

EXECUTIVE BOARD SUB COMMITTEE

At a meeting of the Executive Board Sub Committee on Thursday, 10 February 2011 in the Marketing Suite, Municipal Building

Present: Councillors Wharton (Chairman), Harris and Nelson

Apologies for Absence: None

Absence declared on Council business: None

Officers present: M. Reaney, G. Ferguson, L Birtles-Smith, B. Dodd, H. Cockcroft, S. Eastwood, S. Rimmer and M Mahmood

Also in attendance: None

ITEMS DEALT WITH UNDER POWERS AND DUTIES EXERCISABLE BY THE SUB-COMMITTEE

		<i>Action</i>
ES65	MINUTES	
	<p>The Minutes of the meeting held on 13th January 2011 were taken as read and signed as a correct record.</p>	
	RESOURCES PORTFOLIO	
ES66	TREASURY MANAGEMENT 2010/11 3RD QTR: OCTOBER - DECEMBER	
	<p>The Sub-Committee considered a report which updated Members on the activities undertaken on the money market as required by the Treasury Management Policy.</p>	
	<p>The report provided supporting information on the economic forecast, short term rates, longer term rates, temporary borrowing/investments, and investment income forecast. It was noted all the policy guidelines in the Treasury Management Policy had been complied with.</p>	
	<p>Members were advised that indicative figures initially showed activity had strengthened, suggesting that the recovery still had a reasonable amount of momentum. However these activity indicators had since been revised and actual data showed a 0.5% contraction in the third</p>	

quarter.

RESOLVED: That the report be noted.

ES67 ACCEPTANCE OF TENDER FOR MUNICIPAL BUILDING

The Sub-Committee considered a report of the Strategic Director, Environment and Economy which advised that the Operational Director, Employment, Economic Regeneration and Business Development had accepted the costs relating to the refurbishment of the Ground Floor of the Municipal Building (Phase 1b) and that these had been added to the contract entered into with the successful contractor.

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

It was report that the revised contract sum of £2,614,841, together with fees and charges brought the overall cost of the refurbishment project of both the ground and first floor to £3.25m. Additional funding of £250k had been secured to enable the ground floor works to proceed. Thus the Council had been able to secure the refurbishment and first floor of the Municipal Building for a small agreed increase to the original budget.

It was noted that the cost for Phase 1b work was based upon the competitive prices from the 1a Tender which were originally invited from six contractors in a two stage tendering process, designed to ensure that the contractor offering "best value" was appointed.

RESOLVED: That

1. Members note that the Phase 1b costs in the sum of £788,959.00 submitted by Globe Management Services Limited following the successful Phase 1a tender had been accepted by the Operational Director Employment, Economic Regeneration and Business Development and the work added to the Phase 1a contract of £1,825,882.00 previously approved making a combined total contract sum of £2,614,841.00; and
2. Internal Audit be requested to submit a report to

Strategic Director
Resources

Business Efficiency Board on the tender process relating to the refurbishment of the ground and first floor of the Municipal Building.

ES68 SPENDING AS AT 31 DECEMBER 2010

The Sub-Committee considered a report which summarised the overall revenue and capital spending position as at 31st December 2010.

In overall terms, revenue expenditure was below the budget profile, by £2.7m. Management Team had previously agreed for Directorates to take steps to limit spending this year by £500,000 each. As a result, £2m would become available to provide a Transformation Fund to meet any forthcoming redundancy costs etc. To date the underspend indicated that the target of £2m should be achieved by year end.

It was noted that spending on employees was also below the budget profile. This was primarily due to delays in filling vacancies following the organisational restructuring from 1st April 2010, in anticipation of certain Efficiency Programme workstreams, and in preparation for further structural changes. In addition, the employers proposal to freeze pay for 2010, would generate a budget saving of approximately £600,000 as a contribution towards the Transformation Fund.

With regard to capital spending, it was reported that spending to 31st December 2010 totalled £24.9m, which was 90% of the planned spending of £27.5m at this stage. However, this only represented 54% of the total revised capital programme of £45.7m (which assumed a 20% slippage between years).

The Council's balance sheet was monitored regularly in accordance with the reserves and balances strategy which formed part of the Medium Term Financial Strategy. The key reserves and balances had been reviewed and were considered prudent and appropriate at this stage in the financial year.

The report also outlined the impact of a significant number of equal pay claims which had been lodged with the Council as part of the national single status agreement. A reserve had been established over recent years, although it was not certain whether this would be sufficient to meet the future cost of such claims.

