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Sefton Council 

MEETING: CABINET
DATE: Thursday 24th June, 2021
TIME: 10.00 am
VENUE: Town Hall, Bootle

DECISION MAKER: **CABINET**

Councillor Ian Maher (Chair)
Councillor Atkinson
Councillor Cummins
Councillor Doyle
Councillor Fairclough
Councillor Hardy
Councillor Lappin
Councillor Roscoe
Councillor Moncur
Councillor Veidman

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The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an * on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

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A G E N D A

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
1	Apologies for Absence		
2	Declarations of Interest Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda. Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation. Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.		
3	Minutes of the Previous Meeting		(Pages 7 - 12)
	Minutes of the meeting held on 27 May 2021.		
* 4	Adult Social Care - Supported Living, Strategic Approach, Commissioning and Procurement Report of the Executive Director of Adult Social Care and Health.	All Wards	(Pages 13 - 22)
* 5	Adult Social Care - Day Services Vision, Commissioning and Procurement Report of the Executive Director of Adult Social Care.	All Wards	(Pages 23 - 34)

* 6	Passenger Transport Framework 2022/26 Report of the Interim Head of Education and Excellence .	All Wards	(Pages 35 - 40)
* 7	Delivery of Restart Programme for Sefton Report of the Head of Economic Growth and Housing.	All Wards	(Pages 41 - 56)
* 8	Procurement of Transport Technical Support Services Report of the Head of Highways and Public Protection.	All Wards	(Pages 57 - 62)
* 9	Procurement of Annual Service Contracts for Highway Maintenance Works Report of the Head of Highways and Public Protection	All Wards	(Pages 63 - 68)
* 10	National Flood Risk Management Plan approval Report of the Head of Highways and Public Protection	All Wards	(Pages 69 - 98)
* 11	Extension of the North West Regional Coastal Monitoring Programme Report of the Head of Highways and Public Protection.	Ainsdale; Blundellsands; Cambridge; Church; Dukes; Harington; Linacre; Meols; Ravenmeols	(Pages 99 - 104)
* 12	Southport Theatre & Convention Centre Report of the Executive Director (Place).	Cambridge; Dukes	(Pages 105 - 120)
* 13	Bootle Strand Shopping Centre - Business Plan 2021/22 to 2023/24 Report of the Executive Director (Place).	Linacre	(Pages 121 - 150)
14	Development of Child Poverty Strategy Report of the Executive Director (People).	All Wards	(Pages 151 - 192)

15	Appointment to Outside Bodies 2021/22	All Wards	(Pages 193 - 208)
	Report of the Chief Legal and Democratic Officer.		
* 16	Climate Emergency Annual Report	All Wards	(Pages 209 - 232)
	Report of the Executive Director of Corporate Resources and Customer Services.		
* 17	Phase 2 Sefton Council Asset Disposals	All Wards	(Pages 233 - 242)
	Report of the Executive Director of Corporate Resources and Customer Services.		
* 18	Financial Management 2021/22 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2021/22 including the Financial Impact of COVID-19 on the 2021/22 Budget - June Update	All Wards	(Pages 243 - 254)
	Report of the Executive Director of Corporate Resources and Customer Services.		

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THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON FRIDAY 11 JUNE 2021. MINUTE NO 8 IS NOT SUBJECT TO "CALL-IN."

CABINET

MEETING HELD AT THE BALLROOM, TOWN HALL, BOOTLE ON THURSDAY 27TH MAY, 2021

PRESENT: Councillor Ian Maher (in the Chair)
Councillors Atkinson, Cummins, Doyle, Fairclough,
Hardy, Lappin, Moncur and Roscoe

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Veidman.

2. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interests or personal interests were received.

3. WELCOME

The Leader of the Council, Councillor Maher welcomed the two newly appointed Members of the Cabinet, Councillor Doyle, Cabinet Member of Children's Social Care and Councillor Roscoe, Cabinet Member of Education.

4. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 1 April 2021 be approved as a correct record.

5. APPOINTMENT TO OUTSIDE BODIES 2021/22

Decision Made:

That the report in relation to the Appointments to Outside Bodies 2021/22 be deferred to the next Meeting of the Cabinet scheduled to take place on Thursday 24 June 2021.

6. HONORARY FREEDOM OF THE BOROUGH - AINTREE AND LIVERPOOL UNIVERSITY NHS TRUST AND SOUTHPORT AND ORMSKIRK NHS TRUST

The Cabinet considered the report of the Chief Legal and Democratic Officer in relation to the proposal to bestow the Freedom of the Borough to Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust.

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CABINET- THURSDAY 27TH MAY, 2021

The Leader of the Council, Councillor Maher paid tribute to Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust who have served Sefton Council and its residents tirelessly throughout the pandemic with hard work and dedication putting themselves at risk in ensuring the safety of others. He also stated that the selflessness and dedication shown by all who work for those trusts could not be underestimated which was why the Cabinet was recommending to the Council that the Honorary Freedom of the Borough be conferred on Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust.

Decision Made: That the Cabinet approved and commended the following recommendations to the Council for approval:

- (1) In accordance with Section 249 (5) of the Local Government Act 1972, this Council wishes to place on record its high appreciation of, and the debt of gratitude of the Borough to the Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust and in the light of their hard work and dedication during the devastation of the Covid 19 Pandemic, the Council resolves that the Honorary Freedom of the Borough be conferred on Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust and that it be granted the right, privilege, honour and distinction of attendance at all ceremonial occasions and be invited to attend at an Extra-ordinary Council meeting to be held on a date to be determined at Bootle Town Hall; and
- (2) the Executive Director of Corporate Resources and Customer Services be authorised to take all of the necessary actions associated with (1) above and arrange a civic reception for the Officers and Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust and invited guests to take place at the rising of the Extra-ordinary Council meeting in Bootle Town Hall.

Reasons for the Decisions:

Aintree and Liverpool University NHS Trust and Southport and Ormskirk NHS Trust have served Sefton Council and its residents tirelessly throughout the pandemic with hard work and dedication putting themselves at risk in ensuring the safety of others.

Alternative Options Considered and Rejected:

No alternative options have been considered.

CABINET- THURSDAY 27TH MAY, 2021

7. **SUPPORT AND MAINTENANCE CONTRACT FOR SOCIAL CARE CASE MANAGEMENT SYSTEM**

The Cabinet considered the report of the Executive Director for Corporate Resources and Customer Services detailing the background for the support and maintenance contracts for the existing Case Management Systems used to support Social Care and Early Intervention Services within Adult and Children's Social Care. The report details the associated procurement route available to the authority to renew this support and maintenance as the contract novated from Arvarto has now expired.

Decision Made: That the:

- (1) Cabinet approved the use of the Crown Commercial Services Framework RM3821 Digital and Application Solutions lot 3c 'Community Health and Social Care to award a contract for the support and maintenance of the Liquid Logic Social Care Modules deployed across Adults and Children's Services; and
- (2) Executive Director of Corporate Resources & Customer Services in consultation with the Cabinet Member for Regulatory, Compliance and Corporate Services be granted delegated authority to award the Contract under this framework, for an initial five years with an option to extend for a further two, be approved.

Reasons for the Decisions:

To ensure that this critical system is still supported and maintained by the software supplier and that Sefton continue to receive statutory changes and upgrades.

Alternative Options Considered and Rejected:

To explore the market for a new Social Care solution, rejected.

8. **LEVELLING UP FUNDING BID SUBMISSIONS FOR JUNE 2021**

The Cabinet considered the report of the Executive Director (Place) in relation to the current position of the Levelling Up funding opportunity available to the Council and the proposal to submit up to two bids on or before the submission date of 18th June 2021, and potentially submitting a total of up to three bids to the fund.

Decision Made: That:

- (1) the submission of up to two Levelling Up funding bids to Government on or before 18th June 2021, in accordance with the given bid process, and up to three bids in total from Sefton (given the likely announcement of future bidding rounds), be agreed;

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- (2) it be noted that any funded projects may require Cabinet and Council approval if successful, and would be presented for review and approval if successful and at the appropriate time, in accordance with the Council's Financial Procedure Rules;
- (3) the Executive Director (Place), in consultation with the Cabinet Member for Regeneration and Skills be granted delegated authority to finalise the bid submissions;
- (4) it be noted that the proposal was a Key Decision but had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regeneration and Skills) had been consulted under Rule 27 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan because approval needs to be sought prior to the first bid submission date of 18 June 2021; and
- (5) it be noted that the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regeneration and Skills) had given consent under Rule 46 of the Overview and Scrutiny Procedure Rules for this decision to be treated as urgent and not subject to "call in" on the basis that it cannot be reasonably deferred because approval needs to be sought prior to the first submission date of 18 June 2021.

Reasons for the Decisions

The Levelling Up bid opportunity may offer a route to funding for capital projects, which the recommendations propose to pursue given the importance of such projects to economic recovery in the borough. The submission of up to two bids on 18th June 2021, and of up to three bids in total, reflects the ongoing work on the opportunities referenced herein, and on other potential projects, to finalise project details and bid documentation. The recommendations in respect of timescales are due to the given deadline for bid submission, and the importance of pace of development and delivery to economic recovery and the impacts and benefits of such projects.

Alternative Options Considered and Rejected:

The option of submitting bids at a later date may remain, but there is a risk of uncertainty on future rounds, criteria and timescales which prompts the recommended submission on 18th June 2021. There is a risk in working at such pace in respect of delivering a quality bid submission, but this will be mitigated through the quality and quantity of resource necessary to deliver, alongside the best practice and lessons learned from such processes as the Southport Town Deal.

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The option of not submitting at all was considered and rejected, given the importance of the projects proposed to economic recovery, and the lack of funding currently available to deliver all elements of Sefton's economic recovery strategy and action plan.

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Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Adult Social Care - Supported Living, Strategic Approach, Commissioning and Procurement		
Report of:	Executive Director of Adult Social Care and Health	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt Confidential Report:	/ No		

Summary:

The report sets out the strategy for re-commissioning of Supported Living services. Supported living is a combination of suitable accommodation with some form of care and support on site or as in reach. In Sefton Adult Social Care spend approximately £22m per annum on these services for people with disabilities in order to support them to live independently in the community rather than in a residential setting.

This report is predominantly concerned with the care and support contracts that make up Supported Living.

There is usually but not always a partnership arrangement between the care and support provider and the housing provider or landlord. Care and support can be a condition of tenancy but not always. Essential to the offer is the ability to support people to access quality and affordable housing.

The proposed approach contained within this report is intended to promote independence for the residents of Sefton and in so doing support them to live the life of their choosing within their local communities.

Recommendation(s):

Cabinet is recommended to;

- (1) approve the strategic commissioning approach with regards to the care and support contracts for Supported Living.
- (2) approve the Direct Award of temporary contracts for 12 months to current providers of Supported Living.
- (3) delegate awarding the contracts to the Executive Director of Social Care and Health in consultation with the Cabinet Member for Adult Social Care and Executive Director of Corporate Resources and Customer Services.
- (4) approve the commencement of a procurement process in line with Public

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Procurement Regulations which will secure a suitable local purchasing system to be used to source Supported Living Care and Support provision from August 2022.

(5) delegate the awarding of the contracts to the Executive Director of Adult Social Care and Health in consultation with the Cabinet Member for Adult Social Care and Executive Director of Corporate Resources and Customer Services.

(6) delegate decisions for the authorisation of call off from the contracts for individual packages of support to senior managers within Adult Social Care, based upon the scheme of delegation.

(7) should an existing provider of Supported Living support and where provided Community Support provision, exit the market a direct award to be provided to an alternative provider in order to sustain continuity whilst the new purchasing arrangements are developed.

(8) note that this strategy will apply to services commissioned by the Council and the Clinical Commissioning Groups in relation to Individual Placements and Packages.

Reasons for the Recommendation(s):

- The approach recommended to Cabinet will improve outcomes for residents with disabilities living independently in the community and enable the Council to ensure that both current and future commissioned provision to effectively manage the cost and quality of the services in Sefton.
- This approach will ensure that provision is able to respond to the aspirations of people who use services including young people in transition who are seeking access to creative solutions which promote independence, reducing reliance on residential care.
- The approach will ensure the availability of sustainable fit for the future services that offer best value, are innovative and offer a wider range of choice for individuals.

Alternative Options Considered and Rejected: (including any Risk Implications)

To do nothing was considered and rejected as there is a need to ensure that providers are working to the model of support approved by Cabinet and that future commissioning arrangements are in line with the Adult Social Care Vision and will support the wider integration of health and social care.

Services as part of the proposed approach will be subject to an evaluation of the quality of provision which will inform the commissioning and procurement of these services in the future. It will also mean further engagement with people using the services to inform the re-commissioning approach and the coproduction of the outcomes required.

What will it cost and how will it be financed?

(A) Revenue Costs

Revenue costs will be met from existing Adult Social Care budgets. There are no additional costs anticipated from the proposal.

(B) Capital Costs

There are no capital costs associated to the proposals at this stage. However, to achieve expectations of national guidance there may be a need to assess capital funding at a later stage as the plans further develop which would be subject to the existing governance arrangements.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
The cost of provision is currently within the ASC baseline budget, with no predicted impact on the budget	
Legal Implications:	
Care Act 2014	
The Public Procurement (Amendment etc Regulations) (EU Exit) 2020 introduced to amend Public Contract Regulations 2015.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
<p>Whilst the recommissioning of services will not in itself have a climate impact, the resultant services will. The type of services being provided to some of our most vulnerable citizens have potential to reduce climate impacts but also deliver health and wellbeing outputs, for example specifying the use of low emission vehicles will help to improve local air quality. Environmental consideration will be taken into account when specific projects are designed and commissioned – which will help to mitigate negative impacts, capture positive outcomes and send a signal to providers of our low carbon ambitions.</p>	
Equality Implications:	
The equality Implications have been identified and mitigated.	
The equality implications will be assessed as the activity progresses and any changes are made to provision. Cabinet Member will be kept informed of all equality implications, risks and mitigations.	

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Contribution to the Council's Core Purpose:

<p>Protect the most vulnerable: The services provide a range of support options to enable vulnerable people with disabilities to live independently and live the lives they wish to live</p>
<p>Facilitate confident and resilient communities: These commissioned services aim to empower people to become more independent and contribute and engage in their local communities, thereby improving confidence and resilience.</p>
<p>Commission, broker and provide core services: The proposed approach will seek to ensure sufficient capacity in the market which will offer Value for Money and good quality. Services will be aligned to supporting people to live their best lives and will support where people to move into greater independence, employment and housing</p>
<p>Place – leadership and influencer: This work aims to encourage more diverse provider markets operating locally in order to stimulate quality, choice and greater value for money. The Council is seeking to work with others to develop services.</p>
<p>Drivers of change and reform: The Council will be looking for innovation and flexibility within the market place in order to support the development of local and sustainable provision at a place level as part of integrated approaches</p>
<p>Facilitate sustainable economic prosperity: Services will support people to live their best lives, gain meaningful outcomes and employment opportunities enabling them to prosper</p>
<p>Greater income for social investment:</p>
<p>Cleaner Greener</p>

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD6404/21) and the Chief Legal and Democratic Officer (LD4605/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Engagement will be undertaken with service providers with regards to the quality standards expected within these services.

The review of Special Educational Needs and Disability (SEND) during 2019-20 has provided evidence through the consultation and engagement with parents, carers and young people of the ambition to live independently and lead fulfilling lives, where young people can be supported in their own tenancy and engage in activities in their communities to support their independence and growth.

A consultation and engagement plan will be developed to include, those people who currently use services and may be affected by any changes as well as family carers and those transitioning to Adult Social Care to ensure we co-design new service specification and involvement in the tendering process.

It is anticipated that impacts with regards to the procurement of existing provision will be limited due to the application as part of the process of the Transfer of Undertakings (TUPE) requirements providers will need to adhere to if a contract is awarded to an alternative provider.

Engagement with regards to the development of the local purchasing system and specification will be undertaken with key stakeholders to inform the commissioning and procurement of new services under these arrangements.

