



Executive Board

**Thursday, 2 October 2014 2.00 p.m.
The Boardroom, Municipal Building**

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

Chief Executive

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

PART 1

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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.	
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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: 2 October 2014

REPORTING OFFICER: Strategic Director, Communities

PORTFOLIO: Physical Environment

SUBJECT: Halton Housing Trust Progress Report

WARD(S): Borough wide

1.0 PURPOSE OF REPORT

1.1 In accordance with the monitoring framework agreed prior to housing stock transfer, this report provides a further update on Halton Housing Trust's progress since the last report to Executive Board on the 17th October 2013.

2.0 RECOMMENDATION: That Executive Board Members note the progress set out in the report.

3.0 SUPPORTING INFORMATION

Nick Atkin, Chief Executive of Halton Housing Trust and Ingrid Fife, Chair of the Board, Halton Housing Trust, will attend the meeting to present the attached report that sets out progress to date.

4.0 POLICY IMPLICATIONS

4.1 There are no policy implications arising from this report.

5.0 FINANCIAL IMPLICATIONS

5.1 None identified.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None identified.

6.2 Employment, Learning and Skills in Halton

Halton Housing Trust is a major employer in the Borough and a range of employment and skills opportunities are available.

6.3 A Healthy Halton

Housing plays a key part in the health of individuals and grants to support community living are provided by the Council.

6.4 A Safer Halton

None identified.

6.5 Halton's Urban Renewal

Housing is an important contributing factor to some parts of the areas renaissance.

7.0 RISK ANALYSIS

7.1 Regular meetings between the Chief Executive of Halton Housing Trust, the Strategic Director of the Communities Directorate and officers of Halton Borough Council take place to discuss a range of issues and to explore risks.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 A range of joint partnerships are being considered, for example, joint training and work with migrants.

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

None identified.



Annual Report to HBC Executive Board

September 2014

1. Introduction

Brief history

Halton Housing Trust (HHT) is a company limited by guarantee, a registered charity, and a Registered Provider of social housing that was formed to take transfer of the housing stock of Halton Borough Council on 5th December 2005. We operate across Widnes and Runcorn. Almost all of our 6,428 homes are let for general needs.

Key achievements

Over the last 12 months we have delivered a number of significant achievements and outcomes. We are increasingly becoming a leading player in several areas as a result of our collective efforts and increasingly innovative approach and solutions to some of the challenges we face.

Some of the key organisational achievements include:

- Increased our secured loan facilities from £75m to £130m by raising £60m through two private placements and restructuring our bank loan facility
- Continued investment in our homes and neighbourhoods: In 2013/14 we have invested a further £13.3m in improving our customer's homes and neighbourhoods
- Completed the construction of 70 new homes
- Achieved Investment Partner status with the HCA
- Commenced our second extra care scheme, Barkla Fields in Widnes
- Commenced building hostel accommodation in Widnes
- Purchased an additional 57 properties for market rent through our first subsidiary company, Open Solutions (OSUK) Ltd.
- Continued compliance and adherence to external requirements as evidenced through our updated Regulatory Judgement that has achieved the highest rating in both the governance and viability assessments.

- Completed the delivery of the Improving Customer Experience (ICE) Programme, revolutionising how services are delivered by the Trust.
- Achieved the gold standard in Investors in People including Health and Wellbeing accreditation
- Secured HQN accreditation for our repairs service
- Self-funded our Digital First Programme through revenue cost savings of £500k. This programme will change the way that our customers access our services and how we interact with them and allocate our resources
- Development and implementation of a new employee skills and behaviour framework.
- Continued to play the lead role in a sub-regional Choice Based Lettings Scheme - Property Pool Plus.
- Outperformed our targets in the key operational areas of rent arrears and voids
- Established a Defined Contribution Pension Scheme to be used for auto enrolment
- Started implementing the changes from our governance review

Key partnerships

We continue to actively support and contribute to a wide range of local strategic partnerships and associated sub groups across Halton. We value the opportunity this involvement offers to influence and contribute to key local and regional strategic decision and policy making.

We also recognise how partnership working across Halton contributes to the on-going development of the Trust and its business, but more importantly in terms of how it can impact so positively on the lives of our customers.

We enjoy a strong and positive relationship with the Halton Borough Council and we continue to be represented and play an active role in the following strategic groups:

- Halton Strategic Partnership
- SSP Chairs Group
- Halton Housing Vision Group
- Halton Housing Partnership

- Safer Halton Partnership
- Children's Trust Board
- Safeguarding Adults Board
- Children and Families Commissioning Partnership
- Urgent Care Board
- Health and Wellbeing Board
- Halton Employment Partnership
- Employment Learning and Skills SSP
- Environment & Urban Renewal SSP
- Thematic Partnership (SSP) Group on Domestic Abuse
- Inspiring Families Strategy Group and the operational working group.
- Halton Domestic Abuse Forum

The Council has five strategic priorities, which are helping to build a better future for Halton. Appendix 3 demonstrates how our work is contributing to each of these.

Our other key partnerships include:

- Widnes Vikings RLFC
- The Valhalla Foundation
- Alzheimer's Society
- Halton Credit Union
- Riverside College Halton

2. Our Direction

Our vision

We continue to maintain our focus on what really matters through 'Our Direction'. At Halton Housing Trust we do far more than provide homes - we improve people's lives and that's what we continue to do more of.

We've used Scenarios to help us consider how things might change over the next five to 10 years. We've produced different pictures of the future based on those external factors, which will have the most impact on us and our customers; the

strength of the economy and the government's approach to housing and Welfare Reform. What's really clear is that we cannot stand still or ignore what's going on around us.

Strategic priorities

We have focussed our work around four Priorities:

1. We need to protect current income
2. We need to reduce our costs & drive efficiency
3. We need to focus our resources and services
4. We need to generate new income

We have made more progress in the short term on the first three Priorities. The last one will take more time but will have a significant contribution over the long term.

Our Priorities are linked to four key strategies and a number of key strategic projects that are being implemented in a timely and ordered way. We use our Project Management Framework to make sure that our projects are managed in a controlled manner. Any savings we make are reinvested into the achievement of our four Priorities.

The four strategies linked to Our Direction have been recently updated to reflect the changing environment in which we work.

Our priorities for 2014/15 are shown in the Targets section, later in this report.

There are two Principles, which will help us put these Priorities into practice:

1. First Principle: We all make choices
2. Second principle: We must all take responsibility

We use these two Principles when we are working with our customers.

Every six months we revisit our Scenarios looking for anything new on the horizon, which might alter our plans. We also review how we're performing to see if there are any improvements we can make. We then make changes as appropriate.

Using our priorities, principles and personas we have engaged with our colleagues in developing six key high level behaviours that will enable us to work effectively to deliver Our Direction. The six behaviours are:

- Adapt to change
- Work with others
- Make decisions
- Enjoy your job
- Challenge how we do things
- Take ownership

3. Cross cutting themes

Governance

We have a strong, challenging Board who drive the business forward and have been fundamental in setting the strategic direction of the organisation. We operate under the NHF Excellence in Governance Code and expectations and performance are monitored. We use Campbell Tickell as an Independent Board Advisor to ensure we keep abreast of good practice and focus upon continuous improvement.

During the past year we have reviewed our governance arrangements to ensure that they remain fit for the future.

The key changes that have been agreed include:

- A reduction in the size of the Board from 12 to nine
- Removal of the ring fenced positions on the Board for customers
- All Board Members will be appointed based on their skills, knowledge and experience
- Implemented a maximum term of office for all Board Members of nine years

Value for money

Our approach to decision making and the best use of resources: We have decided not to produce a separate VFM Strategy. The Scenarios, Priorities and Principles within Our Direction underpin our strategic approach to delivering VFM. By using Our Direction our Board has a basis for making decisions using a framework that is cascaded, understood and utilised throughout all levels of our strategic, operational and decision making processes.

Achieving and demonstrating Value for Money (VFM) is integrated into the way we work at HHT. It is part of our values. We aim to deliver the best we can making the best use of the resources available to us. We want to ensure we deliver VFM for our customers, our communities and neighbourhoods.

