

WARRINGTON Borough Council



To: **Executive Board**

Professor Steven Broomhead
Interim Chief Executive

Councillors:

**T O'Neill (Chair), M Hannon (Deputy Chair),
R Bowden, L Dirir, C Froggatt, K Hannon,
D Keane, P Wright**

Town Hall
Sankey Street
Warrington
WA1 1UH

8 February 2013

Warrington Borough Council Executive Board Meeting
Monday, 18 February 2013 at 6.30pm
Council Chamber, Town Hall

Contact: Christine Oliver, Democratic and Member Services
(Tel: 01925 442104; Email: coliver@warrington.gov.uk)

AGENDA

Part 1

Items during the consideration of which the meeting is expected to be open to members of the public (including the press) subject to any statutory right of exclusion.

1. Code of Conduct – Declaration of Interests
Relevant Authorities (Disclosable Pecuniary Interests)
Regulations 2012

Members are reminded of their responsibility to declare any disclosable pecuniary or non-pecuniary interest which they have in any item of business on the agenda no later than when the item is reached.

2. Minutes

Page 1

Minutes of the meeting of the Executive Board held on 21 January 2013.

3. Executive Decisions - Forward Plan

Page 9

Report of Solicitor to the Council and Assistant Director,
Corporate Governance.

4. **2013/14 Medium Term Financial Plan, draft Revenue Budget and Capital Programme** **Page 21**
- Report of Councillor R Bowden, Executive Board Member, Corporate Resources and Assignments.
5. **Corporate Plan 2013-14 (Forward Plan No 075/12)** **Page 53**
- Councillor R Bowden, Executive Board Member, Corporate Resources and Assignments.
6. **Street lighting replacement and energy savings options (Forward Plan No 029/12)** **Page 59**
- Report of Councillor L Dirir, Executive Board Member, Highways, Transportation and Climate Change.
7. **Residential and Nursing Fee Review (Forward Plan No 072/12)** **Page 83**
- Report of Councillor P Wright, Executive Board Member, Health and Wellbeing and Adult Services.
8. **Contract Award – Occupational Health Services (Forward Plan No 078/12)** **Page 87**
- Report of Leader of the Council, Councillor T O'Neill.

Part 2

Items of a “confidential or other special nature” during which it is likely that the meeting will not be open to the public and press as there would be a disclosure of exempt information as defined in Section 100I of the Local Government Act 1972.

The following information comprises the formal notice under Paragraph 5(4) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that a decision has been taken to hold this part of the meeting in private. Information is also provided against each item heading about the reasons for holding this part of the meeting in private, any representations received and the response to those representations.

9. **Occupational Health Contract (Forward Plan No 078/12)**

Report of Leader of the Council, Councillor T O'Neill.

Reasons for Considering in Private:

Exempt information - Category 3, Schedule 12A, Local Government Act 1972.

Representations Received:

Nil

Response to Representations:

Nil

10. Warrington Means Business – regeneration in our Town Centre through property acquisition (Forward Plan No 082/12)

Report of Leader of the Council, Councillor T O'Neill,.

Reasons for Considering in Private:

Exempt information - Category 3, Schedule 12A, Local Government Act 1972.

Representations Received:

Nil

Response to Representations:

Nil

If you would like this information provided in another language or format, including large print, Braille, audio or British Sign Language, please call 01925 443322 or ask at the reception desk in Contact Warrington, Horsemarket Street, Warrington

EXECUTIVE BOARD – 21 JANUARY 2013

Present:

Executive Board Members

Councillors:

Leader

T O'Neill

Deputy Leader

M Hannon

Corporate Resources & Assignments

R Bowden

Highways, Transportation & Climate Change

L Dirir

Children and Young People's Services

C Froggatt

Leisure, Community & Culture

K Hannon

Environment & Public Protection

D Keane

Health and Wellbeing & Adult Services

P Wright

EB 142 Apologies

Nil.

EB 143 Code of Conduct – Declarations of Interest

Nil.

EB 144 Minutes

Decision – That the Minutes of the meeting of the Executive Board held on 17 December 2012 be received by the Executive Board and signed by the Leader as a correct record.

EB 145 Forward Plan

The Executive Board considered a report of the Solicitor to the Council and Assistant Director, Corporate Governance on the contents of the Forward Plan for the period 1 February 2013 – 31 May 2013.

Decision – That the Forward Plan be noted.

EB 146 Environmental Protection Supplementary Planning Document (SPD) (Forward Plan Decision No. NKD-045/12)

The Executive Board considered a report of Councillor D Keane, Executive Board Member, Environment and Public Protection which provided information on the Draft Environmental Protection Supplementary Planning Document (SPD) prepared as part of Warrington's Local Planning Framework. Approval of the draft for the purposes of consultation was sought.

Decision – That the Executive Board approved the draft Environmental Protection SPD for the purposes of consultation.

Reason for Decision – The draft Environmental Protection SPD was required to be the subject of formal consultation in order to satisfy the regulations set

Minutes Issued on Thursday, 24 January 2013. Call In expires midnight on Monday, 28 January 2013. Decisions can be implemented from Tuesday, 29 January 2013.

out in the Town and Country Planning (Local Planning)(England) Regulations 2012.

EB 147 Public Health Transition (Forward Plan Decision No. 038/12)

The Executive Board considered a report of Councillor P Wright, Executive Board Member, Health and Wellbeing and Adult Services which provided information on its responsibilities for the delivery of the public health function under the Health and Social Care Act 2012 from 1 April 2013.

The report also provided an overview of the legal framework for Public Health and the implications of this for the Council along with progress and proposals for associated transfer schemes.

The report proposed that delegated authority be given to the Executive Director, Neighbourhood and Community Services and the Interim Chief Executive, in consultation with the Executive Board Member, Health and Wellbeing and Adult Services, to request the Strategic Health Authority to approve the extension of a number of public health contracts beyond 31 March 2013. It also requested that for those Public Health contracts which could not be tendered during 2013/2014, the Executive Board gave authorisation to the Executive Director, Neighbourhood and Community services and the Director of Public Health to extend those contracts for such a period as to allow sufficient time to tender the services.

Decision – That the Executive Board agreed to –

- (1) request that the transfer scheme lists for staff and assets and liabilities were to be agreed at the March meeting of the Executive Board prior to submission to the Department of Health;
- (2) grant delegated authority to the Executive Director, Neighbourhood and Community Services or the Interim Chief Executive and the Director of Public Health, following consultation with the Executive Board Member, Health and Wellbeing and Adult Services, to extend those contracts which could not be tendered in 2013/2014 for a period to be determined which would allow sufficient time to properly conduct a tender exercise.
- (3) request officers to develop section 75 agreements for services which were part of 'block' contracts with NHS Trusts, pending the publication of guidance on associate commissioning by the DH.

Reason for Decision – To minimise risk and ensure a timely and compliant transfer process.

EB 148 Penketh High School Academy Conversion – Property and Legal Transfer (Forward Plan Decision No. 047/12)

The Executive Board considered a report of Councillor C Froggatt, Executive Board Member, Children and Young People's Services which detailed the intention of Penketh High School to convert to academy status and sought approval to a legal transfer and 125 year lease of land to the new academy trust.

Decision – That the Executive Board agreed to –

- (1) approve the Heads of Terms as set out in paragraph 6.4 of the report as detailed below:

These terms will include:

- Landlord Warrington Council
- Tenant Penketh High School Academy
- Property Approximately 80,750 square meters of land.
- Term 125 years
- Rent £1 per year
- Rent Reviews There will be no rent reviews during the term of the lease
- Repair The Penketh High School Academy will be responsible for all repair, maintenance and decoration of the site
- Use The property is to be used for the purposes of a school providing education services and use by the local community outside of school hours, but for no other purpose
- Costs The Penketh High School Academy will be responsible for all business rates, taxes, utility bills and standing charges associated with occupation and use of the land
- Alienation The Penketh High School Academy may not assign, sub let or allow anyone else to have the benefit of the lease
- Alterations The Penketh High School Academy may not make any alterations, extensions or changes to the land without the prior written consent of the Council

- (2) authorise the Solicitor to the Council on behalf of the Authority to complete the necessary legal documentation to enable the academy transfer to be completed;
- (3) authorise the Executive Director, Children and Young People's Services and the Solicitor to the Council in conjunction with the Executive Board Member, Children and Young People's Services, to agree the detailed terms of the Leases.

Reason for Decision – The Government had the power to enforce an academy conversion by statutory order if the standard documentation and guidance was not followed or if the school and the local authority could not agree upon the detail of the conversion. As such the Council was in a position of compliance with the process and this report sought to formalise matters.

EB 149 The Warrington Living Wage (Forward Plan Decision No. NKD-063/12)

The Executive Board considered a joint report of Councillor R Bowden, Executive Board Member, Corporate Resources and Assignments and the Deputy Leader, Councillor M Hannon which outlined the key features of the national Living Wage campaign and recommended that a review be undertaken into the policy implications for Warrington Borough and that this review be undertaken by the Organisational Development and Improvement Policy Committee.

Decision – That the Executive Board support the referral of this important policy issue to the Organisational Development Improvement Committee for further investigation. A report to be presented back to the Executive Board by 30 October 2013.

Reason for Decision – The Executive Board agreed that the policy review be instigated into the impact of the Living Wage campaign on Warrington Borough.

EB 150 Award of the Contract for the Provision of Floating Support to Vulnerable Adults (Forward Plan Decision No. 039/12)

(EB 152 refers)

EB 151 Exclusion of the Public (including the Press)

Decision – That members of the public (including the press) be excluded from the meeting by reasons of the confidential nature of the following items of business to be transacted being within categories 3 and 5 of Schedule 12a Local Government Act 1972 (Rule 10 of the Access to Information Procedure Rules) and the public interest in disclosing the information is outweighed by the need to keep the information confidential.

Reason for Decision: To comply with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations

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2012 and apply the Executive Board Procedure Rule 14 as detailed in the constitution.

EB 152 Award of the Contract for the Provision of Floating Support to Vulnerable Adults (Forward Plan Decision No. 039/12)

The Executive Board considered a report of Councillor P Wright, Executive Board Member, Health and Wellbeing and Adult Services which provided information on the outcome of the tender evaluation exercise for award of the contract for the provision of a Floating Support Service to Vulnerable Adults commissioned by the Supporting People programme.

The report also sought agreement to the acceptance of the tender recommendation (as detailed in Section 7 of the report) which had been evaluated by the tender evaluation panel to offer best value.

Decision – That the Executive Board agreed to approve the award of the contract for the supply of Floating Support to Vulnerable Adults to Creative Support subject to the outcome of post tender negotiations about the impact of any TUPE matters. Subject to satisfactory delivery of the service, the contract also has an option to extend for a further two twelve month periods.

Reasons for Decision –

- (1) To ensure continued provision of a Floating Support Service to Vulnerable Adults;
- (2) Creative Support would provide the required Floating Support Service to vulnerable adults at a contract price which was lower than the current combined contract value across existing service providers for 2012-2013.

EB 153 Bridge Street Quarter – Modification of Heads of Terms of the Partnership Development Agreement and Heads of Terms for New Council Offices (Forward Plan Decision No. 013/12)

The Executive Board considered a report of Councillor T O'Neill, Leader which sought approval of the modification of the Heads of Terms in respect of the Partnership Development Agreement and Heads of Terms for the new Council offices with Muse Developments Limited, both relating to the regeneration of the Bridge Street Quarter.

The Executive Board agreed to -

- (1) approve the modification of the Heads of Terms (as set out in paragraph 4 of the report) and the Executive Summary of the proposed Partnership Development Agreement (appendix 2 to the report) with the Developer in respect of the regeneration of the Bridge Street Quarter;
- (2) approve the Heads of Terms (as set out in paragraph 6.6 of the report) in respect of the proposed new Council Offices with the Developer;

Agenda Item 2

- (3) authorise the Solicitor to the Council to execute and legally complete the Partnership Development Agreement (and any documents pursuant to it) with the Developer in respect of the regeneration of the Bridge Street Quarter substantially in accordance with the Heads of Terms referred to in (1) and (2) above.
- (4) authorise the Executive Director, Environment and Regeneration to make the following decisions, following consultation with the Leader of the Council:
 - To decide whether or not to publish a Voluntary Transparency Notice
 - Approval of any revisions to the Heads of Terms of the Partnership Development Agreement,
 - Approval of full Heads of Terms of the new Council offices (and any subsequent amendments to them) substantially in accordance with paragraph 6 of the report,
 - Approval of general strategies and phase-specific strategies,
 - Approval of any revisions to the Development Master Plan,
 - Approval of detailed plan for each phase of the development,
 - Approval of Viability Test for each phase of the development,
 - Execution of the Phase Development Agreement for each phase of the development.
- (5) approve the setting up of a Tax Increment Finance type fund ring-fencing the additional National Non-Domestic Rates generated from the Bridge Street Quarter north of Academy Way and the current National Non-Domestic Rates generated from within the Bridge Street Quarter scheme south of Academy Way to fund the enabling works outlined in paragraph 4.2 of the report.

Reason for Decision – Approval was required for the modified Heads of Terms of the proposed Partnership Development Agreement and the Heads of Terms in respect of the new Council offices with the Developer to enable it to undertake the comprehensive redevelopment of the Bridge Street Quarter.

EB 154 Sale of Former Fordton Leisure Centre, Sandy Lane West, Warrington (Forward Plan Decision No. 074/12)

The Executive Board considered a report of Councillor M Hannon, Deputy Leader which provided an update in terms of the redevelopment of the site and to consider a request for a price reduction.

Decision – That the Executive Board agreed to –

- (1) approve a price reduction as referred to in paragraph 3.6 of the report and proceed with a sale of the former Fordton Leisure Centre;
- (2) authorise the Solicitor to the Council to enter into such documentation as necessary to conclude the proposed sale of the property.

Reason for Decision – To pursue the early redevelopment of this site for a mixed use scheme that would benefit the local community and secure a significant capital receipt.

EB 155 The Southern Gateway Regeneration Scheme – Appointment of Development Partner (Forward Plan Decision No. 070/12)

The Executive Board considered a report of Councillor T O'Neill, Leader which sought approval to the appointment of a development partner and to the Heads of Terms in respect of a proposed Joint Venture with Langtree Land and Property PLC to achieve the regeneration of the Southern Gateway in accordance with the aspirations of the Warrington Means Business draft framework for business growth and regeneration in the Borough.

Decision – That the Executive Board agreed to –

- (1) approve the appointment of Langtree Land and Property PLC as development partner for the Southern Gateway Regeneration Scheme;
- (2) approve the Heads of Terms (comprising Appendix 4 to the report) of the proposed Joint Venture Company and the creation of the Joint Venture Company with Langtree Land and Property PLC in respect of the Southern Gateway Regeneration Scheme;
- (3) approve the disposal of the Council land, and interests identified in paragraph 6.2 of the report to the Joint Venture Company in return for 50% holding in the Joint Venture Company, all for the purposes of regeneration;
- (4) authorise the Solicitor to the Council to execute and legally complete all legal documents with Langtree Land and Property PLC necessary for the implementation of the Heads of Terms (comprising Appendix 4 to the report); and
- (5) authorise the Executive Director, Environment and Regeneration to make the following decisions, following consultation with the Leader of the Council:
 - approval of any revisions to the Heads of Terms,
 - approval of the constitutional documents of the Joint Venture Company, including provisions relating to the publication of any Voluntary Transparency Notice deemed necessary,
 - approval of phase-specific strategies required as part of the Joint Venture Company,

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- approval of all Viability Tests required as part of the Joint Venture Company.

Reason for decision: Approval was required to the Heads of Terms of the proposed Joint Venture Company with Langtree Land and Property PLC to enable it to undertake the comprehensive redevelopment of Southern Gateway.

Signed.....

Dated.....

WARRINGTON BOROUGH COUNCIL

EXECUTIVE BOARD – 18 February 2013

Report of	The Solicitor to the Council and Assistant Director Corporate Governance	
Executive Director:	Steven Broomhead, Interim Chief Executive	
Report Author:	Bryan Magan, Head of Democratic and Member Services	
Contact Details:	Email Address: bmagan@warrington.gov.uk	Telephone: 01925 442120
Key Decision No.	N/A	
Ward Members:	All	

TITLE OF REPORT: FORWARD PLAN

1. PURPOSE

- 1.1 To consider the current Forward Plan covering the period 1 March – 30 June 2013.

2. CONFIDENTIAL OR EXEMPT

- 2.1 This report is not confidential or exempt.

3. INTRODUCTION AND BACKGROUND

- 3.1 Key Decisions are Executive decisions of the authority which are decisions of the Executive Board or an Officer under delegated powers which are likely to –

- Result in Warrington Borough Council incurring expenditure, making savings or vireing £250,000 or more having regard to the Local Authority budget for the service or functions to which the decision relates, or
- Be significant in terms of its effects on communities living or working within Warrington Borough Council's area comprising two or more Wards.

- 3.2 To comply with the legislation 'Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012', the Council is required –

- (1) to publish a notice of its intention to discuss confidential or exempt items at least 28 days in advance of the meeting; and

- (2) to publish a further notice at least 5 clear days' before a private meeting which must include a statement of the reasons for the meeting to be held in private, details of any representations received and a statement of its response to any such representations.

4. THE REPORT

4.1 The current Forward Plan is attached at Appendix A.

4.2 The following amendments/changes to the Forward Plan are reported for information:

NO.	LIST OF CHANGES MADE TO THE FORWARD PLAN
067/12 068/12	Stadium Quarter Regeneration Scheme Stadium Quarter Regeneration Scheme Phase 1 & appointment of development partner (Part 2 confidential) Moved from 18 February to 11 March 2013 Reason: Deferred due to ongoing commercial negotiations
077/12	Waste Management – The Next Steps – Moved from 18 February to 11 March 2013 Reason: Deferred to allow for community consultation to be completed and results from consultation questionnaire to be analysed.
078/12	Occupational Health Contract – Executive Board 18 February Amount changed to £450,000 spend over 3 years
071/12	Public Health Transfers – Executive Board 11 March Amount changed from £8m to £10m
GENERAL EXCEPTION PROCEDURE ITEM - 18 FEBRUARY 2013	
082/12	Warrington Means Business – Regeneration In Our Town Centre Through Property Acquisition
NEW ITEMS	
11 MARCH 2013	
081/12	Quarter 3 Capital Programme Monitoring Report
11 MARCH 2013 – INFORMATION ITEMS	
	Budget Monitoring 2012/13 – Quarter 3 update
	Performance Report – Quarter 3 2012/13
	Strategic Risk Report
15 APRIL 2013	
080/12	Wheeled bins framework agreement retender
083/12	Direct Payments Service
22 MAY 2013	
	Nil
18 JUNE 2013	
	Nil

5. FINANCIAL CONSIDERATIONS

5.1 None.

6. RISK ASSESSMENT

6.1 N/A

7. EQUALITY AND DIVERSITY / EQUALITY IMPACT ASSESSMENT

7.1 Democratic and Member Services has an up to date Equalities Impact Assessment in place for its functions and policies and has produced an Action Plan to deal with key matters arising. There are no specific equalities issues in relation to the content of this report.

8. CONSULTATION

8.1 N/A

9. REASONS FOR RECOMMENDATION

9.1 The report is submitted for information and comment.

10. RECOMMENDATION

10.1 That the Executive Board receives the contents of the Forward Plan and make comments as appropriate.

11. BACKGROUND PAPERS

Papers held within Democratic and Member Services about items for inclusion and changes to the Forward Plan.

Contacts for Background Papers:

Name		E-mail		Telephone
Julie Ramskill		jramskill@warrington.gov.uk		01925 442114
12.	Clearance Details:			
	Name	Consulted		Date Approved
		Yes	No	
	Chief Executive	Steven Broomhead	√	8/2/13
	Relevant Executive Director	Katherine Fairclough	√	8/2/13
	Solicitor to the Council	Ian Mason	√	8/2/13
	Chief Finance Officer	Lynton Green	√	8/2/13

Updated: 5 February 2013

EXECUTIVE DECISIONS – FORWARD PLAN

1 March 2013 – 30 June 2013

Report of the Solicitor to the Council and Assistant Director,
Corporate Governance

This is formal notice under the Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 of Key Decisions due to be taken by the Authority and that those parts of the Executive Board meeting identified in this Forward Plan will be held in private because the agenda and reports for the meeting will contain confidential or exempt information as defined in the Regulations.

Contact Information:
Democratic & Member Services
Town Hall
Warrington
WA1 1UH
Email: jramskill@warrington.gov.uk
Tel: 01925 442114/01925 442104

What is the Forward Plan?

The Forward Plan contains all the key decisions the Council expects to take over the next four months. It will be refreshed regularly and will give at least 28 days' notice of any Key Decisions and, if applicable, the Executive Board's intention to discuss an item in private and the reason for this.

What is a Key Decision?

Key Decisions are Executive decisions of the authority which are decisions of the Executive Board or an Officer under delegated powers which are likely to –

- Result in Warrington Borough Council incurring expenditure or the making of savings of £250,000 or more, having regard to the Local Authority budget for the service or function to which the decision relates, or
- Be significant in terms of its effects on communities living or working within Warrington Borough Council's area comprising two or more Wards.

For information, the Forward Plan also includes some other matters expected to come before the Executive Board or that the Executive Board is likely to recommend to full Council whether or not they may give rise to Key Decisions.

What does the Forward Plan tell me?

