who sponsored the event. The town team provided some funding to the festival group in 2013 and 2014, which included a permanent base for the Christmas tree, along with contributions towards the Christmas tree and its lights.

Priorities for the Future

1. Looking to purchase a new telescope to be positioned on the promenade to encourage 'bridge spotters' to the town centre. It is a great vantage point for viewing the construction of the Mersey Gateway;
2. Commitment to fund art projects: Halton in Bloom 2015 and a performance style project (see below);
3. Commitment to graffiti removal in the town centre; and a
4. Focus on marketing.

Future Promotions

Events Old Town Bloom ~ Inside/Outside

- Main Garden area (High Street garden) will have the theme 'Inside/Outside' with a nod to Alice in Wonderland , as the story is a 150 years old this year (which has a broad public appeal), this will incorporate some planting and gardening displays, as well as an outside art exhibition.
- **Hazlehurst Studios ~ Outside/Inside** Inspired by the Runcorn Heritage Trail, the artists at Hazlehurst will produce temporary works of art inspired by the history at certain points on the map, see <http://runcorntownteam.co.uk/wp-content/uploads/2013/04/Heritage-Leaflet-Runcorn.pdf>

Widnes Town Centre and Widnes Markets

- St. Valentine's Day Advertising campaign Widnes Market, 2 local newspapers carried advert for what can I buy for Valentines Day.
- Mothers Day Advertising campaign Widnes Market 2 local newspapers, carried advert for what can I buy for Mothers Day
- April 2014 Cake Sale in aid of Callum Murray Widnes Market raised £1000 by Market Traders. Press call attracted both local Newspapers who ran the Story.
- April 2014 Easter Market Open Good Friday Widnes Market Easter opening times and promotion. Utilised a treasure hunt as part of the promotion on the Good Friday and Easter Saturday with characters in costume handing out entry forms to children with parents in Albert Rd Widnes.
- May 14th - 28th 2014 Love your Local Market Widnes Market/Runcorn Tuesday Street Market. Adverts in 2 local papers for 2 weeks.
- Widnes Market Del Boy Auction on start day attracted a lot of pre event media coverage in both Local Papers.
- 2 Stalls for £10 initiative attracted commercial providers, plus community stalls from libraries, Cheshire Police, INVOLVE, Riverside College, Womens Institute, Halton Family Voice, Halton Play Council and Halton People into Jobs. Walk about entertainment included Acro Chaps and Escape artist.
- June 2014 Fathers' Day Advertising campaign Widnes Market, 2 local newspapers, carried advert for what can I buy for Fathers Day
- June 2014 Widnes Market Traders and the Mayor Cllr Shaun Osborne present cheques to Marie Curie Cancer Care and Alder Hey Childrens Hospital following the traders raising more than £3000. Both local papers covered story with photo and editorial.
- July 2014 Widnes On Sea Widnes Market. Funfair rides, donkey rides. Vouchers given out by traders on purchase. Face painting, mini beach, community stalls,
- Sept 19th 2014 International Talk Like a Pirate Day Pirates of the Carribean look alike Johnny Depp, along with 3 shanty bands singing in a variety of places. Face painter and gifts for children. Adverts in World group newspapers only for 2 weeks.

- Christmas. Advertising for opening times and whats on started in November and ran through until 3rd week December. Also ran adverts what can I buy at Widnes Market for Christmas.
- Widnes Market Reindeer 13th December. Walk about entertainment every weekend from 13th – 24th inclusive featuring ice sculpture, Xmas fairies etc. Traders elected not to have a grotto this year. 2 Trees for memorial and wishes with money raised for local charities.
- Widnes Market Jan 2015. Start of a new scheme to encourage new traders. Adverts in local press for stalls, also in Market Trade News and Market Trader.
- March 2015 Red nose day Cake sale adverts on Internet. Raised £765 to date.
- March 2015 Mothers' day. 2 page Adverts in both local newspapers, themed and what can I Buy.
- Grants were available to assist with improvements and / or upgrading of commercial and retail property frontages located within the Widnes Town Centre Focus Area to help improve its appearance and prosperity. Please note that there is currently no new money available to support the Commercial Property Renewal Grant scheme.