We aim to provide good services that are both affordable for ourselves and our customers. We asked our customers if they feel that the Trust offers value for money for the rent that they pay. We are proud that 93% say that we do, and that 93% would recommend us as a landlord to a friend or family member

We have developed our second value for money self-assessment report which has been included within our Financial Statements and will be published in summary form on our website. This report summarises our approach to value for money and includes;

Return on Assets: We have evaluated the return on all of our social housing assets using PAVE (Portfolio Asset Valuation Evaluation) software. All our homes have indicated a positive Net Present Value. We are using the analysis to further explore and identify our lowest performing stock by property type and size and geography to see if there are particular locations or assets that are under-performing.

We are undertaking option appraisals of these targeted areas to determine the most appropriate investment or disposal activity in the future and we plan to incorporate social factors into our assessments to assess the desirability and local amenities

within our neighbourhoods. We recognise that we need to undertake much more detailed work and continue to refine our data.

We have utilised our strong housing asset valuation of £168m to increase our secured loan facilities from £75m to £130m by raising £60m through two private placements and restructuring our bank loan facility. This will enable us to build around 900 new homes at a cost of £90m against which we have either secured or have assumed grant funding of £14m within our business plan.

This year we have achieved Investment Partner status with the HCA and completed building 64 new homes at a cost of £7.2m and received grant of £837k.

How we compare to others: Our headline statutory results current, past and future compare favourably to the Global Accounts of English housing associations.

Absolute and comparative costs: We have used our statutory accounts to compare our key operating performance to the global accounts of English housing associations.

- We recognise that our major repairs costs are high as a result of our continued programme of investing in our existing homes.
- We will continue to review how we allocate our costs between management and repair costs, given that management costs are high and routine/planned maintenance correspondingly low.
- Our rent arrears are significantly lower than the average. Our financial forecast anticipates they will increase as a result of Welfare Reform.
- Void losses are exceptionally low and expected to continue to be so.
- Our operating surplus has increased following a review of our approach to capitalising major repairs costs.

We continue to subscribe to the HouseMark benchmarking club. Overall our 2012/13 report showed an improvement in how our costs and quality of services benchmarked with others in our peer group.

Rent Levels

Our rents remain amongst the lowest in the Borough when compared to the other housing associations in Halton.

Housing Association	Average Halton weekly rent (incl service charge)
Affinity Sutton Homes	£86.62
Arena Housing Group	£85.70
Halton Housing Trust	£81.69
Liverpool Housing Trust	£83.60
Places for People	£86.06
Plus Dane	£90.59
Regenda	£85.01
Sanctuary	£80.36
Guinness Partnership	£85.29
Riverside	£86.05

VFM gains - the past and the future: We have achieved VFM gains of £1.3m for 2013/14 and have plans to achieve an additional £2.0m of gains in the future.

Health & Safety

As a landlord and employer we have a duty of care to ensure that all employees and customers are safe in the environments we provide whether that is their place of work or their home. We use an independent Health and Safety advisor to ensure compliance with statutory obligations and to offer advice to employees who have any Health and Safety concerns.

We take action to undertake necessary investment work. Examples of this in the current financial year are the programme of fire safety work being carried out at Brunswick, Churchill, Coronation and Centenary Houses.

Diversity

We are committed to achieving a working environment, which provides equality of opportunity and freedom from unlawful discrimination on the grounds of race, sex, pregnancy and maternity, marital or civil partnership status, gender reassignment, disability, religion or beliefs, age or sexual orientation. We also aim to provide a

service that does not discriminate against its customers in the means by which they can access the services supplied by the Trust.

The Equality Framework takes account of the requirements within the Equality Act 2010 and the Public Sector Equality Duty (PSED). The framework describes in a single document how the Trust will fulfil its statutory and regulatory requirements to promote equality of opportunity, avoid discrimination, demonstrating its commitment to placing the promotion of equality and diversity at the centre of every aspect of its work.

Environmental

We aim to reduce the environmental impact of our activities. We acknowledge that sustained change at the Trust will be best achieved by the provision of facilities, information and guidelines to promote encourage and embed permanent behavioural change in all aspects of the business.

4. Key performance indicators

Actual performance for 2013/14

Our overall performance in 2013/14 has been the best since the Trust was formed. We have achieved our challenging targets in our 'lifeblood' areas of income collection and void rent loss.

There are six key performance indicators that are reported to each Board meeting. Five of the six indicators achieved the target set for the year.

Our performance for sickness absence is better than last year but is below where we would like it to be. This will remain an area for focus for improvement for 2014/15.

The results for the six indicators against the targets are included at Appendix 1.

Targets for 2014/15

In accordance with the approach taken with Our Direction, our framework is designed to report to Board the key activities that should be the focus of its attention.

The ongoing six monthly review of Our Direction ensures that our goals are always current and aligned to the changes that are taking place both internally and externally. Our key priorities for 2014/15 include:

- Delivery of our Digital First Programme. This Programme will fundamentally change how we deliver services to our customers.
- Completion of the Governance Review
- Continue the Acquisitions Strategy for our subsidiary – OSUK
- Explore new business opportunities through OSUK and the Trust
- Continue to develop and streamline policies, procedures and systems that underpin the delivery of our strategies
- Implement additional complimentary modules within our Housing Management system, QL
- Secure grant funding through the Affordable homes programme for 2015 to 2018
- Deliver our development programme
- Deliver our Investment Programme completing most of the work through our own in house teams
- Implement changes to the way in which we manage absence and the general performance of our employees

The Performance Management Framework for 2014/15 has been developed to ensure the delivery of measures against each of the four strategies that are linked to each of the Corporate Priorities. The targets are included in Appendix 2.

5. Welfare Reform

One of the most significant risks the Trust faces is Welfare Reform. We anticipate that our bad debts will increase and we continue to review the provision within our

Financial Plan. We have included a bad debt provision of 2.25% for 2014/15 and 4% in our latest financial forecasts from 2015/16.

To mitigate the potential increase in costs we have undertaken a review of our arrears processes. We are in the process of automating as much of our process as possible to make better use of systems and digital technology and to increase field activity. Through automation we will be able to mitigate some of the increased costs that we anticipate when Universal Credit is introduced (autumn 2014 onwards).

Our Digital First Programme will free up resources, which will be used to focus on income collection and support those customers who are more vulnerable. We have also prudently provided additional costs of up to £500k per annum in our financial plans to cover additional staffing, mobile technology and collection costs.

Added to this we are reviewing our policies and procedures including lettings, rent setting, rent and arrears collection and write offs to ensure that they are all fit for the future. Underpinning the review is the adoption of our two principles choices and responsibilities.

We have already started to experience the impact of the Under Occupation Deduction, which has had an impact on c900 of our customers and £700k of our income. This is having an impact on their arrears, demand for properties and the number of voids. We received £101k in Discretionary Housing Payments (DHP) from HBC in 2013/14. The confirmed DHP fund for 2014/15 is £386k.

We are outperforming the arrears targets that we have set through a combination of our robust processes, early action and supportive approach.

We are working hard with our customers to keep them informed and to help them to make changes and plan for the future. Our three Welfare Benefits Money Advisors have generated £647k potential annual gains for customers. This has included £182k in backdated pay and lump sum payments in benefits and provided advice to 1,066 customers.

We continue to develop partnerships and we have a place on the Board of our local Credit Union in which we have invested £100k. We are working with them to develop payment accounts and facilities to provide affordable white goods and furniture.

The impact of the work that we are undertaking, the controls that we have in place and the delay in the introduction of universal credit has significantly reduced the overall corporate exposure and the residual risk that we have at this current time to welfare reform.