The Plan gives information about:

- what key decisions are to be made in the next four months;
- the matter in respect of which the decision is to be made;
- who will make the key decisions;
- when those key decisions are likely to be made;
- what documents will be considered;
- who you can contact for further information.

Who takes Key Decisions?

Under the Authority's Constitution, Key Decisions are taken by the Executive Board or individual officers acting under delegated powers.

Most Key Decisions are taken at public meetings of the Executive Board. Executive Board meets at 6.30 pm at the Town Hall, Warrington.

Further Information and Representations about Items Proposed to be Heard in Private

Names of contact officers are included in the Plan and can be reached via (01925) 442114. If you are unsure, please contact Democratic & Member Services on the same number and staff there will be able to assist you. If you wish to make representations about an item proposed to be heard in private, you should contact Democratic and Member Services by no later than six clear working days before the meeting.

**EXECUTIVE DECISIONS - FORWARD PLAN
1 MARCH – 30 JUNE 2013**

Items shaded in grey are new or have been changed since the last Plan was published. Key Decision No. 080/12 – 081/12 are new. If you have any questions about any of the items listed please contact Julie Ramskill on 442114.

Key Decisions -11 March 2013									
Decision Reference Number	Date added to the Forward Plan	Item	£s to be spent/saved /vired	Statement of Reason why the item of business is private	Wards Affected	Lead Executive Board Member	List of Policy/Reference Documents	Directorate and Contact for Further Information	Key Decision (Y/N)
058/12	7/11/12	Approval of alcohol treatment services.	£1,200,000 to £2,600,000 over three years spent - price to be determined at tender interview process	Part 2 - confidential **See Notes	All	Councillor P Wright Health & Wellbeing and Adult Services	DAAT and JCG papers, Warrington Alcohol Harm Reduction Strategy, National Alcohol Harm Reduction Strategy	Neighbourhood and Communities Directorate and key partners including PCT, Public Health, Prison, Police C Fitzgerald Tel: 01925 256900 cfitzgerald1@warrington.gov.uk	Yes
064/12	6/12/12	Approval to the new process for allocating transport assistance to children with special education needs		N/A	All	Councillor C Froggatt Children & Young People's Services	Home to School Transport Policy	Children & Young People's Services Hilary Smith Tel: 01925 442875 hsmith@warrington.gov.uk	Yes
073/12	2/1/13	Bank Park - Vision and Investment Programme	£1.3 million 2012/13 to 2014/15	N/A	Bewsey & Whitecross	Councillor K Hannon Leisure, Community & Culture	Warrington Bank Park - A Strategy Jun 2012	Terry Hill Tel 01925 443015 thill@warrington.gov.uk	Yes
071/12	11/12/12	Public Health Transfer Schemes	£10M circa	N/A	All	Councillor P Wright Health & Wellbeing and Adult Services	H&SC Bill	Neighbourhood & Community Services Dr Rita Robertson Tel (01925) 444094; rita.robertson@warrington-pct.nhs.uk	Yes
076/12	9/1/13	Birchwood High School Academy Conversion – Property and Legal Transfer		N/A	Birchwood	Councillor C Froggatt Children & Young People's Services		Children & Young People's Services Pinaki Ghoshal Tel (01925) 442940 pghoshal@warrington.gov.uk	Yes

EXECUTIVE DECISIONS - FORWARD PLAN
1 MARCH – 30 JUNE 2013

048/12	10/10/12	Highway Maintenance Term Contract – award consideration	Approx £4million pa spent via contract	Part 2 – confidential **See Notes	All	Councillor L Dirir Highways, Transportation and Climate Change	Contract currently on the CHEST	Environment & Regeneration Sharon Walls Tel (01925) 442427 swalls@warrington.gov.uk	Yes
067/12 Moved from February	11/12/12	Stadium Quarter Regeneration Scheme	Over £250K	N/A	Bewsey & Whitecross	Councillor T O'Neill Leader	Transformation Project Town Centre Renaissance Programme	Environment & Regeneration Steve Park Tel 01925 443940 spark@warrington.gov.uk	Yes
068/12 Moved from February	11/12/12	Stadium Quarter Regeneration Scheme Phase 1 and Appointment of Development Partner	Over £250k	Part 2 - confidential **See Notes	Bewsey & Whitecross	Councillor T O'Neill Leader	Transformation Project Town Centre Renaissance Programme Regeneration Framework for Warrington 2009	Environment & Regeneration Steve Park Tel 01925 443940 spark@warrington.gov.uk	Yes
077/12 Moved from February	16/1/13	Waste Management – The Next Steps – Update Report		N/A	All	Councillor D Keane Environment & Public Protection	Municipal Waste Management Strategy	Environment & Regeneration Paul McHenry Tel 01925 442654 pmchenry@warrington.gov.uk	Yes
079/12	21/1/13	Lease to Free School, Hillock Lane, Woolston	£250K	N/A	Woolston	Councillor M Hannon Deputy Leader		Environment & Regeneration Stewart Brown Tel 01925 442840 sbrown@warrington.gov.uk	Yes
081/12 New Item	25/1/13	Quarter 3 Capital Programme Monitoring Report (To be confirmed)		N/A	All	Councillor R Bowden Corporate Resources & Assignments		Assistant Chief Executive's Danny Mather Tel (01925) 442344 dmather@warrington.gov.uk	Yes

**EXECUTIVE DECISIONS - FORWARD PLAN
1 MARCH – 30 JUNE 2013**

Non Key Decisions – 11 March 2013 – NIL									
Information Items – 11 March 2013									
	25/1/13	Budget Monitoring 2012/13 – Quarter 3 Update			All	Councillor R Bowden, Executive Member, Corporate Resources and Assignments		Assistant Chief Executive's	NO
	25/1/13	Performance Report – Quarter 3 2012/13			All	Councillor T O'Neill, Leader		Assistant Chief Executive's Kathryn Griffiths Tel 01925 442797 kgriffiths@warrington.gov.uk	NO
	25/1/13	Strategic Risk Report – Quarter 3			All	Councillor T O'Neill, Leader		Assistant Chief Executive's Kathryn Griffiths Tel 01925 442797 kgriffiths@warrington.gov.uk	

Key Decisions – 15 April 2013									
Decision Reference Number	Date added to the Forward Plan	Item	£s to be spent/saved /vired	Statement of Reason why the item of business is private	Wards Affected	Lead Executive Board Member	List of Policy/Reference Documents	Directorate and Contact for Further Information	Key Decision (Y/N)
065/12	6/12/12	Admission Arrangements for primary and secondary schools for September 2014. Outcome of consultation		N/A	All	Councillor C Froggatt Children & Young People's Services	Arrangements for admissions in Warrington schools – reports to Executive Board (October 2012) on admissions in primary and secondary schools	Children & Young People's Services Hilary Smith Tel: 01925 442875 hsmith@warrington.gov.uk	Yes

**EXECUTIVE DECISIONS - FORWARD PLAN
1 MARCH – 30 JUNE 2013**

066/12	6/12/12	Approval to implement capital projects at schools in light of January announcement on capital allocation for schools 2013-14		N/A	All	Councillor C Froggatt Children & Young People's Services	Requirement to increase capacity of primary school sector: report to Executive Board (October 2012) on admissions in primary schools	Children & Young People's Services Hilary Smith Tel: 01925 442875 hsmith@warrington.gov.uk	Yes
080/12 NEW ITEM	24/1/12	Wheeled Bins Framework Agreement Retender	£40 million to be spent through the framework.	Part 2 – Confidential ** See notes	All	Councillor R Bowden Corporate Resources & Assignments	Procurement	Assistant Chief Executive's Kathy Lang Tel: 01925 443908 klang@warrington.gov.uk	Yes
083/12 NEW ITEM	5/2/12	Direct Payments Service	Approx £265,000.	Part 2 – Confidential ** See notes	All	Councillor P Wright Health and Wellbeing and Adult Services		Neighbourhood & Community Services Nicola Kerr Tel: 01925 444055 nkerr@warrington.gov.uk	Yes

Non Key Decisions 15 April 2013 - NIL

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Information Items – 15 April 2013 - NIL

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Key Decisions – 22 May 2013 - NIL

Decision Reference Number	Date added to the Forward Plan	Item	£s to be spent/saved /vired	Statement of Reason why the item of business is private	Wards Affected	Lead Executive Board Member	List of Policy/Reference Documents	Directorate and Contact for Further Information	Key Decision (Y/N)
Nil to date									

Non Key Decisions 22 May 2013 - NIL

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**EXECUTIVE DECISIONS - FORWARD PLAN
1 MARCH – 30 JUNE 2013**

Information Items – 22 May 2013 - NIL									

Key Decisions – 17 June 2013 - NIL									
Decision Reference Number	Date added to the Forward Plan	Item	£s to be spent/saved /vired	Statement of Reason why the item of business is private	Wards Affected	Lead Executive Board Member	List of Policy/Reference Documents	Directorate and Contact for Further Information	Key Decision (Y/N)

Non Key Decisions 17 June 2013 - NIL									

Information Items – 17 June 2013 - NIL									
	25/1/13	Budget Monitoring 2012/13 – Quarter 4 Update			All	Councillor R Bowden, Executive Member, Corporate Resources and Assignments		Assistant Chief Executive's	NO
	25/1/13	Performance Report – Quarter 4 2012/13			All	Councillor T O'Neill, Leader		Assistant Chief Executive's Kathryn Griffiths Tel 01925 442797 kgriffiths@warrington.gov.uk	NO
	25/1/13	Strategic Risk Report – Quarter 4			All	Councillor T O'Neill, Leader		Assistant Chief Executive's Kathryn Griffiths Tel 01925 442797 kgriffiths@warrington.gov.uk	

**EXECUTIVE DECISIONS - FORWARD PLAN
1 MARCH – 30 JUNE 2013**

OFFICER KEY DECISIONS

Date Decision to be taken:									
Decision Reference Number	Date added to the Forward Plan	Item	£s to be spent/saved /vired	Statement of Reason why the item of business is private	Wards Affected	Executive Director	List of Policy/Reference Documents	Decision Maker and Contact for Further Information	Key Decision (Y/N)
NIL									
The definition of a Key Decision is a decision of the Executive Board or an Officer under delegated powers which is likely to: Result in Warrington Borough Council incurring expenditure, making savings or vireing £250,000 or more having regard to the Local Authority budget for the service or functions to which the decision relates; or Be significant in terms of its effects on communities living or working within Warrington Borough Council's area comprising two or more Wards.									

****Note: Part 2 confidential**

Exempt Information – Schedule 12A, Local Government Act 1972:

It is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item, confidential information would be disclosed to them in breach of the obligation of confidence

WARRINGTON BOROUGH COUNCIL

EXECUTIVE BOARD – 18 February 2013

Report of Executive Board Member:	Councillor Russ Bowden, Executive Board Member, Corporate Resources and Assignments	
Executive Director:	Katherine Fairclough, Assistant Chief Executive	
Report Author:	Lynton Green, Chief Finance Officer	
Contact Details:	Email Address:	Telephone:
	lgreen@warrington.gov.uk	01925 443925
Key Decision No.	N/A	
Ward Members:	All	

TITLE OF REPORT: 2013/14 MEDIUM TERM FINANCIAL PLAN, DRAFT REVENUE BUDGET AND CAPITAL PROGRAMME

1 PURPOSE

- 1.1 Regulation 4 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 provides that the Executive Board has overall responsibility for preparing the draft Budget and Capital Programme for submission to Council.
- 1.2 In doing this, the Executive Board has to take a view on the level of council tax to be recommended to the Council. In arriving at this view, the key issues to be considered include:
 - Central Government have announced a temporary Council Tax Freeze Grant of 1%, equivalent to £0.7m, which is payable for two years.
 - The changes to the Council funding from the Local Government Finance Act, through the Business Rates Retention and Council Tax Support Schemes, and the associated funding risk.
 - How Warrington's funding compares with other local authorities.
 - The extent to which members accept the budget pressures and savings options identified in the draft revenue budget.
 - The results of the budget consultation with stakeholders.
 - Any comments raised by Scrutiny Committee on 6 February 2013.

1.3 To present to Members of the Executive Board the Council's proposed budget for 2013/14 following the receipt of the Final Local Government Finance Settlement. The report deals with:

- Proposed 2013/14 Revenue Budget
- Proposed 2013/14 – 2016/17 Medium Term Financial Plan
- Proposed 2013/14 – 2015/16 Capital Programme
- Proposed 2013/14 Treasury Strategy
- Proposed 2013/14 Council Tax Level
- Proposed 2013/14 Schools Budget
- Budget Risk Assessment & Adequacy of Reserves

2. CONFIDENTIAL OR EXEMPT

2.1 This report is not confidential or exempt.

3. 2013/14 REVENUE BUDGET

3.1 This report presents the Executive Board's proposed 2013/14 budget which includes £13.9m of savings. These proposals build upon the work that has been undertaken by the Council in previous financial years to address budget challenges and to ensure that over the next 12 months there will be a further underpinning of the Council's medium term financial plan. This will enable the Council to deliver financial stability and investment opportunities through a long term efficiency programme based on sound financial management arrangements.

3.2 The Executive Board Member, Corporate Resources and Assignments has worked closely with officers over the past six months to formulate the 2013/14 budget. During the autumn there have been two rounds of Service Challenge meetings which examined savings proposals from all of the Directorates. These sessions were led by the Executive Board Member, Corporate Resources and Assignments, the Leader and the Deputy Leader of the Council and supported by the Chief Finance Officer.

3.3 The formulation of the budget has been influenced by the continuation of the major cuts that National Government have imposed on Local Government and it was announced in the 2010 Comprehensive Spending Review that funding would reduce by 28% by 2014/15. It was confirmed in the final settlement, announced on 4 February 2013, that Warrington's Government funding has fallen by an additional 9.9% from 2012/13.

3.4 This equates to a drop in Government Funding of £7.8m, which is equivalent to over £30 per Warrington resident. This drop in funding has been partly mitigated by the increase in New Homes Bonus (an increase for 2013/14 of £0.9m to £2.3m). Excluding this grant Warrington's funding will have dropped by £8.7m in 2013/14 (11.2%).

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- 3.5 The Council have already made savings of £18.2m and £14.0m in 2011/12 and 2012/13. However, £30m of additional savings will also need to be made over the next four years, with £13.9m of savings needed in 2013/14. Legislative and other unavoidable pressures which have been built into the budget total £5.1m in 2013/14, a break down of which can be seen in Appendix 1.
- 3.6 The savings proposals needed to balance the 2013/14 budget are set out in Appendix 2. The proposed 2013/14 budget totals £146.973m and the departmental analysis of the draft budget is shown below:

Council Revenue Spending Plans		2012/13 Cash Limit £000	2013/14 Cash Limit £000
Directorate	Responsible Officer		
Assistant Chief Executive	Katherine Fairclough	7,484	6,474
Children & Young People	Kath O'Dwyer	39,945	39,647
Neighbourhood & Community	Joe Blott	64,842	62,961
Environment & Regeneration	Andy Farrall	27,041	25,391
Corporate Financing	Lynton Green	12,833	12,500
Total		152,145	146,973

- 3.7 These cash limits will be expanded in a detailed budget book when the final budget is discussed at Budget Council on 4 March 2013.
- 3.8 The Chief Finance Officer has a statutory responsibility to report to Council, as part of his annual budget statement on the adequacy of reserves, and the robustness of budget proposals. A full risk assessment of all budget options has been undertaken to enable the Chief Finance Officer to discharge this responsibility. It is currently proposed that for 2013/14 an additional £2.5m contribution to reserves is made to mitigate the risks discussed in section 15.
- 3.9 The potential redundancy numbers from the savings proposals are shown on Appendix 2. As in previous years, the Council will take every opportunity to keep compulsory redundancy numbers to a minimum through vacancy management and voluntary redundancies.

4 MEDIUM TERM FINANCIAL PLAN

- 4.1 The table below shows the Council's budget position for the next four years. Due to a number of budget pressures and a reduced funding position the Council will need to achieve savings of £30.1m over the next four years. As previously noted the Council has a budget gap of £13.9m for 2013/14.
- 4.2 The funding positions for 2015/16 to 2016/17 are estimates only as the Government have only provided details on the financial settlement for 2013/14

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and 2014/15. However it is clear from most communication that austerity measures are likely to continue until at least 2018.

Ref		2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
	Budget set for 2012/13	152,993			
	In-year changes to funding	(848)			
	Net Budget Brought Forward	152,145	160,865	162,048	164,533
1	Inflation pressure	1,422	1,422	1,422	1,422
2	Additional budget pressures	5,119	(354)	1,063	752
3	Funding adjustments	2,179	115	-	-
	Total Budget Needed	160,865	162,048	164,533	166,707
4	Funding	146,973	143,200	138,576	136,483
	Budget Shortfall	13,892	18,848	25,957	30,223

A brief synopsis of the above table is given below:

- **Inflation pressure** - This has been calculated as 1.5% for price inflation and a 3.0% predicted rise in Fees and Charges income. Pay inflation has been provided for as a 1.0% increase.
- **Additional budget pressures** - This consists of legislative pressures imposed and £2.5m contribution to reserves to fund the additional risks associated with demand-led pressures. For further detail for 2013/14 see Appendix 1.
- **Funding adjustments** - Shows minor adjustments to Government grant funding, where the grants are used for a specific purpose. £2.5m of this is due to a change in how the DSG can be used from 2013/14.
- **Funding** - This shows the funding that will be received in 2013/14, the provisional figures for 2014/15 and estimated funding for future years. This is made up of Formula Grant, Council Tax and unringfenced Government Grants.

5. LOCAL GOVERNMENT FINANCE ACT

- 5.1 Following the Local Government Finance Act gaining royal assent on 1st November 2012, there have been two major changes to Local Government for the 2013/14 financial year. The impact of these schemes have been built into the budget figures included in this report.

Council Tax Support Scheme

- 5.2 From 1 April 2013 Government passes the responsibility for the Council Tax Benefit to local authorities, to give councils 'stronger incentives to get people back into work'.
- 5.3 To aid the Government's deficit reduction scheme, 90% of the current budget for Council Tax Benefit was passed onto local authorities, which has given Warrington £1.2m shortfall in funding for 2014/15.
- 5.4 Warrington consulted on a Council Tax Support Scheme during 2012 and a scheme was agreed by Executive Board on 17 December 2012 that protects the most vulnerable in our society, but which helps to cover the drop in funding passported by Central Government.
- 5.5 It should be noted that as the Council Tax Support Scheme is now the responsibility of local government, this provides a much greater risk to the Council's income levels. Any increased take up in council tax support, or any decrease in collection rates due to increased charges will now have a direct impact on Council Tax income for the Council.

Business Rates Retention Scheme

- 5.6 The Business Rate Retention Scheme will be implemented on 1 April 2013.
- 5.7 Previously all income raised from Business Rates was transferred directly to Central Government, and any surplus or shortfall would have no impact on the Council's Funding. As part of the Business Rate Retention Scheme, 50% of all Business Rates are transferred to Local Authorities and any movement in business rates will have a direct funding impact. This is to provide a greater incentive for local Government to increase the Business Rate income in their area.
- 5.8 To protect Councils from a large drop in funding from the Business Rates scheme, a safety net has been built into the scheme which will fund Councils whose income fall in excess of 7.5%. To provide funding for the safety net, Council's who have the potential to raise more in business rates are charged a levy on any additional Business Rate Income. Due to the levy, Warrington will keep 27% of any additional funding raised.
- 5.9 It should be noted that this could be a great risk to the authority, as a major downturn in Business Rate income could reduce the Council's funding level by over £2m before a safety net payment is due.

- 5.10 The Government plan to reset the Business Rate Retention Scheme in seven years, which means that any major fluctuation in Business Rate income would affect the Council's funding until 2020/21.
- 5.11 The NNDR1 return (which informs Central Government of our estimate of Business Rate income for 2013/14), and the adjusted tax base (including the changes made as part of the Council Tax Support Scheme) were agreed by Audit and Corporate Governance on 17 January 2013.
- 5.12 The agreed NNDR1 form gave Warrington a surplus of £42k for 2013/14 and, although there would be nothing payable until the 2014/15 financial year, a 19k provision has been made on the provisional Business Rate Levy. Please note that the final surplus or deficit will be calculated at the end of the 2013/14 financial year as part of the closure of accounts process.

6. WARRINGTON'S FUNDING POSITION

- 6.1 As part of the Local Government Finance Settlement Warrington received a drop in 'Relative Spending Power' of 2.4% (compared to a 1.7% average). Warrington is already one of the lowest funded Councils in the country.
- 6.2 Out of the 91 Unitary and Metropolitan Authorities, Warrington receives the 13th lowest government funding per property. When you include that Warrington has the 25th lowest Council Tax, this gives Warrington the 5th lowest 'Relative Spending Power' per property.
- 6.3 The table below shows how Warrington's Relative Spending Power compares with other North West Unitary and Metropolitan Authorities, and what this additional funding would equate to if the Council received the same level of funding per property.

Local Authority	£ per Dwelling	Additional Funding to Warrington £m
Cheshire East	1,701	-3.373
Warrington	1,739	0.000
Trafford	1,795	5.031
Cheshire West & Chester	1,876	12.230
Bury	1,947	18.650
Stockport	1,969	20.554
Wigan	1,973	20.944
Tameside	2,093	31.659
Bolton	2,122	34.280
Sefton	2,148	36.534
St Helens	2,157	37.393
Wirral	2,195	40.795
Halton	2,315	51.470
Salford	2,406	59.653
Rochdale	2,412	60.132
Blackpool	2,419	60.818
Oldham	2,471	65.421
Manchester	2,502	68.161
Liverpool	2,623	79.013
Knowsley	2,999	112.626

6.4 If the Council Tax income and restated grant figures are removed from this calculation it shows that Warrington's formula grant will drop by £2.7m (5.6%) and the total grant funding will drop by £7.8m (9.9%) for 2013/14.

