

CABINET

Thursday, 4 November 2010

<u>Present:</u>	Councillor	JE Green (Chair)	Finance and Best Value
	Councillors	S Holbrook C Blakeley D Elderton G Gardiner A Hodson I Lewis	Corporate Resources Housing and Community Safety Children's Services & Lifelong Learning Culture, Tourism and Leisure Regeneration and Planning Strategy Community and Customer Engagement
<u>In attendance:</u>	Councillors	P Davies S Foulkes S Williams	
<u>Apologies</u>	Councillors	S Clarke R Moon L Rennie	

191 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Councillor S Holbrook declared a personal and prejudicial interest in Item No. 17 on the agenda - Wirral Coastal Strategy and Acceptance of Environment Agency Grant (Minute No. 208 refers) by virtue of his employment with the Environment Agency. Councillor Gill Gardiner also declared a personal and prejudicial interest in this item because she owned a house in West Kirby. They both indicated that they would leave the meeting whilst this item was under discussion.

Councillor C Blakely declared a personal interest in Item No. 3 – Presentations Mid Wirral Line (Minute No. 192 refers) by virtue of him being a member of the Merseyside Integrated Transport Authority.

Councillor I Lewis declared a personal interest in Item No. 21 - Joint European Support for Sustainable Investment in City Areas (JESSICA) – Update Report (Minute Nos.211 and 217 refers) by virtue of his employment with a Member of the European Parliament.

192 PRESENTATION - MID WIRRAL LINE

Neil Scales, Chief Executive and Director General, Merseytravel made a presentation on the Borderlands Line which is a key link for Merseyside. The presentation included an overview of rail in Merseyside, details of the rail strategy (vision and objectives), the expansion programme and proposals for the Borderlands Line. Mr Scales informed on progress made so far and concluded as follows:

- Funding issues are very difficult in the new financial landscape
- However, the development of the Borderlands Line will provide links to jobs both in Deeside and Liverpool
- The Network Rail Study appears to exaggerate the cost of electrification

- Further work needs to be undertaken to develop the case and identify how the project will be funded
- Importantly, the Welsh Assembly fully supports the electrification of the line.

Following the presentation Members were given the opportunity to ask Mr Scales questions which he answered as appropriate.

RESOLVED: That

- (1) **Mr Scales be thanked for his attendance and informative presentation; and**
- (2) **the Cabinet re-emphasises the high priority it puts on improving the Borderlands Link to ensure Wirral people can access employment opportunities.**

193 **MERSEY TIDAL POWER PROJECT**

A report by the Interim Director of Corporate Services informed Members of progress to date with the Mersey Tidal Power Project being developed by Peel Energy and the North West Development Agency (NWDA).

In 2006 Peel Energy in Partnership with NWDA (and supported by the Mersey Basin Campaign) set out to explore the potential, the impacts and the implications of utilising the Mersey Estuary's renewable energy potential. A large scheme had the potential to meet the electricity needs of up to 260,000 homes and was in two phases
Phase 1 – "Power from the Mersey" pre feasibility Study- October 2007
Phase 2 – Feasibility Stage – September 2009

Anthony Hatton, Development Director of Peel Energy, made a presentation on Mersey Tidal Power. He informed of the potential benefits of this first large scale tidal energy project in the UK, detailed the project's timetable, comments following a consultation exercise that had ended on 31 August 2010, potential options, social and economic benefits and the way forward.

Following the presentation Members asked a number of questions which were answered by Mr Hatton as appropriate.

The report recommended that Members note the work undertaken by Peel

RESOLVED: That

- (1) **Mr Hatton be thanked for his attendance at the meeting and for his informative presentation;**
- (2) **Members note the work undertaken by Peel Energy/NWDA to date and welcome the commitment by Peel to comprehensive public consultation on the Mersey Tidal Power Project; and**
- (3) **the Interim Director of Corporate Services be given delegated authority to provide detailed comments on the Statement of Community Consultation and draft Communications Plan in line with the Council's agreed protocols for public consultation including the Statement of Community Involvement.**

Further to Minute No. 117 and the Cabinet's request for all the information required for the second stage submission by 17 September 2010, a report by the Director of Law, HR and Asset Management advised Members of the current position of the proposed Community Asset Transfer of Byrne Avenue Recreation Centre to the Byrne Avenue Community Trust (BACT) and sought instructions on the way forward.