RESOLVED: That

- (1) the report be noted;
- (2) Directorates continue to closely monitor and control spending and income levels, to ensure that the overall £2m target underspend was achieved by year-end; and
- (3) the Operational Director – Finance take appropriate action at year-end to ensure the overall Reserves and Balances Strategy was achieved.

Operational
Director Finance

ES69 LOCAL LAND CHARGES - FEES FROM 2011

The Sub-Committee considered a report which sought approval for a new set of charges for Local Land Searches – both LLC1 and CON29 forms, effective from 1st April 2011. The last change to Local Land Charges was made with effect from 1st April 2007, although no increases had been made before that date for some years. Fees had been held steady since 2000/2001. Opportunity was also taken for approval for a new maximum charge. This arose in cases where single search covered multiple plots and provided a cap on the total charge to be levied.

RESOLVED: That, effective from 1st April 2011, the fees for local land searches be set as follows: LLC1: £30.00 (currently £26); CON29: £80.00 (currently £118.00); Part II Optional Enquiries: £12.00 (no change); Additional Enquiries £26.00 (no change) and equivalent increases. New maximum charge of £3,000 (£2,500 since 2007) and that the Operational Director (Legal and Democratic Services) be authorised to review and amend these charges from time to time in consultation with the relevant portfolio holder.

Strategic Director
Resources

ENVIRONMENTAL SUSTAINABILITY PORTFOLIO

ES70 STREET LIGHTING ENERGY PROCUREMENT

The Sub-Committee was advised that the Operational Director – Highways Transportation and Logistics had accepted the new un-metered electricity supply contract for street lighting with Haven Power. The report sought approval to waive Standing Orders and to record that the anticipated expenditure was likely to be over £1m per annum.

Since October 2001 the Councils un-metered electricity (energy for street lighting and other highway

electrical equipment) had been procured through UPG (Utilities Procurement Group). It was noted that the new contract rate procured through this group equated to an annual cost of £1,098,000, and the unit rate was fixed for two years. This was less than anticipated and represented a saving to the Council of over £120,000. The current contract included an Option to Extend and UPG would monitor the situation and recommend whether we take up the option rather than re-tender.

Members were advised that the street Lighting Contract needed to be accepted within a very short timescale, sometimes within a day as happened on this occasion, due to the rapid changes in the prices charged for electricity, which could result in an offer being withdrawn at short notice. Hence the need to waive standing orders to enable the offer to be accepted. This was done after consultation with the Council's Finance and Internal Audit Sections who supported acceptance of it.

RESOLVED: That

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

Strategic Director
Environment and
Economy

ES71 INCOME GENERATION FROM RENEWABLE ENERGY

The Sub-Committee was advised that renewal energy technologies like wind turbines, solar panels and biomass heaters offered an alternative to fossil fuels and could help reduce an organisation's CO2 emissions. From April 2010, Feed-in Tariffs (FITs) were introduced for small-scale renewable electricity generation, offering a potential for long-term income opportunities for the Council.

The Sub-Committee considered a report which provided an outline of the opportunities and which set out

proposals to seek tenders from interested suppliers to supply, install and maintain solar panels on Council buildings, including schools, and highlighted the potential risks associated with the various financial options. If an organisation was able to receive the Feed-in Tariffs they could benefit in one of the following three ways:

- Generation Tariff – a set rate paid by the energy supplier for each unit of electricity generated;
- Export Tariff – you will receive a further 3p/kWh from your energy supplier for each unit exported back to the electricity grid, that was when it was not used on site; and
- Energy bill savings – savings on electricity bills because generating electricity to power your appliances means that you don't have to buy as much electricity from your energy supplier.

Members were advised that essentially there were three options but not all companies offered the same options and terms varied.

In order to assess the potential for income generation, it was proposed to set up a framework of suppliers to fit solar PV initially on 20 Council buildings. The specific buildings would be identified as part of the detailed tender documentation. Given the potential cost of the work which was in excess of £156,000, the process was within OJEU Regulations. It was noted that as the income could not be guaranteed the evaluation of the tenders would need to factor in risks highlighted to assess which was the most financially advantageous to the Council taking into account all the risk factors.

RESOLVED: That

- (1) the invitation to tender to supply, install and maintain solar panels on Council buildings, and other appropriate buildings be endorsed; and
- (2) a decision on the most advantageous financial model be determined once a full evaluation of the tender proposals had been completed.

Strategic Director
Environment and
Economy

HEALTH AND ADULTS PORTFOLIO

ES72 INVITATION TO TENDER FOR A COMMUNITY BASED RECOVERY ORIENTED SUBSTANCE MISUSE SERVICE

The Sub-Committee considered a report of the Strategic Director, Adults and Community which sought authority to carry out all the necessary steps in relation to the open tendering and commissioning of a community based recovery oriented substance misuse service.