7. PUBLIC HEALTH FUNDING

7.1 From 1 April 2013 Public Health activities historically undertaken by the NHS will be transferred to the responsibility of local authorities.

7.2 The ring fenced public health grant notification for Warrington for 2013/14 is £10.052m and £10.440m for 2014/15. The 2013/14 allocation is around £1m more than originally anticipated. However not all public health activities to be carried out by the Local Authority have been confirmed by the Department of Health (DoH) as yet and as a result the anticipated costs could increase.

7.3 The Public Health grant is ring-fenced to be spent on public health activities, none of which should be chargeable to residents and any underspend at the end of the year must be returned to the DoH.

7.4 As a result of the grant notification, by the end of 2014/15 Public Health funding in Warrington will still be 5.5% below DoH targets. It is recommended that the full allocation of public health grant be allocated to public health activities in 2013/14 and not subject to savings.

- 7.5 As this funding is ring-fenced for Public Health activities, this funding will be transferred directly to Neighbourhood & Community Services and will not be subject to savings in 2013/14. This is noted for information and will not directly affect the overall council budget.

8. CAPITAL PROGRAMME

- 8.1 The Council has a statutory responsibility to set a fully funded 3 year capital programme each year when agreeing the budget. There are largely two main funding streams to finance capital schemes, capital grants received from the government and direct funding from the Council (Prudential Borrowing, Capital Receipts, Revenue Contributions).
- 8.2 In agreeing the 2013/14 – 2015/16 capital programme it is proposed to follow the previous years practice of ring fencing government capital grants to the service that they are allocated to. The bulk of the capital grant allocation is accounted for by the Local Transport Plan and Childrens Services allocations, which are all priority service areas.
- 8.3 In terms of corporate schemes (to be funded directly by the Council), £654.2m of invest to save schemes have been built into the capital programme. Invest to save schemes are self funding, whereby savings are generated by the scheme which, as a minimum, finances the associated borrowing costs. The £654.2m of invest to save schemes will be funded from prudential borrowing. Details of these are listed in Appendix 3.
- 8.4 The capital programme also contains new schemes totalling £13.0m which are to be funded directly from the Council using prudential borrowing. These new schemes will enable the council to use low borrowing rates to invest in the town, improve services, and reduce revenue costs. These are listed in Appendix 4.
- 8.5 Appendix 4 includes a proposal for the Council to take responsibility for the pension fund liability for Warrington Borough Transport. This will help the company avoid the impact of future liabilities having a direct impact on their profitability as the Council are able to spread this risk over a longer period. This will be secured by future dividends from the company.
- 8.6 The tables below provide a summary of the 2013/14 – 2015/16 capital programme together with its funding. A full copy of the draft capital programme on a scheme by scheme basis can be found at Appendix 5. It can be seen from the table below that the draft 2013/14 – 2015/16 capital programme is fully funded.

2013/14 – 2015/16 Capital Programme

Capital Programme Directorate Budgets	2013/14 £m	2014/15 £m	2015/16 £m	TOTAL £m
Children & Young People Directorate	11.618	3.126	-	14.744
Neighbourhood & Community Directorate	2.927	0.450	-	3.377
Assistant Chief Executives Directorate	5.930	-	-	5.930
Environment & Regeneration Directorate	26.785	14.244	0.500	41.529
Invest to Save Programme	467.200	147.250	134.000	748.450
TOTAL - Capital Spending Plans	514.460	165.070	134.500	814.030

Funding the 2013/14 – 2015/16 Capital Programme

Capital Programme Funding	2013/14 £m	2014/15 £m	2015/16 £m	TOTAL £m
Council Unsupported Borrowing	491.217	156.186	134.500	781.903
Council Capital Grants and Reserves	14.346	5.434	-	19.780
Council Capital Receipts	8.647	2.200	-	10.847
Council Revenue Funding	-	-	-	-
External Funding	0.250	1.250	-	1.500
TOTAL - Capital Funding Plans	514.460	165.070	134.500	814.030

9. TREASURY MANAGEMENT STRATEGY

9.1 In agreeing the budget each year Council also need to approve the Council's 2013/14 Treasury Management Strategy. This is an extensive technical report that also goes to the Audit and Governance Committee for review, before going to full Council. This strategy largely covers the Council's borrowing and investment activity over the following year. Key points in the strategy are:

- Great economic uncertainty will exist in the world financial markets in 2013/14
- The Council forecast to borrow £540.7m in 2013/14 (includes £49m rolled forward from 2012/13)
- Interest rates are forecast to remain flat at 0.5% in 2013/14
- Lending will only take place with high credit rating institutions
- To reduce risk the Council will diversify its investment portfolio
- The bulk of Investments will be of a short term nature to minimise risk and maximise liquidity.
- The expansion of the invest to scheme of giving loans to registered social landlords
- The Council will evaluate the option of borrowing through a bond issue if this offers greater Value for Money than from the Public Works Loans Board

10. COUNCIL TAX

- 10.1 For the 2011/12 and 2012/13 financial years Warrington Borough Council accepted the Governments Council Tax Freeze funding, which was equivalent to a 2.5% Council Tax Freeze. Due to the 2012/13 funding only being payable for one year this has already left a £2.004m budget gap for the 2013/14 financial year.
- 10.2 The Government have offered a 1% Council Tax Freeze grant for the 2013/14 financial year, which is payable for two years only. This funding would equate to approximately £0.7m, which will stop in the 2015/16 financial year.
- 10.3 As part of the Localism Act in 2011, Central Government announced that any Council tax rise of over 3% would trigger a referendum. It was announced in October 2012 that this limit would be lowered to 2% for the 2013/14 financial year.
- 10.4 Due to the increasing financial pressures facing local government, it is not thought that Warrington can rely on 1% temporary funding to balance the budget for 2013/14 onwards. Increasing the Council's base level of Council Tax ensures this funding is available for future years also. This report is therefore based on an assumed 1.98% Council Tax increase for each of the next four years.

Warrington's Council Tax

- 10.5 At the Audit and Corporate Governance meeting on 17 January 2013 the Council's 2013/14 tax base was set at 61,579 Band D equivalent properties. The combined effect of the budget, government funding and council tax base gives a Band D council tax for Warrington of £1,159.14, an increase of 1.98% from 2012/13. The figures for each Band are shown in the table below:

Band A (Disabled)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£ 643.97	£ 772.76	£ 901.55	£ 1,030.35	£ 1,159.14	£ 1,416.73	£ 1,674.31	£ 1,931.90	£ 2,318.28

Parish Precepts

- 10.6 For the 2013/14 financial year, there has been drop in the tax base which relates to the Council Tax Support Scheme (as discussed in Section 6). It has been agreed for this year, that the Parish Tax Bases will be unaffected by this change, and that the Council will fund any difference in funding. Please note that we have received £190k in funding as part of our Formula Grant to cover this cost.
- 10.7 The precepts set by each Parish, and the Band D Council Tax for each parish is shown below.

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Parish Council	Precept Set £	WBC Funded £	Council Tax Funded £	Precept Per Per Band D £	Total Band D £
Appleton	85,170	11,315	73,855	17.00	1,176.14
Birchwood	325,440	43,234	282,206	92.45	1,251.59
Burtonwood & Westbrook	79,510	10,563	68,947	21.18	1,180.32
Croft	64,036	8,507	55,529	69.53	1,228.67
Cuerdley	0	0	0	0.00	1,159.14
Culcheth & Glazebury	61,610	8,185	53,425	17.91	1,177.05
Grappenhall & Thelwall	137,327	18,244	119,083	35.11	1,194.25
Great Sankey	197,600	26,251	171,349	20.00	1,179.14
Hatton	2,026	269	1,757	12.82	1,171.96
Lymm	137,453	18,260	119,193	25.53	1,184.67
Penketh	171,236	22,749	148,487	61.20	1,220.34
Poulton with Fearnhead	99,535	13,223	86,312	18.48	1,177.62
Rixton with Glazebrook	23,910	3,176	20,734	31.88	1,191.02
Stockton Heath	66,568	8,843	57,725	26.50	1,185.64
Stretton	7,791	1,035	6,756	20.89	1,180.03
Walton	7,800	1,036	6,764	10.63	1,169.77
Winwick	71,500	9,499	62,001	39.72	1,198.86
Woolston	17,975	2,388	15,587	7.49	1,166.63
Total	1,556,487	206,778	1,349,709		

- 10.8 Please note there has been no agreement on the 2013/14 precept to be set for Cuerdley Parish Council, and has therefore been reduced to zero. A community review of Cuerdley Parish Council will be discussed at Audit and Governance Committee in February 2013.

Cheshire Constabulary

- 10.9 The Cheshire Constabulary budget will not be formally agreed before the Executive Board meeting of 18 February 2013. In line with previous years practice it is proposed to recommend to the Executive Board that the Chief Finance Officer and the Executive Member for Corporate Resources and Assignments be delegated with the responsibility to agree the Police Precept and report this to Council at the meeting of 4 March 2013.

- 10.10 The Commissioner has proposed an increase of 1.99%, and the table below shows the precept payable by band based on this increase, which equates to £153.21 for a Band D property.

Band A (Disabled)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£ 85.12	£ 102.14	£ 119.16	£ 136.19	£ 153.21	£ 187.26	£ 221.30	£ 255.35	£ 306.42

Cheshire Fire & Rescue Service

10.11 The Cheshire Fire & Rescue Service precept will be set on 13 February 2013. If it is assumed that there will be no increase for 2013/14, the precept will be set at £4.091m, which equates to £66.43 for a Band D property. The figures for each band are shown in the table below:

Band A (Disabled)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£ 36.91	£ 44.29	£ 51.67	£ 59.05	£ 66.43	£ 81.19	£ 95.95	£ 110.72	£ 132.86

10.12 Please note that Executive Board will be updated verbally of any change to these figures

Total Council Tax

10.13 After taking into account the council tax requirement of the Council, the Parishes, Cheshire Constabulary and Cheshire Fire & Rescue Service, the table below shows the borough's Council Tax for 2013/14 for each property band.

Council Tax Schedule 2013/14	Band A Disabled £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Warrington Borough Council	643.97	772.76	901.55	1,030.35	1,159.14	1,416.73	1,674.31	1,931.90	2,318.28
Cheshire Police Authority	85.12	102.14	119.16	136.19	153.21	187.26	221.30	255.35	306.42
Cheshire Fire Authority	36.91	44.29	51.67	59.05	66.43	81.19	95.95	110.72	132.86
Total Unparished	765.99	919.19	1,072.38	1,225.58	1,378.78	1,685.18	1,991.57	2,297.97	2,757.56
Total by Parish									
Appleton	775.43	930.52	1,085.61	1,240.69	1,395.78	1,705.95	2,016.13	2,326.30	2,791.56
Birchwood	817.35	980.82	1,144.29	1,307.76	1,471.23	1,798.18	2,125.12	2,452.06	2,942.47
Burtonwood & Westbrook	777.76	933.31	1,088.86	1,244.41	1,399.96	1,711.06	2,022.16	2,333.27	2,799.92
Croft	804.62	965.54	1,126.46	1,287.39	1,448.31	1,770.16	2,092.00	2,413.85	2,896.62
Cuerdley	765.99	919.19	1,072.38	1,225.58	1,378.78	1,685.18	1,991.57	2,297.97	2,757.56
Culcheth & Glazebury	775.94	931.13	1,086.31	1,241.50	1,396.69	1,707.07	2,017.44	2,327.82	2,793.38
Grappenhall & Thelwall	785.50	942.60	1,099.69	1,256.79	1,413.89	1,728.09	2,042.29	2,356.49	2,827.79
Great Sankey	777.10	932.52	1,087.94	1,243.36	1,398.78	1,709.62	2,020.46	2,331.30	2,797.56
Hatton	773.25	927.90	1,082.55	1,237.20	1,391.85	1,701.15	2,010.45	2,319.75	2,783.70
Lymm	780.17	936.21	1,092.24	1,248.28	1,404.31	1,716.38	2,028.45	2,340.52	2,808.62
Penketh	799.99	959.99	1,119.98	1,279.98	1,439.98	1,759.97	2,079.97	2,399.97	2,879.96
Poulton with Fearnhead	776.26	931.51	1,086.76	1,242.01	1,397.26	1,707.76	2,018.26	2,328.77	2,794.52
Rixton with Glazebrook	783.70	940.44	1,097.18	1,253.92	1,410.66	1,724.14	2,037.62	2,351.10	2,821.32
Stockton Heath	780.71	936.85	1,093.00	1,249.14	1,405.28	1,717.56	2,029.85	2,342.13	2,810.56
Stretton	777.66	933.19	1,088.72	1,244.25	1,399.78	1,710.84	2,021.90	2,332.97	2,799.56
Walton	771.89	926.27	1,080.65	1,235.03	1,389.41	1,698.16	2,006.92	2,315.68	2,778.81
Winwick	788.06	945.67	1,103.28	1,260.89	1,418.50	1,733.72	2,048.95	2,364.17	2,837.00
Woolston	770.14	924.17	1,078.20	1,232.23	1,386.26	1,694.32	2,002.38	2,310.43	2,772.52
Average Band D	780.03	936.04	1,092.04	1,248.05	1,404.06	1,716.07	2,028.08	2,340.10	2,808.11

11. RESERVES

- 11.1 The Local Government Act 2003 requires the Chief Finance Officer to report on the adequacy of reserves and provisions and the robustness of budget estimates, as part of the annual budget setting process.
- 11.2 Best practice guidance does not advise on the actual level of unallocated general reserves, but on the processes that should be in place. There is a broad range within which a Council might reasonably operate, depending on its particular circumstances and each Council should make its own judgement, based on the advice of its Chief Finance Officer. In making this decision the Chief Finance Officer takes into account of strategic, operational and financial risks. The financial risks are assessed in the context of the Councils overall approach to risk management.

STATEMENT ON THE ADEQUACY OF PROPOSED FINANCIAL RESERVES AND ROBUSTNESS OF ESTIMATES

- 11.3 It is the Chief Finance Officer's view that the budget setting process and the information provided will be sufficient to allow the Council to come to an informed view regarding the 2013/14 budget, capital programme and council tax.
- 11.4 The Council has always operated within tight financial constraints. As a consequence of increasing financial pressures and reductions in financial settlement from government these constraints continue. Robust budget monitoring and a thorough budget and financial planning process have allowed the Council to operate with a relatively low level of reserves.
- 11.5 The Council's financial planning processes enable issues with a significant financial impact to be highlighted by Executive Directors in good time. The level of reserves is only adequate for the forthcoming financial year and for the financial planning period through the continuing commitment of Members, the Chief Executive and Executive Directors to control spend within approved budgets.
- 11.6 An annual review of the Council's reserves and balances has been undertaken as part of the annual financial planning exercise. This review has followed best practice guidance on Local Authority Reserves and Balances as required by the Local Government Act 2003.
- 11.7 Each reserve held has been reviewed in depth and reported to the Executive Board on 17 December 2012. Details of all reserves are included at Appendix 5.
- 11.8 In addition to reserves, the Council is required to make financial provisions for known future liabilities or losses of uncertain timings or amount. These are reviewed on a yearly basis and are detailed in the annual Statement of Accounts, which was reported to the Audit and Corporate Governance Committee on 27 September 2012.

- 11.9 The review shows that there is currently sufficient resilience for the Council to meet the financial consequences of any unforeseen events. The Chief Finance Officer is satisfied that the Council's ongoing approach to its reserves and provisions is robust, and the proposal to maintain the Council's strategic reserve at around £4.7m (between 3% - 5% of the net budget requirement) will ensure that the Council has adequate resources to fund unforeseen financial liabilities and that the Council's approach to general balances for 2013/14 is deemed appropriate. The Council will also increase the Medium Term Financial Plan Contingency reserve by an additional £2.5m as part of this budget process to aid the Council deal with budget pressures and/or cuts in Government funding over the MTFP period.
- 11.10 For a few years the Audit Commission have stated that Warrington's reserves position is relatively low, and we should build on these reserves where possible to increase the Council's financial resilience. By increasing our level of reserves we are addressing the auditors concerns, and taking a prudent approach to the great uncertainty surrounding the changes to Business Rates and Council Tax Support discussed in Section 5. The current level of reserves and the movement in year are shown in Appendix 6.
- 11.11 The Council has in place well established robust and regular budget monitoring processes. These take account of the level of reserves, the latest budget requirements calling on reserves to meet current commitments and also to make contributions to reserves to meet future commitments. Recommendations to use or make contributions to reserves are made by the Chief Finance Officer as part of the regular budgetary process.
- 11.12 The Chief Finance Officer has considered strategic, operational and financial risks in arriving at this statement. The financial risks have been assessed within the context of the Council's overall approach to risk management. Account has also been taken of key budget assumptions and existing financial management arrangements. Savings proposals put forward by Executive Directors have been subject to a full risk assessment and Equality Impact Assessments by the responsible Executive Director.
- 11.13 This statement of assurance is based on the budget contained in this report. Any significant changes to these proposals, changes to previous MTFP assumptions, or additional budgets proposals, would need further full evaluation by the Chief Finance Officer before assurance could be given.

12. BUDGET CONSULTATION

- 12.1 The Council's budget 2013/14 consultation ran from Monday 10 December 2012 until Friday 11 January 2013. Residents of Warrington, local businesses, council staff, elected members, partner agencies and other stakeholders were asked to

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submit their savings proposals by competing a form, sending an email or getting in touch via social media.

- 12.2 The Council's finance team also held a series of engagement events with key groups including trade union representatives, young people, local businesses, care home managers, local third sector organisations and staff groups.
- 12.3 A summary of the comments received from the sessions above, and the 22 written responses received during the consultation process is shown in Appendix 7.

13. SCHOOLS BUDGETS

- 13.1 The Dedicated Schools Grant (DSG) is the main funding source for schools. It is a ring-fenced grant with the majority of funding delegated to schools and the Warrington Schools Forum is the decision making body on how this funding is spent.
- 13.2 The 2013/14 allocation also includes all the separate grants Local Authorities used to receive in the DSG. This is then split into 4 notional blocks, one of which includes a new funding stream for the 2 year old nursery scheme.
- 13.3 The DSG allocation for schools is at a derived level of funding based on 12/13 expenditure equating to £4,218.52 per qualifying pupil. This is less than the Guaranteed Unit Funding (GUF), however elements of this funding are in the other blocks so the two amounts are not strictly comparable.
- 13.4 Early years (EY) block funding is presently estimated on January 2012 numbers. This will be updated for January 2013 when available. School block numbers are based upon October 2012 data. This is a mandatory change from previous years which were driven by 'Numbers On Roll' from the following January.

Sector	13/14 Estimated			12/13 Actual		
	GUF 13/14 £	Pupil Nos.	Total DSG £000	GUF 12/13 £	Pupil Nos.	Total DSG £000
Primary School	4218.52	16602	70,035	4668.15	17123	79,931
Secondary School	4218.52	11673	49,242	4668.15	11929	55,686
Special School/DP	4218.52			4668.15	235	1,097
Nursery school	4218.52	63	265	4668.15	61	286
Alternative Provision	4218.52	2	8	4668.15	66	308
Private Vol / Ind Nurseries	4218.52			4668.15	1223	5,707
Total Schools Block		28,340	119,553		30,636	143,013
EY Block Pupil No's Jan12	3333.72	1984	6,614			
High Needs Block		136.1	18,050			
2yr old funding		400	1,576			
			26,240		0	0
Total		28,340	145,770		30,636	143,013

- 13.5 The remainder of schools' allocations are through the Pupil Premium, based on historical pupil entitlement to Free School Meals. In 2013/14, the estimated Warrington allocation is £3.233m, an increase on the previous year of £1.592m.

14. SCRUTINY COMMITTEE

- 14.1 A report detailing the proposed budget, capital scheme and Council Tax recommendation was discussed by Scrutiny Committee on 6 February 2013. The Executive Member for Corporate Resources and Assignments introduced the report and the following comments were made:

- The Committee were supportive of the budget process and recognised that the Service Challenge had been conducted thoroughly
- They supported the Executive Member's commitment to developing a strategic approach to future budgets, rather than short term 'salami slicing'.
- They noted the Chief Finance Officer's assurance over the process and the risk assessments which had been carried out.
- Several questions were asked about the processes of risk assessment, in particular relating to some of the larger, innovative Capital Schemes. The Committee were supportive of the creativity and comforted that before schemes would be progressed due diligence would be required and a further decision to progress would be required by the Executive board.
- All Members were supportive that information should be provided to the two Warrington MPs to help with lobbying for additional funding, since Warrington still remained one of the lowest funded authorities in England.
- They recognised the potential benefits of growing the town and attracting additional business, although only keeping 27% of Business Rates growth was disappointing.
- The requirement for increasing reserves to hold to mitigate risks to budgets around Adult Social Care and Children Agency Placements as well as the volatility introduced by the introduction of the new Council Tax Subsidy Scheme and the Localisation of Business Rates was noted.
- The impact on staff was noted, in particular the approach that Warrington has taken in recent years would continue to ensure minimal numbers of compulsory redundancies and the opportunity to redeploy and take voluntary redundancy or early retirement would continue to be supported.