Ben Harrison of BACT was in attendance at the meeting and addressed the Cabinet. He informed that this project was an excellent example of the Government's "Big Society" initiative. The trust was confident that it would be able to refurbish the Recreation Centre and had made grant applications to the Community Builder Fund and the National Lottery Fund.

Councillor Green informed that the Cabinet appreciated the work that had been put into this project by BACT and was impressed by the quality of the team that the Trust had working on it. It was noted that the information requested had been received by the deadline set.

RESOLVED: That the Cabinet

- (1) notes the considerable work that has been undertaken to date by Byrne Avenue Community Trust in pursuit of asset transfer;**
- (2) is of the view that further information needs to be provided by the group to enable a final decision on its application to be taken, particularly in respect of works to be undertaken, timescales, the availability of funding and the sustainability of its business plan;**
- (3) notes the continuing cost of retention by the Council of this surplus asset, the potential to achieve a capital receipt from its sale and the need to come to a decision on its future in the shortest possible timescale;**
- (4) considers in all the circumstances that the group should be afforded a final opportunity to submit a transfer proposal which demonstrates the availability of funding to refurbish the facility within a reasonable timescale and contains a sustainable business plan for its future operation;**

Cabinet resolves that:

- (5) Byrne Avenue Community Trust be thanked for its efforts to date in pursuing an asset transfer of this facility;**
- (6) BACT be granted a further period expiring on 31 March 2011 to allow it to satisfy officers on the programme of works to be undertaken to the building, the timescales for those works which should contain specific milestones against which performance will be judged, the availability of all necessary funding to complete those works and the existence of a sustainable business plan for the future operation of the facility;**
- (7) officers be requested to earmark a maximum sum of £350,000 within the overall provision to support Community Asset Transfer through the Community Fund as the Council's contribution towards the overall**

scheme, with that sum to be made available only when the total funding package is confirmed and the group's business plan is agreed;

- (8) upon the successful fulfilment of these conditions a report be submitted to Cabinet on 14 April 2011 on the finally agreed terms for asset transfer; or
- (9) if BACT fails to satisfy these conditions by 31 March 2011 the Director of Law, HR and Asset Management be authorised, in consultation with the Portfolio Holder, to dispose of the property on the open market in accordance with Option 3 of the report.

195 **STATEMENT OF ACCOUNTS AND ANNUAL REPORT**

A report by the Director of Finance informed Members about the revised Statement of Accounts for 2009/10 which set out the overall financial position of the Council at 31 March 2010. The report also informed Members that the Interim Chief Executive, in the interests of effective use of resources, had decided not to publish an Annual Report for 2009/10 because information that would have been contained in it had already been made available.

RESOLVED: That

- (1) the Statement of Accounts for 2009/10 be noted; and
- (2) the decision not to produce an Annual Report 2009/10 be endorsed.

196 **BUDGET PROJECTIONS 2011-2015**

A report by the Director of Finance provided an update on the projected budgets for the years from 2011 to 2015, taking into account the Government's Comprehensive Spending Review 2011-15 presented on 20 October 2010.

RESOLVED: That

- (1) the budget projections be kept under review;
- (2) further efficiencies be delivered; and
- (3) on confirmation of the levy increase from Merseytravel the Director of Finance be requested to adjust/amend his projections.

197 **SPENDING REVIEW 2010**

Following the announcement of the Government's Comprehensive Spending Review on 20 October 2010, a report by the Director of Finance provided a summary of the main measures that would affect local authorities over the four years of the Review. The full financial impact would not be known until the Provisional Formula Grant Settlement was announced in early December 2010.