Details of the consultation and engagement plan will be taken to the Consultation and Engagement Panel on the 9th July 2021.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer:	Carol Cater
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Appendices:

There are no appendices attached to this report:

Background Papers:

There are no background papers available for inspection

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1. Introduction/Background

- 1.1 National context - 'Supported Housing a National Statement of Expectation' was published by the Government in Oct 2020. This document sets out government's vision for ways of working in the sector and recommendations for standards in supported accommodation which is an important step in establishing what good looks like and how it can be achieved. This is part of the work to improve oversight, ensure quality and value for money.
- 1.2 In addition it acknowledges that whilst supported housing providers generally deliver high quality accommodation and go above and beyond minimum standards, including continuing to deliver during the unprecedented challenges faced during the COVID-19 pandemic, that it is imperative that providers are clear about what good provision looks like and that people have accommodation which meets their needs and allows them to thrive.
- 1.3 In developing the document the expertise and examples of excellent practice from across the sector have been used to develop recommendations for planning, commissioning and delivering supported housing. There can be no 'one size fits all' approach, but best practice shows the innovative ways that local authorities and providers deliver the best for residents. The best practice examples involve collaboration across housing, health, commissioners, providers, the third sector and involvement of people requiring support and their carers.
- 1.4 As part of the Transforming Care agenda a national plan was developed in 2015 entitled "Building the Right Support". This plan outlined its approach to support commissioners with regards to developing community services and close inpatient facilities for people with a learning disability and/or autism who display behaviour that challenges, including those with a mental health condition.
- 1.5 The provision of tenancy-based accommodation with care and support enables people with disabilities to rent their own home with security of tenure. This is in line with the Care Act (2014) and is in keeping with adults without disabilities and fits with the principles of living an ordinary life.
- 1.6 Supported living arrangements aim to increase each individual's independence and skills by reducing dependency over a period of time. This should therefore increase the independence of the adult and reduce the amount of paid and unpaid support that they need. This enables people to try new things, allows the provision of care and support in their own homes and may support people to move-on to more independent forms of accommodation. The provision of services therefore includes options for short term and long-term provision which can support progression and development of life skills including recovery models for those with mental health support needs.
- 1.7 Tenancy-based accommodation can include property rented from registered social landlords, not-for-profit and charitable landlords or through private rentals. Accommodation should be as stable as possible for the tenant and landlords should avoid short term lease arrangements.

- 1.8 Within tenancy based supported living options there is a commonly accepted set of principles that are defined in 'Changing Our Lives Quality of Life: Standards & Toolkit' and the Reach Principles.

2 Local Background and Overview

- 2.1 In 2015 the Council undertook extensive consultation with service users and the market and developed an approach to housing with support. The strategy outlined in this paper will build on the model approved in 2015 but also take into account policy developments around extra care housing and use of direct payments and individual service user funds to promote choice and control when accessing Supported Living.

3 Current Needs Analysis

- 3.1 Based upon current delivery, there are approximately 611 people receiving Supported Living and Community Support Services in Sefton, with approximately 423 people currently living in supported tenancy settings.
- 3.2 In Sefton this support is currently delivered by approximately 27 supported living providers and an additional 10 supported living providers that deliver support outside of the area. These providers are a mix of local, national and charitable organisations. The value of the provision is around £22 million funded by Adult Social Care with some packages in receipt of additional joint funding from the Clinical Commissioning Groups which will be considered as part of establishing an integrated approach to the commissioning of this provision.
- 3.3 The people in Sefton who currently reside in Supported Living Services or who use a Community Support Service are made up primarily of those who may have a diagnosis of a learning disability, a mental health condition or who require physical support. A high proportion of people in existing provision are over 50 year of age.
- 3.4 There are around 20 people a year under the age of 25 who “transition” in to these adult services. Going forward, it is anticipated that an additional 40 people could require these services over the next two years based on historic trends. The impact to the Adult Social Care budget is estimated to be £3m.
- 3.5 Data provided by the Oxford Brookes University ‘Projecting Adult Needs and Service Information’ suggests that the total population in Sefton aged 18-64 predicted to have a learning disability will change from 3,799 in 2019 to 3,594 by 2030, and the total population in Sefton aged 18-64 predicted to have a moderate to severe learning disability (and hence likely to be in receipt of services) will change from 861 in 2019 to 824 by 2030 so although the total number is decreasing we are aware that some people will have more complex support needs.
- 3.6 There is a need to consider the range of people with learning disability, mental health needs or a physical disability who are being supported in some form of residential and nursing care provision. Sefton have higher numbers of people under 65 living in care homes and so options to consider an alternative offer of

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Supported Living and Extra Care Housing will be identified as part of the needs analysis and engagement to be undertaken.

4 Strategic Commissioning Approach and Delivery Model

4.1 Our approach is to focus on the assets of the individual, maximise choice and control and reduce reliance on long term formal care and Support that can unintentionally reduce an individual's independence and resilience.

4.2 The Vision for Adult Social Care in Sefton makes it clear that support to people who need services must work to achieve outcomes in terms of:

- Short term enabling provision focused on outcomes such as improving ability to travel, work, and eat a healthy diet.
- Real social networks that can sustain and support people's independence on a lifelong basis.
- Development of independent living and functional skills. This includes adults living in residential care: emphasis for more working age adults planning to move from residential care into supported living.
- Working with individuals to reduce the impact of a person's social environment that affect challenging behaviour.
- Sustainable employment: provision of support to access employment through evidence-based interventions such as job coaching.

4.3 We are also looking to maximise the utilisation of Assistive Technology to increase independence and avoid restrictive practice and locally delivered response services would benefit local communities.

4.4 People with learning disabilities will be supported to be as independent as possible and tailored to individual need. Primary consideration is for people to be offered excellent care at home supported within their own communities. The ambition will be to support people who need care and support to achieve their outcomes and offer greater housing and care choices either as a short-term measure or long-term support.

4.5 This approach will ensure connectivity to the Housing Strategy, that the pathways for accessions housing with care and support are in place, including an Allocations Policy and that advice and information is available to ensure that people needing supported housing will be enabled to manage their tenancy.

4.6 There will be further development of Personal Health Budgets and the Council's pilot of Individual Service Funds arrangement, where individuals can select their own provider of choice.

5 The Procurement approach

5.1 The procurement of these services will be undertaken as part of three stages. The initial stage will ensure that existing provision is managed in line with the approved model and specification, through the negotiation of current contractual

arrangements and award of a 12-month agreement whilst the local purchasing system is developed and that any new provision required is aligned to the Liverpool City Region (LCR) purchasing system. Members will recall that approval was provided for Sefton to be part of and use this purchasing system in 2018. LCR have been working with councils to ensure a good range of providers are available and will be seeking to launch the system during 2021.

- 5.2 The following stage will be to develop a local integrated purchasing system which will support the purchasing arrangements on behalf of the Adult Social Care and Health. This will enable services to be commissioned to meet local needs on a place basis, ensuring the needs of our local communities are met. Once the local purchasing system is in place this would become the primary route to secure services, however the LCR purchasing system would provide access to a wider market where this was needed based upon an individual assessed need.
- 5.3 This approach will also seek to reduce any off framework spend and the ad hoc approaches made to the Council by speculative housing and support providers.
- 5.4 People who are using these services will be engaged fully to ensure that they understand any changes which may impact on them and that they are able to make an informed choice with regards to the delivery of their support with access to independent advocacy organisations.
- 5.5 The procurement processes will be aligned public procurement regulations and will seek to secure a suitable purchasing system to meet the needs of the Council and to ensure a sustainable range of quality provision is available to meet the needs of our communities.
- 5.6 Evaluation of providers will be weighted around a quality score, including social value and innovation. It is anticipated that the Purchasing system used would be available for 5 years with contracts called off awarded for 3 years with an option to extend for 1 plus 1 further year based upon a performance review.

6 **Conclusion**

- 6.1 Cabinet is asked to approve the approach and proposals for the commissioning and procurement of care and support contracts within Supported Living, to ensure that services align to the approved model, offer sustainable and affordable housing options with support for people, promoting independence and opportunities to engage in local communities and access to employment wherever possible.
- 6.2 The development of a Supported Living Strategy will seek to outline the ambition and vision in relation to Supported Living and ensure the views of those who use services influence the design and delivery of services.

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Agenda Item 5

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Adult Social Care - Day Services Vision, Commissioning and Procurement		
Report of:	Executive Director of Adult Social Care and Health	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The purpose of the report is to set out the long-term vision and commissioning approach for Day Services in Sefton building on the model previously agreed by Cabinet in 2015 and taking account of the subsequent impact of the COVID 19 pandemic and the changing aspirations of young adults transitioning to Adult Social Care on these services.

In addition to ensure that the market is responsive to the needs of our communities to recommend to Council that a procurement process is undertaken to establish a purchasing arrangement in Sefton which will secure a range of suitable, quality and diverse services to meet the needs of people who meet Care Act Eligibility.

Recommendation(s):

Cabinet is recommended to

(1) approve the commencement of an engagement and consultation process with stakeholders with regards to the vision and strategic commissioning of day services including the impact of any changes to the current delivery model.

(2) in order to manage quality and cost ahead of the completion of the consultation process approve the Direct Award of contracts to current day service providers on a temporary basis for a period of 12 months, based upon current values and spot purchasing arrangements.

(3) approve the commencement of a procurement process in line with Public Procurement Regulations which will secure a suitable purchasing system to be used to source day service placements from August 2022.

(4) delegate the awarding of the contracts to the Executive Director of Adult Social Care and Health in consultation with the Cabinet Member for Adult Social Care.

(5) delegate decisions for the authorisation of call off from the contracts for individual places to senior managers within Adult Social Care, based upon the scheme of

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delegation.

Reasons for the Recommendation(s):

To ensure that the commissioning approach and strategic vision is available and adopted to meet the needs of vulnerable and disabled people in our communities.

To create a sustainable and innovative market which supports the ambitions of our communities including those of our young people who are seeking more creative solutions for support during the day and services which can respond to these developing needs.

To ensure that services are delivered to an agreed specification which aligns to the approved model for day opportunities.

To ensure that quality standards are monitored.

There is a need to ensure that provision established can respond to the aspirations of people who use services including young people in transition to adult services. The recommended approach to existing contractual arrangements will enable the Council to ensure that current provision is being delivered in accord with the approved model for day opportunities, is aligned to an agreed specification and contractual terms.

To ensure that services are commissioned appropriately in compliance to the Contract Procurement Regulations and that there is a legally complaint process in place to secure places. The approach described will enable a systematic review of related contracts.

Alternative Options Considered and Rejected: (including any Risk Implications)

To do nothing, this option was considered however it would have implications with regards to the current commissioning, contractual and procurement arrangements and future sufficiency and sustainability of provision given the impact of the Covid 19 pandemic on these services.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional cost arising from this report. Existing costs will be met from existing Adult Social Care budgets

(B) Capital Costs

There are no capital costs associated with this report, however in establishing possible approaches to create more sustainable solutions for people accessing day opportunities capital resources may be a consideration. Where this is the case details will be presented through formal governance processes to approve.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The overall cost of day service provision for 2021/22 for day services (including New Directions provision) is around £4.7 million excluding Direct Payment clients and transport costs

The cost of provision is currently within the ASC baseline budget, with no predicted impact on the budget.

Legal Implications:

Care Act 2014

The Public Procurement (Amendment etc Regulations) (EU Exit) 2020 introduced to amend Public Contract Regulations 2015.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y

Whilst the recommissioning of services will not in itself have a climate impact, the resultant services will. The type of services being provided to some of our most vulnerable citizens have potential to reduce climate impacts but also deliver health and wellbeing outputs, for example specifying low emission vehicles will help to improve local air quality. Environmental consideration will be taken into account when specific projects are designed and commissioned – which will help to mitigate negative impacts, capture positive outcomes and send a signal to providers of our low carbon ambitions.

Equality Implications:

The equality implications will be assessed as the activity progresses and any changes are made to provision. Cabinet Member will be kept informed of all equality implications, risks and mitigations.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable:

Vulnerable people will be supported through having a range of both universal and commissioned provision available to them.

Facilitate confident and resilient communities:

The programmes in place will support people to become more confident and resilient by enabling them to develop their skills, widen their friendship circles, access volunteering

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opportunities and for some equip them to access employment opportunities.
Commission, broker and provide core services: The proposed approach will seek to ensure sufficient capacity in the market which will offer Value for Money and good quality. The Vision and proposed commissioning approach are needs based, outcome focused and supportive of flexibility around an individual's needs. Services will support ongoing development and/or facilitate access to development, training and where possible employment options.
Place – leadership and influencer: This work aims to encourage more diverse provider markets operating locally in order to stimulate quality, choice and greater value for money. The Council is seeking to work with others to develop services, commissioned and universal.
Drivers of change and reform: The Council will be looking for innovation and flexibility within the market place in order to improve opportunities to access training and employment, increase people's networks/social circles and for some reduce dependency on models of care.
Facilitate sustainable economic prosperity: This model will enable providers to encourage greater independence by supporting and encouraging people to enhance opportunities for ongoing learning and development including employment opportunities.
Greater income for social investment:
Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6403/21) and the Chief Legal and Democratic Officer (LD.4604/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Extensive engagement has been undertaken with young people and their carers as part of the Special Educational Needs and Disability review (SEND), during 2019-20-21. This has captured the aspirations of young people with regards to how they wish to spend their days, leading to fulfilling lives. This has identified that many young people are keen to access universal provision which promotes independence, and which can lead to meaningful activities and employment. There is less reliance upon traditional models of support and building based purposes which segregate young people from the wider community. This includes the co-production of [Sefton's Preparing for Adulthood Guide](#)

As the outcome of this report seeks to refresh the model in light of the impact of the pandemic it is proposed that formal consultation is undertaken with those attending day services and their carers. Plans will be submitted to the Consultation and Engagement Panel in July 2020 for approval and comment. This consultation will also advise and inform the way in which we co-design those services and inform the purchasing arrangements proposed to secure services in accord with the Council's Contract Procedure Rules.

Implementation Date for the Decision

Immediately following the Cabinet meeting.

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

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1. Introduction

- 1.1 Day services are places and opportunities for supporting people with an assessed need during the day, they can be offered within a building-based location or within the community. Prior to the Covid 19 Pandemic there were 648 people accessing day services in Sefton, numbers have reduced due to the Covid 19 Pandemic and providers applying social distancing, however it is anticipated that people will begin to access provision once restrictions are reduced or lifted. Services are accessed through a Care Act Assessment to meet social care outcomes and can support people with very complex physical, mental health and learning disability. Sefton commissions from 21 providers who deliver these services with a spend of approximately £4.7 million (excluding Direct Payment clients and transport costs per annum). The Clinical Commissioning Groups also fund day services for people eligible for Continuing Health Care and so it is proposed that recommendations will be adopted by the Clinical Commissioning Groups once finalised.
- 1.2 Policy - In 2007 the Social Care Institute for Excellence (SCIE) published 'Having a Good Day' which was a knowledge review of community-based day activities and remains relevant to this day. The review of policy and practice highlighted work, education, training and volunteering, participating in leisure, arts, hobbies and socialising, as essential elements of successful day opportunity services. It goes on to say that irrespective of the support people need activities should have a purpose, be undertaken in ordinary places, do things members of the wider community would do and ensure friendships, connections and a sense of belonging develop in the process.
- 1.3 Day Opportunities are activities/services that help people to have a fulfilling life: they provide the opportunity to take part in various interests and activities, make friends, develop relationships, gain new skills and enable people to make a positive contribution to the community. Day opportunities also provide support to carers by means of creating respite so that they can pursue their own interests outside of their caring role.
- 1.4 Since the 2007 report was published Councils across England have adopted different approaches to meeting Care Act eligibility and mostly building day services are provided to those with the most complex needs with a community offer to ensure that principles of accessing the community, engaging with friends and participating in work opportunity is facilitated through community and voluntary sector, direct payments and social enterprise models.
- 1.5 The Care Act 2014 which came into effect on the 1st of April 2015, represents the most significant reform of care and support in more than 60 years, putting people and their carers in control of their care and support. The Act is particularly pertinent to how day opportunity provision is commissioned. Importantly the Care Act changes many aspects of how support is arranged and aims to give greater control and influence to those in need of support.