15. FINANCIAL CONSIDERATIONS

- 15.1 The financial considerations are dealt with in the main body of the report.

16. RISK ASSESSMENT

- 16.1 The budget is prepared in accordance with detailed guidance and timetable to ensure that statutory requirements are met and a balanced budget is prepared that aligns resources with corporate objectives.
- 16.2 As part of the Service Challenge process a number of financial risks were highlighted, which were not agreed to be funded as part of the budget setting process due to them being of low risk, or the financial risk being uncertain. These include increasing costs of agency placements for children, remand costs for the Youth Offending Team, the effects of welfare reform pressure on Adult Social Care, and the cost to the Council of further schools converting to Academies.
- 16.3 Further to those highlighted by the Service Challenge process above an additional financial risk has also been introduced into the council's financing through the changes relating to the Local Government Finance Act. This was highlighted in section 5 of this report. In addition it is clear that pressure will continue to be put on demand-led services such as support for vulnerable adults and children's social care.
- 16.4 These risks, along with the risk of slippage around the delivery of savings proposals will be closely monitored during the year. As part of the budget process £2.5m has been transferred into the MTFP Contingency Reserve to mitigate these risks. The Council already has robust systems in place for monitoring the delivery of savings and will continue to use the existing approach to ensure the delivery of savings throughout 2013/14.
- 16.5 As part of the process of reviewing risk, the Council regularly reviews the level and appropriateness of provisions and reserves, this is done through the formal revenue budget monitoring process. In December 2012 the Audit Commission published a report called "Striking the Balance", Warrington was a contributing authority to the report. The report highlights good practice around reserves, and the context in which reserves are required in different authorities. A key issue is the extent that reserves help to mitigate risk, and it is clear that with the transfer of responsibility for the localisation of business rates and the new council tax subsidy scheme, that associated risks have been transferred too. The opportunity for a small one-off increase in reserves is seen as important in helping to mitigate these issues and has been highlighted by the Chief Finance Officer as prudent in line with the good practice highlighted within the Audit Commission report.
- 16.6 Another risk to note is any change in Government policy. It was announced on 24 January 2013 that additional funding will be provided to local authorities to cover the additional costs of reforms to the adoption system. No details have yet been provided on the level of funding, or the additional responsibilities required. The

MTFP Contingency Reserve will be used to cover the costs of any new government policies, and any shortfall in the level of funding given.

17. EQUALITY AND DIVERSITY / EQUALITY IMPACT ASSESSMENT

17.1 The Finance Service undertakes Equality Impact Assessment in its wider functions. Service changes that emerge from proposals contained in the MTFP are subject to Equality Impact Assessments by each directorate.

17.2 All proposals put forward as part of the budget process have been subject to an Equality Impact Assessment during the service challenge. Each assessment will be reconsidered further before the implementation of any of the proposals and will follow the recognised consultation process for each specific activity.

18. REASONS FOR RECOMMENDATION

18.1 That the Executive Board approves the budget recommendations included in this report and refers the budget to full Council on 4 March 2013.

19. RECOMMENDATION

19.1 The Executive Board is recommended to:

- (i) consider the result of the consultation with the public, partners and business community in setting the 2013/14 – 2017/18 MTFP and reflect if any further changes to the budget proposals should be made for presentation to Full Council.
- (ii) propose to the Council meeting on 4 March 2013 that the budgeted net expenditure for the financial year 2013/14 be set at £146.973m (net of an indicative Dedicated Schools Grant of £145.770) requiring band D council tax to be increased by 1.98% to £1,159.14.
- (iii) propose to the Council meeting on 4 March 2013 that the 2013/14 – 2015/06 Capital Programme be approved, including £540.7m of new prudential borrowing.
- (iv) consider the Chief Finance Officer's judgement on the robustness of the estimates made for the purposes of the budget calculation and the adequacy of the proposed financial reserves and following this consideration determine that the estimates are robust for this purpose and that the proposed financial reserves are adequate.
- (v) note that all Executive Directors and Executive Board Members have identified their required savings options to balance the budget (appendix 2).

- (vi) note that at the Audit & Corporate Governance Committee meeting of 17 January 2013, the 2013/14 tax base was set at 61,579.
- (vii) confirm that the council tax levels contained in section 10 of this report, be incorporated in the formal council tax resolution to be agreed by Council at its meeting of 4 March 2013.
- (viii) authorise the Chief Finance Officer in consultation with the Executive Member for Corporate Resources and Assignments, to incorporate the Police precept into the Council tax Resolution to be recommended to Council on 4 March 2013.
- (ix) propose to the Council meeting on 4 March 2013 that Warrington Borough Council takes on responsibility for WBT's pension fund liability.

20. BACKGROUND PAPERS

MTFP Papers

Contacts for Background Papers:

Name	E-mail	Telephone
Matt Guest	mguest@warrington.gov.uk	01925 443236

Clearance Details :				
	Name	Consulted		Date Approved
		Yes	No	
Relevant Executive Board Member	Cllr R Bowden	√		07/02/13
Chief Executive	Steven Broomhead	√		07/02/13
Relevant Executive Director	Katherine Fairclough	√		07/02/13
Solicitor to the Council & Relevant Assistant Director	Tim Date/Ian Mason	√		07/02/13
S151 Officer	Lynton Green	√		07/02/13

Appendix 1

Directorate Investments / Pressures		2013/14 £000
Assistant Chief Executive		
1	Funding the Community Safety Partnership team following the drop in Community Safety Grant	90
2	Additional funding to the Benefits & Exchequer Service in relation to current financial pressure as a result of government reforms	447
3	Increased legal support for mental health, adult social care and children's safeguarding	75
TOTAL		612
Neighbourhood & Community		
4	Providing funding following the Independent Living Fund ceasing taking new applications	106
5	To fund the increased demand for Court of Protection (Mental Capacity Act)	25
6	To fund unachieved saving due to political decision not to commence Community Asset Transfer	137
7	To fund Health Inequalities Team which have previously been externally funded	76
8	Increased pressure arising from National Context of Adult Safeguarding & Quality Assurance	74
9	To fund Co-ordinator & Support Officer posts in the Events team	46
10	Staff funding pressures from the Integrated Contracts Team	303
TOTAL		767
Environment & Regeneration		
11	Reversal of one-off 12/13 Landfill Allowance Trading Scheme pressure	(140)
12	Increased costs of waste disposal contract	850
13	Shortfall in Building maintenance Programme	500
14	Managed Print Service - pressure relating to none achievement of previous service challenge saving target	150
TOTAL		1,360
Corporate Financing		
15	Exec Initiate Fund	(200)
16	Pension fund deficit reduction costs	392
17	Revenue cost of capital programme	926
18	Underachievement of Print Unit Income	50
19	To fund shortfall in Parish Precepts due to localisation of Council Tax Benefit	207
20	Movement in MTFP Contingency	986
21	Provision for 2013/14 Business Rate Levy Due	19
TOTAL		2,380
Grand Total		5,119

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Appendix 2

Savings Proposals - Assistant Chief Executive		2013/14 £000	Potential Job Impacts
1	Solicitor to the Council Service Redesign	75	
2	Discretionary Rate relief	20	
3	Accountancy Redesign	96	
4	Member Services	33	
5	Redesign and Release of staff in Employment, Learning & Skills	76	
6	Human Resources team	180	
7	Retendering of Employee Benefits Package contract	30	
8	Income generation Opportunities - Employment, Learning & Skills	85	
9	Occupational Health Contract & School Buyback	49	
10	Income Generation (Procurement)	20	
11	Benefits & Exchequer – service review	193	
12	Partnerships & Performance Service Reviews & Redesign/Licence Savings	95	
13	Safer Communities - Additional use of grant fundng and cost reduction	70	
14	Business improvement Fund Reduction	100	
15	Income Generation (Communication)	5	
16	Salary Sacrifice – Car Leasing	50	
17	Governance Arrangements & Support Teams Redesign	100	
18	Integrated Service Provision (year not confirmed)	150	
19	Registration Service Income Generation	40	
20	Review of Centralisation of Performance/Analyst/Policy Officers	20	
21	Reduction in Employment Learning and Skills base budget	50	
22	Redesign following resignation of Employment Learning & Skills staff member	37	
23	Centralise all Training and Development Activity and Funding	20	
24	Benefits & Exchequer Administration of Social Fund	40	
25	Centralise Procurement and Commissioning activity	20	
Total		1,654	11

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Savings Proposals - Children & Young People		2013/14 £000	Potential Job Impacts
26	Review of Children & Young People management structure	40	
27	Changes to the school attendance service	56	
28	Changes to the Inclusion Service	30	
29	Trading school improvement services	30	
30	Elective Home Education Shared Service	6	
31	Shared adoption services	60	
32	Integrate the Disability and Inclusion services within Children & Young People	30	
33	Parenting programmes	26	
34	Home to school transport – post 16 and aided	223	
35	Home to school transport – mainstream and SEN school age	473	
36	Music Hub income	20	
37	Advisory Service changes	127	
38	Virtual School	46	
39	Academy income	10	
40	Early Years Support & Childcare	318	
41	Family Information Service	45	
42	Reduction in residential budgets	199	
43	Legal support	40	
44	Fostering Service training	35	
45	Transport procurement	100	
46	Extended Rights Support Transport	45	
47	Contract savings	260	
48	Supplies and services	464	
49	Family Support	30	
50	Reduction in social work budgets	114	
51	Youth Service	40	
52	Service Development	37	
53	Changes to 2 year old funding	217	
54	Commissioning team	48	
Total		3,169	8

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Savings Proposals - Environment & Regeneration		2013/14 £000	Potential Job Impacts
55	Waste Collection / Treatment Modifications	300	
56	National Increase in planning application fees	100	
57	Reduction in financial support to sub regional bodies	15	
58	Vacation of Bewsey Old School	70	
59	Service Redesign - Health and Safety at work	46	
60	Consumer Advice	30	
61	iCAN Service - increase income contributions	26	
62	Service Redesign - Reduction in Management Costs	28	
63	Service Provisioning reduction - Survey and Inspection of public buildings	70	
64	Service Redesign - Admin for Solar PV	30	
65	Service Redesign - Budget for a mild winter	50	
66	Service Redesign - Budgets	50	
67	Service Redesign Grounds Maintenance (Service Provision)	50	
68	Service Redesign - Grounds Maintenance Reduction in Vehicle Maintenance Costs	30	
69	Service Redesign - Drainage / gully maintenance	100	
70	Service Provisin reduction - Street Lighting	20	
71	Service Provision Reduction - Highway Patching	150	
72	Contract Challenge - Local Bus Service	100	
73	Passenger Transport Fleet Replacement	10	
74	Revision & Reprioritisation of Local Bus Strategy	100	
75	Service Provision Reduction - Warrington Community Transport	18	
76	Increased Income - Cremation Charge	48	
77	Increased Income - Walton Hall	25	
78	Contract Challenge - CRC Contract	200	
79	Service Redesign - Building Cleaning	31	
80	Service Redesign - Parks Service	99	
81	Budget Reduction - Waste Procurement	30	
82	Waste Collection Modernisation	642	
83	Microsoft Enterprise agreement	285	
84	Removal of existing vacancy	26	
85	Discretionary technology training	60	
86	Logica support costs	57	
87	100% reduction in hardware replacement funds	44	
88	Removal of IT research and advice support (Gartner)	15	
89	Changes to Public Protection Warning system (ICAN)	10	
90	Transport Consultancy	13	
91	Reduce Long Term Vehicle Hire	32	
92	Review of Local Bus	25	
93	Charging for pest control services in current year to mitigate current in year income	25	
94	Removal of Caretaker within NTH / Quattro vacant post	20	
95	Vacant Occupational Therapist post not filled	22	
96	stop non statutory training	10	
97	Specialist Transport Services - restructure to account for reduced demand.	25	
98	Bereavement Service - Merge Grade 9 and Grade 7 post	25	
99	Fleet support - Reduce technical admin by 0.5 fte	10	
100	Purchase new JCB from Capital to reduce annual rental costs - School Brow	14	
101	Cheshire Safer Roads Partnership budget reduction.	10	
102	Reduce overtime budget in VMU	20	
103	Remove Postal Service from Within NTH	16	
Total		3,232	9

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Savings Proposals - Neighbourhood & Community Services	2013/14 £000	Potential Job Impacts
104 Review of non-residential charging policy	234	
105 Reduce provision of Specialist Transport except for most complex cases	200	
106 Review provision of catering services for in-house Day Services	150	
107 Integrate James Phoenix House with Woodleigh and develop as in-house services	100	
108 Savings on 'out of area' placement / complex care packages through collaborative	25	
109 Review of the Supporting People Programme	67	
110 Explore development of social enterprise or consider outsource to alternative providers	450	
111 Review Adult Placement - Cost of team	157	
112 Review Supported Employment - Cost of team	44	
113 Reduce Grant Funding	84	
114 Reduce Res & Nursing Placements by 25 per year	481	
115 Reduce Admin function	100	
116 Reduce Equipment & Stationery Budgets by 10%	20	
117 Transfer Lysander/Birchwood	60	
118 Further budget savings from Livewire and Culture Warrington	575	
119 Equipment Store	70	
120 Review Direct Payments	80	
121 Contract Savings	500	
Total	3,397	26

Savings Proposals - Corporate Financing	2013/14 £000	Potential Job Impacts
122 Insurance premium	500	
123 Corporate Restructure	500	
124 Council Tax Support Transitional Grant (one off 2013/14)	270	
125 Oxygen Finance (one off procurement saving in 2013/14)	250	
126 Loans to Housing Associations	500	
127 Further review of Terms & Conditions	250	
128 Insurance Services Recharge to Insurance Fund	130	
129 Childcare Vouchers	40	
Total	2,440	0
Grand Total	13,892	54

New invest to save schemes - 2013/14 to 2015/16

Capital Bid - new bids 2013-17		Capital Funding Required			TOTAL	Description of Project
		2013/14 £m	2014/15 £m	2015/16 £m		
INVEST TO SAVE BIDS						
1	Shared Ownership Mortgages (Local Authority Partnership Purchase)	1.000			1.000	Proposal is to extend the Local Authority Mortgage Scheme (LAMS) scheme into shared ownership mortgages, this allows joint mortgages given where an individual would own 70% of the property and the Council 30%.
2	Loans to Registered Social Landlords (RSLs)	280.000	50.000	50.000	380.000	Proposal is to extend the existing Registered Social Landlords scheme.
3	Penketh Court	2.500	1.000		3.500	Redevelopment of the former sheltered housing scheme at Penketh Court with 43 affordable units for rent for the elderly.
4	Bridge Street Quarter Project	4.000	10.000	36.000	50.000	Council to provide funding for the Regeneration of the Bridge Street Quarter site including provision of family leisure facilities (Cinema, restaurants), New Market Hall, New WBC Office Block, large scale public realm of the site and Bridge Street down to Mersey Street.
5	Stadium Quarter Phase 1	10.000	14.000	48.000	72.000	Proposal is for provision of University Tech college for Chester University, Incubator space for WBC, Hotel, Student accommodation and grade "A" office space.
6	Refinancing of historic Pension Fund Deficit	140.000			140.000	Proposal is to take advantage of low interest rates to refinance the Pension Fund Deficit.
7	Purchases of Network Warrington Buses	0.200			0.200	Purchase buses on behalf of Network Warrington, with a profit element returned to WBC for investment.
8	Refinancing of Network Warrington Pension Fund Deficit	3.000			3.000	Proposal is for the Council to take on responsibility for WBT Pension Fund Liability.
9	Omega Infrastructure	4.500			4.500	Short term loan to Owl to allow commencement of infrastructure building to take place, the advance will be paid back by HCA during 2013/14.
TOTAL INVEST TO SAVE BIDS		445.200	75.000	134.000	654.200	

New Schemes - 2013/14 to 2015/16

Capital Bid - new bids 2013-17		Capital Funding Required			TOTAL	Description of Project
		2013/14 £m	2014/15 £m	2015/16 £m		
CAPITAL PROGRAMME BIDS						
1	Development of Social Care Hub at Woodleigh	0.700			0.700	Develop current building at Woodleigh Community Support Centre into a multi-purpose social care hub.
2	Base for an Integrated Service for Disabled Children	0.588			0.588	A new multi-agency service for disabled children at Woolston High School site.
3	Specialist Provision for Autistic Spectrum Disorder (ASD)		2.908		2.908	Develop accommodation within the borough for children and young adults diagnosed with ASD who currently receive education outside of the borough.
4	Walton Hall & Estate Improvement (additional funds to £1.9m approved)		0.500		0.500	Further £500k for Walton Hall & estates improvement, current allocation in capital programme is £1.9m but estimates for works is £2.4m.
5	Bank Park Improvement (additional funds to £1.050m approved)		0.250		0.250	Further £250k for Bank Park improvements, current allocation in capital programme is £1.050m but estimates for works is £1.3m.
6	Major Gateway Improvements	0.500	0.500	0.500	1.500	Improve major gateway which includes road markings/strategic signage replacement/environmental improvements.
7	Purchase of Enforcement Vehicle	0.060	0.060		0.120	Purchase an enforcement vehicle for the Council which would be available to undertake a wide range of enforcement activity in various areas.
8	Vehicle & Plant Asset Replacement Programme	1.500	1.500		3.000	Proposal to replace fleet assets which are operating beyond their specified economic life which are no longer fit for purpose to reduce running costs.
9	Woolston Park	0.070	0.070		0.140	Enhance Woolston Park in terms of a green open space, which is used by a number of different community groups from dog walkers, children's recreational play and sports users.
10	Replacement of ICS Case Management for Children's Social Work	0.350			0.350	Replace current ICS system with a system that is flexible, able to respond to changing needs and high usability.
11	Travellers transit site	2.000			2.000	Travellers transit site facility to ensure other sites are not misused.
12	Bridge Street Townscape Initiative		0.500		0.500	Proposal for Bridge Street Townscape Initiative – grant funding for building refurbishment (possible joint project with Heritage Lottery Fund, Townscape Heritage Initiative).
13	Orford Lane/St Peters Way Community Centre	0.400			0.400	A new Community Centre to be sited on the corner of Scott St/Battersby Lane near the Albion public house. This will also serve the newly developed area to the east of Battersby Lane.
TOTAL CAPITAL PROGRAMME BIDS		6.168	6.288	0.500	12.956	

Appendix 5

Capital Programme 2013/14 to 2015/16 – Schedule for all capital projects

Children & Young People	2013/14	2014/15	2015/16	Total
Project Description	£m	£m	£m	£m
Primary School Projects				
New School Project at Chapelford	0.321	-	-	0.321
Great Sankey Primary - Replacement	0.175	-	-	0.175
Woolston Primary School Replacement	3.246	0.150	-	3.396
Bewsey Lodge Primary School Remodelling	1.130	0.068	-	1.198
Cherry Tree Primary School - Mobile	0.016	-	-	0.016
Secondary School Projects				
Birchwood High School - Part 2 (Remodelling)	0.011	-	-	0.011
Lymm High School - Remodel	0.040	-	-	0.040
Priority Maintenance 12/13: Penketh High School - Boiler Works	0.005	-	-	0.005
SEN Review	5.000	-	-	5.000
Other Projects				
School Kitchen & Dining Facilities	0.111	-	-	0.111
Orford Youth Base Car Park	0.005	-	-	0.005
Short Breaks Capital Fund - children with disabilities	0.132	-	-	0.132
Early Education for Two Year Olds	0.288	-	-	0.288
New Corporate Projects				
Development of Orford Youth Base & Outdoor/Mobile Youth Provision	0.200	-	-	0.200
Base for an Integrated Service for Disabled Children	0.588	-	-	0.588
Specialist Provision for Autistic Spectrum Disorder (ASD)	-	2.908	-	2.908
Replacement of ICS Case Management for Children's Social Work	0.350	-	-	0.350
TOTAL - Children & Young People	11.618	3.126	-	14.744

Neighbourhood & Community	2013/14	2014/15	2015/16	Total
Project Description	£m	£m	£m	£m
Capital Investment in Community Capacity	0.175	-	-	0.175
Community Hub Development	0.750	0.450	-	1.200
Dallam Estate Project	0.500	-	-	0.500
Upgrading Community & Youth Facilities (deliver Community Asset Transfer)	0.100	-	-	0.100
Development of specialist profound & multiple learning disabilities (PMLD) unit	0.300	-	-	0.300
New Corporate Projects				
Whitecross Community Centre - replacement of all weather pitch	0.002	-	-	0.002
Development of Social Care Hub at Woodleigh	0.700	-	-	0.700
Orford Lane/St Peters Way Community Centre	0.400	-	-	0.400
TOTAL - Neighbourhood & Community	2.927	0.450	-	3.377

Assistant Chief Executives	2013/14	2014/15	2015/16	Total
Project Description	£m	£m	£m	£m
Capitalisation of Pension Costs	5.780	-	-	5.780
New Corporate Projects				
SAP - Budget Planning & Monitoring software	0.070	-	-	0.070
Legal Case Management System	0.080	-	-	0.080
TOTAL - Assistant Chief Executives	5.930	-	-	5.930