RESOLVED: That the case continue to be made with the Government to try to ensure the best possible outcome for Wirral in the Formula Grant Settlement.

198 **PERFORMANCE AND FINANCIAL REVIEW - SECOND QUARTER 2010/2011 - REPORT AND PRESENTATION**

A report by the Interim Chief Executive set out the performance of the Council's corporate plan towards delivering the vision of building a more equal and prosperous Wirral. The report provided Members with an overview of performance, financial and risk monitoring for quarter two 2010/11. The format for reporting performance issues and financial information was currently under review and future reports would reflect any changes to the current format.

The Cabinet was advised that the recent announcement regarding changes to the national performance framework and the replacement of the national indicator set would provide more flexibility locally. This included the revocation with immediate effect, October 2010, of all designations of local improvement targets within our Local Area Agreements (LAA). There would no longer be a requirement to report LAA performance to central government and full control of all current local area agreements had been handed to local areas. Performance Reward Grants against the LAAs for 2008/11 would not be made. The replacement of the National Indicator Set with a single comprehensive list of data required to be reported by local government to central government. It was anticipated that the single list would be in place from April 2011. Future performance reports would also reflect these changes.

The Cabinet received a joint presentation from the Interim Director of Corporate Services and the Director of Finance on the Quarter Two Performance and Financial Review which included key achievements, what worked well, key risks and key performance issues in respect of the Council's Corporate objectives. The Interim Director of Corporate Services presented this information, along with an overall performance summary and the Director of Finance presented the Financial Headlines, a position statement at 30 September on the 2010/11 Revenue Budget and key areas in respect of the 2010/11 Capital Programme.

Councillor Green was concerned that the Council must help children and young people to achieve their full potential and requested assurance that what the Cabinet was being told was happening was correct and that large case loads were not creating risks.

The Interim Director of Children's Services informed that there were issues associated with the signing off of some low priority cases in respect of looked-after children. Councillor Green requested a further report on the scale of the issue and plans being put in place to rectify the situation.

The Interim Director of Children's Services also informed that he was still advertising for and recruiting Social Workers.

RESOLVED: That

- (1) the report be noted; and**
- (2) a further report as detailed above be considered at the next meeting of the Cabinet scheduled for Thursday, 25 November 2010.**

199 **MEDIUM TERM FINANCIAL STRATEGY (MTFS) 2011-15**

A report by the Director of Finance set out the annual update of the MTFS, the most recent of which had been agreed by Cabinet on 24 September 2009. The aim was to

give the Cabinet a strategic overview highlighting the significant issues to be considered for use in financial planning and informing future priorities. The MTFs had been refined to reflect recent information from the Government and the revised Corporate Plan agreed in March 2010.

RESOLVED: That

- (1) the Medium Term Financial Strategy be approved; and**
- (2) regular updates of the budget projections be reported to Cabinet and to Council Excellence Overview & Scrutiny Committee.**

200 **CAPITAL STRATEGY**

A report by the Director of Finance provided the annual update of the Capital Strategy which had last been agreed by the Cabinet on 24 September 2009. There were only minor revisions to the Strategy.

RESOLVED: That

- (1) the Capital Strategy be approved, subject to amendment of the prioritisation criteria; and**
- (2) the prioritisation criteria (listed at the Appendix to the Capital Strategy) be amended as follows:**
 - (a) Prioritisation criteria 6, 7, and 8 are deleted on the basis that all schemes should have regard to these criteria;**
 - (b) Two new criteria; “Will the scheme support outcomes from the consultation ‘Wirral’s Future – Be a Part of it?’” and “Will the scheme contribute towards achievement of the Strategic Change Programme?”;**
 - (c) That these two new criteria be weighed 15% and 10% respectively.**

201 **TREASURY MANAGEMENT PERFORMANCE MONITORING QUARTER 2 PROGRESS REPORT**

A report by the Director of Finance presented a review of Treasury Management activities during the second quarter of 2010/11 and confirmed compliance with treasury limits and prudential indicators. It had been prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code.