6. Annual Report

At our AGM on 25th September we will be launching our annual report for 2013/14. This builds upon the success of the infographic versions of our previous reports by being in video format. It is also available in an abbreviated printed version. The report and link to the video will both available via our website at www.haltonhousing.org

Appendix 1: Halton Housing Trust KPIs 2013/14

Measure	Target	Performance	Comments
Income collected from current customers	95.3%	96.1%	The Trust has collected £27.7m from a possible £28.8m which include the opening arrears due and the rent charge for the year
Average number of working days lost due to sickness absence	7 days	9.9 days	Whilst performance for the year is still below where we would like it to be, it is better than last year. This area will remain a focus for improvement in 2014/15.
Void rent loss	£174,000	£142,000	Average relet time has reduced to 19 days compared to target of 24 days. This was despite having more void properties than we had expected
OSUK (before tax & depreciation)	£31,000 loss	£42,000 loss	A good result, especially when this was the first year of trading for the Trust's subsidiary. Profits will be generated in future years which will be used to subsidise our social housing activity.
Net new homes (HHT only)	+27	+45	70 new homes have been developed during the year which have been offset by 25 sold through the RTB scheme
Interest cover	83.5%	151.4%	The Trust has comfortably achieved its interest cover target agreed with its funders

Appendix 2: Halton Housing Trust KPIs 2014/15

Measure	Target	Comments
Income collected from current customers	Cash Collection: 95.4% Arrears: £1.08m	The target is based on achieving the same arrears level as a percentage of our rent debit as the previous year. The target includes the opening arrears due and the rent charge for the year
Average number of working days lost due to sickness absence	9 days	This area will remain a focus for improvement in 2014/15. A realistic target has been set for 2014/15.
Void rent loss	£166,000	The target for the year is based on achieving an average relet time of 19 days.
OSUK (profit before tax & depreciation)	£19,000	The target for the year is based on all of the 150 properties being acquired by the end of December 2014
Net new homes (HHT only)	+82	This is based on 99 new build homes, three refurbished empty homes less 20 right to buy sales for the year.
Interest cover	140.7%	This target is based on the approved Business Plan approved by Board in March 2014.

Appendix 3: Contributing to the Council's Priorities

The Trust has continued to actively contribute to the Council's five strategic priorities for the borough:

A Healthy Halton

- The Executive Director of Customer Services is the housing representative on the Health and Wellbeing Board and the Urgent Care Board
- The Trust is working in conjunction with a number of partner organisations including HBC, CCG, Alzheimer's Society and other Housing Associations to deliver "The Living Well in Halton pilot project. This aims to identify elderly residents at risk of falling, being socially isolated and or in the early stages of Dementia to ensure they receive the necessary support and are able access services required. The hope is that the project will prevent residents getting into crisis intervention situations and will support them to live longer independently in their own homes nets
- We continue to support and actively contribute to the "New Shoots" project which is now part of the Wellbeing Enterprise. This provides fresh, good quality, discounted fruit and vegetables to residents of Halton. The Trust collects and delivers the produce to designated pick up points across the borough, as well as storing the food crates between weekly deliveries.
- Trust employees, many of whom live in the borough, continue to receive the free fruit provision within Trust offices on a monthly basis. They have also been offered a free health checks delivered through the Health Improvement Team.
- We are working in partnership with SPARC, who are an organisation that work with young adults with physical or learning abilities on the development of an allotment at Houghton Street. The produce will be sold locally to support the community.
- We support a gardening club at the Naughton Fields Extra Care Scheme including the provision of a purpose built greenhouse in the communal garden area

- We launched Amethyst Living in April 2014, a new service that offers housing related support to older customers living in our homes. It offers a focused but flexible tiered service for customers offering a package of support and accommodation depending on their assessed and agreed needs. The service meets individual needs to maintain customer's independence within the home and challenge the impact of social isolation and loneliness.
- Work has commenced on the development of our second extra care scheme Barkla Fields which will provide an additional 50 extra care homes and five supported bungalows.
- We have worked closely with the Council on reconfiguring our approach to providing adaptations. Minor adaptations are done on demand and through self referral. We have introduced a Gateway service in partnership with the council to ensure that we maximise our stock and facilities in place for people needing major adaptations. This approach has cleared the backlog, provided a more tailored approach to people's needs and reduced the cost to both the Council and the Trust.

Environment and Regeneration in Halton

- As part of the Trust's NIF the Trust has a five year programme of Investment and Environmental Improvement Works that continue to deliver on an individual neighbourhood level both internal home and wider external improvement programmes. In the last 18 months, we have undertaken considerable improvement works to the internal and external communal areas of the many of our flatted blocks, improving the quality of life for residents. Significantly, we are investing £1.6m in the overhaul of Clapgate Crescent Flats (Halebank Apartments) which will change the entire look and feel of the entire area.
- We have completed 58 new homes. 3 Houses at Kingsway, 22 houses at Russell Road, 12 houses at Lacey Street and 30 houses and 3 bungalows at Linkway. The Trust has also purchased four empty properties that were previously empty for more than 6 months.
- As part of the Homes and Communities Agency's Affordable Homes Programme 2011–15, the Trust are on course to deliver the 17 apartments at Queens Hall, 18

houses and 2 bungalows at Festival Way and 3 Empty Homes by March 2015. This is in addition to the 50 homes at Barkla Fields Extra Care Scheme, 5 supported bungalows and 39 bed-space hostel which are also currently on site.

- As of the HCA's Affordable Homes Guarantee programme we have entered into building contracts to deliver 96 properties of the 170 within this programme.
- The Trust has also just secured additional grant under the HCA's 2015-18 programme to deliver another 290 homes.
- Our focus is currently on acquiring additional sites to ensure we can take advantage of any forthcoming slippage in the wider HCA Affordable Homes Programme and Continuous Market Engagement to bring further investment in new affordable homes into the borough

Employment Learning and Skills in Halton

- The Trust continues to work closely with employment and skills partners in the Borough through the Halton Employment Partnership (HEP). These include:
 - Riverside College
 - Adult Learning Team
 - Connexions
 - Job Centre Plus
 - Halton People into Jobs
 - Citizens Advice
- We work closely with Halton People into Jobs (HPIJ) and Riverside College in the recruitment of our apprentices.
- The Trust is a member of the Halton Employment Learning and Skills LSP sub-group.
- There are a range of activities to support young people and others to experience work in the workplace environment in areas across the Trust through our apprenticeship programme and through our range of work experience opportunities.
- We were a key contributor in the development of the Employment and Skills elements of the tenders for the new Mersey Gateway Project.

- Construction Services are working directly with Power in Partnership to create opportunities for young people in the borough who are not in employment, education or training to gain practical work experience, whilst continuing to develop key skills. Support is in place to workplace mentoring through our own maintenance technicians.
- As a result of our £8.83 million investment:
 - 23 people were employed who have a Halton Post Code
 - Eight apprentices have been moved into full time paid employment
 - Six local schoolchildren have experienced work place training or placements
- The Trust has again committed to a number of apprentices in key service areas. This is a key part of our succession planning and ensuring we have the skills and behaviours to provide a quality service to our customers.

Children and Young People in Halton

- The Executive Director of Customer Services continues in her role on the Children's Trust Board and the Children and Families Commissioning Partnership
- The Trust continues to support local groups working with children and young people through the provision of funding through its Community Sponsorship Fund.

A Safer Halton

- A comprehensive programme of Neighbourhood Walkabouts
- The Trust has been working with the Police Commissioner in delivering the "Change the Grange Project" which saw ten groups receive funding to reduce crime and fear of crime on the Grange estate in Runcorn.
- Involvement in Community Safety events i.e. Mischief Night and targeted Police/ community safety initiatives
- Attendance on the Police Tasking Vehicle to support the Police with ASB cases

- Active member of partnership forums including the Safer Halton Partnership and Domestic Abuse Forum and the Housing representative on the MARAC and Tasking and Coordination Group
- Ongoing provision of an ASB diversionary budget and delivery of our Diversionary Strategy
- Implementation of a “Local Offer” to address ASB across the Trust’s neighbourhoods with the outcomes monitored by our customers
- Contribute to the successful actions initiated as part of Halton Organised & Serious Crime Group
- Active member of the Inspiring Families Programme with our staff providing dedicated support on a number of cases to support customers in changing their lives

REPORT TO: Executive Board

DATE: 2 October 2014

REPORTING OFFICER: Strategic Director, Communities

PORTFOLIO: Community and Sport

SUBJECT: Efficiency Review of Halton Library Service

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of the report is to report the findings of the public consultation on proposals for the future delivery arrangements for the Library Service in Halton, and to outline the proposed service delivery arrangements, following an in-depth review undertaken by the Efficiency Programme Board.