Agenda Item 4

Environment & Regeneration	2013/14	2014/15	2015/16	Total
Project Description	£m	£m	£m	£m
Exec Dir & Man team				
Estate Action (Partnership with Golden Gates Housing)	0.630	-	-	0.630
E&R Operational Services Venture Capital Trading Company	2.000	-	-	2.000
ICT & Customer Contact				
ICT Infrastructure Modernisation/Unified Communications	0.059	-	-	0.059
ICT Electronic Document Management System & ICT Infrastructure	0.785	-	-	0.785
Superfast Broadband Project	0.460	0.460	-	0.920
Public Protection				
Air Quality	0.065	-	-	0.065
Property & Estates				
Building Maintenance Programme	0.754	0.754	-	1.508
Housing Services & Options				
Affordable Housing - S106	0.750	-	-	0.750
Disabled adaptations to private housing	0.796	0.446	-	1.242
Public Realm				
Additional Highways Structural Maintenance	0.845	0.395	-	1.240
Transportation				
S106 Tesco Express - Knutsford Rd	0.007	-	-	0.007
S106 Woolston Grange - Longbarn Boulevard	0.137	-	-	0.137
S106 Saxon Park	0.045	0.061	-	0.106
S106 Lakeside Drive	0.150	-	-	0.150
S106 - Eagle Ottawa	0.035	-	-	0.035
S106 - Birchwood Shopping Centre	0.075	-	-	0.075
S106 - Red Cott Farm	0.051	-	-	0.051
S106 - Legh Street Baths	0.049	-	-	0.049
Rail Schemes & Studies	0.033	-	-	0.033
Local Transport Plan 2012/13	4.423	4.645	-	9.068
Urban Traffic Management Control	0.202	-	-	0.202
Flood Risk (contribution to Env Agency scheme)	0.400	0.400	-	0.800
LSTF New Bus route & stops	0.135	0.020	-	0.155
LSTF Cycle Routes	0.631	0.230	-	0.861
LSTF Junction Improvements	0.763	0.236	-	0.999
LSTF 20mph speed limits	0.078	-	-	0.078
Operations				
Green Space Delivery Programme & Parks and Streets Refurbishment	0.121	0.047	-	0.168
Dakota Park Play Areas - Chapelford	0.230	-	-	0.230
St Elphins Park	0.144	-	-	0.144
Walton Hall & Estate Upgrading & Improvement	0.500	0.500	-	1.000
Bank Park Enhancements & Improvement	0.910	-	-	0.910
Victoria Park Improvement	0.780	0.400	-	1.180
Sankey Valley Park Improvement	0.400	0.100	-	0.500
Sankey Canal Restoration Project	1.250	-	-	1.250
Dallam/Bewsey Regeneration Programme	0.100	-	-	0.100
Town Centre - empty shops grant	0.080	0.050	-	0.130

Agenda Item 4

Environment & Regeneration	2013/14	2014/15	2015/16	Total
Project Description	£m	£m	£m	£m
New Corporate Projects				
Warrington Cemetery footpath reinstatement	0.200	0.200	-	0.400
Warrington Waterfront Transport - critical infrastructure (design & development)	0.829	0.720	-	1.549
Warrington Allotments Improvement Programme	0.103	-	-	0.103
Local Centre Footway Improvements	0.250	-	-	0.250
Victoria Park Regeneration Phase 2 - New Sports Facilities	1.200	1.200	-	2.400
Lower Bridge St & Town Centre (street enhancement)	1.200	-	-	1.200
Walton Hall & Estate Improvement (additional funds to £1.9m approved)	-	0.500	-	0.500
Bank Park Improvement (additional funds to £1.050m approved)	-	0.250	-	0.250
Major Gateway Improvements	0.500	0.500	0.500	1.500
Purchase of Enforcement Vehicle	0.060	0.060	-	0.120
Vehicle & Plant Asset Replacement Programme	1.500	1.500	-	3.000
Woolston Park	0.070	0.070	-	0.140
Travellers transit site	2.000	-	-	2.000
Bridge Street Townscape Initiative	-	0.500	-	0.500
TOTAL - Environment & Regeneration	26.785	14.244	0.500	41.529

Invest to Save	2013/14	2014/15	2015/16	Total
Project Description	£m	£m	£m	£m
Loans to Registered Social Landlords	5.000	5.000	-	10.000
Empty Properties	0.750	-	-	0.750
Climate Change - Carbon Reduction Programme	0.250	1.250	-	1.500
Street Lighting Energy, Carbon & Asset Improvement	6.000	29.000	-	35.000
Strategic Property Investment Programme to support Regeneration & Investment Portfolio	10.000	37.000	-	47.000
New Corporate Projects (Dec 2012 & Jan 2013)				
Shared Ownership Mortgages (Local Authority Partnership Purchase)	1.000	-	-	1.000
Loans to Registered Social Landlords (RSLs)	280.000	50.000	50.000	380.000
Penketh Court	2.500	1.000	-	3.500
Bridge Street Quarter Project	4.000	10.000	36.000	50.000
Stadium Quarter Phase 1	10.000	14.000	48.000	72.000
Refinancing of historic Pension Fund Deficit	140.000	-	-	140.000
Purchases of Network Warrington Buses	0.200	-	-	0.200
Refinancing of Network Warrington Pension Fund Deficit	3.000	-	-	3.000
Omega Infrastructure	4.500	-	-	4.500
TOTAL - Invest to Save	467.200	147.250	134.000	748.450

TOTAL CAPITAL PROGRAMME	514.460	165.070	134.500	814.030
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Agenda Item 4

Appendix 6

	31st March 2012 £000	Appropriations From Reserve	Appropriations To Reserve	Movement between Reserves	31st March 2013 £000
EARMARKED REVENUE RESERVES					
Assistant Chief Executive					
Members Voluntary Initiative	-7,822				-7,822
Coroners Judicial Review / Transformation Board	-10,043				-10,043
Union Learner Reps	-20,095	20,095			0
Local Land Charges Reserve	-57,452	64,682		-7,230	0
Insurance Fund Reserve	-3,220,015				-3,220,015
MTFP Contingency	-6,022,667		-1,544,000	7,230	-7,559,437
ACE Reserve Carry Forwards	-188,050	188,050			0
TOTAL - Assistant Chief Executive Reserves	-9,526,144	272,827	-1,544,000	0	-10,797,317
Children & Young People					
Childrens Comfort Funds Reserve	-7,168				-7,168
Criminal Injuries Compensation Reserve	-11,744				-11,744
Youth Offending Team Reserve	-455,858		-57,322		-513,180
School Re-Organisation Contingency	-2,350,000	1,022,617			-1,327,383
Early Years Reserve	-253,590				-253,590
CYPS Reserve Carry Forwards	-2,709,438	2,709,438			0
TOTAL - Children & Young People Reserves	-5,787,798	3,732,055	-57,322	0	-2,113,065
Environment & Regeneration					
Paddington Meadows	-18,202				-18,202
Walton Hall Reserve	-50,000				-50,000
Taxi Surplus	-43,616				-43,616
Time Square Reserve	-629,353				-629,353
Homelessness Reserve	-47,431				-47,431
Unitary Development Reserve	-14,756				-14,756
Winwick Road Reserve	-30,000				-30,000
E&R Reserve Carry Forwards	-314,541	10,000			-304,541
TOTAL - Environment & Regeneration Reserves	-1,147,899	10,000	0	0	-1,137,899
Neighbourhood & Community					
Supporting People	-1,588,120		-556,000		-2,144,120
Museum Arts	-92,878				-92,878
Town Centre Sinking Fund	-390,381				-390,381
NCS Reserve Carry Forwards	-10,000	10,000			0
TOTAL - Neighbourhood & Community Reserves	-2,081,379	10,000	-556,000	0	-2,627,379
TOTAL EARMARKED REVENUE RESERVES	-18,543,220	4,024,882	-2,157,322	0	-16,675,660
GENERAL FUND RESERVES					
Council Strategic Reserve	-4,760,076				-4,760,076
Council General reserve	-1,281,746				-1,281,746
TOTAL GENERAL FUND RESERVES	-1,281,746	0	0	0	-1,281,746
TOTAL REVENUE RESERVES	-19,824,966	4,024,882	-2,157,322	0	-17,957,406

Below is a summary of the 2013/14 budget consultation feedback received via email, post, engagement events and social media:

Savings suggestions

- Stop building new facilities where there are buildings already, could they not have been refurbished instead completely rebuilt?
- Review of waste collection frequency, less bin collections means greater savings.
- Are there any more partnerships that WBC can set up with the likes of St Helens, Halton etc and get some economies of scale?
- Stop using consultants; it is an unjustifiable waste of money.
- Review of staff T&C's eg restrict overtime payments and reduce hours by an hour a week
- A review of the council's senior management team will save money.
- Use online tools better to drive down costs eg use electronic forms where possible, use Skype and Facetime for calls, hold webinars and virtual meetings.
- Review every single contract and supplier in order to get best value for money, smaller, local suppliers should be used to put money into the local economy.

Operational change suggestions

- Stop charging for parking to get the shoppers back which will attract more shops and stop granting permission to build out of town shopping like the one planned for Winwick Road.
- Try reducing rates for new tenants of business properties to get them filled. How about 50% off for the first 3 years, 75% off for years 3-6 and then full rate after that. Fill the empty shops and attract people to Warrington.
- Join services if possible with other councils and other public service providers, set up partnerships and establish traded services. Sell services as well.

Income generating suggestions

- Increasing charges and fees where applicable to generate income should be investigated at Walton Gardens for example; it is a major asset to the town.
- Removal of useless road signs, they could also be sold for scrap metal and generate income.
- Sell Palmyra Buildings, Wilderspool stadium and any other surplus land/ assets.
- Better use should be made of existing council buildings i.e. Poll Tax House, refurbish and move more staff in, leave other buildings that are rented not owned.
- Are there opportunities during less busy periods for some services that can be hired out and positions back-filled?
- Warrington Borough Council should sell its shares in the Wolves rugby league club thus generating funds.

- Sell the mayoral car's licence plate and car.
- Can WBC sell services and/or work with partners to reduce costs and become more efficient.
- Sell advertising on council owned properties to bring in money eg Victoria Park.
- Install solar panels on council homes and buildings to generate income.

Other comments

- Outsourcing doesn't save money; if it is done too much the council will lose the expertise and will be unable to bring the services back in house.
- Are there opportunities to manage advertising as a source of income – there used to be advertising hoards at the Athletics Arena – could these be set up for other areas.
- Review the size of neighbourhood teams means obviously a reduction in numbers, this should not go ahead.
- With an ever increasing, ageing population WBC need to consider investing for their future needs and working with partners to help reduce costs.
- The library service should be protected from further cuts. As well as being a statutory service it is the last of the really public and free services.
- WBC need to be careful about reducing levels of service on landscaping and arboriculture.
- Investment is needed in Warrington's roads, potholes etc.
- There is not enough detail in consultation document. It would be much better in the future if the full proposals setting out each department and the services it provides was published in order that meaningful comments could be made indicating where possible savings could be made.

WARRINGTON BOROUGH COUNCIL

EXECUTIVE BOARD - 18 February 2013

Report of Executive Board Members:	Councillor Russ Bowden, Executive Board Member, Corporate Resources and Assignments	
Chief Executive:	Professor Steven Broomhead, Interim Chief Executive	
Executive Director:	Katherine Fairclough, Assistant Chief Executive	
Report Author:	Jan Boon, Performance, Policy and Partnerships Manager	
Contact Details:	Email Address: Jboon@warrington.gov.uk	Telephone: 01925 443866
Key Decision No.	075/12	
Ward Members:	All	

TITLE OF REPORT: CORPORATE PLAN 2013-14

1. PURPOSE

- 1.1 The purpose of this report is to seek the Executive Board's approval for the attached Corporate Plan for 2013-14.

2. INTRODUCTION AND BACKGROUND

- 2.1 The Council Strategy 2012-2015, approved on 5 March 2012 sets the strategic direction for the Council. It contains our wider values as well as setting out our ambition to create resilient communities.
- 2.2 It makes three pledges to Warrington's residents:
- To protect the most vulnerable
 - To support the local economy
 - To help build strong and active communities for all
- 2.2 The Strategy is supported each year by an annual Corporate Plan that shows how the pledges will be delivered.
- 2.3 Delivery of the Corporate Plan is supported by the Council's performance management framework which includes directorate level plans and quarterly performance scorecards.

3. CORPORATE PLAN 2013-14

- 3.1 The Corporate Plan for 2013-14 has been developed by the Senior Management Team to set out the clear priorities and high level activity that will be undertaken in 2013-14 to deliver the Council's Pledges.
- 3.2 This plan is intended to inform Warrington's residents and businesses, council staff and our partner agencies about our priorities and plans. It will be supported by a more detailed 'business plan' that will set out key milestones and performance targets that will be developed by the Directors and their teams. This will form the basis of quarterly performance reports to measure progress and assess the impact on outcomes for residents.
- 3.3 In order to achieve the Council's pledges against a backdrop of continuing budget reductions and increasing demand the Council needs to develop as an organisation. There are some emerging aims in respect of this, including becoming:
- An entrepreneurial and enabling council
 - More customer focused
 - A community leader
 - More open and transparent
 - More engaged and working in partnership with other agencies.
- 3.4 It is proposed that a second council wide plan be developed to drive these changes to the way it operates. This plan will focus on shaping the Council as an organisation to be fit for the future and will include actions arising from the Organisational Development Strategy, the Digital Strategy and the Staff Survey as well as the outcomes from the Executive Board and Strategic Management Team Away Day on 25 February. It will also capture work which is already planned and underway in respect of creating integrated services and developing the workforce. It is proposed that this plan will also have clear timescales and delivery measures and will be monitored within the council's performance framework.

4. FINANCIAL CONSIDERATIONS

- 4.1 The Corporate Plan sets out how the Council will direct resources to focus on delivering its pledges.

5. RISK ASSESSMENT

- 5.1 The Council's risk management arrangements are embedded and working well within the Directorates. Risks are focused around the Council's ability to deliver on its stated pledges and outcomes. All risks with a strategic impact or importance will be reviewed and reported formally to SMT and the Executive Board on a quarterly basis.

6. EQUALITY AND DIVERSITY / EQUALITY IMPACT ASSESSMENT

- 6.1 Equality and diversity implications are assessed in relation to each key project or change within the Corporate Plan. As this is a composite plan a further impact assessment is not necessary.

7. CONSULTATION

7.1 Consultation with key stakeholders will take place in respect of planned changes set out within the Corporate Plan.

8. REASONS FOR RECOMMENDATIONS

8.1 To seek the Executive Board's agreement to the Council's Corporate Plan for 2013-14.

9. RECOMMENDATIONS

9.1 The Executive Board is recommended to approve the Council's Corporate Plan for 2013-14.




10. BACKGROUND PAPERS

Council Strategy 2012-2015
Corporate Plan 2012 -2013

Contact for Background papers:

Name	E-mail	Telephone
Jan Boon, Performance, Policy and Partnerships Manager	jboon@warrington.gov.uk	01925 443866

11. Clearance Details	Name	Consulted		Date Approved
		Yes	No	
Relevant Executive Board Member	Cllr Russ Bowden	√		25/1/2013
SMT		√		22/1/2013
Relevant Executive Director	K Fairclough S Broomhead	√		25/1/2013
Solicitor to the Council	T Date/I Mason	√		22/1/2013
S151 Officer	L Green	√		22/1/2013
Relevant Assistant Director	K Griffiths	√		25/1/2013

 <p>We want vulnerable people to have the protection, care and support they need so that they can determine their own future, achieve their ambitions and play a part in their communities.</p>	 <p>We are committed to the growth of the local economy and that of the North West. Will help to safeguard existing jobs and create more jobs in the locality.</p>	 <p>We want to support people to have the best possible quality of life and to become resilient, thriving communities.</p>
<p>Our Focus</p>		
<ul style="list-style-type: none"> Improving outcomes for vulnerable children and families Ensuring that adults and children are protected from abuse and harm Supporting people to remain independent and have choice and control over their service Providing high quality care services and promoting dignity and respect 	<p>Deliver 'Warrington Means Business' – the business growth and regeneration programme for Warrington:</p> <ul style="list-style-type: none"> Reinforcing the heart of the town Places for business growth Priority infrastructure to facilitate growth Providing aspirational and affordable homes Ensuring a skilled workforce for the future Encouraging enterprise Supporting local business Attracting and supporting business investment 	<ul style="list-style-type: none"> Enabling Communities to directly influence services in their neighbourhood Working with the most deprived neighbourhoods to improve residents health and quality of life Improving the overall health and wellbeing of the people of Warrington Improving the quality of the local environment To further develop our targeted youth provision Develop the role of schools and children's centres as hubs in their communities
<p>Key Actions</p>		
<ul style="list-style-type: none"> Co-locate two of our special educational needs schools onto a single site Further enhance children's safeguarding services and services for children in care Support vulnerable pupils to ensure appropriate access to education Develop our family support and complex families' approach Target adult social care services to those at greatest risk and develop and promote use of preventative services and community inclusion Continue to recognise and support carers of all ages to maintain their wellbeing by working with partners to implement the Carers Strategy 2012- 2015 Deliver effective safeguarding services and make people more confident to report concerns Improve the quality of local care for vulnerable adults and older people and support services to promote dignity Continue to promote personalisation and provide people with choice and control over the services they receive Develop Neighbourhood and Community Hubs providing services which are accessible in local communities 	<ul style="list-style-type: none"> Work with partners and employers to develop an action plan to deliver the findings of the Warrington Skills Commission Via Warrington & Co work with key developer partners to progress priority Town Centre development projects Continue to deliver the programme of Town Centre street improvements – particularly Bridge Street Enhance and promote key Town Centre parks and visitor destinations With Live Wire and Culture Warrington develop and deliver the 'Its all going on in Warrington' events programme – with a focus on town centre cultural activities and events With Marketing Cheshire, develop and deliver a reinvigorated investment focused place marketing plan for Warrington Work with partners and potential investors to progress the delivery of Omega North and Omega South as a nationally important inward investment location With MEPC reinforce Birchwood as a high quality employment location Progress the development of priority infrastructure projects to support economic growth Delivering improved digital infrastructure and connectivity Delivering with partners, affordable and aspirational homes Deliver the Cultural Strategy for Warrington Working with developer and investor partners to ensure that: <ul style="list-style-type: none"> Local companies benefit from construction opportunities Local people benefit from the new jobs that are created Support local businesses to achieve their aspirations through our business support activities. 	<ul style="list-style-type: none"> Work with our communities to enable them to directly influence services in their neighbourhood Develop a programme of targeted interventions and regeneration in Bewsey and Dallam Provide strategic leadership to support residents to be resilient in the face of welfare reform changes and ongoing austerity Deliver a programme of health improvement activities including health checks and smoking cessation services Implement the Active Warrington Strategy Target learning and skills development towards disadvantaged neighbourhoods Enhance the quality of local parks to provide places where local people can enjoy open spaces and take exercise Develop waste disposal services to reduce the amount of refuse sent to landfill Reduce the council's carbon footprint by undertaking energy efficiency projects in council premises and for street lights Improve the cleanliness of streets and open spaces Complete the local flood defences programme Provide super fast broadband coverage across Warrington Extend community based youth provision to support young people in avoiding risky behaviour and positively participate in their communities Extend primary schools and children centres provision to meet local needs and extend the use of local schools by the community
<p>We will know we have been successful as there will be;</p>		
<ul style="list-style-type: none"> Person centred plans available to eligible persons as required More older people accessing re-ablement services resulting in an increase in their independence and reduction in care needs More core assessments of children's social care carried out within timescales More stable placements for children in care Fewer child protection plans lasting more than two years More adoptions being enabled within 12 months More confidence in reporting hate crime Increased numbers of volunteers and wider choice of volunteering opportunities Carers will feel supported to have a life outside their caring role 	<ul style="list-style-type: none"> Economic growth in the borough with new jobs created by new and expanding businesses More people taking part in community events sponsored by the council. More of our procurement spend with local suppliers More homes built More young people in education, employment or training Increased Town Centre footfall. 	<ul style="list-style-type: none"> Increased life expectancy A closing of the gap between the most deprived neighbourhoods and other areas Fewer people claiming out of work benefits in the most deprived areas More people using leisure, library, sport and physical activity services Fewer people smoking or being admitted to hospital for alcohol related issues. Number of young people engaging with youth service with accredited outcomes Active Warrington – Delivery Plan Year 1 evaluation to be completed March 2013

WARRINGTON BOROUGH COUNCIL

EXECUTIVE BOARD – 18 February 2013

Report of Executive Board Member:	Councillor Linda Dirir, Executive Board Member, Highways, Transportation and Climate Change	
Executive Director:	Andy Farrall, Executive Director, Environment and Regeneration	
Report Author:	Sharon Walls, Public Realm Service Manager Dave Vasey, Asset Maintenance and Street Works Manager	
Contact Details:	Email Address: swalls@warrington.gov.uk dvasey@warrington.gov.uk	Telephone: 01925 442427 01925 442573
Key Decision No.	029/12	
Ward Members:	All	

TITLE OF REPORT: STREET LIGHTING REPLACEMENT AND ENERGY SAVING OPTIONS

1. PURPOSE

- 1.1 To consider options available to the Authority to reduce the high rise in energy costs, carbon emissions and the increased revenue costs associated with the ongoing provision of street lighting.
- 1.2 To also consider investment options available to the Authority associated with replacement of its aging stock of street lighting across the Borough.
- 1.3 Information is provided on energy rises, the options for future lighting provision and the condition of the Council's current lighting stock and the potential future costs of adequately maintaining it.
- 1.4 That the Council consider to an Invest to Save scheme of £35million for the replacement of 22,000 street columns and lanterns.

2. CONFIDENTIAL OR EXEMPT

- 2.1 The report is not confidential or exempt.