2 Local background and overview

- 2.1 In 2015 Cabinet approved the model for day opportunities and the three models approved by Cabinet which reflected assessed eligible needs and person-centred support.
- 2.2 The model sought to provide a building-based option for those people with the most complex needs whilst enabling others to access a range of opportunities within the community, where enhanced opportunities for employment could be developed.
- 2.3 In summary the key aspirations of the agreed model were to:
- Focus on the individual, their strengths, choices, assets and goals through person-centred planning
 - Focus on the outcomes that service users and carers wish to achieve
 - Provide support that enables the person to access a range of opportunities in the wider and their own community as an active and equal citizen
 - Maximise the opportunity to use personal budgets or direct payments to access support or activities of the person's choice
 - Make the most of a vibrant borough, ensuring access to the wide range of opportunities Sefton has to offer
- 2.4 The model marked a move away from traditional building-based day services to provision that focuses on what people want to achieve (outcomes) and what they are good at (strengths) and reflected the ethos of the Care Act 2014. The approach outlined to Cabinet in this paper will further build on this model.
- 2.5 During 2020, pre the pandemic, there were 648 people attending some type of day service across 21 services, there were 208 people accessing some type of day care provision via a Direct Payment. 177 people who access day services attend 5 days per week.
- 2.6 Of those attending day services, there are around 389 people with a learning disability, 25 with mental health issues, 4 with sensory needs, 131 with a physical disability, 66 with cognitive impairment and overall around 227 people are aged over 60.
- 2.7 Many people who access day care services in Sefton have a disability and also have other services in place, for example, supported living and shared lives, many will be in their own homes with a domiciliary care package and will also access respite provision. For many families day opportunities are a valuable source of respite which enable them to live their own lives, accessing work etc.
- 2.8 This is a similar situation for older people and those with dementia where families will find that access to day services provides both an opportunity to their loved one to be part of an activity or a friendship group with other people and enables families to be assured that their loved one is safe during the day.
- 2.9 Most day services are delivered within the Sefton Borough, however there are a number of services which are provided out of area based upon the service offered and needs of the individual.
- 2.10 Many services still retain a building base, and although this could be expected to an extent for services catering for older people or those with dementia, 60% of people in day care are those with a Learning Disability, with 64% of people are under 60 years of age. Whilst it is accepted that there will still be a need to commission some building-based provision in accord with the model the

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aspirations of younger people reflect a move away from traditional models favouring more individual approaches to developing support options. There is a need therefore to ensure that there is a sustainable, flexible and flourishing market available in response to this developing aspiration.

- 2.11 The use of a Direct Payment to fund access to day services has increased and of the 648 people who were accessing services, 208 people use a Direct Payment for this purpose.
- 2.12 The impact of the pandemic has also reduced access to building based provision but has also shown that in response more individually developed support options have been welcomed by people and some are now seeking to retain these as opposed to returning to a building-based provision.
- 2.13 Demand for more structured outcomes is still evident for older people and those with dementia, however trends which are still evident is that people still want to access more innovative community options rather than the traditional models.
- 2.14 Gaps in provision still exist in meeting the needs of people with complex needs. We are aware that approx. 28 young people will require these services over the next 5 years as they transition to adult services.
- 2.15 These changes can be supported through the work undertaken in consultation with younger people through the Special Educational Needs and Disability (SEND) review, where feedback from young people expressed that they were looking for this type of universal community support to maintain their independence.

3 Transport

- 3.1 Prior to the pandemic around 207 people were making use of specialist transport to attend day services. Currently the number anticipated to require specialist transport is around 97 however further work is required with regards to the recovery of day service provision and so this may increase as restrictions relax or lift. In addition, it is not known if some individuals may now prefer to travel independently, this will need to be assessed as restrictions relax further.
- 3.2 The current Transport Policy in place will need to be reviewed to ensure it is responsive to any changes as part of recovery.

4 Covid 19 Impacts and Recovery

- 4.1 The impact of the pandemic on Day Services in Sefton has been significant, during the first lock down most services closed with only a few operating to support a small number of service users with complex needs. Other services used staff to support people in other ways, virtually or by maintaining contact and undertaking tasks for example shopping collection etc.
- 4.2 All providers operating in Sefton have been able to continue to retain their provision during the Pandemic with support from the Council, however at reduced numbers which has created some financial difficulties for them.

- 4.3 In some cases people have found that the alternative arrangements had suited them better than the day provision and have now sought to cease day provision and continue to utilise the alternative support.
- 4.4 To enable an equitable approach to people accessing the reduced numbers of day service places available days that people could attend was reduced. In some instances, this has also provided other opportunities for people who may now not wish to return to their previous day provision and will seek to explore other options, which can enhance their independence.
- 4.5 In other cases officers are aware that people are now keen once restrictions are lifted to return to day services, and so there is a need to ensure that our offer for day provision recognises the shift to consider a wider mix of local universal provision and the engagement of the voluntary and community sector.

5 Commissioning Approach

- 5.1 Commissioning activity proposed in this paper will ensure that the model of service is still fit for the future and aligned to strategic priorities for Adult Social Care and the Council including consideration of the impacts of the pandemic on the market and the aspirations of our communities.
- 5.2 A consultation approach will be developed involving key stakeholders This will include consultation and co-design with people who use services and their carers. In addition, officers will use the feedback from young people and carers from the SEND consultation and engagement with regards to young people who are transitioning into adults' services.
- 5.3 As part of this market management approach there will need to be the development of an outcome- based Service Specification which should be co-produced with people who use services and their carers. This will be used to inform the purchasing system developed and encourage new and innovative solutions to be available.
- 5.4 Linked to the strengthening of the approach to the management of the market there is also a need to undertake a competitive process to develop a purchasing system to ensure that services are commissioned within the Council's Contract Procedure Rules and that spot purchasing is managed effectively through an agreed commissioning process.
- 5.5 Providers will be engaged in developing the specification and so they understand and can contribute to the further development of the model.
- 5.6 Development of Social Enterprise Models will be a priority within this proposal. These models of support will provide real opportunities for people to become more independent and were possible secure training and employment. This would enable the Council to become a facilitator and enable people to access community provision which enhances their experiences and promotes independence rather than commissioning a range of building- based services which can often prohibit development opportunities and reduce employment options.
- 5.7 Further engagement and involvement will be progressed with the Voluntary, Community and Faith Sector Sefton to promote the existing community support within localities and supporting the sector to grow, building resilience in

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communities based on place and natural assets and the promotion of wellbeing and independence for local people.

6 Sefton Adult Social Care Vision

- 6.1 The Commissioning approach is a key contributor to achieving the vision for Adult Social Care which articulates the need to focus on the assets of the individual, maximise choice and control and reduce reliance on long term formal care and support that can unintentionally reduce an individual's independence and resilience. This vision aligns with the commitment to reduce reliance on building based support and increase flexible individual based opportunities.

7 Engagement and Consultation

- 7.1 Cabinet is asked to approve the commencement of an engagement process with stakeholders and people who use services with regards to the vision and strategic commissioning of day services including the impact of any changes to the current delivery model and procurement processes approved.
- 7.2 The proposed approach to the engagement with key stakeholders will be based on national good practice and the key principles of the public law duty to consult.

8 Procurement

- 8.1 The Council is required to meet procurement regulations and it is recommended that in order to allow time for further work on this strategy direct award of contracts to current day service providers will be carried out for a period of 12 months, based upon current values and spot purchasing arrangements.
- 8.2 The direct award of contracts for existing provision will include a revised specification to include quality and outcomes. The award for a twelve-month period will enable further work on the model and allow time to enable new public procurement policies post Brexit to be considered in securing a sustainable market approach going forward.
- 8.3 A local purchasing system will be established to secure day service provision.
- 8.4 The focus of the approach will be to enable an appropriate arrangement which meets the needs of commissioner and the Council and is able to ensure sufficiency of high-quality services, which is flexible, responsive and offers value for money to meet the aspirations of people who need Adult Social Care.

9. Equality Act 2010 Duty and Impact Assessments

- 9.1 The impact assessments, including any feedback from consultation or engagement where appropriate, will be made available in compliance with the Equality Act 2010.

10. Conclusion

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- 10.1 Cabinet is asked to approve the approach and proposals for the commissioning and procurement of day services, to ensure that services align to the approved model, and are responsive to the needs of people in our communities.
- 10.2 The approach will enable people who use services and their carers to contribute to the design and delivery of services ensuring they are fully engaged in ensuring the commissioning of flexible options for support which can promote independence and provide opportunities for people within their local communities.

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Agenda Item 6

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Passenger Transport Framework 2022/26		
Report of:	Interim Head of Education Excellence	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Children's Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

That the Executive Director of Children's Social Care and Education be authorised to conduct a tender exercise in accordance with procurement regulations and the Council's Contract and Financial Procedure Rules.

The tender exercise is to establish a Framework Agreement for Hired Passenger Transport service providers to run for a period of two years from 1st January 2022 with the option of two further one-year extensions;

Recommendation(s): That:

- (1) the Executive Director of Children's Social Care and Education be authorised to conduct an Open Procedure tender exercise for a new Framework Agreement to run for a period of two years from 1st January 2022, with the option of two further one-year Extensions;
- (2) The Basis of Evaluation will be:
 - MEAT (Most Economically Advantageous Tender) taking into consideration a balance between Price and Quality; and
- (3) delegated authority be granted to the Executive Director of Children's Social Care and Education in consultation with both the Cabinet Member for Education and the Cabinet Member for Children's Social Care to establish the 2022/26 Framework Agreement on completion of the tender and to award any extension.

Reasons for the Recommendation(s):

The current framework agreement is made up of 15 hired passenger transport companies, in 4 lots, divided up into vehicle seating capacity. The core period will expire on 31st December 2021.

As part of this process, approval will be needed for Cabinet Member Children, Schools and Safeguarding to have delegated authority to establish the Framework Agreement at the back end of the tender process.

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Alternative Options Considered and Rejected: (including any Risk Implications)

No alternatives. Based upon the level of demand from commissioning departments there is currently an ongoing need for the Council to provide passenger transport to some service users. As such, this procurement exercise and the subsequent establishment of a Framework Agreement provides the Council with the opportunity to procure services at the most economically advantageous rates, whilst also meeting the stringent Health and Safety and Safeguarding issues associated with transporting vulnerable adults and children.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no direct financial implications as a result of this report. This framework agreement establishes a list of approved suppliers, together with their tendered unit costs, from which, future transport contract bids for routes are measured, or individual transport is commissioned. The Home to School Transport Budget for the previous year 2020/21 (including Transport Team) was £7,529,300 (Increased in 2021/22 with budget growth to £8,690,350). This budget is frequently overspent. The use of the framework agreement will help to ensure value for money is maintained during the award of future contracts.

(B) Capital Costs

N/A

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): There are no resource implications
Legal Implications: Under Section 508 (B) of the Education Act 1996 the Council must provide travel free of charge to and from school for eligible children of compulsory school age aged 5 to 16.
Equality Implications: There are no equality implications
Climate Emergency Implications: This framework uses a quality score rating in conjunction with a price scoring to award contracts to promote and encourage the use of more environmentally friendly vehicles. As part of the quality rating, suppliers are encouraged to demonstrate their commitment to help tackle the Climate Emergency and will be marked accordingly. For example higher scores will awarded for providers using hybrid or electric vehicles, reducing their current fleet's vehicle age, or managing sustainability performance by signing up to schemes such as eco stars or Energy saving trust with an aim to providing a positive impact when compared to the current carbon footprint.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: This framework exists to ensure Sefton's most vulnerable members – Children and adults with SEND, and service users of Social Care are transported safely to and from home.
Facilitate confident and resilient communities: not applicable
Commission, broker and provide core services: The Framework will help to support the core value of providing core services in the optimum way
Place – leadership and influencer: The Council will contribute to an improved place to live, work and invest, creating confidence of Small and Medium Enterprise businesses to grow and improve.
Drivers of change and reform: Encouraging transport providers to move towards a more sustainable manner of working, and the transition to more environmentally friendly vehicles.
Facilitate sustainable economic prosperity: not applicable
Greater income for social investment: not applicable
Cleaner Greener: Encouraging transport providers to move towards a more sustainable manner of working, and the transition to more environmentally friendly vehicles.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6411/21) and the Chief Legal and Democratic Officer (LD.4612/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

not applicable. There is no intended change in policy or entitlement associated with this Framework. The service specification has taken account of feedback received on the service from current service users. Informal discussions with current providers have taken place about the intended procurement approach, no negative issues have been identified.

Further engagement with stakeholders will take place, via parent and schools partnership meetings, and via The Chest procurement software for providers.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

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Appendices:

There are no appendices to this report

Background Papers:

Introduction

Specialist Transport was restructured as part of Public Sector Reform in 2019 and is now included within the newly established Travel Support Team. This team supports the delivery of all aspects of the Council's Home to School Travel Support Policy. It is recognised that there is scope to improve the effectiveness and efficiency of this service area and the restructure of the team was the first step in this process.

The team are now looking to improve a number of areas including procurement but at this stage a framework is fit for purpose. The current pandemic has affected the market place, and recent tendering exercises have identified there is a shortage of staff and vehicle resources. Key changes to the current Framework are aimed at encouraging more sustainable use of vehicles and promoting sub-contracting to increase the number of smaller providers increasing resources available for commissioning.

Background

The Sefton Travel Support Team commissions transport for over 1,150 vulnerable children and adults travelling to more than 85 different Schools, Colleges and Day Centres. It also provides journeys for these service users to and from respite centres enabling short-break respite for families and carers. In addition, the team supports Children's Social Care providing transport to enable access to contact meetings with family members, respite breaks and home to school transport.

The Hired Passenger Transport Framework Agreement will establish an approved supplier list and a pricing structure for two years with the option to extend for a further two years. The current Framework ends in December 2020.

A new framework will allow the Travel Support Team to establish an Approved Supplier List of suitable service providers. It also enables the Council to quickly award contracts directly by using the pricing structure established within the framework, to ensure best value without the need to run competitions. This is most frequently used for low cost trips.

Mini-competitions using the Approved Supplier List are used to ensure best value for more expensive routes, such as 16 seat minibuses with multiple passenger assistants to provide support for service users with a higher level of need. This new framework will allow suppliers an option to group a number of routes together for consideration at a reduced cost, providing opportunities for savings which may not be apparent to the Council.

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Performance of each route will be reviewed throughout the contract and considered individually before an extension to any of the routes is offered. Key performance considerations are: punctuality, readiness for students to learn, and also factors in feedback from schools and parents.

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Agenda Item 7

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Delivery of Restart Programme for Sefton		
Report of:	Head of Economic Growth and Housing	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regeneration and Skills		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report is to:

- Provide information to Cabinet regarding the introduction of the Government's Restart Employment Support scheme and how this will operate in Sefton.
- Request authority to accept the Restart contract from G4S Ltd, the prime contractor appointed by the Department of Work and Pensions for Restart in the North West.

Restart is the main employment support activity to be commissioned by the Department for Work and Pensions for the next five-year period, announced in the Plan for Jobs in July 2020. Since summer 2020, DWP has conducted a competitive procurement exercise using a commercial framework to appoint a Prime Contractor to lead this provision for the North West area.

The successful Prime Contractor is G4S Ltd, who operate a supply chain model of delivery identifying the most relevant and effective provider within each borough their contract covers. The provider they wish to work with in Sefton is Sefton Council, through Sefton@Work.

The sub-contracting offer made to the Council is to deliver a range of employment support activities to help unemployed residents who are at risk of longer-term economic and social exclusion. The programme will equip these residents to enter and retain sustained employment. The proposed payment structure to the Council incorporates a guaranteed payment upon registration and further additional payments paid for the achievement of an earnings threshold as residents' transition away from benefits and into paid work.

Given the dramatic rise in unemployment across Sefton, this activity offers an opportunity for the Council to assist residents and communities to recover from the economic impacts of COVID-19; preventing longer term negative outcomes from further disadvantage and hardship, which in turn increase the demand for more intensive and costly Council-funded provision in terms of housing, family cohesion, health and social care etc.

The aims of the Restart programme are well aligned with the Council's commitment to Sefton's Vision 2030, Sefton's Economic Strategy and the Economic Recovery plan. The Restart programme, in targeting those residents who are longer term unemployed, provides a strong strategic fit with the ongoing aims and objectives for the Sefton@Work service and builds upon its successful track record.

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Sefton@Work has been offered this opportunity as a result of its considerable experience of delivering similar commercial contracts, its credibility with local stakeholders, its engagement with employers, the partnership with the Invest Sefton business support team, its committed and qualified staff, its internal procedures for excellent customer care and quality assurance and its capability to deliver successful outcomes. The service is well placed to deliver Restart and build upon this capacity, while contributing to key regeneration objectives for all areas of the borough.