Future Promotions

- A consultation exercise with Widnes market traders on developing a longer-term marketing and promotions plan.
- Preparation has commenced for the Love Your Local Market event which takes place from 13th May to 27th May. Promotions to include community stalls and stalls promotions for this event which takes place in UK and Europe to celebrate markets and their offer.
- Discussions taking place on Christmas street stalls (see appendix).
- An additional Thursday Flea Market/Outdoor Market is being piloted to further generate interest and footfall in the market and Widnes Town Centre.
- New Footfall Counters will be introduced to better assess visitor numbers and the impact of future events in and around the market.





REPORT TO:	Executive Board
DATE:	9 April 2015
REPORTING OFFICER:	Strategic Director Policy & Resources
SUBJECT:	Passenger Transport Tenders
PORTFOLIO:	Transportation
WARDS:	Borough-Wide

1.0 PURPOSE OF THE REPORT

1.1 To notify the Executive Board that transport tenders are to be published via The Chest in compliance with EU Public Procurement Regulations 2006 in line with Standing Orders part 6.0 and 6.8 – The Open Tender Procedure. This is a report for information purposes, to also comply with Procurement Standing Order Part 2.1 due to the accumulative value of the contracts projected to be in excess of £1.2 million. The award criteria for this contract will be based on Most Economically Advantageous Tender (MEAT) principles.

2.0 RECOMMENDATION: That the Executive Board supports the process of advertising transport tenders on behalf of Children and the Economy and Communities Directorates for services required from September 2015.

3.0 SUPPORTING INFORMATION

3.1 The Transport Co-ordination Section is responsible for a complex range of passenger transport contracts and arrangements for vulnerable children and adults on behalf of both the Children & Economy and Communities Directorates with the full support from the Procurement Division. These arrangements, which if not provided by the Council's in-house fleet of passenger transport vehicles or by volunteer drivers, must be contracted out for a period of up to four years to external transport providers. Such providers typically include licensed taxi operators and drivers, and minibus/coach companies. Where possible, however, priority is given to arranging transport for passengers on the Council's in-house fleet provision. This is particularly for transport services that include multiple wheelchair users due to cost effectiveness and the fact that there is a severe shortage of wheelchair accessible minibuses in the area.

3.2 The Children & Economy and Communities Directorates are responsible for providing the transport requirements for any vulnerable passenger that needs and is entitled to assisted transport to educational establishments, adult day care facilities and community venues respectively. Transport Co-ordination is then responsible for procuring the most cost effective and practical means of transport, depending on the mobility and additional needs of each passenger.

- 3.3 All school and adults transport runs will be tendered as individual contracts with each specifying the minimum size/capacity of vehicle to be provided, the specialist needs/requirements of the passengers to be transported and whether a passenger assistant is to be provided by suppliers.

For information, there are currently 78 Mainstream and Special Education contracts, 23 contracts for vulnerable adults and 7 Looked After Children contracts. The total annual cost for providing these external contracts is currently £1,218,000.

4.0 POLICY IMPLICATIONS

- 4.1 None

5.0 OTHER IMPLICATIONS

- 5.1 None

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 Children and Young People in Halton

All of the passenger transport contracts are constantly monitored to ensure that the required level and quality of service is offered to passengers on behalf of the Children & Economy and Communities Directorates.

- 6.2 Employment, Learning and Skills in Halton

Some of the passenger transport contracts to be tendered are to provide accessible transport services for vulnerable young people and adults to facilities providing lifelong learning and skills.

- 6.3 A Healthy Halton

Many of the passenger transport contracts to be tendered provide essential access to a wide range of activities, to key facilities across the Borough and to out of borough establishments as required. Therefore, passenger transport indirectly helps to ensure vulnerable adults and children live a healthy and active lifestyle.

- 6.4 A Safer Halton

Where passengers are not aware and/or confident enough to travel by public transport, the transport service enables all passengers to access facilities in a safe way, ensuring that they are socially included. Travel Training is provided, where appropriate, to individuals to provide them with the skills, confidence and independence to travel by public transport.

6.5 Halton's Urban Renewal

There are no direct implications arising from this report.

7.0 RISK ANALYSIS

7.1 Funding reductions may pose a risk to the services we are required to provide. Children & Economy and Communities Directorates may exert more stringent controls and criteria within their transport/travel policies and practice in order to manage reduced budgetary constraints.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Passenger transport service contracts are constantly monitored to ensure the operation of these services embrace equality and diversity issues in line with the Equality Act.

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

9.1 None for the purposes of the Act.