3. INTRODUCTION AND BACKGROUND

- 3.1 Warrington has 27,697 street lighting columns, 3,148 illuminated traffic signs and beacons and 1,112 illuminated traffic bollards. Within the highway network,

currently 61% of lighting columns are older than 25 years and 36% are older than 40 years.

- 3.2 This age profile presents serious potential future liability issues for the Council and risk to the public including the increasing risk of column failure through deterioration, high energy consumption, high carbon emissions and high maintenance costs. The scale and impact of the problem is covered as follows.
- 3.2 Currently street lighting energy consumption accounts for 17% of the overall authorities' energy costs and carbon emissions. The current expenditure on street lighting energy has increased from £600K in 2004 to over £1.4 Million in 2012 and remains a significant ongoing, largely uncontrollable financial risk, with the cost of energy rising by 8-10% per annum and with charging determined by the energy markets.
- 3.3 The annual cost of street lighting energy is rising well above inflation and is likely to continue to do so. An extra £150,000 above expected inflation rise was added to the energy bill in 2012/13 alone. Within the next 5 years the energy bill will be £2.4million and in 10years the energy bill will at least double if the authority were to not consider changing its lanterns to more energy efficient ones. The current budget is £1.3million.
- 3.4 Alternatively the authority may consider and face having to switch half of its columns off (approx. 15,000) to keep within existing energy budget levels.
- 3.5 Rising energy costs are not the only risk. Warrington currently have 61% of lighting columns older than 25 years and 36% older than 40 years, the average life of a column is 25-30years. This equates to approximately 17,000 columns in need of replacement with 10,000 in a high risk category of failure. With Warrington being a new town area the age profile of our columns will mean that in 5 years time approximately 50% (14,000) street lighting columns will be over 40 years old and of high risk of failure.
- 3.6 The level of investment needed for the replacement of these aging columns as of 2012 is a minimum of £9 million for replacement of the 10,000 high risk columns or £16million for all 17,000 aging columns based on an average basic replacement cost of £950 per column (including the lantern).
- 3.7 Based on current budget provision on average 500 columns per annum can be replaced with Local Transport Plan (LTP) funding. Therefore with no additional investment within the next 5 years only 2,500 of the current 10,000 high risk columns can afford to be replaced.
- 3.8 The remaining 7,500 high risk columns would therefore need removing and decommissioning during the next 5 – 10 years (removal and non replacement). The cost of removing and decommissioning a column is on average £650. Therefore with no additional investment there would be a pressure on the Authority to find a minimum of £5million in the next 5 – 10 years for decommissioning and removal of 7,500 high risk columns leaving many places in darkness.
- 3.9 The service has therefore been looking at alternative options to tackle the risks and issues facing the Authority with regard to the street lighting stock. This has been a

complicated process given the ongoing technological advancements and choices available in the electrical market and also due to the potential large investment, borrowing and revenue implications that can result for the authority as a result of making those choices. Making the right investment decisions during a period of austerity is ever more important.

4. WORK ALREADY DONE TO TACKLE THE PROBLEMS

- 4.1 Since 2010/11 the street lighting section has been looking at alternative options to tackle the ongoing street lighting energy and age problem and have engaged in submitting a number of Salix funding bids to allow the authority to reduce energy and carbon emissions with the climate change team. There have been four submissions to Salix Finance securing nearly £1million of interest free loans. This has resulted in an overall saving to the authority £200K p.a. in energy.
- 4.2 The Salix projects involve replacement of lanterns and components to reduce energy and carbon but do not allow for replacement of the column itself. There is however, no guarantee that this financial loan option via Salix arrangement will continue in the long term. The criteria for funding and payback requirements associated with the Salix loan arrangements are now fully exhausted with the projects undertaken to date. The Council has in effect converted the lanterns that would give us the greatest energy savings and quicker payback through this route that take advantage of the interest free facility.
- 4.3 With no guarantees of future funding, Warrington's street lighting team with assistance from finance had also been working with four other authorities to produce an application for European funding during 2011/12, to support the development and delivery of a longer term street lighting invest to save strategy.
- 4.4 The EU funding was available to support the technical assistance needed in order to develop detailed lighting design options. Approval of the application was subject to it meeting the relevant EU criteria and Warrington Borough Council committing financial funding to implement the project within a three year timescale once approved.
- 4.5 Unfortunately a number of the partner authorities decided not to progress with the project in 2012 which has resulted in the funding for this technical support no longer being available.

5. ENERGY AND CARBON

5.1 Energy and Carbon Risks and Costs

- 5.1.1 As highlighted earlier street lighting energy consumption currently accounts for 17% of the authority's overall energy costs and carbon emissions.
- 5.1.2 The Government has introduced the Carbon Reduction Credit Energy Efficiency Scheme (CRCEES) which is a mandatory carbon emissions trading scheme. The CRCEES was introduced in April 2010, initially just with a reporting requirement, but from April 2012 local Authorities are required to purchase CO₂ allowances for their carbon emissions.

- 5.1.3 The cost of carbon credits relating to street lighting is an additional risk factor that needs to be considered. The cost of the carbon credits is expected to be traded on the open market, the cost of which is highly likely to increase adding additional financial pressure of approximately £100k p.a. from 2013/14.
- 5.1.4 An itemised list of equipment is required to be declared to the Distribution Network Operator (DNO) who then determines the Councils Estimated Annual Consumption (EAC). The EAC is updated each month to reflect updates to the equipment on site so changes to energy charges are updated in relatively short periods of time and increased energy costs can be experienced within a financial year.
- 5.1.5 Over the last seven years, the authority has taken a positive approach to developing a sustainable street lighting service. Appendix B shows the current strategy being adopted by the street lighting service. However, the impact of the rises in energy requires consideration of a large scale alternative approach.

5.2 Energy Saving Options

- 5.2.1 There are a number of options available to the Authority that will assist in reducing energy and carbon costs.
- 5.2.2 St. Helens Council has for a number of years been participating in a European project (BLISS) to research and test methods to reduce street lighting energy consumption. The BLISS research project looked at the various technologies that have been tested and the potential energy savings from them. It also identified feedback from stakeholders and residents in particular, of the various trials where lighting levels have been reduced or where more efficient types of lighting unit have been installed.
- 5.2.3 In summary, the St. Helens trials predict potential savings of between 2% (for trimming or making lights come on slightly later and go off slightly earlier) and 40% (for part-night operation where lights are switched off from say midnight to 6.00am).
- 5.2.4 Stockport has also been investing in alternative energy saving options through the fast track installation of Light Emitting Diodes (LED) across all their stock that in effect enables energy savings to be reinvested into an aging column replacement programme. A model that Warrington has examined as a potential option for consideration.

5.3 No Change

- 5.3.1 This option involves the Authority continuing to maintain the existing street lighting stock with the same level of revenue funding for energy and maintenance. The current £1.5 million of energy expenditure in 2012/13 would be expected to increase to in excess of £2 million in the next five years as identified in Appendix A.
- 5.3.2 This option has been identified as not being feasible or sustainable due to the expected increases in energy costs. This option would also place greater financial pressure in the future for maintenance.

5.4 Lantern and Component Replacement to Save Energy

- 5.4.1 The immediate and short term pressure that the authority faces is the exponential rise in energy and carbon costs. Reducing these costs with Salix funding thus far has assisted in saving energy costs to a degree but only 24% of the stock is now considered to have more energy efficient lighting and so there is still short term energy and carbon pressures to manage due to the unconverted remaining stock. Approximately 22,000 lanterns and their components need converting.
- 5.4.2 The last four successful bids for funding have reduced energy bills by approx £200k p.a. for Warrington's street lighting. Without Salix would be of the order of £1.6million in 12/13. With other carbon charges that have been introduced in 12/13 the energy bill would currently be £1.8million. The current budget is £1.3million.
- 5.4.3 It is recognised therefore that given the rising energy and carbon pressures the Authority faces it is worth fast tracking the replacement of the older type lanterns with more energy efficient ones.
- 5.4.4 There are various choices of lantern that can be made that vary in cost that will give different energy savings and attract different payback returns. For the purposes of comparison 3 options have been examined including
- **Option 1** - Change with modern low energy non LED lanterns,
 - **Option 2** - Change lanterns with a mix of LED and standard lanterns depending on location and
 - **Option 3** - Change all unconverted lanterns to LED lanterns
- 5.4.5 The costs take account of replacing lanterns at required frequencies during a 25year investment period. The capital cost of this lantern replacement for 22,000 unconverted lanterns alone over a 25 year investment period has been estimated at
- **Option 1** - £12 million for modern energy non LED lanterns
 - **Option 2** - £16 million for a mixed lantern option and
 - **Option 3** - £18 million for full LED replacement.
- 5.4.6 Important factors to consider with LED is that whilst they are considered to last up to 20-25years current suppliers are only giving 10year guarantees. A modern non LED energy efficient lantern can last between 10-15years.
- 5.4.7 Another factor to note when assessing cost of components is that with bulk buying there could be cheaper prices and quicker payback but this is unknown at present until the market is tested and actual procurement exercise is undertaken.

6. STREET LIGHTING COLUMNS

6.1 Providing Street Lighting

- 6.1.1 There is no statutory duty to provide street lighting. However, under Section 97 of the Highways Act 1980, local highway authorities have the powers, should they choose to use them, to provide lighting. If street lighting is provided under the

Highways Act, then the Authority is required to maintain them in a serviceable condition.

6.1.2 The original purpose of street lighting was to prevent crime. It was unrelated to highway safety. It is recognised that street lighting has a vital role to play in reducing fear and improving community safety after dark. Lighting can reduce crimes involving street robbery, theft from the person and assault, theft of/from and damage to motor vehicles, vandalism and burglary.

6.2 Safety Risk of the Columns

6.2.1 The limited investment in the street lighting columns now means that increasing resources are required for maintenance and the carrying out of more frequent safety condition surveys to minimise the risk of structural failure to the public. The current cost of structural testing is £30K per annum and by 2017 this is anticipated to increase to £50K per annum due to more frequent testing requirements needed in order to manage the increasing risks.

6.2.2 The failure of a lamp column typically is usually catastrophic and results in a column falling over due to structural failure of the base and in the case of concrete columns concrete falling off exposing wiring all of which can be considered life threatening risks. Steel columns can often look stable from the outside but tend to rot on the inside.

6.3 Column Replacement Options

6.3.1 The Street Lighting PFI submission identified a number of options to address the condition of the street lighting columns across the Borough and these remain relevant and form the basis of the options for further consideration as summarised in Table 1.

- Fast Track Replacement through PFI
- Do Nothing / No Change – Continue with Current levels of Service / Investment
- Do Minimum – 5 to 10 year investment in high risk columns
- Full investment - replacement using alternative borrowing options

6.3.2 Savings made on the energy through the replacement of lanterns can also be considered for re-investment into the replacement of the aging street lighting columns that is an additional problem that needs consideration.

6.3.3 This strategy for reinvestment of energy savings into the replacement of the street lighting columns is recommended since it could be considered poor investment to replace all the existing high energy lanterns with more efficient lanterns to reduce the immediate and short term energy pressures only to subsequently remove the whole column including the new lantern following failure of the column due to its age and risk of falling.

6.3.4 The three financial payback options that consider the replacement of columns together with various lantern choices are examined in the financial considerations. The replacement of 22,000 columns at the same time as the lanterns ensures that the Authority is not left with any columns that are older than ten years allowing

better future replacement plans to be put in place. An investment period of 3 years is being suggested.

OPTION	INVESTMENT	TIMEFRAME	RISK	OUTCOME
Fast track PFI	£45 million of government capital	5year delivery timetable	Now not available not likely to become available in the future	Not available 80% of columns will still need to be replaced
Do Nothing / No Change	No additional investment Revenue = £2.2m incl. energy Capital = £500k per annum	Current service delivery continues indefinitely based on current budget provision	In 5years time 17,000 columns will become high risk, energy bill will rise by £1.1m to £2.4million, maintenance costs will double and increase by £575k p.a	Removal of columns. Due to rising energy and failing column costs there will be insufficient capital to replace or revenue to maintain.
Do minimum column replacement	£3m p.a. to replace high risk 10,000 columns during 3 year lantern changes Or £1.7m p.a. for 5 - 10years Replace lanterns over 3 years to save energy pressure only.	3, 5 years or 10 years for column investment	High risk that approx 7,000 to 10,000 columns would need replacing sooner during these time periods hence approx 25-30% of columns would remain unlit / removed or not replaced.	If lanterns had been replaced with energy efficient ones, the failing columns would be removed with new lanterns on them hence the potential for wasted investment
Full column Investment	£15m capital investment for column replacement with capital also borrowed to replace lanterns during same investment period = total investment of between £28 – 34million	3 years to coincide with lantern replacement	Timeframe is tight to deliver. Need to co-ordinate and communicate plans and activities with members / the public and businesses.	Replacing columns and lanterns together will mean no wasted investment. Saving in energy pays for replacement of columns over 15years. Maintenance savings realised

TABLE 1 – COLUMN REPLACEMENT OPTIONS SUMMARY

7. FINANCIAL IMPLICATIONS

- 7.1. As part of 2012/13 budget setting process the Council agreed to an Invest to Save scheme of £35m for the replacement of the borough's street lighting, subject to satisfactory business case. The Finance Team has worked closely with officers in Environment and Regeneration to put together the business case. This report is the full justification for proceeding with this scheme, which pays for itself from reduction in energy costs and revenue maintenance costs, and therefore the business case has been now been proved.
- 7.2 The do nothing / no change option means that the Authority would have an increasing year on year financial pressure or would have to consider switching off street lights, whilst still having a responsibility to ensure there safety. Worst case scenario would be that columns were removed and not replaced at a total cost of £11 million over the next 10years due to costs of decommissioning of 17,000 units at £650 per lamp column.
- 7.3 The capital costs needed to enable the street lighting energy pressures to be better managed over a 25year investment period would be.
- £12 million for modern energy non LED lanterns
 - £16 million for a mixed lantern option and
 - £18 million for full LED replacement.
- 7.4 The investment needed to ensure the 22,000 street lighting columns were safe and serviceable and replaced before the risk of failure is £15.5 million (excluding lanterns). If LTP funding were to continue then this could decrease by £1.5million over the 3 year investment period.
- 7.5 Table 2 identifies the prudential borrowing and payback periods over a 25 year investment period for the three options examined.

Options	Capital Cost	Total Repayment	Savings Energy	Savings Maintenance	Revenue Costs	Payback Years
Option 1	£27,816,009	£32,558,282	£29,540,240	£2,160,529	£1,170,000	NA
Option 2	£32,383,834	£37,555,432	£38,910,009	£2,160,529	£352,000	23
Option 3	£33,824,330	£35,153,997	£43,698,614	£7,201,763	£0	15

TABLE 2 – FINANCIAL BORROWING AND PAYBACK

- Option 1** – Luminaire & Column Replacement 100% Non LED
Option 2 - Luminaire & Column Replacement 75% Non LED, 25% LED
Option 3 - Luminaire & Column Replacement 100% LED

- 7.6 It is recommended that energy savings realised through recent Salix projects and the proposed conversion of the remaining lanterns be ring fenced and reinvested to

payback the borrowing required to install the replacement of new lamp columns and energy efficient lanterns over a 3 year period commencing in 2014 (or sooner).

- 7.7 If no investment in lantern conversion were to take place energy costs in 10years time will be of the order of £4million and in 25years would be of the order of £10million.
- 7.8 With investment in conversion of lanterns the energy costs are likely to be of the order of £1.2million in 10years and in 25years would be of the order of £4million. Effectively saving the authority of the order of £44million in total over the next 25years in energy costs alone.
- 7.9 If the authority were to not invest in lanterns or lamp columns the authority would have to pay out of the order of £11 million to decommission aging and unsafe columns over the same period.

8. STAFF RESOURCES

- 8.1 As part of the delivery of the above projects the existing in-house workforce would have to be supported by an external contractor if the lantern and column replacement option were to be implemented over a three year period.
- 8.2 A project team would need to be engaged to deliver the lantern and column replacement programme. It is envisaged that a project manager, designer and supervisor would be needed at a cost of £130k p.a. both of these costs are included in the borrowing proposal.

9. PROGRAMME

- 9.1 The programme for the potential lantern replacement would be from 2014/15 financial year for a period of 3 years (or sooner). The dates are based on current procurement timescales for material contracts that will need to be advertised via OJEU notice and will look to use existing framework agreements for technical assistance.

10. RISK ASSESSMENT

- 10.1 Street lighting is not a statutory function and there is no legal requirement for road to be lit. However, it is recognised that street lighting contributes strongly to road safety, community safety and the prevention of crime. Street lighting fits with the Council's strategic priorities. Since 1998 the Council is required by statute to exercise all of its functions with a view to preventing crime and disorder. It should be noted that the introduction of street lighting was originally to assist pedestrians as a result of crime and disorder issues. It continues to be accepted as a major contributor to the prevention of crime and disorder or its perception. Whilst the Council may not be challenged under the Highways Act about removing lighting, there may well be challenges under section 17 of the Crime and Disorder Act 1998, as happened in Essex when the Police intervened with the proposal to turn off lights.
- 10.2 Further risks relating to dimming and changes in street lighting levels are contained in Appendix H.

11. EQUALITY & DIVERSITY ISSUES

- 11.1 Any reduction or failure to provide street lighting could unfairly disadvantage pedestrians and certain population groups who would not feel safe on the public highway during the hours of darkness.
- 11.2 The proposed street lighting option will contribute to the Council's climate change and transportation objectives with regard to:
- (a) Reducing carbon footprint and carbon emissions
 - (b) Improving road safety
 - (c) Improving the local environment
 - (d) Improving quality and accessibility of the highway and the sustainability of street lighting service
 - (e) Reducing energy costs
 - (f) Contributing to health agenda by making public highway and associated space more accessible for walking and cycling
 - (g) Contributing to the perception of safety and fear of crime

12. CONSULTATION

- 12.1 It is proposed to consult with members and the public and affected stakeholders relating to roll-out of the programme if approved during 2013/14.

13. RECOMMENDED OPTIONS

13.1 Lantern Replacement to Save Energy

13.1.1 The proposed option is to replace the Authority's remaining unconverted 22,000 street lanterns as detailed in **Option 3** using invest to save and consider an ongoing whole life approach to maintaining the street lighting stock. A financial assessment of this option and indicative costs of borrowing and payback periods have been completed by finance and is contained in the financial considerations.

13.1.2 The financing of the above option is recommended for prudential borrowing and being financed through the resulting energy savings. The replacement would be undertaken over a 3 year period and payback would be 15years.

13.1.3 Whilst this option involves the replacement and upgrading of 22,000 columns and lanterns to more modern energy efficient types and the dimming of street lights throughout the hours of darkness, it is anticipated that the detailed technical analysis to be undertaken during 2013/14 would identify a tailored mix of lighting solutions.

13.2 Column Replacement

13.2.1 It is recommended that to ensure future survival of the street lighting columns in Warrington an investment strategy be agreed to replace columns at the same time as the lanterns in Option 3.

13.2.2 The no change and do minimum options would leave the authority with a future medium and long term risk.

14. CONCLUSION

14.1 The Council will need to change the way it currently manages its street lighting with regard to the columns and the energy they consume. Without this there will be an increased risk of structural failure and increased energy costs. Ultimately the management and maintenance of the authority’s street lighting will become unsustainable and unaffordable.

15. REASON FOR RECOMMENDATION

16.1 Investment is required in order to improve the condition and effectively maintain the street lighting stock across the Borough. Current resources and investment levels mean that the Council is and will continue to manage aging street lighting with unsustainable budgets.

16.2 The investment to save option will not only improve the street lighting but will also contribute to other Council objectives including the authority’s carbon reduction targets.

16.2 The effective management of assets also forms part of the authorities approved Transport Asset Management Plan (TAMP).

17. RECOMMENDATION

17.1 The Executive Board is recommended to:

- (i) consider the content of this report and its implications for the Authority.
- (ii) agree to Option 3 - to borrow £34million as an invest to save in street lighting lantern and column replacement to be delivered over 3 years from 2014/15 to mitigate future energy and safety pressures faced by the authority.