RESOLVED: That the Treasury Management Performance Monitoring Report be noted.

202 **CORPORATE DEBT RECOVERY POLICY**

A report by the Director of Finance reminded the Cabinet that the Council was responsible for the collection of local taxes and also levied charges for a variety of services. Whilst most income was collected as and when due, there were instances when action for recovery of sums owed to the Council was required.

The Cabinet was informed that in order to ensure transparency and consistency with regard to the collection and management of debt throughout the Council, Members were requested to approve a Corporate Debt Recovery Policy.

RESOLVED: That the Corporate Debt Recovery Policy be approved.

203 **EXTENSION OF COUNCIL MORTGAGE SCHEME**

Further to Minute No. 216/2009 regarding options for the possible extension of the mortgage scheme that had been considered by the Cabinet on 26 November 2009, a further update had been requested when the Financial Services Authority (FSA) had formulated proposals for a more sustainable mortgage market. A report provided by the Director of Finance included an overview of the current situation regarding mortgage liquidity, a pilot Local Authority Mortgage Guarantee Scheme and the Government's plans to refocus the Mortgage Rescue Scheme.

RESOLVED: That Cabinet

- (1) notes the availability of the Local Authority Mortgage Guarantee Scheme and agrees that such schemes have the potential to help provide support to the housing market and in particular to first time buyers; and**
- (2) instructs officers to monitor schemes taking place in other councils, and seek further evidence and information with respect to the impact of these schemes and the level of risk to Council finances and bring a further report back to Cabinet.**

204 **COMMUNITY BENEFITS IN TENDERS**

A report by the Director of Finance sought the Cabinet's approval of a Guidance Document for officers to facilitate the inclusion of Social and Community Benefits in Council Contracts.

RESOLVED: That Cabinet

- (1) notes the importance of the Sustainable Communities Strategy in building benefit clauses into its tenders and contracts and instructs officers to specifically consider how the Sustainable Communities Strategy enables this to take place as part of the Strategy's next review; and**
- (2) draws to the attention of Area Forums the importance of Community Plans in building community benefit clauses into tenders and contracts for localised services, and suggests that Area Forums may wish to revisit their Community Plans to ensure they are capable of delivering their aspirations for local people.**

205 **FORMER REGENERATION DEPARTMENT BUDGET VIREMENT**

Further to Minute No.148 when the Cabinet had agreed the Restructure of the Regeneration Department, a report by the Director of Finance detailed the budget changes that resulted from that decision.

RESOLVED: That

(1) the Revenue Budget virement be agreed; and

(2) the Capital Programme changes be agreed.

206 ENVIRONMENTAL STREETSCENE CONTRACT - VALUE ENGINEERING

This report was withdrawn from the agenda by the Director of Technical Services.

207 PROPOSED GATING ORDER POLICY - SECTION 129 OF THE HIGHWAYS ACT 1980

A report by the Director of Technical Services requested Members to consider and approve a Gating Order Policy for Wirral.

RESOLVED:

That the gating order policy as set down in paragraphs 3 and 4 of the report be agreed.

Councillors G Gardiner and S Holbrook left the meeting whilst the following item of business was under discussion.

208 WIRRAL COASTAL STRATEGY AND ACCEPTANCE OF ENVIRONMENT AGENCY GRANT

A report by the Director of Technical Services informed Members of the Wirral Coastal Strategy which would provide the business case for the management of the Wirral coastline in accordance with the policies in the adopted Shoreline Management Plan (SMP).

RESOLVED: That

(1) acceptance of the Environment Agency grant in the sum of £208,000 be approved;

(2) the production of the Wirral Coastal Strategy as described in the report be approved; and

(3) the Technical Services Capital programme be increased by £208,000 to undertake the relevant study.

Councillors G Gardiner and S Holbrook returned to the meeting.