2.0 RECOMMENDED: That the Board:

- (i) notes the contents of the report;**
- (ii) considers the attached documentation, which provides detail of the findings of the public consultation on the future delivery of the Library Service; and**
- (iii) approves the service delivery model outlined in the report**

3.0 BACKGROUND TO THE EFFICIENCY PROGRAMME

3.1 The Efficiency Programme commenced in 2008 and has reviewed the way in which the Council works across a number of areas. In each of the reviews undertaken, consideration is given to how the Council can continue to deliver services to the people of Halton in a more efficient and cost effective way.

3.2 The Council was set a tough efficiency agenda by the Government with the 2008/09 grant settlement, which covered a three year period. The Efficiency Programme is one part of the Council's response to this.

3.3 The Comprehensive Spending Review 2010 set out how the deficit reduction plan was to be achieved. Overall, government departments faced a loss of funding of an average of 19% over the four years of the review in order to save £83 billion. This was in keeping with the Government's policy to remove the structural deficit by 2014/15. The resulting impact on Local Government is that cuts of 7.25% in real terms have been made in each of the four years from 2011/12 to 2014/15.

- 3.4 The Comprehensive Spending Review 2013 did not ease that pressure on Local Authorities and it is anticipated that the Council will face further revenue funding cuts in the region of 10% from 2015/16 and onwards.
- 3.5 The Efficiency Programme alone will not be able to close that gap but it has and will continue to contribute to the drive across the Council that is now in place to deliver the significant savings required to balance the budget over the coming years.
- 3.6 The Programme is made up of a number 'workstreams' that focus on individual service delivery units, the cost of delivery, what is delivered, how it is delivered, to whom it is delivered, how the business area is managed, how the area compares to similar providers in other authorities and the wider market place (where applicable).
- 3.7 Whilst the key facets of the programme have remained in place since its inception, the effect of the deficit reduction programme being delivered by Government means inevitably that the focus has shifted more towards cost reduction. This is unlikely to change in the near future.
- 3.8 All Council directorates, departments and services are within the scope of the Programme. The scope of individual workstreams is determined on a case by case basis as they are set up.
- 3.9 An Efficiency Programme Board was set up in 2009/10. The Programme Board provides senior level direction for the programme, carries out a detailed examination of the service in question, and makes recommendations related to the implementation and delivery of the programme.
- 3.10 To date, there have been four waves of the Efficiency Programme completed. The Library service previously participated in Wave 2, when savings of £157,000 were realised with the review led and implemented by the Communities Directorate.
- 3.11 As part of Wave 5 of the efficiency programme, a fresh Library service review is being conducted by the Efficiency Programme Board, who have gathered information from the Library service, which has helped construct the two options now proposed for public consultation. The current operating budget of the Library Service is circa £2.2 million.

4.0 SUPPORTING INFORMATION

Efficiency Review of Halton Library Service

- 4.1 A range of possible options have been considered for the future of the service and two were put forward for public consultation in July. A consultation ran from 14th July to 14th August 2014, in which the public and stakeholders had the opportunity to comment on both of the proposals and were also able to offer alternative proposals, to either reduce costs or generate income.

Both the library services and the Efficiency Programme Board were keen to ensure that as part of any recommendations for the future of the Library Service that two key criteria were met. They were that all four of the Borough's libraries remain open and that any new arrangements should still be able to deliver the strategic objectives contained within the Council's adopted Libraries Strategy. Those objectives are:

- Inspiring a community of readers and learners
- Employment, enterprise and developing online skills
- Extending access through innovation and new technology
- Providing a relevant and responsive library service
- Workforce development

Given the first criteria of keeping the Borough's four libraries open the focus of the review, given the need to make savings, has inevitably focussed on opening hours. The two options put forward meet both of the criteria set and were principally about opening hours.

They also sought views on the viability of maintaining the universal mobile library service and the need to address services to the elderly and housebound, given the ageing population profile of the Borough.

The Council is minded to cease the universal mobile library provision but will consult further before a final decision is made, this consultation will commence immediately.

- 4.2 1011 responses were received to the consultation. An analysis of all responses received has been undertaken and is contained in Appendix 1 to this report.
- 4.3 The majority of respondents stated a preference for Option 1, which maintains the most opening hours and yields a lower financial saving.
- 4.4 Based upon the consultation findings, a proposed schedule of opening hours has been drawn up. This is contained in Appendix 2 to this report.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The service delivery model that has been developed following consultation will generate gross staffing budget savings of around £360,000 from a present gross staffing budget of £1,321,140. In addition to this there is an opportunity to achieve non-staffing savings of up to £80,000 through the application of a reduction in the budgets for the purchase of books and other supplies and services across the Libraries Service.

6.0 POLICY AND OTHER IMPLICATIONS

- 6.1 None.

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 Children and Young People in Halton

No adverse change to the services offered to children and young people are anticipated.

7.2 Employment Learning and Skills in Halton

No adverse change to the services related to employment, learning and skills are anticipated.

7.3 A Healthy Halton

The Library Service will continue to support public and other health initiatives as currently.

7.4 A Safer Halton

None.

7.5 Halton's Urban Renewal

None

8.0 RISK ANALYSIS

8.1 The purpose of the review is to secure a reduction in the cost of the delivery of the service, given the significant challenge the Council faces in setting a balanced budget. The Efficiency Programme approach attempts to do that in a way that protects, as much as possible, the service provided to the public.

9.0 EQUALITY AND DIVERSITY ISSUES

9.1 An Equality Impact Assessment has been carried out on the static provision for the Library Service.

10.0 REASONS(S) FOR DECISION

10.1 The recommendations relating to Library opening times contained within the report have been developed following a period of public consultation, details of which can be found in the report.

10.2 There were 1011 individual responses to the questionnaire; 84% of respondents preferred 'Option 1' (see below). While the majority of people selecting Option 1 as their preference also agreed with the opening times as stated in the questionnaire, a number of comments were received suggesting minor amendments to the proposed hours. These suggestions included a range of comments relating to earlier opening times (i.e. before 10am), and moving the late night opening (until 7pm) from Monday to another weekday.

OPTION 1

	Halton Lea		Widnes		Ditton		Runcorn	
Monday	10:00	–	10:00	–	10:00	–	10:00	–
	19:00		19:00		17:00		17:00	
Tuesday	10:00	–	12:00	–	10:00	–	10:00	–
	17:00		17:00		18:00		18:00	
Wednesday	12:00	–	12:00	–	CLOSED		CLOSED	
	18:00		18:00					
Thursday	12:00	–	10:00	–	10:00	-	10:00	-
	17:00		17:00		17:00		17:00	
Friday	10:00	–	10:00	–	10:00	-	10:00	-
	17:00		17:00		17:00		17:00	
Saturday	10:00	–	10:00	–	10:00	-	10:00	-
	15:00		15:00		15:00		15:00	
Sunday	CLOSED		CLOSED		CLOSED		CLOSED	

10.3 As a result of the number of people selecting Option 1, and the suggested alternatives, the recommended opening hours are as included in the report, and repeated for clarity below.

RECOMMENDED OPENING HOURS

	Halton Lea		Widnes		Ditton		Runcorn	
Monday	10:00	–	10:00	–	10:00	–	10:00	–
	17:00		17:00		17:00		17:00	
Tuesday	09:00	–	09:00	–	10:00	–	10:00	–
	19:00		19:00		18:00		18:00	
Wednesday	10:00	–	10:00	–	CLOSED		CLOSED	
	17:00		17:00					
Thursday	09:00	–	09:00	–	09:30	-	09:30	-
	19:00		19:00		17:00		17:00	
Friday	10:00	–	10:00	–	10:00	-	10:00	-
	17:00		17:00		17:00		17:00	
Saturday	10:00	–	10:00	–	10:00	–	10:00	–
	14:30		14:30		14:30		14:30	
Sunday	CLOSED		CLOSED		CLOSED		CLOSED	
Total Hours	45.5		45.5		33		33	

[Grey shading represents changes from Option 1 as it appeared in the consultation questionnaire]

11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

11.1 The public consultation questionnaire (available on request) included two possible options for opening hours. Option 2 (see below) was preferred by only 12% of respondents and consequently this option has been rejected on the basis of the public consultation.