18. BACKGROUND PAPERS

Executive Board PFI Expressions of Interest 2009
 Salix funding / project bids
 St Helens BLISS project

Contacts for Background Papers:

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Sharon Walls	swalls@warrington.gov.uk	01925 442427
Dave Vasey	dvasey@warrington.gov.uk	01925 442573

12. Clearance Details:				
	Name	Consulted		Date Approved
		Yes	No	
Relevant Executive Board Member	Cllr Linda Dirir	√		29/01/2013
SMT		√		22/01/2013
Relevant Strategic Director	Andy Farrall	√		22/01/2013
Solicitor to the Council	Tim Date	√		22/01/2013
S151 Officer	Linton Green	√		22/01/2013
Relevant Head of Service	David Boyer	√		22/01/2013

Appendix A

Figure 1 Street Lighting Forecast Energy Costs with no lantern investment

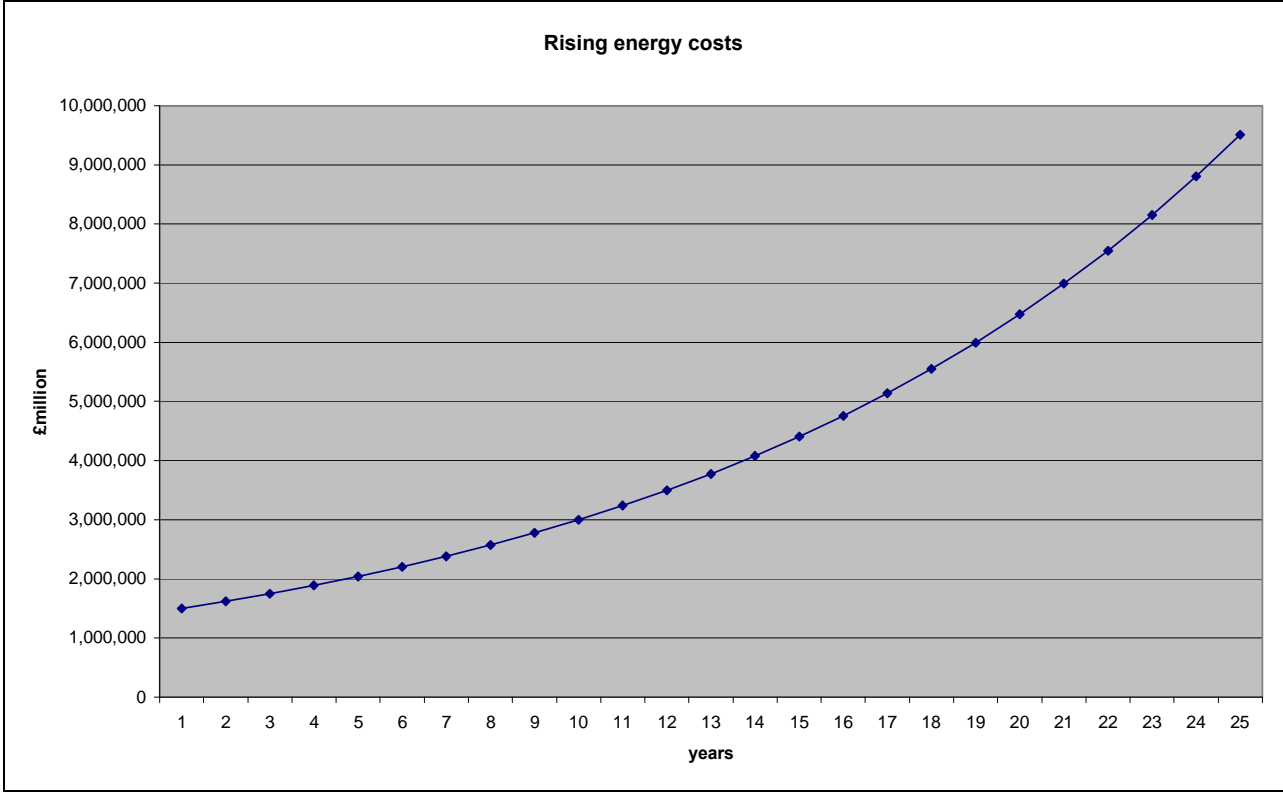


Figure 2

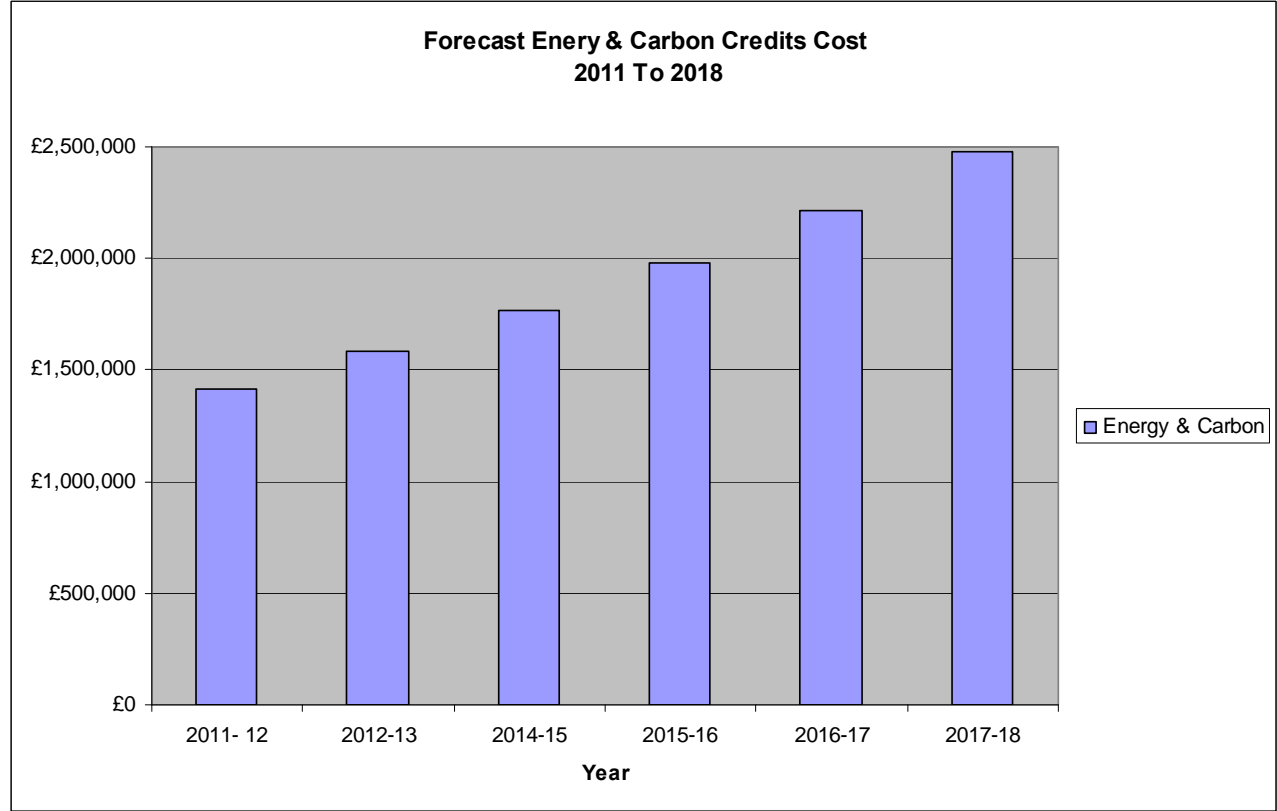


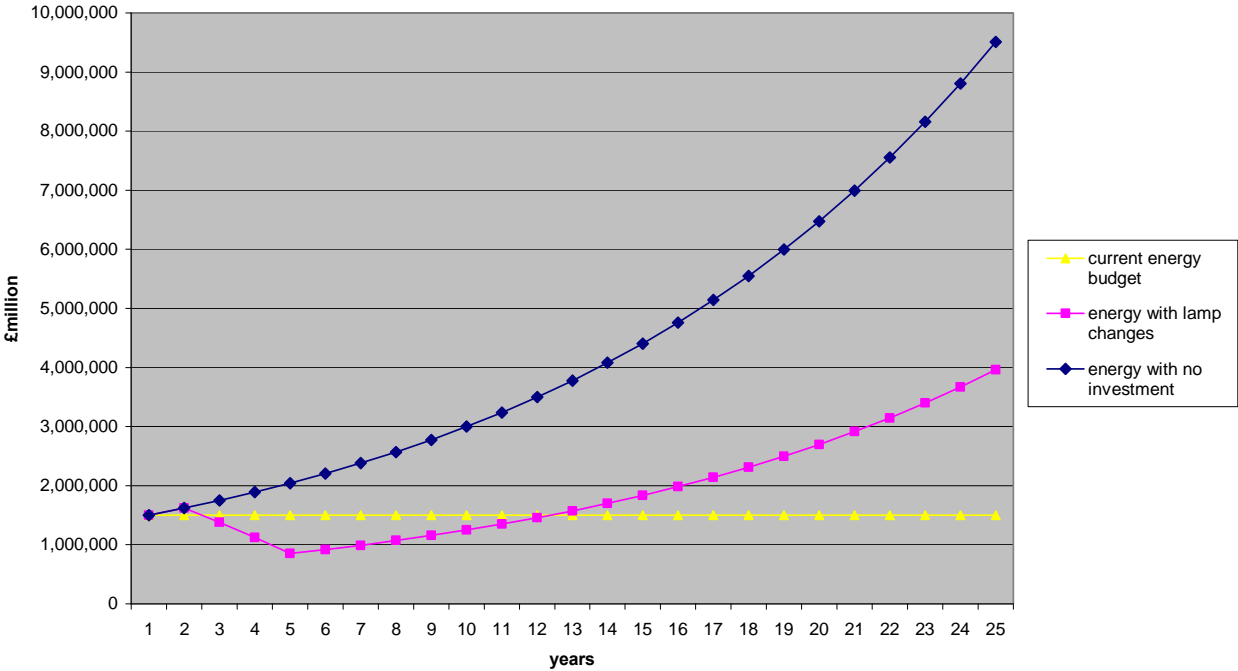
Table 1 Street Lighting Energy and Carbon Budget Pressures

Highway Asset Energy & Carbon Estimated Budget Pressures 2011 - 2018						
Financial Year	2011- 12	2012-13	2014-15	2015-16	2016-17	2017-18
Total Cost No Action Taken	£1,413,473	£1,582,026	£1,770,154	£1,980,089	£2,214,308	£2,475,571
Existing Energy Budget	£1,344,728	£1,344,728	£1,344,728	£1,344,728	£1,344,728	£1,344,728
Pressure	-£68,745	-£237,298	-£425,426	-£635,361	-£869,580	-£1,130,843

Source: MTFP October 2011

Figure 3

Energy pressure saving



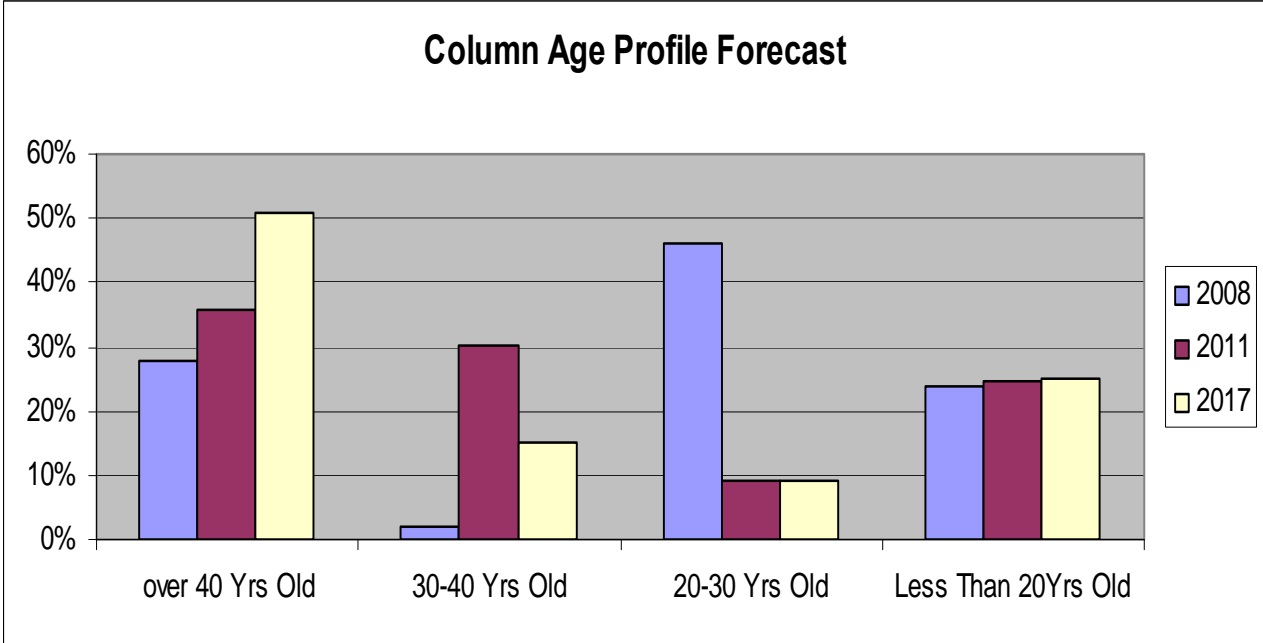
Appendix B

Sustainable Street Lighting Strategy

Tier Operating	Hours	Areas of application
<p>Category A Lighting Operation Maintained at no less than 75% during reduced traffic flows</p>	<p>Dusk to Dawn</p>	<p>Complex junctions and roundabouts Controlled pedestrian crossing points Locations with significant night time road traffic accident record Areas covered with CCTV or similar surveillance equipment; Locations with above borough average records of crime Areas leading into 24 hour operational emergency services sites such as hospitals.</p>
<p>Category B Lighting operating at variable levels to reflect traffic and pedestrian flows Lighting levels to be maintained a no lower than 50% Residential areas To coincide with current standards</p>	<p>Variable Lighting Levels Operated from Dusk to Dawn</p>	<p>All areas that are not covered by Category A above on</p> <p><u>Principal and Classified roads that form a part of the highway</u> Lighting levels to be operated at variable lighting levels, where practical, based on traffic flows (lighting levels reduced outside peak times using guidance detailed in ILE Technical Report 27 Code of Practise for Variable Lighting levels for Highways). All areas on residential roads and footpaths that form a part of the highway road network but do not fall into Category A.</p> <p><u>Residential</u> Lighting levels to be operated at variable lighting levels, where practical, based on traffic flows of pedestrians and cyclist (or lighting levels reduced by one 'S' class using 'white' light recommendations of BS 5489</p>
<p>Category 3 Lighting operating for part night to reflect normal expected hours of use of the area</p>	<p>Part Night Operation</p>	<p>All areas that do not fall into Category A or B above or that are not a part of the adopted highways or primary routes of access to properties on residential streets.</p> <p>Lights would operate from Dusk to a predetermined time dependant on use (22:00 or 00:00) then switch off. Lights may switch back on at 06:00 and operate until dawn</p>

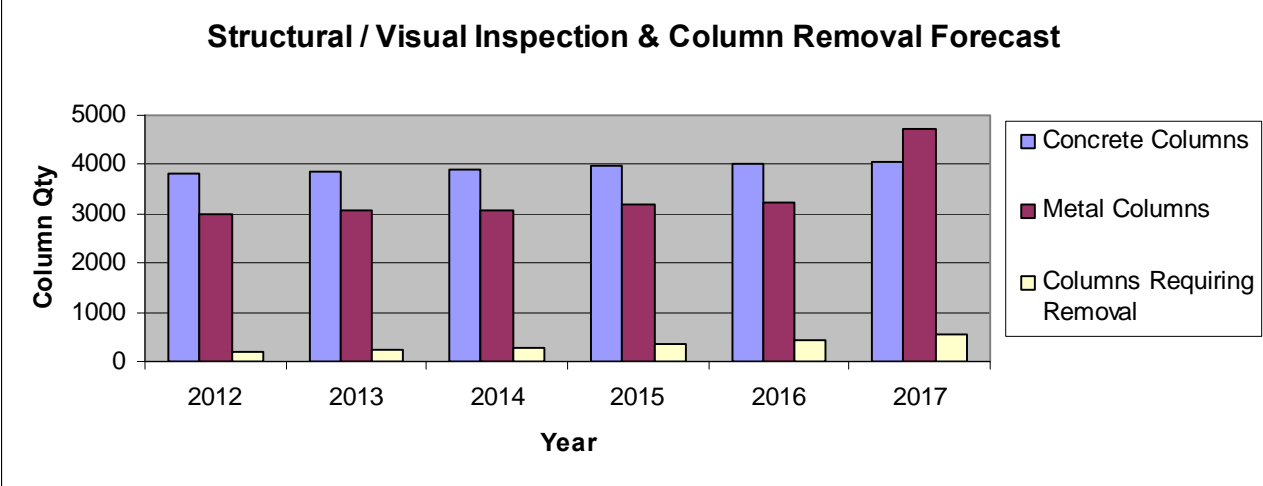
Appendix C

Street Lighting Column Age Profile Forecast



Appendix D

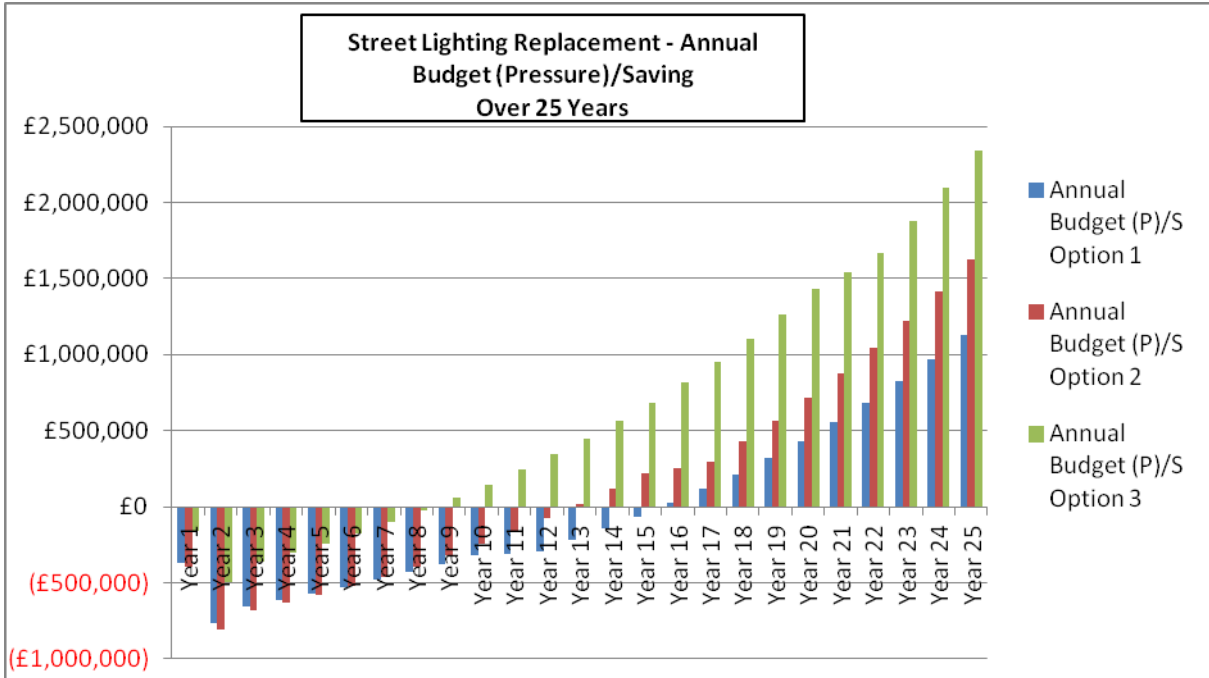
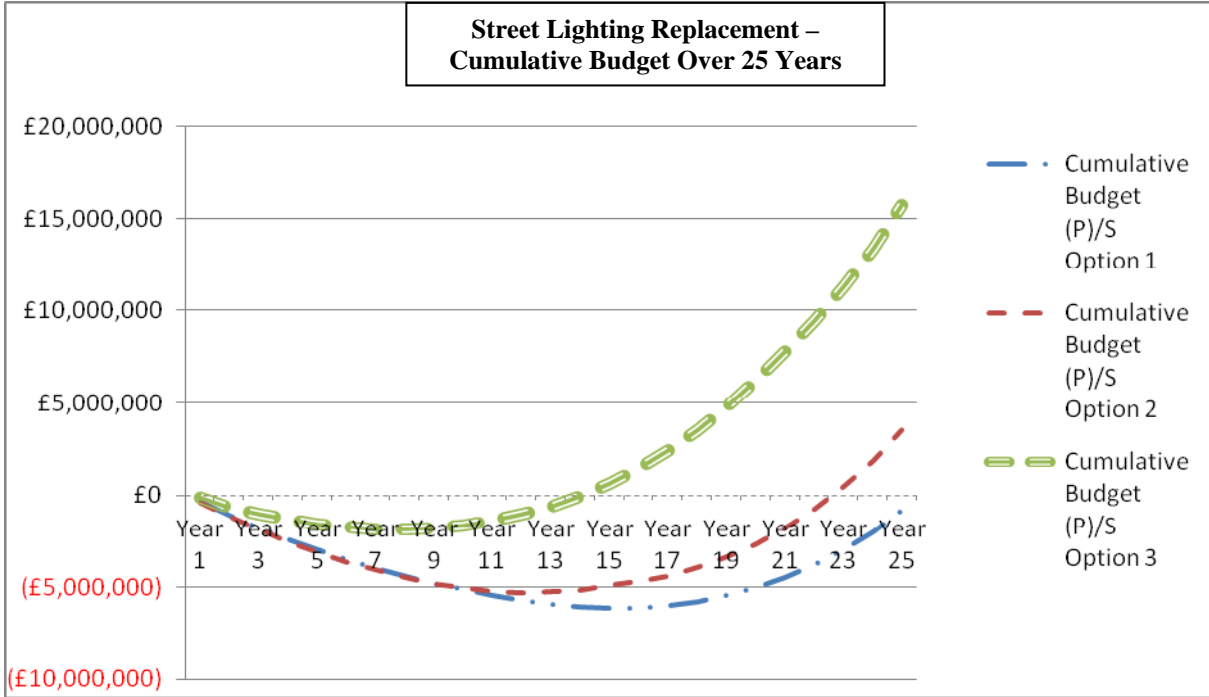
Street Lighting Structural / Visual Inspection & Column Removal Forecast



Appendix E

Options	Capital Cost	Total Repayment	Savings Energy	Savings Maintenance	Revenue Costs	Payback Years
Option 1	£27,816,009	£32,558,282	£29,540,240	£2,160,529	£1,170,000	NA
Option 2	£32,383,834	£37,555,432	£38,910,009	£2,160,529	£352,000	23
Option 3	£33,824,330	£35,153,997	£43,698,614	£7,201,763	£0	15

Option 1 – Luminaire & Column Replacement 100% Non LED
 Option 2 - Luminaire & Column Replacement 75% Non LED, 25% LED
 Option 3 - Luminaire & Column Replacement 100% LED



Appendix F

Salix Project Summary Table

Project	Details	Funding Stream	Funding £000	Annual Energy Saving KWh	Annual Savings (yr 1) tCO ₂	Annual Energy Savings £000
Street lighting Installation of non illuminated Bollards & Conversion to LED Sign Lanterns	500 Non Illuminated/Solar Powered Bollards	Salix Recycling Fund	£300	561,279	305.4	£61
	1000 LED Sign Lanterns					
	250 signs de illuminated					
	264 Street Lanterns					
Sign Lantern Conversion to LED & Street Lantern Conversions with Electronic Control Gear	1202 Street Lanterns	Salix Loan	£267	599,737	326.2	£54
	912 Street Lanterns Dimming					
Street lighting Lantern Conversion and the introduction of Both Fixed Dimming & Variable (CMS) Lighting Levels	1800 Street Lanterns	Salix Loan	£392	785,231	502.36	£78
	912 Street Lanterns Dimming					
			£959	1,946,247	1133.96	£193K

Appendix G

DETAILED EXAMINATION OF COLUMN REPLACEMENT OPTIONS

1.1 PFI Funded Replacement Option

1.1.1 The withdrawal of the 3rd round of PFI funding means that the authorities Fast Track Replacement Option to replace 80% of its assets over 5 years is no longer available. Future PFI credits are not expected to be made available in the next 5 years.