209 MERSEYSIDE ENVIRONMENTAL ADVISORY SERVICE - CONTRACT RENEWAL 2010/2011

A report by the Interim Director of Corporate Services informed the Cabinet that the Council jointly funded the Merseyside Environmental Advisory Service, which provided specialist advice on the Local Development Framework and planning applications. Technical expertise and funding was shared between the five Merseyside Councils and Halton Borough Council, thus providing economies of scale and specialist shared services that could not be effectively provided at District level. Sefton Council was the lead authority for procurement of the service.

The report asked the Cabinet to agree to the renewal of the contract for provision of this important advisory service for the one year period to 31 March 2011 in accordance with paragraph 5.1.2 of the Council's Contract Procedure Rules. Funding was to be shared between the Corporate Services and Technical Services Departments and could be accommodated within existing budgets.

RESOLVED: That in accordance with paragraph 5.1.2 of the Council's Contract Procedure Rules, the Cabinet agrees to extend the MEAS contract on the terms described above for the 2010/11 financial year, until 31 March 2011, at a cost for core services of £31,673 for 2010/11.

210 **SUPPORT FOR WIRRAL'S COASTAL RESORT TOWNS**

A report by the Interim Director of Corporate Services informed Members that along with other seaside local authorities, Wirral had been allocated a revenue grant of £200,000 to boost action in driving forward economic regeneration in their priority seaside towns – New Brighton, Hoylake and West Kirby.

The report outlined the type of economic activities the resources could support, and sought Members' views on how they wished to allocate the money between the three coastal resorts and how they wanted to involve the relevant Area Forums in the consultation and decision making process.

RESOLVED: That

- (1) the grant be notionally allocated on the basis of £100,000 to New Brighton and £100,000 to Hoylake/West Kirby;**
- (2) the respective Area Forums take a leading role in encouraging and evaluating applications and schemes against the criteria for award of the grant;**
- (3) the recommendations of the Area Forums be presented to a future meeting of Cabinet for decision.**

211 **JOINT EUROPEAN SUPPORT FOR SUSTAINABLE INVESTMENT IN CITY AREAS (JESSICA) - UPDATE REPORT**

A report by the Interim Director of Corporate Services updated the Cabinet on the proposals for establishing a Joint European Support for Sustainable Investment In City Areas (JESSICA) programme in Merseyside.

The report set out the background to JESSICA and the process to date of working with the Igloo consortium to create a sustainable investment fund.

The Cabinet was asked to consider the background information and note the importance of JESSICA as a future funding instrument and agree to provide 'in principle' match funding to a Merseyside portfolio of assets that would allow the sub region to access £30m of European Regional Development Fund (ERDF) monies to invest in development activity, subject to legal advice and specific conditions. For this the Cabinet was being advised by Cobbetts LLP. The list of preliminary identified sites were contained within Appendix A of the report which is commercially confidential.

The Interim Chief Executive reported that JESSICA was new and very complicated. However, it was the future and a recent government White Paper had made specific reference to the JESSICA fund.

RESOLVED: That

- (1) the continued development of this project be endorsed and further reports be received by the Cabinet in due course;**
- (2) in principle, 'holding' match funding be provided to draw down ERDF to Merseyside to the value of £5m against Council owned assets (to be determined definitively once legal advice has been received) be agreed subject to the analysis of the risks of placing a restriction on title of the assets identified;**
- (3) a further report on this matter to be brought back to a future Cabinet;**
- (4) the Interim Director of Corporate Services be requested to convey the Cabinet's thanks to those officers who were involved with JESSICA for their hard work, especially as it had recently received national recognition; and**
- (5) the interim Director of Corporate Services be requested to ensure that an independent evaluation of the book values contained in the related exempt appendix (minute No. 217 refers).**

212 LIVERPOOL CITY REGION - ESF PROPOSAL

A report by the Interim Director of Corporate Services advised Members of three European Funding bidding opportunities available to the Council and recommended that bids were made for this funding because of the beneficial effects securing such funding would have on tackling worklessness, supporting apprenticeships and supporting businesses in key employment areas.