OPTION 2

	Halton Lea		Widnes		Ditton		Runcorn	
Monday	10:00 15:00	–	10:00 15:00	–	CLOSED		CLOSED	
Tuesday	10:00 14:00	–	12:00 18:00	–	10:00 14:00	–	14:00 18:00	–
Wednesday	12:00 18:00	–	12:00 18:00	–	10:00 14:00	–	10:00 14:00	–
Thursday	12:00 18:00	–	10:00 14:00	–	14:00 18:00	–	10:00 14:00	–
Friday	10:00 15:00	–	10:00 15:00	–	CLOSED		CLOSED	
Saturday	10:00 16:00	–	10:00 16:00	–	10:00 14:00	–	10:00 14:00	–
Sunday	CLOSED		CLOSED		CLOSED		CLOSED	

12.0 IMPLEMENTATION DATE

12.1 It is anticipated that any new opening arrangements will be implemented across the library service in March/April 2015.

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

None within the meaning of the Act.

APPENDIX 1**EFFICIENCY REVIEW OF THE LIBRARIES SERVICE****PUBLIC CONSULTATION ANALYSIS – SEPTEMBER 2014**

The library consultation period ran for a calendar month, from July 14th to August 14th 2014. The total number of responses received was 1011.

The consultation took the form of an online or paper questionnaire. These were distributed and publicised widely via a range of channels including: copies available at all libraries, community centres and One Stop Shops; distribution to housebound service users; articles in the local press (twice during the consultation period); inclusion in the Schools' Circular; and circulation by e-mail to a variety of Council partners through the Community Development team and Halton Strategic Partnership.

Respondents were asked a range of questions relating to their use of the libraries, and were presented with two options for possible opening hours as follows:

OPTION 1

	Halton Lea	Widnes	Ditton	Runcorn
Monday	10:00 – 19:00	10:00 – 19:00	10:00 – 17:00	10:00 – 17:00
Tuesday	10:00 – 17:00	12:00 – 17:00	10:00 – 18:00	10:00 – 18:00
Wednesday	12:00 – 18:00	12:00 – 18:00	CLOSED	CLOSED
Thursday	12:00 – 17:00	10:00 – 17:00	10:00 - 17:00	10:00 - 17:00
Friday	10:00 – 17:00	10:00 – 17:00	10:00 - 17:00	10:00 - 17:00
Saturday	10:00 – 15:00	10:00 – 15:00	10:00 - 15:00	10:00 - 15:00
Sunday	CLOSED	CLOSED	CLOSED	CLOSED

OPTION 2

	Halton Lea	Widnes	Ditton	Runcorn
Monday	10:00 – 15:00	10:00 15:00	– CLOSED	CLOSED
Tuesday	10:00 14:00	– 12:00 18:00	– 10:00 14:00	– 14:00 18:00
Wednesday	12:00 18:00	– 12:00 18:00	– 10:00 14:00	– 10:00 14:00
Thursday	12:00 18:00	– 10:00 14:00	– 14:00 18:00	- 10:00 14:00
Friday	10:00 15:00	– 10:00 15:00	– CLOSED	CLOSED
Saturday	10:00 16:00	– 10:00 16:00	– 10:00 14:00	- 10:00 14:00
Sunday	CLOSED	CLOSED	CLOSED	CLOSED

Both options represented a reduction in opening hours as compared to the current operation of the libraries, Option 1 maintaining 85% and Option 2 53% of current opening hours. Respondents were made aware of the potential savings of each option, being in the region of £400,000 and £500,000 respectively.

The consultation also included questions relating to the mobile and housebound services and use of technology both within and in order to access the library service.

The majority of respondents to the consultation were female (67%), while there was a good spread in terms of age groups over 25 years. Younger people (under 25) were under-represented, although parents/carers may have completed questionnaires on their behalf. Most people who completed the questionnaire were retired (29%), closely followed by those who were in full time employment (24%).

The responses to the consultation have been analysed by the Council's Customer Intelligence Unit. **[A summary of the overall responses, along with summaries by individual library can be found in the following pages]** – This analysis will be reviewed by the Library Services Staff over the next few months

Key themes from the responses overall are detailed below;

Current Library Usage

- Most respondents used the library at least once a week (40%), with the largest numbers using Halton Lea or Widnes as their main library.
- The majority of the respondents use the library during the morning, between the hours of 10:00am and 1:00pm, although a significant proportion use the libraries during the afternoon, with evenings being the least well used time period.

Preferred Options

- There was a significant preference for Option 1 in terms of the opening hours (84%), and the most cited reason for this choice was the additional flexibility that the proposed opening times offered.
- Of the limited number of people who selected Option 2 as their preference, the most common reason for doing so was that the savings were greater.
- Respondents who preferred Option 1 generally were in agreement with the proposed opening times (72%), however, a number (27) of alternative suggestions/preferences were made including;
 - At least one morning per week opening at 9am in the main libraries

- Changes to late nights to Tuesday/Thursday in the main libraries (from Monday as proposed)
- At least one morning per week opening at 9:30am (as currently) at the smaller libraries

Internet and Technology

- 601 respondents do not access Halton Library services via the internet (62%), although 574 would be interested in doing this in the future.
- A small majority (42% compared to 38%) would be interested in making use of an e-reader to borrow books from the library, if help and advice was available on how to use it. The remainder (21%) responded 'Don't know'.
- Just over one-quarter of respondents (27%) use the libraries' free WiFi on a personal device and under half (43%) make use of the public access PCs provided in the library.
- The most common reason to use the library PCs was for 'Internet surfing' (58%), followed by 'Job search' (34%) and Social Media (24%).

Housebound Service

- 63 people either use or have used the housebound service, and most people (59%) had heard of the service.
- 24 people said that stopping the housebound service would have a 'great impact' on them whilst 19 people said it would have 'no impact'.

Mobile Library Service

- The majority of people (66%) said that they had heard of the mobile library but did not use it and 8% had not heard of it. 251 respondents said they either currently use or have used the mobile library in the past.
- If the mobile library was to be stopped, 34% of those who use or have used the mobile library said it would have 'a great impact' on them and 29% said it would have 'some impact' on them. The remainder (38%) said it would have 'no impact'.
- Of the 1011 respondents, 64 people stated that they use the mobile library most. Of these people, 53 said that stopping the mobile library would have a great impact on them and 11 said it would have some impact on them.
- Of the 64 people who use the mobile library most, 42 said that they would use alternative provision if it was stopped.
- Of those respondents who stated that they used the mobile library most (64 people), the majority do not access library services using the internet. Views were split (50:50) as to whether they would consider using it in the future.

- Of mobile library users, the majority (44%) responding to the consultation indicated that they would not be interested in making use of an e-reader to borrow books, 36% said they would consider it and 21% didn't know.

Savings and Income Generation Suggestions

As part of the public consultation, the public were asked to make suggestions about how the Library Service could make savings or generate new income. The following suggestions and views were received; and have been categorised into themes and will be considered by the Library Services Staff in more detail over the next few months.

Events (68 suggestions)

Comments range from book readings, family fun days, more child focussed events, poetry reading, music events for local musicians, exhibitions / culture, themed events, film nights, craft weekends, bingo and coffee mornings.

Charges General (68 suggestions)

The ideas range from printing, charge schools, family history, faxing, rhyme-time, Housebound service, overdue books, rent computer games, photo print service, child care service / crèche, e-books, children's parties, classes e.g. language, special interest groups, subscription fee to archives / articles etc.

Café (67 suggestions)

In general comments focused on the varied café provision in all libraries and views were expressed on how the café provision could be improved.

Charges for computer use (52 suggestions)

Comments in general specify that the first hour should be free. Some comments refer to users being on computers for too long.

Room Hire (51 suggestions)

Comments refer to the charges for meetings rooms for businesses, classes and HBC. Renting out rooms when closed to businesses etc. would generate extra income.

Book Sales (41 suggestions)

Comments include sales of old stock, some comments refer to not just at the library but on e-bay or 'pop-up' book stalls.

Ideas for Opening / Closing (33 suggestions)

Comments range from suggestions of closure on certain days, stopping certain services completely and ideas for opening times.

Fine Recovery / Lost Stock (30 suggestions)

In general comments focus on those who have outstanding library fines – why aren't they made to pay? Better systems to track service users who haven't paid, use of ID to prevent services users reregistering with a different address.