Recommendation(s):

That Cabinet:

- (1) Recommend to Council that authority be given to enter into a contract with G4S Ltd for the delivery of the DWP Restart Employment programme and that the Chief Executive, in consultation with the Cabinet Member for Regeneration and Skills, be authorised to finalise the terms of the contract.
- (2) Recommend to Council to approve a supplementary revenue estimate of £1.576m in 2021/22 fully funded by income from Restart. Future years allocations will be included in the budget report.

Reasons for the Recommendation(s):

Sefton has experienced unprecedented job losses during 2020 which have seriously impacted our community resilience and this continues to cause financial hardship for many households who have lost their incomes. The longer-term effects of continuing high levels of unemployment are well known and are associated with ill-health, erosion of skills and social disadvantage and a diverse range of negative outcomes. This programme will support residents who have already experienced twelve months of unemployment and enable them to receive the help they need to get back into sustained work.

Acting as a delivery agent for Restart enables the Council to ensure that residents receive good quality services and the best interests of residents and businesses in the area are protected. If this contract is not delivered with Sefton Council as a sub-contractor, then other, less well-connected organisations will be given this opportunity for Sefton.

Sefton@Work is the Council's trusted in-house job brokerage service which has provided quality employment programmes in Sefton for many years. The main funding stream to support Sefton@Work since 2016 has been European Social Fund (ESF). The availability of ESF will cease after December 2023 when all UK involvement in European structural funding will end. Restart offers the opportunity for the Council to continue and expand its job brokerage and employment support activities through Sefton@Work at a time when our economy, hit by job losses as a result of the COVID-19-19 pandemic, needs high quality, impartial assistance more than ever.

Sefton@Work operations are funded through a combination of external grants and contracts, with some additional Council revenue from core budgets. Acting as a delivery body for Restart will offer the opportunity to generate financial surplus which will remove the need for this support, generating a saving into the Growth budget of £177,000.

Alternative Options Considered and Rejected: (including any Risk Implications)

This option has been examined and discounted for several reasons -

- Restart is a national programme, procured by Department for Work and Pensions. If Sefton Council does not deliver it, the most likely scenario would be that a commercial entity with no ties or commitment to Sefton would be appointed. Local delivery through Sefton@Work however, will allow the Council to better understand and monitor the quality of the Restart offer for residents; ensuring it is delivered to our high standards of impartiality and customer service, making a more fundamental contribution to Sefton's economic recovery through alignment with Council objectives.
- This proposal offers valuable resource to continue and expand employment support at this time when rates of unemployment across Sefton continue to rise, providing much needed assistance to a wider audience than is currently possible. One of the Council's primary aims is to regenerate our communities, support resilience, promote prosperity, and reduce the scarring effects of long-term unemployment and this proposal will sustain resource for five years to achieve these aims and promote economic recovery.
- Sefton@Work is reliant upon European Social Fund for its main source of revenue and this comes to an end in 2023. Restart will provide succession funding for activity that precisely matches the service's aims to reduce unemployment, promote inclusive growth and create more and better jobs.

What will it cost and how will it be financed?

(A) Revenue Costs

The costs of the Scheme will be fully funded by Department for Work and Pensions.

*This programme offers the potential to create an income stream to the Council and it is proposed that this should be used to reduce existing funding requirements in the Sefton@Work service and thereby release revenue of **£177,000** in the Council's budget in 2022/23. The precise amount of income earned depends on the number of people registered and the numbers progressing into sustained employment.*

(B) Capital Costs

There are no Capital costs associated with this Scheme.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

Sefton@Work will need to recruit additional fixed term staff to carry out this contract. However, there is an implementation phase before the contract reaches full delivery levels. Staff currently funded under ESF will be protected by transferring them across to Restart as key milestones are met and caseload numbers expand.

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Delivery costs for the Restart programme will be fully covered by the contract and no additional resource such as match-funding will be required from the Council to operate Restart.

Legal Implications:

A contract has been received from G4S which has been fully assessed by the Legal team. Specific risks and mitigations have been captured in a risk management plan using corporate risk methodology.

Equality Implications:

The equality implications of this Scheme are positive since it relieves hardship , promotes equal access to employment and removes barriers to progression for economically disadvantaged people. This proposal will improve the lives of people from across Sefton who have been affected by COVID-19 and have lost their employment. This scheme specifically targets people over 18 years old who have been workless and claiming benefits such as Universal Credit for more than one year when they commence Restart.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	Yes
Have a neutral impact	no
Have a negative impact	no
The Author has undertaken the Climate Emergency training for report authors	no

Delivery of Restart is judged to have the potential for a positive impact on climate change for the following reasons:

- We have budgets to reimburse clients travelling to see their employment advisers using public transport only – contributing to reduced car travel.
- We will be working with local employers to seek employment for clients. We will be particularly seeking out opportunities for employment within Sefton and within a ten-mile travel to work radius across the city region, thereby helping to reduce commuting distances.
- We will be producing travel to work plans for participants, promoting public transport by train and bus.
- We will be promoting understanding of the ecology & local environment by working with Green Sefton on an employment pathway for our participants
- We will be working with employers in a range of sectors but will be particularly targeting those opportunities for jobs in the Clean and Green sectors

We are also required as part of the Restart contract terms to produce a Sustainable Development Policy statement which will include provisions related to :

- The disposal of contract waste
- Reducing energy consumption

- Promoting waste management including recycling
- Promoting green or public transport
- Promoting corporate social responsibility
- Commit to continuous improvement on sustainability for the project
-

During the scheme we will also seek opportunities with the contractor to minimise carbon, reduce waste (including Single Use Plastics) and request/gather regular information to form part of the reporting on actions taken.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

This scheme allows the Council to assist workless residents whose employment has been lost as a result of COVID-19 and who have found themselves workless for a period of 12 months or more and claiming welfare benefits.

Facilitate confident and resilient communities:

Employment is a key indicator in improving resilience within our communities, and Restart will enable more people in Sefton to be supported with building back their confidence, employability and skills to re-enter the job market.

Commission, broker and provide core services:

This Scheme allows the Council to work with those in our communities most at risk of longer-term exclusion and disadvantage by supporting residents into employment who may otherwise require interventions from core services such as health, housing and social care.

Place – leadership and influencer:

This scheme will underline the Council's economic leadership role, particularly in relation to our relationships with businesses in recovery from COVID-19, in developing a better skilled and motivated local workforce and promoting inclusive growth.

Drivers of change and reform:

The Council will help bring about real structural change for people coping with unemployment through the provision of attractive and high-quality, accessible support. The programme will support people who need to prepare for re-entry into a changed labour market, supporting adults to make informed choices in their chosen careers.

Facilitate sustainable economic prosperity:

Restart reflects the requirement to achieve sustainable employment through a payment structure which recognises and rewards real progression into work and sustained earnings. This allows businesses to generate prosperity from recruiting our residents from this programme, where they will be well supported, motivated and prepared to add value in the workforce. Moving more of our residents into employment also has a positive impact on disposable incomes which will benefit our local business culture and town centres.

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Greater income for social investment:

Sefton@Work will be engaging with a full range of employers including those engaged in social investment. The Council will therefore seek out opportunities for community-based employment, thereby contributing towards the stability and viability of our social trading sector.

Cleaner Greener

There are numerous opportunities for Restart to positively influence sectors which have a direct and measurable impact on our environmental sustainability agenda and these jobs will be promoted to residents. There are specific requirements within the contract regulations for Restart which focus on carbon reduction.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD 64221/21) and the Chief Legal and Democratic Officer (LD4623/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Full Council meeting in July 2021.

(Please delete as appropriate and remove this text)

Contact Officer:	Claire Maguire
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Appendices:

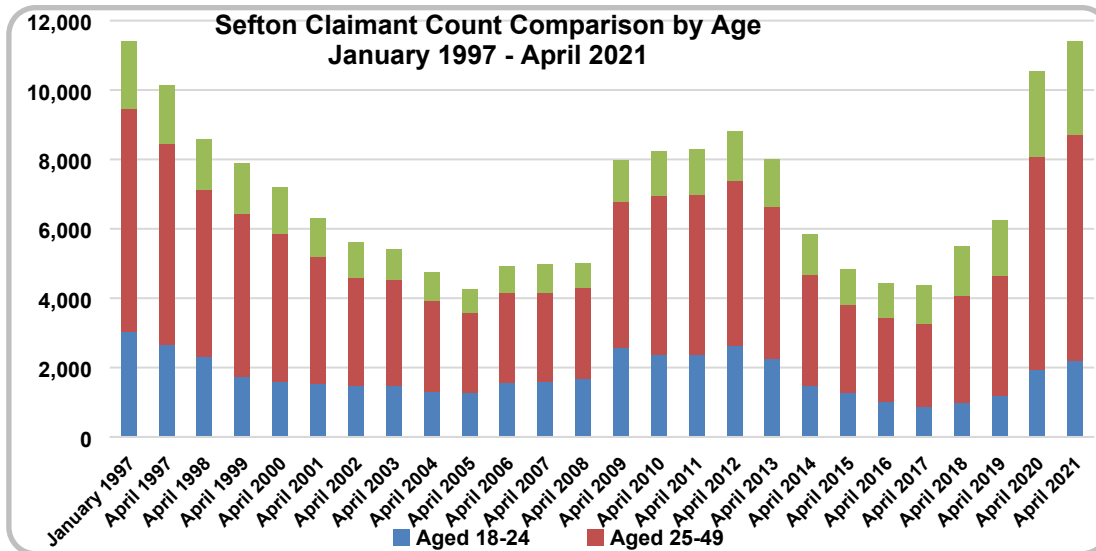
There are no appendices to this report

Background and Information

1. Strategic Fit

Sefton has seen a dramatic rise in unemployment across all age groups since March 2020. This rise has impacted across the entire Borough and has affected every age group. Unemployment has risen in Sefton at higher than the national rate and higher than the rate within the Liverpool City Region. Figure 1 below shows the pattern of this rise in unemployment, and how it has impacted across the age ranges.

Figure 1



The composition of Sefton’s labour market is such that there is a prevalence of employment in the sectors which were hit hardest during 2021/21. This aligns with a disproportionate rise in worklessness we have seen among women.

Sefton also has a very large reliance on employment in smaller employers rather than larger multi-nationals. Smaller companies tended to react more quickly in terms of redundancies during the initial lockdown. This was evident in the sudden and dramatic rise in unemployment across Sefton between April and May 2020, before the Government’s Job Retention scheme was launched.

Once the Job Retention scheme was in place, many Sefton employers took advantage of this and there remains a very high rate of dependency on it, with many workers likely to continue on furlough until this support ends later in autumn 2021. There is a high risk of further redundancies once Furlough support is not available, potentially putting still more residents’ employment at risk.

Delivering Restart will allow the council to support those people who have been made unemployed as a result of COVID-19, since entry to the programme will be targeted at those who have been jobless for more than 12 months. Those who lost jobs in March – May 2020 are likely to be the first entrants to Restart once it commences in Summer 2021.

1.2. The Case for Change

Sefton@Work has made good use of available resources to offer services using European Social Fund, (ESF) primarily through the Ways to Work programme. Staff are well versed in managing the complexities of ESF and it provides flexible support for those residents who have multiple, complex barriers to economic and social re-engagement. ESF however, will not continue to be available after 2023, requiring the council to seek other streams of funding to continue supporting unemployed residents or face the prospects of significant downsizing or cessation of this service at a time when demand for it is rapidly increasing and the positive impact it has on relieving pressure on other more intensive services could not be more evident.

To respond effectively to the increasingly serious position in terms of unemployment and assisting Sefton’s economic recovery, the scale of support to assist residents to enter sustainable employment needs to increase. Prior to Covid-19 ESF proved to be an effective means to resource support for residents furthest away from the labour market, when our jobs market was reasonably buoyant between 2016 and 2019. However, we are now seeing an

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additional, new cohort of residents also seeking help. These are people displaced during the economic maelstrom of the past period, who are unused to navigating the benefits system and others who want to shift direction and not return to the same sector where they were made immediately redundant in the pandemic.

Restart gives the opportunity for Sefton@work to support these greater volumes of residents and take account of the broader experiences of participants. Delivering the Restart contract would provide a strongly job focused package of support including resource to tackle some of the practical barriers faced by residents that we would otherwise not be able to do using ESF alone.

2.Key Features of the Restart Provision

Restart has many similarities to the Work Programme, which Sefton Council (through Sefton@Work,) carried out as a subcontractor in Sefton on a wholly “payment by results” arrangement for another DWP appointed Prime Contractor.

G4S Employment Services uses a sub-contracting model to deliver contracts, they have no direct delivery capacity themselves. A key driver in this procurement has been the identification of suitably qualified and capable organisations; those that can satisfy the DWP requirement that Restart should reflect local priorities and delivery structures and deliver in a manner that reflects local circumstances. These are the reasons why Sefton@Work is the nominated local partner for Sefton.

Although the supply chain for the North-West region is not fully in the public domain at this stage, we know it is composed of a variety of public, private and third sector bodies. It is understood that at least 3 Local Authority services together with Sefton involved in the delivery of our LCR Ways to Work programme have also been included in the G4S supply chain for Restart.

Restart will be the major employment support provision to be contracted by DWP for the foreseeable future, with other provision such as the DWP Work & Health programme being wound down during the contract period. Estimated costs for the whole Restart programme at national level are in excess of £7.5billion.

The main target group for Restart will be people who are out of work for at least 12 months on entry and it will deliver advice and assistance to benefit claimants to enable them to move back into sustained employment as the economy recovers.

All referrals of residents to the programme will be via local Jobcentreplus (JCP) Work Coaches. Work coaches will be given referral targets reflecting the level of unemployed, eligible residents in their localities. Relationships between Sefton@Work and local JCP offices are extremely positive and close working relationships are already established. As a result, there is a high level of confidence that referral flows will meet satisfactory levels for Sefton to discharge this contract successfully.

The detail of the Restart client journey allows for local design, but it also has service quality standards to meet in terms of maintaining regular contact with clients and acceptable times for any referred client to register and become “attached” to the provision. This approach aligns well with Sefton@Work’s ethos of offering bespoke, personalised services which reflect the starting point and aspirations of the clients. Therefore, depending on their needs, a client on Restart may receive assistance with confidence building, occupational awareness, basic skills diagnostics or digital skills provision, CV preparation, interview techniques, work experience, employer visits or seminars, referrals for specific vocational training and certification (to Sefton Community Learning for items such as first aid, manual handling or food hygiene etc), mentoring and advocacy for individuals who have complex barriers.

3. The Sefton@Work Approach to Restart

The proposal is that Sefton@Work will offer a complete “end to end” service as the Restart provider for our area. Sefton@Work has designed the following process to assist clients to progress through the Programme.

- A JCP work coach will determine eligibility for Restart and make a warm referral to Sefton@Work. A welcome appointment will be arranged, and Sefton@Work will match the most suitable adviser to deal with each client. An initial meeting will be arranged within 5 working days. There are no elements of compulsion to join Restart and engagement is based upon an individual expressing a wish to access the provision.
- The Initial appointment will cover programme induction, in-depth diagnostic assessment and start to build a personalised action plan.
- Substantive contacts with an adviser will be a minimum of once every 4 weeks to review action plans, monitor progress towards work and decide on next steps. Action plans are updated in collaboration with clients and will include all aspects of employability and the clients' overall circumstances.
- Catch up calls or in-person contact will take place every 2 weeks to maintain motivation, track progress and review job search activities.
- Participants will receive work focussed skills support for complex barriers to be addressed. This will generate referrals for Sefton Community Learning Service.
- Diagnostic assessments will commence quarterly (or after any substantial change in circumstances) to measure distance travelled by the client.
- Sefton@Work has the scope to deliver individual sessions, group work or self-directed activities. Specific interventions will be delivered to address complex barriers for example: Think Differently, Cope Differently; Skills Assessment for Transferrable Skills; Labour Market Awareness sessions; In-Work Benefit Calculations; Travel Training; CV Writing; Effective Job Searching; Interview Skills, Digital Recruitment practices and many others in accordance with local patterns of demand.
- Participants moving into work will receive practical and financial assistance to support their transition from benefits to employment – this will include budgeting and money management where required.
- In-work support and mentoring will be provided for those most at risk of not sustaining. This will be carried out by experienced Placement officers who are able to advocate with employers, solving problems and improving retention.
- Since the sustainability of job outcomes is measured through the achievement of an earnings threshold (approximately £3,600) Restart can accommodate the needs of clients who wish to work flexibly. For those working part time, the earnings threshold will be achieved more slowly and for those working full time or entering higher paying roles, the threshold will be achieved more rapidly.
- Employer engagement and business development activities to generate and secure opportunities for those furthest from the labour market including growth sector pathways,

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sector-based work academies, work experience, work placements, learn while you earn initiatives and sustainable employment.