The Cabinet was advised that the ESF funding bids had to be submitted by 17 November 2010 because of the requirements of Government Office. If funding applications were not submitted by this date then the Council would not be able to access this funding for the benefit of Wirral residents.

The Cabinet was also advised that any bids for funding that were approved to the Council would be reported back in detail to the Cabinet before the funding was accepted.

RESOLVED: That

- (1) to maximise the funding resources available to the Council for the development of activity to tackle worklessness and to support apprenticeships, funding application(s) as set out in the report be submitted by the Interim Director of Corporate Services by the required date of 17 November 2010;**
- (2) a further report on the outcome of the ESF bid(s) be presented to the Cabinet in due course for approval prior to acceptance of funding; and**

- (3) **Officers be requested to develop an ERDF funding bid for measure 4.2 (supporting linkages to key employment areas) and report back to the Cabinet on it in due course.**

213 **APPOINTMENT OF MEMBERS TO SERVE ON THE SCHOOL APPEAL PANELS AND OF APPEAL PANEL CHAIRS**

A report by the Director of Law, HR and Asset Management advised the Cabinet of the statutory requirement to appoint members to sit on both School Admission and Exclusion Appeals.

The report invited the Cabinet to consider four applications from members of the public to sit on School Admission Panels as members.

RESOLVED: That

- (1) **the following be appointed as Lay Members of the Appeals Panel:-**

**Janet Nash
Melanie Worthington
Deborah Skupski**

- (2) **the following be appointed as members (with experience in education) of the Appeals Panel:-**

**Janet Nash
Brenda Thompson**

214 **URGENT BUSINESS APPROVED BY THE CHAIR (PART 1) - PERSONAL BUDGETS**

This report was presented under urgent business because a Cabinet decision was needed on the Resource Allocation System that supported the roll-out of Personal Budgets that was agreed by Cabinet at its meeting of 14th October 2010.

An urgent decision was required in order to meet the Putting People First Milestone; that Personal Budgets were offered to all eligible residents in Wirral from October 2010, and that 30% of all people who receive support receive through a Personal Budget by 31st March 2011.

“Putting People First” (2008) was the concordat by which the Transformation of Adult Social Care was to be delivered under existing statute.

The milestone was agreed nationally by the Association of Directors of Adult Social Services and the Department of Health and the Council was judged by the Care Quality Commission on the delivery if these milestones under the Outcomes set out in the White Paper ‘Our Health Our Care Our Say’: Increased Choice and Control.

Further to Minute No.168 and a meeting with Members on 27 October 2010 a report by the Interim Director of Adult Social Services sought agreement to roll out the offer of personal budgets to all eligible Wirral residents from 1 November 2010 with a £ per point allocation of £1.62.

In attendance at the meeting was one of the Volunteers of the Year, Sue Lowe (Disabled Volunteer). At the invitation of the Chair, she addressed the Cabinet,

informing that disabled people needed to be in charge of their own lives, they wanted to help themselves. She urged the Cabinet to celebrate what disabled people could do and give them the support to do it.

RESOLVED: That the roll out of the Personal Budgets Phase 3 (as previously agreed at the Cabinet meeting on 14 October 2010) as from 11 November 2010 with a '£ per point' allocation under RAS of £1.62 be approved.

215 **EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act. The Public Interest Test had been applied and favoured exclusion.

216 **ENVIRONMENTAL STREETSCENE CONTRACT - VALUE ENGINEERING**

Further to Minute No. 206 the Cabinet considered the Appendix to the report that contained exempt information that it disclosed may provide financial/business affairs information about a third party.

RESOLVED: That the content of the Appendix containing exempt information that could not be considered in the presence of the press and public be noted.

217 **JOINT EUROPEAN SUPPORT FOR SUSTAINABLE INVESTMENT IN CITY AREA (JESSICA) - UPDATE REPORT**

Further to Minute No. 211 the Cabinet considered the Appendix to the report that contained exempt information that it disclosed may provide financial/business affairs information about a third party.

RESOLVED: That the content of the Appendix containing exempt information that could not be considered in the presence of the press and public be noted.