Ideas for Shared Services / Staffing (28 suggestions)

HDLs, service provision at Ditton Library / Children's Centre and the use of space in the libraries are just some of the topics discussed.

Organisation / Layout (27 suggestions)

Halton Lea, handling of teenagers and children causing disturbance, turn lights and computers off, stop use of compliments slips and headed paper are just some of the suggestions made.

Advertising (26 suggestions)

Comments range from better advertising of library services via Twitter, web and Facebook; some feel they don't hear about events to charging companies to use free space to advertise their services and corporate sponsorship.

Book Ordering / Book Systems (24 suggestions)

Comments relate to only buying books that the service users want to read or not so many copies of less popular material, have a better online book management system that the public can use, buy books from Amazon or book clubs to keep costs down, QR Scanning facility for books and Amazon collection points, change books more often to keep interest.

DVD / CD / Games Rental (17 suggestions)

DVD rental and some mention of CDs and computer games.

Sell Stationery (17 suggestions)

Pens, envelopes, plastic wallets, greetings cards etc.

Funding / Grants: 8 / Donations (8 suggestions)

Apply for funding / grants and have donation boxes.

Subscriptions: (7 suggestions)

Should the libraries subscribe to publications that no-one reads or get so many copies (this includes magazines and newspapers)?

E-Books (5 suggestions)

Allow service users to order e-books.

Book Order Charge (3 suggestions)

Charge for a book ordering service e.g. people buy at library rather than from Amazon.

EFFICIENCY REVIEW OF THE LIBRARIES SERVICE**SERVICE DELIVERY PROPOSAL – SEPTEMBER 2014**

Following the public consultation feedback, consideration should be given to adopting an option which is a variation of Option 1. The following opening hours are suggested as a variation to Option 1:

POST-CONSULTATION: PROPOSED

	Halton Lea	Widnes	Ditton	Runcorn
Monday	10:00 – 17:00	10:00 – 17:00	10:00 – 17:00	10:00 – 17:00
Tuesday	09:00 – 19:00	09:00 – 19:00	10:00 – 18:00	10:00 – 18:00
Wednesday	10:00 – 17:00	10:00 – 17:00	CLOSED	CLOSED
Thursday	09:00 – 19:00	09:00 – 19:00	09:30 - 17:00	09:30 - 17:00
Friday	10:00 – 17:00	10:00 – 17:00	10:00 - 17:00	10:00 - 17:00
Saturday	10:00 – 14:30	10:00 – 14:30	10:00 – 14:30	10:00 – 14:30
Sunday	CLOSED	CLOSED	CLOSED	CLOSED
Total Hours	45.5	45.5	33	33

[Grey shading represents changes from Option 1 as it appeared in the consultation questionnaire]

Changes from Consultation Proposal

The above suggested opening times take into account feedback from the consultation which indicated requirements for:

- At least one morning per week opening at 9am in the main libraries;
- Changes to late nights to Tuesday and Thursday in the main libraries (from Monday as proposed);
- At least one morning per week opening at 9:30am (as currently) at the smaller libraries;

These additions have been made, and necessary adjustments made to Saturday's proposed opening hours to ensure that total opening hours (and therefore costs) remain affordable once early mornings and an additional late evening opening have been added into the timetable.

The suggested opening times (above) mean that the libraries would be open for 157 hours per week (an increase of 3 hours per week on the consultation proposal). This represents 85.6% of current opening hours.

Outreach Provision – Mobile Library

The Council is minded to cease this provision but will consult further before a final decision is made, this consultation will start immediately. If agreed this cessation would avoid the significant cost of refurbishing / replacing the current vehicle, estimated to be between £20,000 (refurbishment) and in excess of £75,000 (replacement).

A full Equality Impact Assessment will be undertaken on the cessation of this aspect of the service and presented to Executive Board in due course in order that a final decision can be taken.

Outreach Provision - Library Service for Housebound users

It is proposed that the current service for housebound users will be retained. A cessation of the mobile library service may result in an increase in demand for this service. This would be monitored, and managed within the resources allocated to deliver the new service model as this service area tends to be age related.

Satellite Provision – Castlefield’s Community Centre

It is proposed that this aspect of service provision remains in place, and that it is monitored, and managed within the resources allocated to deliver the new service model.

Cost of suggested opening times

The cost of staff for the suggested opening times will be £952,000, representing a potential staff budget saving of £360,000.

Consultation with staff and Unions

It should be noted that staffing changes are subject to statutory consultation with staff and trade unions, as set out in employment legislation. Subject to adoption of the proposed service delivery model, that consultation process will take place with staff and trade unions. Responses to that consultation may result in changes to the way that the proposed service delivery model is staffed, which may in turn affect the savings available.

REPORT TO:	Executive Board
DATE:	2 October 2014
REPORTING OFFICER:	Strategic Director, Policy and Resources
PORTFOLIO:	Economic Development
SUBJECT:	Norton Priory Heritage Lottery Fund Bid
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

To seek approval in principle for the Council to fund a proposed Biomass boiler to be installed in Norton Priory Museum as part of the re-development of the museum.

2.0 **RECOMMENDATION: That**

- 1) the Board supports in principle the funding of the Biomass boiler at Norton Priory Museum subject to further assessment of the financial returns following the detailed design of the boiler; and**
- 2) Council be requested to approve the addition of the Biomass boiler project to the 2014/15 Capital Programme.**

3.0 **SUPPORTING INFORMATION**

- 3.1 The Executive Board in March 2014 agreed that the Council would underwrite the Norton Priory Museum Trust Heritage Lottery Fund (HLF) by providing a loan to be repaid over a period of up to 3 years commencing 2015.
- 3.2 The Heritage Lottery Fund has now confirmed that the bid has been successful which will allow for the refurbishment and extension to the museum.
- 3.3 As part of the design work a mechanical and electrical services report has been completed to assess the services required for the refurbished building. This has included an assessment of the most appropriate type of heating system.
- 3.4 The existing method of heating the building is by direct electric which is not energy efficient. There is no other source of heat other than an existing electricity supply. A number of options for alternative heat sources have been considered including:

Ground source heat pump
 Air source heat pump
 Biomass boiler
 Bulk LPG storage and boilers
 Direct electricity boilers

3.5 The most attractive proposition recommended would be the installation of a Biomass boiler which would be able to take advantage of the Renewable Heat Incentive (RHI) payment scheme introduced by the Government.

3.6 The estimated annual heat load from the new building is approximately 197,000 kilowatt hours per annum. Based on this usage it is proposed that a 140 kilowatt Biomass boiler be installed. Estimated costs of the boiler are in the region of £100,000

3.7 Tariff levels under the RHI scheme are currently:

Tariff	Eligible Technology	Eligible Size	Tariff Rate (p/kw hour)
Small Biomass	Solid Biomass	Up to 199kwth	Tier 1 7.6
			Tier 2 2.2

RHI payments are index link and will increase each year in line with the retail price index.

3.8 Over the lifetime of the boiler it is estimated that it would generate an income from the RHI scheme in the region of £350,000 to £380,000 based on an RPI of 2-3 % over a 20 year period. The annual fuel saving over the same period is estimated to be around £250,000. The RHI payment system would provide a simple payback period of approximately 6 years thereafter the full benefit of the RHI would generate an income stream for the next 14 years of £16,000 index linked to inflation.

3.9 The Museum Trust need to provide match funding for the project and funding of the boiler is one source of match funding. One option is for the Museum to bring in a third party to install the boiler and use this as match funding against the HLF bid with the third party taking the RHI income and selling heat to the Museum. As an alternative, as the Council owns the building, it is proposed that the Council provide the match funding for the boiler and in return the Council take the RHI payments and looks to develop an agreement with the Museum over fuel costs where the Council sells heat to Norton Priory and a price currently less than they pay from the Grid.

4.0 **POLICY IMPLICATIONS**

4.1 There are no policy implications.

5.0 **FINANCIAL IMPLICATIONS**

5.1 The Council has already agreed to provide a loan to Norton Priory in the event they are unable to secure all of the required match funding to support the HLF bid. By agreeing to fund the boiler this would contribute towards the required match funding and would reduce the loan requirements potentially required from the Council.