- Sefton@Work will engage with local businesses/employers to promote disability confident charter mark and alternative neuro-diverse recruitment practices to better accommodate learning needs and/or disabilities who find it difficult to compete in standard application and interview processes.

4. The Offer

G4S has offered a contract to Sefton Council for 8,922 referrals in the Sefton LA area over the lifetime of the contract. The contract period is for five years and will be based on a payment structure which will enable the Council to have a guaranteed cash flow to cover up-front costs associated with registering new clients etc. This is referred to as the Delivery Fee. Further payments for placing clients into suitable employment and helping them to sustain this employment will also be received. The total Delivery fees equate to £4.4million and are paid to the Council on a monthly basis as a percentage of the total contract value. The Delivery fees, assuming the delivery fee standard is met, will be paid in full regardless of any fluctuation or reduction in the overall number of referrals.

Unit costs for Restart are comparable with similar activities and full recovery of costs will be possible for the Council under this agreement. A benchmarking exercise has also been undertaken to ensure assumptions on caseloads, staff ratios and rates of job entries are achievable.

The total potential contract value will be based on actual client flows and the forecast achievement of employment as a proportion of those people joining Restart. The headline figures underpinning the offer are as follows:

Number of starts (all years)	8,922	This is the number of unemployed people expected to commence on Restart over the lifetime of the project
Standard outcomes to be achieved	1,874	The number of clients who will need to obtain work and sustain employment up to the threshold amount £3,600– earnings are confirmed by DWP via HMRC data and then the outcome fee is paid
Standard Contract Performance Rate	21%	The Council will need to assist a minimum of 21% of all clients in the period achieving this agreed outcome of entering employment to receive the outcome fee.
Standard Outcome Payment (21% into jobs)	£2,951.87	This fee is received for each person sustained in employment up to the threshold.
Accelerated Performance Rate	34%	This is an enhanced Performance Offer. Any client sustaining work to the threshold above the Standard Contract Performance Rate of 21%,

		(ie between 22% and 34%) will result in an accelerated outcome payment of £4,132.62 per client.
Accelerated Outcome Unit Price	£4,132.62	Received for each client sustained in work up to the threshold
Total Potential Contract Price	£14,747,824	The total contract price will vary according to the number of people joining Restart. This will be affected by factors such as labour market changes, post-covid recovery, availability of other support for job seekers etc.
Unit Cost per Participant	£1,653	This is the total cost of delivery divided by the number of clients (£14m divided by 8,922)

Both the scale and scope of this contract are challenging. However, we believe that Sefton@Work’s prior experience of successful delivery on similar contracts, including the Work Programme, places the Council in a very good position to undertake this work with confidence. We have the required infrastructure, qualified staff, management systems, local relationships and credibility already in place to implement this offer. Being included as the end to end supplier in a contract of this significance is a recognition of our effectiveness and quality.

The following is a list of some of the contracts and projects carried out by Sefton@Work which have incorporated a “Payment by Results” funding methodology. In each case, the contract requirements have been met in full and audits have been successful.

Work Programme -	subcontractor to DWP Prime Contractor
Complex Families -	subcontractor to DWP Prime Contractor
Work Routes -	subcontractor to DWP Prime Contractor
Growth Sector Routeways -	Education Skills Funding Agency contract
Sustainable Routeways -	Education Skills Funding Agency contract
Priority Sector Routeways -	Education Skills Funding Agency contract
Working for Yourself -	Local Enterprise Growth Initiative

5. Restart Payment framework

The payment framework builds upon lessons learned by DWP from Work Programme and subsequent national programmes. It is intended to combine an element of delivery fee that recompenses organisations’ operating costs and investment but incentivises performance.

There are three elements as follows:

Delivery Fee	30% of the fee is paid upon a participant starting the programme and meeting the Delivery Fee standard (ie 75% of cases have an initial meeting within 15 working days)	Total £4.4m delivery fee is payable and is not dependant on the number of referrals. For example, for 8,922 clients the cost is £495 per client, for 4,461 clients the cost is £991.
Standard Job Outcome Fee	70% of the fee is paid in instalments once the participant enters employment and is retained. The expectation is for 21% of all clients	This is the standard job outcome rate, £2,951.87 and is payable for each client obtaining and sustaining work

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	to enter work. (This element is evidenced by Real Time HMRC data on earnings thresholds once clients earn approximately £3,600)	up to the HMRC earning threshold.
Accelerated Payment	An additional incentive for providers where 140% of the standard fee is paid when they exceed the expected job entry rate across the contract. This applies once an “ in-to work” rate of 21% has been achieved by the supplier.	This is the accelerated job outcome rate, £4,132.62 and is payable for each client obtaining and sustaining work up to the threshold.

Several detailed financial scenarios have been examined by Sefton’s finance and legal teams and incorporated into a risk management plan.. In each of these scenarios, it is clear that Restart has the potential to generate surplus which can then be re-invested into the succession of the Sefton@Work service after ESF is discontinued in 2023. In addition, this surplus could also be used to fill current gaps for vulnerable groups most at risk of economic exclusion by providing assistance for young people with Care experience to progress into employment as an example.

The Sefton@Work service is in receipt of a contribution from the Growth budget which is used as match funding towards the ESF projects delivered by Sefton@Work. **We expect that surpluses gained from Restart will allow the removal of this contribution from Council core budget from the 2022/23 financial year, generating a saving of £177,000 back to the Council.**

Sefton@Work has negotiated within the Restart offer the provision of additional budgets to remove barriers for our residents seeking to re-enter employment. These budgets include support for public transport costs for participants to travel to see their advisers, childcare support costs to contribute towards the costs of registered care identified by parents who would otherwise be unable to afford to go to work, travel for interviews and training together with a more flexible budget to respond to individual needs. This budget is intended to cover costs associated with licensing, certification, means of identification and to address training needs or personal development such as building self-esteem. Where any learning or training is required, arrangements will be put in place with Sefton Community Learning for this delivery.

As engagement and activity on Restart moves towards full capacity, there are opportunities for the Council to achieve greater synergy between Sefton@Work and other key regeneration priorities. In terms of premises, once full capacity is reached, it is likely that the current Sefton@Work premises at Stanley Road may be insufficient. Early discussions have taken place to identify a possible relocation within the Strand Centre in Bootle and there are other co-location options for Southport which could provide a good fit with Town Deal regeneration. Collaboration with Sefton Community Learning will ensure that the Cambridge Road Learning Hub project will also be optimised for delivery of training for Restart participants.

6. ESF Ways to Work and Restart

Sefton@Work’s main delivery since 2016 has been through the Ways to Work ESF project. This is a project run as a partnership between the LCR Local Authorities and has been extremely successful in placing people into employment and operating innovative intermediate labour market (ILM) opportunities to benefit individuals and local employers. ILM opportunities are jobs where we pay a wage subsidy to a local employer to enable a client to move into employment with them, gaining essential skills and experience and adding value to the employer’s business.

As Restart is expected to commence delivery in July 2021, Ways to Work will continue to be operated alongside it until European investment ceases in December 2023. The two offers are complimentary and allow an opportunity for a more holistic, comprehensive service to meet different levels of need in our communities.

We have been unable to operate ILMs in Sefton for some time under Ways to Work, as we have needed to utilise all our ESF funding to support staffing and other necessary running costs. The flexibility we will have with operating ESF alongside Restart is that we can vire some staffing costs out from ESF and use the headroom created to offer ILMs once again. This will enable greater synergy between the two operations and allow us to have an opportunity pathway that is flexible and reflects local demand in our labour market.

Operating both funding streams in parallel provides significant assurance for the Council that spending on Restart can be readily aligned with numbers of referrals and performance during the early stages when new arrangements for Restart are bedding in.

7. Headline Risks and Mitigation

The following outlines the headline risks and mitigation factors which have been considered. A detailed analysis of contract terms and conditions has been carried out and all points raised have been incorporated into a risk management plan, reflecting the Council's corporate risk management approach.

Risk	Mitigation
A timely start cannot be secured and unforeseen delays in decision making are experienced	DWP have required a start date for Restart which already falls outside the decision-making processes in place for approval of the Restart offer by Cabinet in June and full Council in July 2021. While this has been fully discussed with G4S and a start in July would now be acceptable, there is a serious risk that the contract offer would be withdrawn if further delays are experienced.
Referral numbers for Restart in Sefton may not be achieved in full	<p>As the Prime contractor, G4S have designed their offer to accommodate very high numbers, to allow for the possibility of expansion over a period of economic uncertainty. We believe client numbers for Sefton may be higher than we would have predicted using our own economic forecasts but there are commercial reasons why this estimate might apply.</p> <p>Sefton Council's level of delivery will closely follow the pattern of referrals of clients actually joining Restart and we will have the capacity to move staff between ESF and Restart to reflect this in the first two years of operation while demand patterns are becoming established.</p> <p>Detailed scenario plans have been examined which consider risks of underachievement of client numbers and as the number of staff apportioned to the contract will be flexed in line with caseloads so that the income will fully cover expenditure.</p>

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<p>National Programmes such as Restart may not fit with our Local Priorities on Economic Recovery and Inclusive Growth for Sefton</p>	<p>Restart is about equipping our residents who are at risk of longer -term economic exclusion and disadvantage to get back to work and enable our economy to recover. This is exactly in line with Sefton’s Economic Strategy and our COVID-19 Recovery Plan. Employment Support such as this also features as a priority within the LCR Build Back Better Plans, to which Sefton is a signatory.</p>
<p>Additional Staff will be needed to deliver Restart</p>	<p>We intend to migrate “core” Sefton@Work staff across to Restart from ESF funding as these projects begin to wind down and eventually cease in 2023. Restart will therefore provide a succession mechanism for existing Sefton@Work staff.</p> <p>However, additional staff will also be required for Restart if forecast volumes come to fruition. Our aim would be to flex staffing levels in order to optimise quality of service, acceptable waiting times and caseload sizes. New recruitment would need to be undertaken only once the pattern of referrals is clear and fixed term contracts specific to Restart would be issued. Full consultation with Trades Unions will be undertaken about staffing matters.</p>
<p>Some Job Outcome Payments may be missed through lack of capacity to track evidence of sustained employment, leading to loss of income.</p>	<p>This was a risk under previous schemes including Work Programme when contractors were required to provide job entry and sustainability evidence from employers. This was slow, difficult and costly to obtain. However, under Restart this does not apply. Job outcome payments will be made on the basis of ‘real time earnings’ data when clients achieve a threshold of £3600. Data from HMRC is shared with DWP to underpin this.</p>
<p>Additional premises may be needed to enable access for all clients across Sefton.</p>	<p>Depending on the pattern and flow of referrals to Restart we may need to acquire additional delivery venues. We will ensure the choice of venues will support complimentary Council objectives and projects, such as co-location with Town Deal projects or the Cambridge Road Learning Hub.</p>
<p>We have insufficient Restart referrals from JobcentrePlus</p>	<p>There is a process in place for flagging issues concerning client flow which G4S would co-ordinate as the contractor at regional level.</p> <p>Referrals will also be closely monitored by Sefton@Work and reported back to Jobcentre plus at the local level. Jobcentreplus always prioritise referrals to DWP procured provision and at the point of Restart embedding, there will be few other competing offers of this kind. Therefore, the risk of inadequate referrals from Jobcentreplus is low.</p> <p>The guarantee of 30% Delivery fee per start removes the risk of the Council expending too much on upfront delivery costs and provides assurance against over</p>

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	spend.
Restart would divert or interfere with other projects such as Ways to Work delivery	<p>This is incorrect. In fact, as Sefton’s unemployment rate sadly increases, this additional contract would give us more capacity to work with clients to enable them to overcome barriers and move into work, an entirely complimentary aim to Ways to Work.</p> <p>Sefton@Work’s reliance upon European Social Fund means that we need an income stream to continue our operations after 2023. Restart would provide an opportunity to retain qualified and trained core staff and allow us to continue to strive towards our VISION 2030 economic goals for Sefton.</p>
Risks of other agencies delivering Restart rather than Sefton@Work	<p>There are risks to the Council and our residents of other agencies delivering Restart in our area. In most instances where this occurs, a commercial entity is “parachuted in” and works in a manner that cannot fully reflect local circumstances, or the impact of related Council services, particularly for our vulnerable groups. There is a serious risk that an agency such as this may not share our values or aspirations for our residents.</p> <p>If Sefton@Work operates Restart, we would ensure delivery to the highest standards of ethics, customer care and safeguarding. We would also ensure Restart is aligned with other relevant services such as Early Help, Sefton Community Learning, NEET Reduction & Early Intervention Service, Invest Sefton and with our wider regeneration objectives around Town Deal and Bootle Town Centre for example.</p>
Risk of reputational damage to the Council through association with a commercial provider	Our experience of working with commercial providers on previous contracts has demonstrated the Council has the capability to operate local activity in a manner that protects its reputation, drives quality in provision and meets a range of expectations for employment support related to impartiality, customer care and transparency with employers
Risk of Financial Outlay from the Council	<p>DWP will pay 100% of the costs for Restart. No Match funding is required from the Council.</p> <p>We will operate our financial controls of this contract on the basis of our “break-even” point, thereby ensuring costs are in line with guaranteed income and client flows. This is a process Sefton@Work has done successfully with many funding streams.</p> <p>Sefton@Work has considerable experience gained through managing multiple projects and external funding streams in a compliant and cost-effective way.</p>
Onerous or inappropriate contract terms and conditions resulting in liabilities for the Council	Sefton Council’s legal team has conducted a thorough review of the terms and conditions so that a full understanding of potential implications is understood. These have been collated into a risk management plan

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	using the corporate risk management processes and necessary mitigations have been raised.
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Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Procurement of Transport Technical Support Services		
Report of:	Head of Highways and Public Protection	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Locality Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To seek Cabinet approval to invite tenders through the appropriate procurement route for the provision of transport technical support services to assist in the preparation of business cases, funding bids and the development of transport investment projects.

Recommendation(s):

That Cabinet :

- (1) Approves the tender process to procure the provision of transport technical support services, to be published on The Chest using an Open Tender process, as outlined in the report.
- (2) Authorises the contract period of 2 years from 1st January 2022 to 31st December 2023 with an option to extend on a year by year basis to 31st December 2025 subject to performance.
- (3) Gives delegated authority to the Head of Highways and Public Protection to award the Contract resulting from the procurement and any extension, subject to consultation with Cabinet Member Locality Services.

Reasons for the Recommendation(s):

The Council has an ongoing programme of strategic transport investment. Development of these proposals, including the preparation of business cases and funding bids, requires a range of technical capabilities and a requirement to respond at short notice to bidding opportunities. The Council does not have the capability or capacity to undertake all the elements of work involved in developing and delivering this programme. It is proposed to procure a contract where the specialist services the Council needs to be able to develop and deliver the programme of strategic investment can be provided at short notice.

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A contract has existed for transport technical support services since early 2018. This was a three year arrangement, extended for a further year, which will end in December 2021.

Alternative Options Considered and Rejected: (including any Risk Implications)

The provision of all the specialist skills and capabilities through an in-house team would require substantial additional recruitment which is not practicable within current budget constraints and controls on recruitment.

Individual schemes could continue to be procured individually and independently through separate procurement processes. This would require officer time and resources for each procurement. In some situations, the timescales imposed for submitting proposals and funding bids mean that a stand-alone procurement process is either not feasible or would substantially detract from the time available for completing the submission. This approach would also mean that there is much less potential to develop strong working relationships with an individual service provider and for them to develop local knowledge.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no direct revenue costs as it is expected that the services commissioned will be primarily associated with capital schemes.