Currently, there were four organisations co-located at Ashley House providing a range of drug and alcohol services; 5 Boroughs Partnership NHS Foundation Trust, ARCH Initiatives, Addaction and Trust The Process Counselling. Whilst performance from each of the current providers was good and many of the building blocks required to produce a recovery orientated substance misuse service were in place, it was anticipated that the following benefits would accrue from a re-commissioning of services:

- a more streamlined and integrated service;
- an improved response to the changing patterns of substance misuse;
- efficiency savings both in terms of operational delivery and performance management;
- improved support for families and those individuals who achieved abstinence;
- a greater awareness in communities of the issues around recovering from addiction; and
- an improved access to services for those individuals whose alcohol use is problematic.

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

It was anticipated that the new contract would commence on 1st September for a two year period, and whilst current funding allocations for drug services were not currently known, it was anticipated that the yearly contract value for a substance misuse service (drugs and alcohol) would be in the region of £3.4m. In addition it was noted that Ashley House was rented by the 5 Boroughs Partnership Trust from a private landlord. Alternative arrangements would need to be established if they ceased to be the service provider from the 1st September 2011.

RESOLVED: That

- (1) the Strategic Director Adults and Community proceeds with the open tendering and procurement of a community based recovery orientated substance misuse service and proceeds with the award of the necessary contract; and
- (2) the Strategic Director, in consultation with the appropriate portfolio holder, be authorised to take such actions as are necessary to give effect to the above decision.

Strategic Director
Adults and
Community

NEIGHBOURHOOD, LEISURE AND SPORT PORTFOLIO

ES73 ACCEPTANCE OF PANTOMIME TENDER FOR THE BRINDLEY

The Sub-Committee was advised that a tendering exercise was carried out to procure a seasonal pantomime for the Brindley for a period of up to three years. Following a selection process only two companies declared their intention to tender. These were Pele Productions Limited and New Pantomime Productions Limited. Both companies were suitable and were invited to tender.

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

ES74 HALTON BASEBALL CLUB

The Sub-Committee considered a request from Halton Baseball Club for a long term lease on their current playing venue at Halton Sports. The Halton Baseball Club had an opportunity to further develop with Baseball Softball UK (BSUK) indicating their plans to create a new centre of excellence in the North and had identified Halton as a possible location. If this were to happen BSUK would grant fund development of the site up to £100k, with extra funding also being available from the Football Foundation Dual Sports Grants.

However, since the publication of the report, the Council had been advised that BSUK had experienced a reduction in funding from Central Government and the opportunity to develop a centre of excellence appeared to be on hold for the near future.

RESOLVED: That Halton Baseball Club be advised

that in light of the reduction in funding experienced by BSUK, the request for a long term lease at Halton Sports be declined.

Strategic Director
Adults and
Community

ES75 SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- (1) whether Members of the press and public should be excluded from the meeting of the Board during consideration of the following items of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972; and
- (2) whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

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

HEALTH AND ADULTS PORTFOLIO

ES76 GETTING A LIFE PROJECT PLAN

The Sub-Committee was advised that funding had been awarded to the Council as part of the wider Government Transformation Programme Aiming High for Disabled Children. The money was ring fenced and the project had been included in the updated Transition Strategy

Action Plan.

It was noted that Halton Speak Out had been identified by the stakeholders within the Transition Group, as the only agency who could carry out this project. Therefore the Sub Committee considered a report which sought agreement to enter into a contract without conducting a tender exercise or seeking three written quotations in order to comply with Standing Orders 4.1 and 4.2.

RESOLVED: That

- (1) under Procurement Standing Orders 1.8.2, Standing Orders 4.1 and 4.2 be waived in respect of Halton Speak Out (Getting a Life Project) with the intention to start on the 31st March 2011 until March 2014 in view of the exceptional circumstances, namely that awarding the contract, on a market tested basis, would be likely to result in the Contract starting after 1st April 2011 which would mean that the grant funding would be lost; and
- (2) the Strategic Director, Adults and Community, in consultation with the relevant portfolio holder, be authorised to enter into a contract for Halton Speak Out (Getting a Life Project) for the period of March 2011 to March 2014 to Halton Speak Out in the sum of £36,000.

Strategic Director
Adults and
Community

MINUTES ISSUED: 17th February 2011

CALL IN: 24th February 2011

Any matter decided by the Executive Board Sub Committee may be called in no later than 24th February 2011

Meeting ended at 11.25 a.m.