5.2 By funding the boiler this would create a long term income stream that would yield approximately £350,000 - £380,000 in RHI payments together with potential income from the net fuel savings.

Funding from the capital cost of the boiler will be met from the Invest to Save Budget.

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

6.1 **Children & Young People in Halton**

None.

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

None.

6.3 **A Healthy Halton**

None.

6.4 **A Safer Halton**

None.

6.5 **Halton's Urban Renewal**

A Biomass boiler would contribute to the Council's overall sustainability objects of reducing carbon. It was estimated the boiler would save around 66 tonnes of CO₂ per annum, an estimated reduction of 1,320 tonnes CO₂ over the lifetime of the boiler.

7.0 **RISK ANALYSIS**

7.1 The estimated income from RHI is based on heat used and this will vary year by year depending on weather patterns and seasonal

variations, therefore income levels could vary. Before the boiler is installed a detailed design will be undertaken which will take account of past energy usage and this will provide some assurances of the RHI income yield over the 20 year period.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 None.

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

9.1 None.

REPORT TO:	Executive Board
DATE:	2 October 2014
REPORTING OFFICER:	Director of Public Health
PORTFOLIO:	Health & Wellbeing
SUBJECT:	The Procurement of a School Nursing Service for Halton
WARDS:	All Wards

1.0 PURPOSE OF THE REPORT

- 1.1 To seek Executive approval to commence the procurement of a School Nursing Service for Halton.
- 1.2 Members' approval is sought to proceed with a tender exercise to test the current market and, subject to the financial implications from any tender submissions received, seek to appoint a provider or providers to provide a School Nursing service in Halton.
- 1.3 To seek approval for the waiver of Procurement Standing Orders to enable the extension of the current contract for two months.

2.0 RECOMMENDATION: That the Board

- 1) approve the proposal to tender for a School Nursing service for Halton;**
- 2) approve the timeline for the tender process detailed in Appendix A; and**
- 3) approve the waiver of Procurement Standing Orders as detailed in paragraph 3.5.**

3.0 SUPPORTING INFORMATION

- 3.1 Halton Borough Council is responsible for commissioning services to promote the health and wellbeing of children and young people resident in Halton with the aim of improving public health outcomes and reducing health inequalities for these children across the life course.
- 3.2 Giving every child the best start in life is crucial to reducing health inequalities across the life course. The foundations for virtually every aspect of human development – physical, intellectual and emotional – are set in place in early childhood. What happens during these early years (starting in the womb) has lifelong effects on many aspects of

health and well-being, educational achievement and economic status. Universal and specialist public health services for children are important in promoting the health and wellbeing of all children and reducing inequalities through targeted intervention for vulnerable and disadvantaged children and families. Successive reviews have demonstrated the economic and social value of prevention and early intervention programmes for children and young people and their families.

- 3.3 Financial provision for the School Nursing Service is contained within the Public Health budget. The current total value of School Nursing services to be included in the integrated service is approximately £1.1 million. It is anticipated that applications to deliver this service in the future will be below the £1million per year threshold. A contract will be awarded for three years with a one year optional extension. This will mean the aggregate spend will be in the region of £4million. TUPE regulations will apply for affected staff.
- 3.4 The service is currently delivered by Bridgewater Community NHS Trust as part of the block NHS contract to which the Local Authority is an Associate Commissioner.
- 3.5 It is proposed that the current service operates until May 2015 to enable the tender process to take place.

This would include an extension of two months on the current contract, at a cost of approximately £83,000 per month. This would support the procurement, implementation and mobilisation process. A waiver of Procurement Standing Orders 4.1 would be required to enable this extension to take place.

- 3.6 The Service will provide the universal delivery of the National Healthy Child Programme with a schedule of health and development assessments and reviews, immunisations, parenting support and health promotion advice available to all children, young people and families. In addition, where additional needs and risks are identified through this process, evidence based interventions are offered to support children, young people and their families to promote equality in outcomes and improve the life chances of those children and young people who are vulnerable.
- 3.7 The Service will be accessible to all with an emphasis on designing delivery around the needs of children, young people and their families, not organisations or professionals. Disadvantaged or vulnerable families will receive additional care tailored to their individual needs and with interventions designed to promote resilience and self-efficacy.
- 3.8 The Commissioners seek the delivery of a high quality Service that is both effective in improving outcomes through the use of evidence based interventions delivered by skilled practitioners, and safeguards

children by identifying children at risk of harm. The Provider will work with other professionals to devise a joint multi-agency plan, to reduce risk to the child and improve their immediate and long term health and wellbeing. The expectation is that the Service will combine a balance of advice/guidance and direct evidenced based interventions for those that require additional support.

- 3.9 Practitioners working with children in need or at risk of harm need to be highly skilled in order to work effectively; high quality training and on-going clinical and safeguarding supervision underpin the development and maintenance of these skills, and these requirements form part of the specification for these Services.

The Service will at all times adhere to Local Safeguarding Children Board policies and protocols and will fully engage in the joint working processes, taking responsibility for ensuring that needs identified which are the responsibility of this Service to meet are met within the agreed timeframes of the Child Protection Plan.

The Service is intended to provide seamless support from age 5 to the young person's 19th birthday, and is described in three discrete specifications:

- School Nursing Services for 5 - 19 years;
- National Child Measurement Programme Services.
- Immunisation Services for children and young people aged 5 - 19 years; (This element is commissioned separately by Public Health England but forms an integral part of the service)

The service will be delivered by integrated locality based teams resourced to meet the identified needs of the population of the locality they serve.

In addition the Provider will optimise opportunities arising from closer partnership and integrated working across neighbourhood, wellbeing, leisure, lifestyle, cultural and community services, with a view to streamlining and improving access to public health/ health improvement services for children and young people and families.

- 3.10 Tender submissions will be evaluated using MEAT (Most Economic Advantageous Tender) principles. Initial contracts will be awards on a three year basis with an opportunity to extend by one year.

An integral element of the procurement process will be a proportionate approach to Social Value and all prospective providers will be evaluated against the Halton Social Value Procurement Framework.

- 3.11 The proposed new service will not contain any significant changes to the delivery of school nursing within Halton, as the structure of delivery

is directed by the National Healthy Child Programme.

Local stakeholders have been engaged in the development of a refreshed service specification to ensure that it is fit for purpose and represents value for money. A number of engagement activities have taken place with head teachers, school nurses and young people representatives to develop a revised service specification.

In parallel with the procurement exercise, engagement will continue with Head Teachers and other school staff, school nurses, partner organisations and children, young people and their families to inform them of the process and also to ensure that they can continue to inform and influence the development of local services.

3.12 A timetable for the proposed tender is attached for Executive Board's approval at Appendix A.

3.13 Value for Money

The contract for the new service will be awarded on the basis of quality and price, thus ensuring value for money. It is anticipated that applications to deliver this service will enable efficiency savings to be made which will represent a reduction on current expenditure.

3.14 Transparency

Contracts will be recorded in the Council's Contracts Register accessible via the internet together with the publication of all spend in excess of £500.

3.15 Propriety and Security

Compliance with anti-corruption practices will be adhered to and any of the contracts within the subject of this report will be terminated if there is any occurrence of corruption by any organisation or their staff.

3.16 Accountability

The contracts will be performance managed and service standards monitored by commissioners and the contracts team.

3.17 Position of the Contract under the Public Contracts Regulations 2006

These contracts are Part B exempt services and do not need to be advertised in the OJEU.

4.0 POLICY IMPLICATIONS

The method of procurement complies with the Council's procurement policy and Procurement Standing Orders, and will utilise The Chest e-procurement portal.

5.0 OTHER IMPLICATIONS

As outlined in the report the provision of Public Health School Nursing services in Halton currently costs over £1.1 million and therefore represents a significant proportion of the total Public Health budget.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

Universal and specialist public health services for children are important in promoting the health and wellbeing of all children and reducing inequalities through targeted intervention for vulnerable and disadvantaged children and families. The service contributes to the delivery of the objectives of the Halton Children's Plan.

6.2 Employment, Learning and Skills in Halton

The service contributes to supporting children and young people, particularly those with a long term condition or health problem, in maximising their time and opportunities in school.