(B) Capital Costs

It is proposed to procure a 2 year contract (with options to extend to 4 years) , with individual pieces of work let on a 'call-off' basis and funded through individual scheme budgets. No work would be commissioned without an allocated scheme budget, the majority of which will be through the Annual Transportation Capital Programme.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The contract will support existing staff in Transportation and Highways Infrastructure in the development of scheme proposals, including preparation of business cases.
The total cost of services commissioned over the 4 year contract will not exceed £1.5m.

Legal Implications:

As determined by the Council's Contract Procedure Rules, the contract will need to be sealed as its total value will be in excess of £100,000.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact

Have a neutral impact	X
Have a negative impact	
The Author has undertaken the Climate Emergency training for report authors	X

The engagement of transport technical support services to assist in the delivery of the transport capital programme will in isolation have a neutral effect. The transport capital programme is estimated to have a negative environmental effect and construction activity and use of material incur a climate impact. However there are also a range of projects within the programme aimed at supporting active travel which will contribute towards achieving the targets within the Council's Climate Emergency strategy.

Equality Implications:

There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

The strategic transport investment programme includes measures that are intended to improve accessibility for all, which will help all the community to gain access to essential services and facilities.

Facilitate confident and resilient communities:

Transport infrastructure is essential for communities to function effectively and a successful transport investment programme will help to build confidence in communities.

Commission, broker and provide core services:

Not applicable

Place – leadership and influencer:

The condition and functionality of transport infrastructure is a key component of place, setting the physical parameters. A well developed and forward looking transport investment programme will make a very positive contribution to place-making.

Drivers of change and reform:

Not applicable

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Facilitate sustainable economic prosperity: Economic prosperity depends on reliable and efficient movement of people and goods. Investing in the Borough's transport infrastructure is essential for its future economic prosperity.
Greater income for social investment: Not applicable.
Cleaner Greener Creating an improved environment through better public realm, more accessible facilities and reducing emissions are key components of the transport investment programme and will contribute to an enhanced quality of life for residents.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6407/21) and the Chief Legal and Democratic Officer (LD.4608/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The Transportation Capital programme identifies a significant range of projects and initiatives utilising funding from various sources provided by the Liverpool City Region Combined Authority in addition to the usual allocations. These schemes are at various stages of development, but all will require detailed appraisal, development, design and supervision if they are to be funded and delivered. In addition, there are significant proposals for development of the key town centres of Bootle, Southport and Crosby, all of which will require transport related assessment and scheme delivery.
- 1.2 The Council does not have the capability or capacity to undertake all the elements of work involved in developing and delivering this programme of strategic transport investment and technical support and evidence gathering for the town centre development strategies. It is clear that with a significant number of projects all necessitating development within 2021/22 and 2022/23, there is significant pressure on staff within the Strategic Transport Planning and Investment and Highway Design and Development teams.
- 1.3 The process of scheme development and preparation of business cases frequently requires extensive data collection and review and specialised pieces of work utilising specific software packages, particularly in relation to economic costs and benefits. The Council does not have the resources to undertake such assessments and if we wish to be in a position to bid for City Region funding to invest in the Borough's infrastructure we need to be able to call on these services, often at short notice.
- 1.4 Other services where the Council may need to procure assistance include traffic modelling, economic assessment, transport and access studies, review of planning related transport assessments, junction modelling and engineering design, wider economic impacts and contract supervision.
- 1.5 The timescales for funding bids are often quite short, requiring work to be started immediately and completed in a short space of time. Where the Council does not have the capability in house, there is often insufficient time to complete a procurement exercise to commission the work. If the Council wishes to be able to take advantage of funding opportunities, it would be prudent to establish a contract where such services can be provided at short notice.
- 1.6 The transport technical services support framework that was procured in 2017 and commenced in early 2018 has proved invaluable in providing the technical support required to deliver the ongoing major transport investment programme. The original framework arrangement was extended by one year, but it now needs to be procured again. It is therefore proposed to carry out a tender process to procure a service provider to assist in providing technical expertise and capability that is either not currently available or where there is insufficient staff resource within the Council.

2. Procurement Process

- 2.1 It is proposed to procure a 4 year contract. This will be subject to a performance review after 2 years and again at 3 years, after which a 12 months extension may

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be granted. Individual pieces of work will be let on a 'call-off' basis. One company would be appointed as the lead service provider, with a second company identified as a reserve, which can be called on if the lead company is not able to meet the requirements of any individual commission (e.g. due to timescales, availability of specialist staff etc.) or where the reserve has specialist knowledge or experience. The Council will reserve the right to tender individual pieces of work if that is considered to provide the best option and any large individual commissions, would be commissioned separately through a competitive tendering process.

- 2.2 A single supplier framework company will be procured via The Chest using an Open Tender process in accordance with the Council's Contract Procedure Rules. The basis of evaluation will be MEAT (Most Economically Advantageous Tender) taking into consideration a balance between Quality and Cost. As the contract is expected to be for four years, there will be a strong emphasis on Quality, including Social Value, as part of the tender evaluation, with costs based on an agreed set of fee rates.
- 2.3 The performance of the service provider will be reviewed annually and the Council will include a provision to terminate the contract if their performance does not meet the agreed performance indicators. The review at the end of Year 2 and 3 will determine whether an extension is offered.
- 2.4 On the basis that the extensions are granted the contract is proposed to be for four years, from 1st January 2022 to 31st December 2025.
- 2.5 Development of the Council's strategic transport investment programme requires a wide range of technical capabilities and the capacity to respond at short notice to bidding opportunities. The Council does not have the full range of technical capabilities required. Specifically, the Council is not able to undertake specialised pieces of work utilising specific software packages, particularly in relation to traffic modelling, junction modelling and economic costs and benefits. Other services where the Council will need technical support include the development of business cases, from strategic outline case to full business case, transport and access studies involving extensive data collection and review, additional engineering design in support of the Council's existing design team and estimation of wider economic impacts.

3. Current TTSS Provider

- 3.1 Atkins have been operating as the current TTSS provider following a procurement exercise undertaken in 2017. WSP have been the reserve provider. This commission was for three years extended to four. The Council has procured approximately £1.15M of services through this framework to the end of May 2021..
- 3.2 It is acknowledged that there are some current commissions which may extend beyond the timeframe of the current framework. In these cases, such as the completion of Business Cases, it is proposed that the current provider completes these commissions on the understanding that final completion is achieved before the end of March 2022.

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Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Procurement of Annual Service Contracts for Highway Maintenance Works		
Report of:	Head of Highways and Public Protection	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Locality Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	No Rule 27 agreed
Exempt / Confidential Report:	No		

Summary:

To seek approval for the procurement of Annual Service Contracts for Highway Maintenance Work to begin in July 2022.

Recommendation(s):

- (1) the procurement of the Annual Service Contracts for Highway Maintenance Work be agreed based on the specifications referred to in paragraph 2.6 of the report;
- (2) the Head of Highways & Public Protection be authorised to approve the Short List of Tenderers for each Contract subject to the appropriate review of the Pre-Qualification Questionnaire;
- (3) the tenders be evaluated using the evaluation criteria set out in paragraph 2.4 of the report;
- (4) the Head of Highways & Public Protection be authorised, in consultation with Legal Services and Cabinet Member Locality Services, to award the Contracts to the highest scoring Tenderer; and
- (5) it be noted that the proposal was a Key Decision but had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Regeneration and Skills) had been consulted under Rule 27 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan in order that the most cost effective method of extending the contract could be utilised without further delay.

Reasons for the Recommendation(s):

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The existing Annual Service Contracts for a number of Highway Maintenance Works are due to expire in July 2022. The Anticipated Scope of Works that are likely to be delivered under the Contracts are of sufficient value that Cabinet approval is required.

Alternative Options Considered and Rejected:

There are optional annual extensions, for up to four years beyond the core contract period, built into each of the existing contracts. The Council could decide to grant the extensions however this would result in price increases in-line with the provisions set out in the contract, whereas testing the market may produce savings and/or innovation.

What will it cost and how will it be financed?

(A) Revenue Costs

None. The cost of works awarded under tender will be to the level of annual budget as agreed by Council.

(B) Capital Costs

All the Works delivered using the Term Maintenance Contracts will be funded from the allocations in the Transportation Capital Programme

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
Legal Implications:	
Any legal implications are incorporated in the report	
Equality Implications:	
There are no equality implications.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y/
Highway maintenance tender documents will encourage innovation in materials and processes to reduce environmental impact. It is hoped therefore, that the contracts can have a positive impact however without the required certainty, a neutral impact assessment has been made above	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: not applicable

Facilitate confident and resilient communities: not applicable
Commission, broker and provide core services: Facilitate the maintenance of highway infrastructure
Place – leadership and influencer: not applicable
Drivers of change and reform: not applicable
Facilitate sustainable economic prosperity:
Greater income for social investment: Facilitate the maintenance of highway infrastructure
Cleaner Greener: not applicable

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6381/21) and the Chief Legal and Democratic Officer (LD.4582/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

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1.0 Introduction

- 1.1 On 26th March 2015 Cabinet Approved a Procurement Strategy for the setting up of 10 Annual Service Contracts (ASC) covering Highway related activities. This exercise was subsequently completed, Contractors appointed and Contracts formally established. These contracts are currently in operation with an initial expiry date of July 2022.
- 1.2 All the contracts were awarded for a core period of 6 years (2016 – 2022) with a possible extension for up to a further 4 years (2022 – 2026).
- 1.3 On 28th February 2019, Council agreed to offer each of the successful and incumbent contractors the opportunity to secure the full 4-year contract extension (2022 – 2026) in exchange for a 10% reduction in tendered rates, with the intention of securing revenue savings on each of the contracts. In anticipation of these savings, Council reduced the Highway Maintenance budget by £0.500m.
- 1.4 This offer was duly made to the contractors for each of the contracts (HM1 to HM11 inclusive). Of these, the offer was accepted for the following contracts:
 - HM2 – Road Markings,
 - HM3 – Weed Control,
 - HM4 – Signs & Guardrails,
 - HM5 – Grounds maintenance,
 - HM6 – Gullies and
 - HM9 – Minor Works
- 1.5 All of these contracts were therefore extended with the deeds of variation legally sealed. The Council has benefitted from the 10% saving on these contracts since April 2019 and will continue to do so until the contracts expire in 2026.
- 1.6 In April 2021, following discussion with Cabinet Member, a renewed proposal was presented to those contractors who had not yet agreed a price reduction in return for the contract extension, offering a two-year extension in exchange for a 10% reduction in tendered rates. This was to acknowledge that two years of savings have been lost since the original offer
- 1.7 As a result, the revised offer has been accepted on contract HM1 – Carriageway Resurfacing. The deed of variation is currently being processed which will extend this contract until July 2024
- 1.8 There have therefore been no savings achieved in the remaining contracts:
 - HM8 – Surface Treatments,
 - HM10 – Highway Maintenance and
 - HM11 – Pumping Station maintenance
- 1.9 None of the contracts identified in paragraph 1.8 have delivered any savings, yet the projected savings (had the 10% reduction offer been implemented) have been deducted from revenue budgets. Effectively, the spending power within these budgets has decreased as the budgets have reduced but the contract rates have not. It is proposed therefore to undertake a procurement exercise for the contracts

to test the market and seek the most effective rates possible to the benefit of the Council

- 1.10 As the process of advertising notice of tenders, shortlisting, assessing tenders returns and acting upon TUPE (where appropriate) can be time consuming it is intended to substantially complete the tender exercise during 2021, so that the new contractors are appointed, and can make the appropriate provision prior to the Contracts becoming live in July 2022.

2.0 Proposed Tender Process

- 2.1 It is proposed to seek tenders from suitably qualified contactors to deliver the following Contracts:

HM8 Surface Treatments
HM10 Highway Maintenance
HM11 Pumping Station Maintenance

- 2.2 One notice will be placed in the 'Find a Tender' Service, the UK's new notification service, inviting companies to express an interest in the one of more of the Lots.
- 2.3 Prospective contractors will then be required to complete a Selection Questionnaire. This will assess the contractor's financial standing and their relevant experience. A panel made up of officers from Transportation & Highway Infrastructure, Procurement and Finance will assess the responses to the questions set out in the tender documentation for each of the Term maintenance Contracts and scores will be allocated to each contractor. Following this exercise, a short list will be established for each contract.
- 2.4 Short listed Contractors will then be invited to submit a tender. These will be assessed on a price/quality basis in the ratio 80% price/20% quality in which Social Value will be assessed. The Panel described above will assess and score the responses to the quality questions.
- 2.5 Due to the nature of the works the contracts have been priced as Schedules of Rates. Typical baskets of works will be developed for each contract to reflect the likely nature and volume of works to be undertaken. These baskets of work will be used to calculate a value of works for use in the assessment process for each contract. These baskets will be verified by Procurement and Finance.
- 2.6 The specification for each contract will be based upon 'Specification for Highway Works', as Volume 1 of the Manual of Contract Documents for Highway Works. These were adopted in the contracts currently being operated and were modified to include any specific local requirements.
- 2.7 An assessment of the operation of each of the current contracts is ongoing to determine the scope of any changes required to the Schedules of Rates and associated specifications to ensure that the contracts meet the Council's current and future requirements.

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- 2.8 The value of each contract will be dependant upon the volume of work being delivered based on available revenue and capital budgets. As a guide, the annual spend for each contract in 2019/20 was as follows;

HM8 Surface Treatments £680,000
HM10 Highway Maintenance £1,500,000
HM11 Pumping Station Maintenance £262,000

- 2.9 A basket of works based on an historical average volume of work for a typical year will be produced by engineers and held securely by the procurement team. Analysis of tenders will include checking all schedule of rates items for any anomalies and the assessment of the pricing element of the tender analysis will be based on pricing against the basket of works using the submitted schedule of rates
- 2.10 This assessment will allow a financial score to be made and hence a combined price/quality score to be allocated to each Contractor
- 2.11 It is proposed that this Contract is awarded to one contractor for each of the Service Contracts with one reserve contractor, in case of poor performance by the primary contractor. The contracts would again be awarded based on a six-year core period and optional annual extensions up to 4 years beyond the core period.

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	National Flood Risk Management Plan approval		
Report of:	Head of Highways and Public Protection	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing Cabinet Member – Locality Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary: The Flood Risk Regulations 2009 require the publication of a strategy to manage flooding areas designated at high risk, in Sefton this includes Southport, Formby and South Sefton. As a Local Authority who had measures in the last strategy (2015-2021) Sefton must review progress on these actions, this review is detailed in this report. The Environment Agency are leading on an updated strategy and have developed a series of measures to address flood risk. Prior to public consultation these must be approved by the relevant Local Authority.

Recommendation(s):

That Cabinet:

- (1) Approve the review of 2015-2021 FRMP measures (Section 2).
- (2) Approve the new measures for public consultation by the Environment Agency (Section 3).
- (3) Delegate the monitoring of this work to Sefton’s Strategic Flood Resilience Group.

Reasons for the Recommendation(s):

New measures have been developed in conjunction with Sefton Council and seek to address key risks. Prior to the Environment Agency consulting on these measures they need to be approved locally by the relevant local authority. Progress on the previous measures are also reported to Overview and Scrutiny as part of the annual scrutiny of Flood and Coastal Erosion Risk Management.

Alternative Options Considered and Rejected: (including any Risk Implications)

The Measures went through several iterations, but it is a legal requirement that they be produced for the new plan and reviewed for the old plan.

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What will it cost and how will it be financed?

(A) Revenue Costs – There are no revenue implications associated with this report at this stage

(B) Capital Costs – Projects will need to secure capital funding to enable them to proceed. This will include the Environment Agency grant in aid funding and Regional Flood and Coastal Committee local levy funding.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The measures within the plan are subject to resources being available to deliver them. Grant funding will be sourced to deliver these action and fund and additional staff resources.

Legal Implications:

The development of these measures is a requirement under the Flood Risk Regulations 2009.

Equality Implications:

There are no equality implications.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y

This report sets the strategic direction and publishes the national, regional and local measures, though it does not specify the method of delivery for these measures. The measures will be assessed on an individual basis for their climate impacts when they are taken forward for delivery. The Environment Agency has set itself climate impact targets with net zero by 2030 and this is being linked into delivery of actions.