1.2 Do Nothing / No Change

1.2.1 This option involves the authority continuing to maintain the existing street lighting column and replace them with the same level of revenue and capital funding. The current 2012/13 gross street lighting revenue budget for maintenance of all electrical equipment including lighting columns, illuminated signs and bollards **including energy** is £2.2million and includes overheads. Maintenance is undertaken by an in-house workforce. Of the £2.2million gross budget, energy costs are of the order of £1.5million leaving £700k of revenue to pay for plant, materials, labour and internal overhead costs associated with the maintenance of the stock.

1.2.2 Investment currently in replacement of lighting columns is funded with capital pass ported via the Local Transport Plan Capital funding allocation and is of the order of £500k p.a. This has been increased in 2012/13 from £350k p.a. by reducing LTP investment in bridges by £150k. Prior to 2010 there was no capital investment identified for replacement of street lighting columns.

1.2.3 This current capital funding on average is replacing 500 columns p.a. (1.7% p.a.) Current LTP capital funding is not guaranteed beyond 2013/14 but if investment were to continue on this level for the next 5 years approximately 2,500 (8.5%) of the stock would be replaced when in reality as highlighted in Section 3 a minimum of 17,000 will need replacing.

1.2.4 Within 2012/13 there is already an in year pressure of £200k associated with the changes in calculation for energy. If no investment were to be considered maintenance costs are calculated to increase by £575k p.a. in 5 years time as our age profile of the columns sharply increases. Increased maintenance costs will be due to:

- Increase number and frequency of electrical safety and structural surveys.
- Removal of failed lighting columns following inspections.
- Decommissioning costs including disconnection of electricity to the columns.

1.2.5 This problem is already becoming a reality. In 2011/12 there were approximately 80 columns that required removal due to being structurally in need of replacement and a further 20 that had been replaced but that that needed electrical connections. Due to in year budget pressures and the ongoing financial pressures that the service and the council as a whole are faced with a delay in connecting the columns and providing new ones was experienced in 2011/12. Works only commenced in 2012/13 on these columns when new budgets became available. This represents

an annual pressure of approx £90k last financial year that has rolled into 2012/13. Currently we are facing the same problem again with 90 columns again currently in need of replacement and approximately 30 that have been replaced but are in need of connections hence this problem is only likely to compound on an annual basis.

- 1.2.6 It is estimated that this do nothing option would result in 2000 columns being removed within the next 5 years. Typically there is the potential for 50% of columns to be removed in the next 20 years if there is no additional investment.

1.3 Do Minimum Option / Partial Replacement Option

- 1.3.1 This option initially considers the replacement of 5473 highest risk columns (the worst 20%). With current investment of £500k p.a. it would take 10years to replace these highest risk columns. As highlighted in Section 3 the revenue and capital pressure would still remain and probably increase and would need to be considered as a result of having to consider removal of unsafe columns.
- 1.3.2 For a do minimum option to be sustainable in the short to medium term the investment would have to be increased to do a partial replacement option to remove the risk of an increase in revenue costs associated with removal of the remaining unsafe columns (approx 10,000 in total) not part of the 5473 (worst 20%) in need of immediate attention.
- 1.3.3 It is estimated that 2000 number of columns will have to be decommissioned and removed in the next 5 years, with an estimated 5000 - 7500 over the coming 10 years with a do minimum option.
- 1.3.4 There are many different partial replacement options that could be considered based on optimal replacement or on affordability. However, given the declining condition of the street lighting asset the replacement options can involve either a 5 year or 10 year programme of investment to replace approximately 17,000 aging columns as necessary to reach a "steady state" of ongoing asset renewal.
- 1.3.5 This could mean investment being increased to £3million p.a. (replacing 3,000 columns p.a.) for 5 years to deal with all the highest risk and rapidly aging columns or investing £1.7million p.a. to replace these columns over a 10year period.
- 1.3.6 Thereafter, stock would be replaced on a lifecycle basis over the following years. The investment programme would be prioritised to replace failing and life expired stock with modern equipment. The capital cost of partial replacement has been calculated overall to be of the order of £16m for the columns alone. This option however, would involve potentially putting a new LED or modern low energy lantern onto old columns during this 5 -10 year period. This option that is not considered prudent and therefore the option being recommended is to also invest in columns but replace the columns at the same time as the lanterns.

Appendix H

RISKS

- 1.2 Studies undertaken by the Transport Research Laboratory (TRL) have concluded that switching off lights between midnight and 5am is not recommended on traffic routes because 'when traffic flow is at its lowest, vehicle speeds will be at their highest, so the accidents will be more severe'. In the dark, drivers' reactions tend to be slower and stopping distances longer. The same study indicates that if part-night lighting is considered, this should be based on 'a full evaluation of the accident statistics'. A recent study (2009) from Newcastle University stated that there is evidence that street lamps save the lives of a 'significant number' (45% on average) of pedestrians, cyclists and motorists each year.
- 1.3 However, there is evidence available to suggest that switching off lighting may not be detrimental in all cases. For example, in 2009 following an 18 month trial in two residential areas, Essex County Council concluded that where lights were switched off between midnight and 5.00am, crime had fallen and there had been no police reported traffic accidents. Notwithstanding this, it could be argued that this limited period is too short to determine the true impacts of the cuts, especially in terms of road casualties, and that the trials did not consider high speed roads. It is felt that more detailed evidence is needed before the potential impacts of any cuts on all road types can be predicted with more certainty.
- 1.4 A recent statement by the Institute of Lighting Professionals (ILP) states that local authorities are required to advise their energy supplier of their load profile (i.e. when they are using electricity) and their energy tariff is based upon this. Where lighting is on all night, the overall tariff is low, as the lighting uses energy at periods of low demand which offsets consumption at peak hours, such as 4.00pm to 8.00pm. By changing their load profile and removing consumption during the low demand periods, an authority's average energy tariff will increase considerably and could negate any savings. The ILP alleges that this unrecognised effect is not being considered by many authorities and that these changes will cost to implement. The ILP is in favour of utilising technology to allow variable lighting levels instead of cutting lighting altogether. By monitoring traffic flows, light levels can be raised to provide appropriate lighting levels at peak times, while during quieter periods, they can be lowered. This would be in accordance with lighting standards and provide a safe environment. These sorts of technology are referred to in Appendices C and D and whilst the theory cannot be disputed, there are costs attached to their implementation.
- 1.5 The ILP has praised Highway Agency (HA) plans to dim lights along major 'A' roads. The HA plans were recently confirmed to the Commons by transport minister Norman Baker in a written answer to a Parliamentary question. Mr Baker wrote: 'The Highways Agency has plans to reduce the level of lighting on 'A' roads when traffic levels are significantly below road capacity. It is right that lighting authorities consider, in the interests of cost-saving and the environment, whether lighting can be sensibly dimmed or turned off, consistent with proper safety assessments.'
- 1.6 It is a risk that if a decision is taken to switch off lights for part of the night as is above, and then the electricity supplier could, in time, adjust the rate per unit that it charges this authority. This would mean that any saving could indeed be negated. However,

the current supplier has not given any indication of this at this stage. In response to the ILP's concerns, a Buckinghamshire CC spokeswoman has stated that a three-year trial into cutting street lighting, launched by the authority back in 2007, has saved money and cut carbon emissions. A statement from the council said: 'On average, using the number of lights turned off and the costs saved, each lamp turned off is saving around £57 per year.' It also stated that accidents were actually reduced by 26% during periods of darkness at the trial sites. North Somerset Council has also defended its streetlight reduction scheme. It said: 'Switching off lights at night saves us money. More than £300,000 will be saved annually following the completion of part-night street lighting. And the cost of electricity is very likely to rise in the coming years. Even if our price went up by 1p a unit, with the amount we use this could see our bill going up more than £50,000 a year'.

- 1.7 Providing lighting to reduced standards could increase the Council's exposure to liability claims. It is proposed that every road in the borough where lighting is switched off be monitored to assess the impact, especially on traffic accidents. If required, it would always be possible to revert back to having lighting on all through the night but this would obviously mean that the anticipated budget savings on the revenue budget would not be achieved.
- 1.8 It is important that any risk is put into context with the significant reduction that is taking place in the grants the Council receives from central Government. The Council has to identify significant savings from its revenue budget in the coming years.

WARRINGTON BOROUGH COUNCIL

EXECUTIVE BOARD – 18 February 2013

Report of Executive Board Member: Councillor Patricia Wright, Executive Board Member, Health and Wellbeing and Adult Services

Executive Director: Joe Blott, Executive Director, Neighbourhood and Community Services

Report Author: Simon Kenton, Assistant Director Integrated Commissioning Warrington Clinical Commissioning Group / Warrington Borough Council

Contact Details: **Email Address:** **Telephone:**
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Key Decision No. 072/12

Ward Members: All

TITLE OF REPORT: RESIDENTIAL AND NURSING FEE REVIEW

1. PURPOSE

1.1 This report proposes the extension of the current level of fees for residential and nursing fees for a six month period until September 2013, to enable further work to be conducted with representatives of the sector regarding the actual costs, affordability and sustainability of residential and nursing care homes in Warrington.

2. CONFIDENTIAL OR EXEMPT

2.1 The report is not confidential or exempt.

3. INTRODUCTION

3.1 The Executive Board delegated authority to the Executive Director Neighbourhood and Community Services to establish fees from 1 January 2013 at its meeting on 15 October 2012. The level of fees proposed were based on the costs submitted by care homes in Warrington.

Category of Care	Current WBC Fees pppw	Proposed Fee from 01/01/13 pppw	Reduction (Increase) pppw
Residential	£385	£387.49	(£2.47)
Residential EMI	£443	£420.49	£22.51
Nursing	£428 + FNC	£387.49 +FNC	£40.51
Nursing EMI	£454 + FNC	£420.49+ FNC	£33.51

- 3.2 The Executive Board was aware that reviewing residential and nursing fees was a highly litigious area. A number of councils have been challenged through the High Court by way of judicial review.
- 3.3 After the October Executive Board’s decision, the Council received both a disclosure letter and a pre-action letter from a solicitor representing two Care homes in Warrington. These challenged the Executive Board’s decision based on a number of factors.
- 3.4 Accordingly, the Executive Board at its meeting on 17 December 2012 duly rescinded its decision of October 2012 to enable more time to be spent to establish the actual costs of care, the affordability to the Council of these costs and the sustainability of the market given the decision regarding affordability.

4. RESIDENTIAL AND NURSING CARE IN WARRINGTON

- 4.1 Warrington Borough Council attempted to establish a Care and Support Association to represent care home owners and provide a vehicle through which negotiations can be conducted. Unfortunately in 2012, membership dissolved. However, recently relationships have improved with the main participants in the sector and work is underway to re-establish the forum and work collaboratively to establish the actual costs of care and to generate efficiencies for the Council and homes.
- 4.2 Discussions to date with care home providers have identified a number of potential savings which are categorised below:

Council as main customer/enabler

- Preferential lending rates to efficient care homes to facilitate capital development, and service improvements in line with Warrington’s strategic priorities.
- Utilising the Council’s purchasing power related to savings for VAT and Utility costs
- Increased business rate relief
- Reduced rates for clinical and non-clinical waste disposal
- Energy initiatives: solar power schemes – research the potential share benefits of installing solar panels and ‘green’ efficiency measures.

Sector led improvements

- Efficient homes supporting non efficient homes to identify and address inefficiencies and waste.
- Collective bargaining and purchasing for supplies, utilities and equipment.

Commissioning Framework

- Incentivising efficiencies through quality through a robust framework of quality premiums.
- Self funders to be directed to the individual provider and not placed through existing framework agreement excluded from framework.
- Reduction of coverage of framework with individual agreements being put in place.
- Specifying lower number of beds and tendering for these
- Payment of net fees (rather than including top ups)
- Block contracting arrangements to purchase an agreed number of beds at a specified rate.
- Review of existing respite contracting arrangements including:-
 - Terminate the existing block contracting
 - Removal of void payments
 - Removal of enhanced payments levels.
 - Respite top-up
- Remodelling the market towards the demographic pressures in line with Warrington's Commissioning priorities – dementia care.
- Working in partnership with providers to access external funding.

5. FINANCIAL IMPLICATIONS

- 5.1 The Executive Board will be aware that apportioning an ongoing savings target against care home fees may be unrealistic given the work already undertaken in this project. However, the Council has exhaustively looked at obtaining the actual cost of care in Warrington and applying these findings. Further work is needed in scoping the consequent impact on the market and the sustainability of the sector and affordability for the authority. This is why additional time and resources are asked to be allocated to the project.

6. RISK ASSESSMENT

- 6.1 The Council has a statutory duty to set the level of care home fees with regard to the actual cost of care and sustainability and affordability of the proposed fees. A period of six months will allow officers to undertake that assessment and report back to the Executive board in the summer with revised proposals for fee levels.
- 6.2 An improved working relationship with the local care home providers will lead to collaborative working and improve the prospect of agreeing some or all of the potential savings identified in the report.

7. EQUALITY AND DIVERSITY / EQUALITY IMPACT ASSESSMENT

7.1 An EIA was developed and presented to the Executive Board on 15 October 2012.

8. CONSULTATION

8.1 Extensive consultation was set out in the report to the Executive Board of 15 October but ongoing consultation with homes will occur over the next six months.

9. REASONS FOR RECOMMENDATION

9.1 Further work is needed in scoping the consequent impact on the market and the sustainability of the sector and affordability for the authority. This is why additional time and resources are asked to be allocated to the project.

10. RECOMMENDATION

10.1 The Executive Board is recommended to agree the extension of the current level of fees for residential and nursing fees for a six month period to enable further work to be conducted with representatives of the sector regarding the actual costs, inflation, sustainability and affordability of residential and nursing care homes in Warrington.

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11. Clearance Details				
	Name	Consulted		Date Approved
		Yes	No	
Relevant Executive Board Member	Cllr P Wright	√		22/01/2013
SMT		√		22/01/2013
Relevant Executive Director	Joe Blott	√		21/01/2013
Solicitor to the Council	Tim Date/Ian Mason	√		31/01/2013
S151 Officer	Lynton Green	√		31/01/2013
Relevant Assistant Director	Simon Kenton	√		21/01/2013

WARRINGTON BOROUGH COUNCIL

EXECUTIVE BOARD – 18 February 2013

Report of Executive Board Member:	Leader of the Council, Councillor Terry O'Neill	
Director :	Katherine Fairclough, Assistant Chief Executive	
Report Author:	Theresa Whitfield, Risk and Resilience Manager	
Contact Details:	Email Address:	Telephone:
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Key Decision No.	078/12	
Ward Members:	All	

TITLE OF REPORT: CONTRACT AWARD - OCCUPATIONAL HEALTH SERVICES

1. PURPOSE

- 1.1 The report seeks Members' approval to award a contract in line with Financial and Contract Regulations.
- 1.2 To recommend acceptance of the tender.

2. CONFIDENTIAL OR EXEMPT

- 2.1 Part 2 of the report is to be considered as a Part 2 item being exempt by virtue of category 3 Local Government Act 1972, schedule 12A.

3. INTRODUCTION AND BACKGROUND

- 3.1 The Council has engaged an external contractor to provide an occupational health service since April 2010. This service assists the health, safety and wellbeing of the workforce and the improving attendance agenda. The service is part mandatory to comply with the Health and Safety and Work Act 1974.
- 3.2 The Council has undertaken a tendering process in accordance with Procurement Regulations for the supply of Occupational Health Services. This method ensures that the Council is making best use of its resources. A panel consisting of representatives from the Risk and Resilience team, HR and the lead Trade Union representative for Health and Safety in conjunction the Procurement team have developed the tender documentation, to ensure compliance with various statutory requirements.

3.3 Following assessments of Pre-qualification Questionnaires five companies were invited to take part in the tender. The tender process was divided into two parts, an assessment of quality which formed 50% of the assessment mark and a price submission which also formed 50% of the available marks.

4. TENDER EVALUATION

4.1 An advert was placed on the Chest inviting expressions of interest in tendering for the service. Eleven companies submitted a prequalification Questionnaire (PQQ). Following assessment of the PQQs, five companies were invited to tender and of these three submitted formal tenders.

4.2 Three [3] organisations passed the Qualifying Stage and proceeded to the Award stage, which included an invitation to undertake a presentation to the Panel.

4.3 At the presentation stage organisations were asked to outline “How their organisation will successfully undertake the role of Occupational Health Provider to Warrington Borough Council.”

4.4 Following the completion of the presentation stage, site visits were undertaken to visit each of the companies to assess the suitability of their premises to provide the requirements of the contract and also to evaluate accessibility both from public / private transport perspective and also DDA compliance.

a] Contract Price	50%
b] Quality Criteria	50%
The quality score was evaluated using the following weighted criteria	
Service Provision	14%
Implementation Planning	10.5%
Management & Staffing	10.5%
Presentation & Interview	15%

4.5 The results of the tender evaluation for the organisations submitting bids are provided in the Part Two report.

4.6 Each quality submission was scored individually by the Evaluation panel and an average score was calculated in accordance with the following table:

Excellent response that adds extensive additional value and / or provides an innovative and very attractive offering	80 to 100
High standard response that fully meets the aims of the Council with good added value	60 to 79
Good standard that meets the aims of the Council	40 to 59
Acceptable response with some reservations about the submission	21 to 39

Partially meets the aims of the Council, but with major reservations about the submission	Up to 20
Does not address or meet the aims of the Council	0

4.7 The Evaluation Panel scored tendered submissions in relation to quality and price. Details of the scores are highlighted in the Part Two report.

5. FINANCIAL CONSIDERATIONS

5.1 The contract price for the core services will be £80,000, this is based on indicative usage numbers as the aim of the organisation is to reduce sickness absence and demand on the contract.

5.2 An amount of £90,000 will be used to fund additional activity such as health surveillance (statutory requirement for some roles) and support such as Physiotherapy, VDU/Eyesight screening etc.

5.3 The contract will be stringently monitored to ensure the best use of financial resource.

5.4 The total contract price + retention for non-core services represent a 5% saving on the current contract.

6. RISK ASSESSMENT

6.1 A full risk has been undertaken there is minimal risk of contract failure; the recommended future provider has robust business continuity arrangements in place.

6.2 The procurement process and contract documentation provide measures to protect the interests of the Council.

7. EQUALITY AND DIVERSITY

7.1 The contract requires the successful tenderer to comply with its statutory obligations in terms of equality and diversity legislation

7.2 Evidence of appropriate equality and diversity policies and relevant staff training was assessed during the tender evaluation process.

7.3 The application of appropriate equality and diversity policies will be assessed via regular contract monitoring meetings once the contract commences.

8. CONSULTATION

8.1 Representatives of the panel are outlined in s3.2 progress has also been monitored by the Central Health, Safety and Welfare Committee.

9. REASONS FOR RECOMMENDATION

9.1 This service is part mandatory under the Health, Safety at Work Act 1974 and is required to meet the requirements of this legislation, failure to provide this service could result in contravening this legislation.

9.2 The service aids good attendance management policy for the organisation.

10. RECOMMENDATION

10.1 The Executive Board is recommended to award the contract to Tenderer B for a period of three years. This includes an option to review / terminate after six months, if required or alternatively extend for one year after the contract period expires.

11. BACKGROUND PAPERS

Pre Qualification Questionnaire.

Contacts for Background Papers:

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12	Clearance Details			
	Name	Consulted		Date Approved
		Yes	No	
Relevant Executive Board Member	Cllr T O'Neill	√		8/2/13
SMT		√		22/1/13
Relevant Executive Director	Katherine Fairclough	√		6/2/13
Solicitor to the Council	Tim Date/I Mason	√		6/2/13
S151 Officer	Lynton Green	√		6/2/13
Relevant Assistant Director	Kathryn Griffiths	√		6/2/13