6.3 A Healthy Halton

Universal and specialist public health services for children are important in promoting the health and wellbeing of all children and reducing inequalities through targeted intervention for vulnerable and disadvantaged children and families. The service contributes to the delivery of the objectives of the Health and Wellbeing Board.

6.4 A Safer Halton

The service contributes to a Safer Halton by supporting young people in reducing risk taking behaviour, such as alcohol, drugs, etc.

6.5 Halton's Urban Renewal

N/A.

7.0 RISK ANALYSIS

Risk will be a particular consideration in the tender evaluation process. Robust service monitoring should provide early warning of any performance issues.

8.0 EQUALITY AND DIVERSITY ISSUES

All contractors will be required to demonstrate that they embrace and comply with the Equality Act, and services will be monitored to ensure this is the case.

9.0 REASON(S) FOR DECISION

A decision is required to enable the procurement exercise to commence.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

N/A

11.0 IMPLEMENTATION DATE

The new procurement process will commence in October, with the new service in place by June 2015.

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

None under the Meaning of the Act.

Appendix A

PROJECT TIMETABLE	Provision of School Nursing Service
TYPE OF CONTRACT	Open process (Part B Exempt)
PERIOD OF CONTRACT	3 years with option for annual extensions up to one additional year

TENDER TIMETABLE

ACTION	OPEN PROCESS	
	Date (provisional)	Time Allocated
Prepare Preliminary Estimates Report	September 2014	
Draft Tender Documents. Comprising: MIQ (questionnaire and matrix), ITT (contract and specification(s)), TUPE, Performance Monitoring etc.	<i>Finalise all documents prior to/in advance of tender publication</i> October 2014 The timeline incorporates ongoing engagement with stakeholders	1 month
Advertise Contract on The Chest portal.	Week commencing 13 th October 2014 <i>All tender documents issued</i>	1 day
Provider event?	<i>To be confirmed</i>	

Closing date for questions relating to ITT	5 th December 2014	
Closing date/time for submission of ITT / Tenders	12 th December 2014	3 weeks (from advertising)
Verification – ‘Remove Seal’	15 th December 2014	1 day
Evaluate mandatory information on ITT	5 th January 2015	1 week
Evaluate / Moderate ITTs - Panel	Weeks commencing 12 th January 2015	1 week
Inform Short-listed Suppliers	Week commencing 3 rd November 2015	1 day
Presentation & Interview	<i>Weeks commencing 26th January 2015</i>	1 week
Final evaluation / Moderation		
SMT	<i>February 2015</i>	1 day
Award	<i>27th February 2015</i>	1 day
Exec Board for information	March 2014	1 day
Mobilisation period	<i>1st April to 31st May 2015</i>	2 months
Award Contract / Contract start date	1 st June 2015	1 day
OJEU Award Notice (My Tenders)	Up to 42 days after award	
Internal only:		
1.	Check if successful supplier is set up on Agresso	1 day
2.	Provide client with correct expenditure code	
3.	Provide client with correct ProClass code	

These dates are indicative and are subject to change by the Council

REPORT TO: Executive Board

DATE: 2 October 2014

REPORTING OFFICER: Strategic Director, Children and Enterprise

SUBJECT: Business Rates Proposal - Unit 3 Aragon Court, Manor Park

PORTFOLIO: Resources, Physical Environment, Economic Development

WARDS: Daresbury

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to inform Members of a proposed investor development project at Manor Park, where the company proposing to move into and invest in currently vacant premises, has requested support and Business Rates Relief.

2.0 RECOMMENDATIONS: That

- 1) **Members approve the proposals outlined in this report; and**
- 2) **given the benefits to the Borough available from the economic development opportunity outlined in the report, and, subject to the required outcomes being delivered regarding capital investment and job creation, approval be given on an exceptional basis to the award of business rate relief to Jem Recycling Group at Unit 3, Aragon Court, Manor Park for the period of six months at a level detailed in this report.**

3.0 SUPPORTING INFORMATION

3.1 As previously reported, members will be aware that in April 2013 the Government introduced a business rates retention scheme. This means that Councils are able to keep a proportion of the business rates revenue as well as growth on the revenue that is generated in their area.

3.2 The scheme seeks to offer Councils a strong financial incentive to promote economic growth.

3.3 Where Councils have greater needs than their business rates income, they will receive a top-up payment from Government.

- 3.4 Councils can increase their business rates revenue by incentivising businesses to either relocate to the area, or encourage them to expand their existing business.
- 3.5 Consideration was given to developing a discretionary scheme, but it is now considered more appropriate to look at applications for Business Rates Relief on a case by case basis and where there are exceptional reasons for doing this.
- 3.6 A request for Business Rates Relief has been received from a company called Jem Recycling Group who have agreed a long lease on premises at Manor Park, Runcorn.
- 3.7 Jem Recycling Group was originally established as James Environmental Management in 2006 by MD Philip Robinson but rebranded in 2013 due to management buyout. Both companies within the group have expert knowledge of the waste and recycling sector, Jem broker card, film, plastic & glass waste and in addition supply capital equipment ranging from small compactors to fully automatic baling machines.
- 3.8 The wider business also provides cleaning services, facilities management and total waste solutions.
- 3.9 The main purpose of the move to Manor Park is to further develop relatively new parts of the business in remanufacturing waste fabrics to produce high quality bean bags and other products such as beach bags. Significant to this new direction has been the relationship developed with One3One, a national initiative which links businesses with the prison community. Engaging with One3One will allow the business to meet its growth potential quickly whilst helping develop skills within the prison population which is a key platform of One3One.
- 3.10 Jem have had positive feedback from major blue chip retailers and have trailed the bean bag product successfully at trade shows. The One3One programme attracts a wide range of service users including names such as DHL/Timpsons/Polymer Recycling Ltd/LMB textile recycling and business activity includes print/textiles/engineering/laundry/woodwork.
- 3.11 Jem currently employs 15 full time staff and the move to Manor Park will create an additional 6 jobs initially with a further 6 through planned business growth development.

4.0 POLICY IMPLICATIONS

- 4.1 Members are advised that on its own, an offer of this rate relief to Jem would not in itself be the only factor to influence the location and investment decision. Rather, as part of a package that the Council already provides (for example, assistance in bidding for grants, access to finance growth and businesses support, recruitment and selection through the Halton Employment Partnership), overall these measures send out a powerful

message to businesses that the Council is pragmatic in the support and commitment it gives to companies.

4.2 The proposal in this report needs to demonstrate that there are exceptional reasons for supporting what is effectively a six month business rate free period.

4.3 The exceptional reasons relate to the fact that the scheme has the potential to create long term sustainable jobs and provide capital investment in the Borough. As detailed, the operations of Jem contribute to the broader waste reduction and recycling/environmental agendas. The project also links with a programme successfully working with prison populations through One3One improving skills and helping with reintegration of offenders.

5.0 OTHER/FINANCIAL IMPLICATIONS

5.1 Although, in the short term, the Council would lose revenue arising from the offer of business rates relief, in the longer term the Council would recoup this lost income through the decision of Jem to invest in Halton and create new sustainable jobs and develop skills locally.

5.2 This request and the support that follows will be carefully managed to ensure that the Council not only received a maximum return on its investment (i.e. Temporary loss of business rates revenue), but that the Borough received maximum added value and impact in economic regeneration terms.

	£
Current rateable value unit 3 Aragon Court Manor Park	41,500
Current annual rates payable 3 Aragon Court Manor Park	20,003
Six months relief on rates payable at unit 3 Aragon Court Manor Park	10,001

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Members are advised that this proposal to grant business rate relief is being undertaken on a case by case basis. The proposal is regarded as an exceptional case, given the nature of the potential investment being made. For this reason, Members are invited to support the application for business rate relief.

7.0 RISK ANALYSIS

7.1 To ensure that the Council would receive a reasonable return on the granting of business rates relief the following criteria have been applied to this scheme:

- It will include the refurbishment and re-use of a currently vacant commercial building of more than 10,000 sq. ft.

- It will initially create 6 new jobs locally and up to 12 jobs in total over the life of the project.
- This is direct support to a known business user and not support for a speculative proposal by a developer/landlord designed to attract footloose business;
- The company will confirm that the rate relief is State Aid compliant.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no equality and diversity issues arising from 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.