Many of the measures are in place to mitigate or adapt to existing impacts of climate change, whilst others are considering additional future climate change impacts. In this respect they will have a positive impact. However, the method of delivery isn't defined and as such the implications of this cannot be assessed. The measures will seek to be delivered in a climate sensitive manner and minimise any impacts. On balance the report has a neutral impact.

Contribution to the Council's Core Purpose:

<p>Protect the most vulnerable: This report addresses flood risk management. Flooding is an issue that has potentially devastating impact on people, including vulnerable people.</p>
<p>Facilitate confident and resilient communities: Sets the strategic direction for flood risk management in high flood risk areas in Sefton in line with the national flood risk strategy.</p>
<p>Commission, broker and provide core services: As Lead Local Flood Authority Flood Risk Management is a core service of the Council.</p>
<p>Place – leadership and influencer: N/A</p>
<p>Drivers of change and reform: N/A</p>
<p>Facilitate sustainable economic prosperity: N/A</p>
<p>Greater income for social investment: N/A</p>
<p>Cleaner Greener N/A</p>

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6395/21) and the Chief Legal and Democratic Officer (LD.4595/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Environment Agency held several workshops with risk management authorities to discuss the risks and develop the measures. This included United Utilities, local Environment Agency teams, Sefton MBC Highways Maintenance and FCERM teams.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

The following appendices are attached to this report:

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Enc. 1 for FRMP Formby – Draft description of risk and measures for the Formby Flood risk area

Enc. 2 for FRMP Liverpool and Sefton – Draft description of risk and measures for the Liverpool and (South) Sefton Flood risk area

Enc. 3 for FRMP Southport – Draft description of risk and measures for the Southport Flood risk area

Background Papers:

The following background papers, which are not available elsewhere on the Internet can be accessed on the Council website:

Preliminary flood risk assessment review Cabinet paper [Issue details - Preliminary Flood Risk Assessment Review](http://smbc-modgov-03/mglIssueHistoryHome.aspx?Id=49009&Opt=0&LO=1) [http://smbc-modgov-03/mglIssueHistoryHome.aspx?Id=49009&Opt=0&\\$LO\\$=1](http://smbc-modgov-03/mglIssueHistoryHome.aspx?Id=49009&Opt=0&LO=1)

1. Introduction/Background

1.1. The Environment Agency has been updating the national Flood Risk Management Plans (FRMP), as required in the [Flood Risk Regulations 2009](#). They explain the risk of flooding from rivers, the sea, surface water, groundwater and reservoirs and set out how risk management authorities will work with communities to manage flood risk over 6-year periods. The plans emphasise impacts on people, the economy and the environment, including cultural heritage and they must:

- focus on communities and partnership working
- co-ordinate across catchments and coastlines
- consider sustainability issues
- take a proportional, risk-based approach
- look to achieve multiple benefits for the environment and society
- encourage beneficiaries to invest in flood risk management

The objectives should be consistent with the [National FCERM Strategy for England 2020](#) and should cover:

- the risk to life, residential properties, services and infrastructure, vulnerable communities, and any other relevant aspects (social objectives)
- agricultural economy, commercial properties, leisure and tourism, and any other relevant aspects (economic objectives)
- biodiversity, geology and soils, geomorphology / hydromorphology, water quality, historic environment, and any other relevant aspects (environmental objectives)

The FRMP focuses on the areas identified in the Preliminary Flood Risk Assessment (PFRA). The PRFA identified the following areas as being at high flood risk within Sefton:

- Southport to Ainsdale
- Formby
- South Sefton - Maghull, Crosby to Bootle (continued across the boundary into Liverpool)

- 1.2. Where a Lead Local Flood Authority had measures in the first cycle FRMP, they are required (under the Flood Risk Regulations 2009 [FRRs]) to review progress made in implementing the measures.

2. Review of 2015-2021 FRMP measures

- 2.1. The [2015-2021 FRMP](#) identified measures for the whole northwest flood risk area to be led by the Environment Agency and specific measures for the Sefton Flood risk area. The FRRs require a review of the implementation of the measures in the last FRMP. This review looks at the measures that are specific to Sefton Council.

- **Measure: Flood Risk Educational Resource Pilot** - Produce an interactive educational resource for North West schools to raise public awareness of flood risks.

Review: A proposal was developed for this measure but this action was superseded by the development of the [Flood Hub](#) by the Regional Flood and Coastal Committee which contains a variety of accessible material and resources.

- **Measure: Crosby Marine Lake to Formby Point Strategy Delivery Programme.** The strategy study recommended a mixture of capital and revenue maintenance to extend life of defences with rebuild deferred to later in the programme. The defences will need some form of replacement or significant capital maintenance to extend lifetimes.

Review: The Crosby Flood and Coastal Defence Scheme business case for the additional defences and replacement of life exceeded defences is in development. However, the scheme hasn't scored high enough to attract grant-in-aid to enable delivery. Due to significant gaps in funding the delivery of the project has been delayed whilst partnership contributions are explored and secured. It is anticipated that this action can proceed in 2027.

- **Measure: Sefton Strategic Surface Water Management Plan Delivery Programme.** The first generation of the surface water management plan modelled flood risk using available data. There were several assumptions made as data wasn't available, such as culverts, canal and railway. As and when data is available the model will be updated and refined to provide better focus to reduce surface water flood risk and look to deliver appropriate schemes. The initial strategy will explore a variety of options and identify and prioritise several different schemes at different locations across the borough.

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Review: The Level 2 Surface Water Management Plan is underway to update and refine modelling and is continuing after being delayed due to access to external datasets and impacts of covid. The review will identify where options can be developed to manage surface water flood risk.

- **Measure: Fouracres, Maghull Asset Management Plan** – Identify and prioritise options for managing the residual flood risk of the community at risk in Fouracres Road. These options will be developed with the local community whilst supporting them to become more resilient to potential future events.

Review: Investigations were undertaken, and options assessed but these were practically and financially unviable through the grant-in-aid process. The project is being carried forward and aligned with other proposals within the Maghull area, to seek to develop a viable programme of works. Measure to address flooding in Fouracres, and wider in Maghull, were also central to the unsuccessful Innovation Bid made in January 2021.

- **Measure: Northwest Strategic Coastal Monitoring Programme** – Address the inconsistent manner by which coastal monitoring has historically been undertaken along the north west coastline and to ensure a complete coverage along the entire length. Also ensuring that a coherent package of monitoring data collection, collation and analysis is undertaken.

Review: Project completed 2016-2021 – All the datasets identified in the programme were captured and made available through the programme's [web portal](#). Analysis and interpretation of these was undertaken and provided to the relevant authorities across the North West. A continuation of the project has been approved for 2021-2027 by the Environment Agency and grant in aid has been allocated. The programme will continue to collect data to inform strategic coastal monitoring decisions and is being aligned closer to the Shoreline Management Plan.

- **Measure: Formby Strategic Flood Risk Management Programme** - Formby area has had a number of recent flooding incidents primarily from surface water. The area was identified within the SWMP and PFRA as being at risk of significant past and future flooding. Disparate schemes have led to limited benefit and a coordinate approach is needed to reduce flooding across Formby. A variety of options will be considered and implemented, including attenuation, resilience, re-routing watercourse and up-grading watercourses to deliver a reduction in flood risk.

Review: The project was working with Formby Flood Action Group, though progress has slowed due to resource levels in this group and covid impacts. The initial focus was better understanding the flood dynamics within high risk areas in Formby. The project is being carried forward and is awaiting the outcomes of the Surface Water Management Plan level 2 to inform options in the area.

- **Measure: Sefton Flood Storage and Wet Habitat Creation** - The programme will identify and deliver opportunities for habitat creation and

enhancements as part of flood/erosion works that using flood storage as the main delivery options.

Review: This project has been delayed whilst the ecological impacts were assessed and commented on by Natural England. The scope of the project has had to be significantly amended following the habitat risk assessment and will move forward as only maintenance activities to the watercourse that passes through the designated site.

- 2.2. In summary, many measures have been delayed but are still within Sefton's delivery programme. The delays largely fall into two categories – challenges in securing funding to deliver interventions and delays due to the complex interactions between different sources of flooding and different systems making it difficult to identify viable options.

Securing funding has been a significant issue for delivery of measures within Sefton. The grant-in-aid funding is a national, competitive assessment process based on the cost benefits of moving properties to lower flood risk banding. Benefits in the future are discounted and the dispersed nature of our flood risk makes it difficult to score high enough to secure enough grant-in-aid to deliver schemes.

A new funding scoring process has been introduced in April 2021 which may enable schemes within Sefton to score higher and attract more funding, though they are likely to need partnership contributions to secure enough funding for delivery.

3. New Measures 2021-2027 for public consultation by the Environment Agency

- 3.1. The FRMP sets out measures to address flood risk, across the PFRA areas and the region. Sefton Council has been working with the Environment Agency on the development of new measures for these sites within Sefton. These draft measures are set out below for each area and the description of the flood risk area is included in the enclosures.

3.2. Formby Flood Risk Area (Enc. 1)

- By 2023, Sefton Council and United Utilities will work in partnership to progress recommendations from the Surface Water Management Plan level 2 study, in the Formby Area to establish a priority-based programme for reducing the risk of surface water flooding to communities.
- By 2027, Sefton Council will support the Highways Authority and Network Rail to better understand flood risk to their networks in the Formby Area to help develop partnership working opportunities to aid in the management of flood risk to key transport routes.
- By 2023, The Environment Agency and Sefton Council will review maintenance standards of main rivers and ordinary watercourses in the Formby Flood Risk Area to better understand, prioritise and plan future maintenance needs to reduce the likelihood of flooding.
- By 2022, The Environment Agency will undertake wider partnership engagement on the Environment Agency Groundwater Management Study in the Formby Flood Risk Area to ensure all partners understand wider flood risk

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interactions to ensure that any onwards investment in the area tackles combined flood risk issues.

- By 2027, the Environment Agency and Sefton Council and United Utilities will work with the Formby Flood Action Group to improve the uptake of flood warning services and improve community resilience mechanisms in the Formby Flood Risk Area to reduce the consequences of flood events to the local community.
- Between 2025 and 2027, the Environment Agency and Sefton Council, Lancashire County Council and United Utilities will work together to consider implications of revised climate change predictions and guidance and changes to other technical understandings in the Lower Alt Catchment to update the understanding of both fluvial and surface water systems with the intention to reduce the consequences of flood events and the risk of surface water flooding .

3.3. **Liverpool and (South) Sefton Flood Risk Area (Sefton specific measures) (Enc. 2)**

- Between 2021 and 2027, the Environment Agency and Liverpool City Council and Sefton Council will undertake updates to the national flood risk maps in the Liverpool area to ensure that DEFRA is sharing the most up to date and validated information with regards to flood risk.
- By 2023, Sefton Council and Risk Management Authorities will take forward any recommendations from the Surface Water Management Plan level 2 study, on a priority basis, in the Liverpool area to aid in the long-term management of surface water flooding.
- Between 2025 and 2027, the Environment Agency and Risk Management Authorities will work together to consider implications of revised climate change predictions and guidance and changes to other technical understandings in the Lower Alt Catchment to update the understanding of both fluvial and surface water systems with the intention to reduce the consequences of flood events and the risk of surface water flooding.
- By 2027, Sefton Council and Liverpool City Council will support the Liverpool Combined Authority to identify flood risk to the designated Key Route Network in the Liverpool area to support critical transport network suppliers such as the Highways Authority, Highways England and Network Rail to risk assess and manage flood risk to key transport routes.
- By 2025, the Environment Agency and Liverpool City Council and Sefton Council will review maintenance standards of main rivers and ordinary watercourses in the Liverpool area to better understand future maintenance needs taking into consideration the impact of climate change to reduce the likelihood of flooding to communities.
- By 2025, Sefton Council will seek partnership contributions for the Crosby Coastal Erosion and Flood Risk Management Scheme in the Crosby area to promote works that reduce coastal erosion and flood risk along that frontage of the coastline.

- By 2027, the Environment Agency will investigate the viability of a flood alleviation scheme in Whinney Brook, Maghull to reduce the risk of flooding from both fluvial and surface water causes.

3.4. **Southport flood risk area (Enc. 3)**

- By 2022, the Environment Agency will engage with Sefton Council and United Utilities on the Crossen's Embankment Strategic Flood Assessment in the Southport flood risk areas to ensure that the interaction of the embankment with wider flood risk is fully understood and that all risks and opportunities are taken in to consideration when deciphering the assets future.
- By 2022, the Environment Agency will undertake wider partnership engagement on the Environment Agency Groundwater Management Study in the Southport flood risk areas to ensure all partners understand wider flood risk interactions to ensure that any onwards investment in the area tackles combined flood risk issues
- By 2023, the Environment Agency and Sefton Council will review maintenance standards of main rivers and ordinary watercourses in the Southport flood risk areas to better understand and programme future flood risk management maintenance needs.
- By 2023, Sefton Council and Natural England will determine relevant works required to maintain the free drainage of surface water coastal outfalls in an environmentally sensitive manner in the Southport flood risk areas, along Sefton's coastline from Ainsdale to Southport, to have positive benefits for inland flooding as a result of subsequent works to limit the accretion of sediments within outfall watercourses to reduce the likelihood of flooding.
- By 2026, Sefton Council will work with partners to review the feasibility of any options previously discounted for Birkdale and Hillside in the Southport flood risk areas to re-assess their viability as a product of the new funding rules to reduce the likelihood of flooding.
- By 2025, Sefton Council will, subject to cost viability, work with partners to progress a flood alleviation scheme in and around Pool watercourse at Churchtown to reduce flood risk to communities living in the area.
- By 2027, Sefton Council will support the Highways Authority and Network Rail to better understand flood risk to their networks in the Southport flood risk areas to help develop partnership working opportunities to aid in the management of flood risk to key transport routes.
- By 2025, Sefton Council and United Utilities will work in partnership to deliver updates to the Surface Water Management Plan and associated surface water flood risk modelling in the Southport flood risk areas to identify locations for future opportunities for managing surface water flood risk.
- By 2027, Sefton Council and partners will work to ensure that, and Flood and Coastal Erosion Risk Management works undertaken will not be detrimental to the wider policy unit area in the Southport flood risk areas to ensure that natural working processes are not hindered, which act to protect the coastline and provide a vital habitat.

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- By 2027, the Environment Agency and Sefton Council and United Utilities will work in partnership to improve the uptake of flood warning services and improve community resilience mechanisms in the Southport Flood Risk Area to reduce the consequences of flood events to the local communities.

4. Next Steps

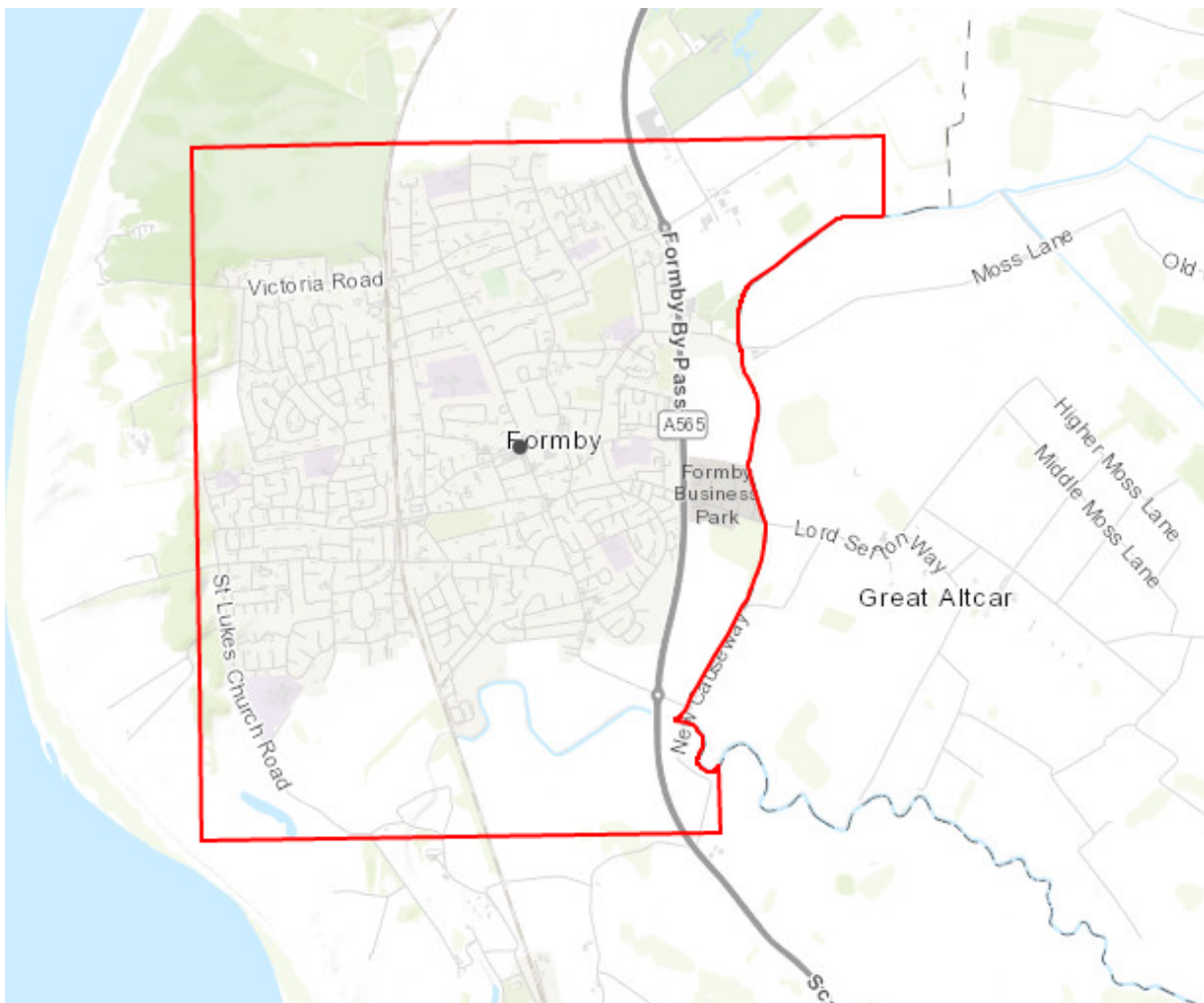
- 4.1. The Environment Agency will now be collating and assessing the measures as they prepare to consult on the plans in 2021. This consultation should take place in October 2021. To undertake this consultation the measures need to be approved locally by the relevant local authority.

Draft content from a larger report to be produced by the Environment Agency –references and links will be updated by the Environment Agency prior to publication of the report for public consultation.

The Formby Surface Water Flood Risk Area

Introduction to the Formby Surface Water Flood Risk Area

map showing boundary of Formby Surface Water Flood Risk Area



The Formby Flood Risk Area (FRA) has been identified as the flood risk from surface water is considered nationally significant.

Sefton Metropolitan Borough Council take the lead on the development and delivery of the FRMP for this FRA. It is identified as the Lead Local Flood Authorities responsible for managing flood risk from 'local' sources. These local sources of flooding are surface water, groundwater and ordinary watercourses.

The Environment Agency's remit includes flood risk from rivers and the sea.

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United Utilities is the Water and Sewage Company that own, operate and maintain the sewer network and waste water treatment infrastructure in the FRA.

The Formby FRA covers many of the urban districts of Formby which includes residential, business and amenity areas. The FRA is surrounded by a green belt of mainly woodland, dunes and agricultural land.

Formby sits on a mudstone bedrock with the majority of the area covered with a superficial deposit of blown sand. The South east corner of the area has superficial deposits of alluvium surrounding the path of the River Alt. The west of Formby is protected from the sea by a band of sand dunes.

A Site of Special Scientific Interest (SSSI), a Special Area of Conservation (SAC), a Ramsar site, the Ribble and Alt Estuaries are located within the FRA. A number of Local Wildlife Sites (LWS), several smaller Local Nature Reserves (LNR) and National Nature Reserves (NNR) are also present within the FRA. The LWS include Formby Moss, Wham Dyke Meadows, Freshfield Dune Heath, Woodvale Airfield, Willow Bank Caravan Park, Formby Gold Club, National Trust and associated fields. Number of other LWS are also present along the coastline.

Several listed buildings are present within the Formby FRA including the Grade II Listed Church of Saint Peter.

Formby was historically a fishing and farming area but when the railway between Liverpool and Southport was built in 1848 the development moved toward residential. In the period after the 1940s there was further expansion to the west of the railway line with residential development abutting the coastal sand dune system.

Recent residential developments to the town are taking place to the north east and south east and will drain into existing network of watercourses.

Formby is susceptible to surface water flooding due the low-lying nature of the borough. The water needs to be pumped through it in order for it to drain out into the sea. Surface water and ordinary watercourse systems drain into several main rivers that flow east into Downholland Brook or directly into the River Alt to the south. The River Alt is pumped out to sea via the Alt Pumping station which is operated by the Environment Agency. High water levels in the River Alt and Downholland Brook can prevent the surface water and ordinary watercourse systems in Formby discharging. This would result in water backs up along the system leading to flooding.

A number of sewage discharge outlets are present across the FRA, including on the River Alt.

The majority of the FRA is serviced by separate foul and surface water systems. Some parts of the town have a combined (foul and surface water) sewerage system. As a result, some areas have experienced flooding from sewers which occurs when their capacity is overcome by the amount of water trying to enter the network.

The sand dunes protecting Formby are at risk of erosion by the sea, with high storm surges affecting the coastline. The dunes have been eroding for many decades though the depth of sand dunes will provide protection for the foreseeable future. Tidal flood risk is limited due to the width of sand dunes.

The River Alt flows in a south-westerly direction through the Formby FRA.

Current flood risk

The Formby FRA has had a number of historic incidents primarily relating to surface water. In September 2012, there were records of flooding at Hawksworth Drive. In December 2013 through to January 2014 a high storm surge affected areas along the Sefton coastline. Although there was no flooding to property, the sand dunes at Formby were affected. Following the winter 2013/14 storms, despite Sefton Council's attempt to manage this issue using fencing and vegetation, it lost around 30 metres. In August 2020 there were reports of sewer flooding in the Formby region. Storm Christoph in January 2021 led to widespread surface water flooding across the area.

The flood hazard and risk maps show that in the Formby Flood Risk area some 7,257 people are in areas at risk of flooding from surface water. It covers approximately 3,024 residential properties, of which 22% are considered to be in areas of high risk.

Also shown to be at risk of flooding from surface water are: -

- 179 non-residential properties, including schools/colleges and a golf course
- 0.74km of roads including part of the Formby Bypass
- 2.21km of railway
- 92.48ha of agricultural land, and
- Areas of environmental designated sites, listed buildings and water abstraction points

The flood risk and hazard maps provide more detailed information on the likelihood and consequence of flooding for the Formby FRA.

Based on this information it is concluded that further steps should be taken to reduce the likelihood of flooding and its impact. In particular, the impact it can have on people, the economy and the environment both for now and the future.

How the risk is currently managed

The management of surface water flood risk is led by Sefton Metropolitan Borough Council in collaboration with other Risk Management Authorities (RMAs) and other stakeholders. For example, the Formby Flood Action Group.

The Merseyside Flood Risk Partnership brings together the RMAs and other relevant stakeholders, to coordinate and maximise flood risk management across the area. For example, The Healthy Rivers Trust. A strategic partnership with elected members from each authority steers the direction of flood risk management and represents Merseyside at the North West Regional Flood and Coastal Committee (RFCC). A tactical partnership of lead officers supports the strategic group through the provision of technical advice and sharing of best practice. Sefton Council has an operational group where officers from the RMAs assess and seek to resolve local flood risk issues.

A Formby Flood Action Group was established in 2016 to implement action at a local level led by local councillors. The group have been working to develop surface water flood warning systems for the town to enable action to be undertaken early during an event.

Reported flood incidences are recorded on the relevant RMAs data systems.

The EA monitors groundwater levels at 1 site within the FRA.

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This information is used to inform activities related to 1 flood warning areas that cover the FRA which enable people to receive a warning when flooding could occur. This data also informs the operational response during a flood incident.

Surface water flood modelling was undertaken in 2011 as part of the Surface Water Management Plan. This modelling is currently being updated and will be included in updates of the national surface water flood mapping.

Sefton Metropolitan Borough Council LLFA and United Utilities maintain assets that perform a flood risk management function on the drainage network that they have a responsibility for. Sefton Council maintain watercourse and structures which are located on land it owns. There are many riparian owners with responsibility for maintenance of watercourses, most of these are private residences. Sefton Council also uses its permissive powers to undertake maintenance on Dobbs Gutter watercourse due to its significance in the drainage of the town. However, this does not remove the responsibility from the riparian owners.

The Environment Agency similarly maintains flood risk management assets on the main watercourses in the FRA. These include screens, outfalls, flood defence embankments and open channels.

The impact of climate change and future flood risk

As rainfall intensity increases, it means that surface water flooding will become more frequent as higher rainfall totals will be seen more often. Rainfall across the wider catchment will see levels in Downholland and the River Alt be high more frequently. This will affect the gravity discharge of the surface water systems and ordinary watercourses within this FRA.

Sea level rise and increased storminess is likely to increase the risks of tidal flooding and erosion across this section. This can also impact on the ability of surface water systems to discharge during higher tides. Monitoring of this section of coastline is critical in assessing the rates of accretion against sea level rise.

Objectives and measures for the Formby FRA

No additional specific FRMP objectives have been set for the Formby FRA.

Measures have been developed which apply specifically to the Formby FRA. These measures have been developed in addition to measures covering a wider geographic area but which also apply to the Formby FRA. You can find information about all of the measures which apply to the Formby FRA in the interactive mapping tool - flood plan explorer. This includes information on which national objectives each measure helps to achieve

Formby Flood Risk Area Measures

- By 2023, Sefton Council and United Utilities will work in partnership to progress recommendations from the Surface Water Management Plan level 2 study, in the Formby Area to establish a priority based programme for reducing the risk of surface water flooding to communities .
- By 2027, Sefton Council will support the Highways Authority and Network Rail to better understand flood risk to their networks in the Formby Area to help

develop partnership working opportunities to aid in the management of flood risk to key transport routes .

- By 2023, The Environment Agency and Sefton Council will review maintenance standards of main rivers and ordinary watercourses in the Formby Flood Risk Area to better understand, prioritise and plan future maintenance needs to reduce the likelihood of flooding .
- By 2022, The Environment Agency will undertake wider partnership engagement on the Environment Agency Groundwater Management Study in the Formby Flood Risk Area to ensure all partners understand wider flood risk interactions to ensure that any onwards investment in the area tackles combined flood risk issues .
- By 2027, the Environment Agency and Sefton Council and United Utilities will work with the Formby Flood Action Group to improve the uptake of flood warning services and improve community resilience mechanisms in the Formby Flood Risk Area to reduce the consequences of flood events to the local community .
- Between 2025 and 2027, the Environment Agency and Sefton Council, Lancashire County Council and United Utilities will work together to consider implications of revised climate change predictions and guidance and changes to other technical understandings in the Lower Alt Catchment to update the understanding of both fluvial and surface water systems with the intention to reduce the consequences of flood events and the risk of surface water flooding .

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Draft content from a larger report to be produced by the Environment Agency –references and links will be updated by the Environment Agency prior to publication of the report for public consultation.

The Liverpool & Sefton Surface Water Flood Risk Area

Introduction to the Liverpool & Sefton Surface Water Flood Risk Area

map showing boundary of Liverpool & Sefton Surface Water Flood Risk Area



The Liverpool & Sefton Flood Risk Area (FRA) has been identified as the flood risk from surface water is considered nationally significant.

Liverpool City Council and Sefton Metropolitan Borough Council take the lead on the development and delivery of the FRMP for this FRA. It is identified as the Lead Local Flood Authorities responsible for managing flood risk from 'local' sources. These local sources of flooding are surface water, groundwater and ordinary watercourses.

The Environment Agency's remit covers flood risk from rivers and the sea.

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United Utilities is the Water and Sewage Company that own, operate and maintain the sewerage network and waste water treatment infrastructure in the FRA.

The Liverpool & Sefton FRA covers many of the urban districts of Walton, Anfield, Wavertree, Waterloo and Bootle which includes residential, business and amenity areas. The FRA is surrounded by a green belt of mainly agricultural land to the north and the Mersey estuary to the south and west.

The Liverpool & Sefton FRA lies upon a sandstone aquifer, exploited in the past for various uses such as industry, mining and water supply. Since industry has declined, groundwater exploitation has reduced dramatically, causing the natural process of groundwater recharge and the raising of the water table. The superficial deposits in Liverpool are largely glacial till of clay, sand and gravel. The superficial deposits across Sefton from Crosby to Maghull are a patchwork of sand and a glacial till of clay, sand and gravel. There is also a strip of alluvial deposits along the course of the River Alt.

Part of the Mersey Estuary Special Protected Area (SPA), Site of Special Scientific Interest (SSSI), Ramsar site and Coastal Reserve is located within the FRA. Sefton Coast Site of Special Scientific Interest (SSSI) and Special Area of Conservation (SAC) are found within the FRA. A number of Local Wildlife Sites (LWS) are found within the FRA. The LWS include Sefton Park, Loop Line and adjacent sites, Crosby Marine lake and park, Rimrose Valley and canal, plus others.

Two Ancient Woodland sites, Stocktons Wood and Fullwood Wood are located within the FRA. Liverpool Bay is a designated SPA and Croxteth Local Nature Reserve (LNR) and Brook Vale LNR, plus others, are located within the FRA. The FRA includes a Special Protected Area and Ramsar site, the Ribble and Alt estuaries.

Many listed buildings are housed within the FRA, in addition to several 'Heritage at Risk' sites. It includes areas in the Liverpool Conservation Area, Old Hall moated site and fishponds which is also a Scheduled Monument.

Historically Liverpool's story begins at the river, the 'pool' which was a tributary of the River Mersey which is now buried beneath Liverpool One shopping centre. This area was home to a small fishing village in the 13th Century. Growth occurred when its port boomed during the 17th and 18th century via the slave and cotton trades which helped the City to prosper and grow.

Liverpool was historically drained by a network of open channels, brooks and rivers. These discharged into the River Alt to the North and East, and the River Mersey to the South and West of the City. As Liverpool developed, the surface water system grew around the existing open channel network. The resultant drainage system comprised a series of small sub-catchments linked by ditches and watercourses.

Dense housing developed to the north of Liverpool to support the shipping trade this was serviced with piped drainage systems. Further north Crosby largely developed on coastal dunes. In the 1920s several properties were undermined as the River Alt was pushed against the coast due to sediment drifting south. This resulted in the Alt Training wall being built in the 1930s. Following this there was an ad-hoc approach to coastal protection that was consolidated in the late 1960s and early 1970s with the current seawall. The continual drift of sediment to the south has led to a build-up of beach levels at Waterloo, the development of dunes on the beach in front of the sea wall and inland of the seawall. These higher beach levels offer significant protection

to the existing sea wall. The northern end of the coast has seen lowering of beach levels due to wave driven sediment draw down.

Further inland, the Maghull developed on an area that was partly the historic flood plain of the River Alt giving way to higher ground to the north east. Numerous watercourses flow through the town to the River Alt to provide drainage. The Leeds and Liverpool canal started construction in 1770 and now bisects the town. Its path meanders through Bootle and on into Liverpool Docks.

Liverpool is now a predominantly urban area covering approximately 114km². It is particularly vulnerable to surface water flooding due to runoff from impermeable surfaces.

Over time, minor channels within the FRA were either culverted, laid with land drains and backfilled, or filled in, leading to a reduction in the efficiency of the original land drainage system. Potential collapses or blockages within culverts within the FRA pose a considerable risk of future flooding.

Many of Liverpool's culverted watercourses are incorporated into the sewer system. Each of Liverpool's culverted watercourses has inlet/outlet structures and debris screens. Without adequate maintenance to ensure free flow they could potentially increase flood risk to adjacent areas.

Sefton is susceptible to surface water flooding due the low-lying nature of the borough. The water needs to be pumped through it in order for it to drain out into the sea. The surface water system drains into numerous watercourse that flow through the north east of the FRA. Maghull in particular drains by gravity into the River Alt.

A number of sewage discharge outlets are present across the FRA.

The majority of the FRA is serviced by a combined (foul and surface water) sewerage system, particularly in the older parts of the FRA. As a result, some areas have experienced flooding from sewers which occurs when their capacity is overcome by the amount of water trying to enter the network. More modern parts of the town in Maghull and Aintree have separate foul and surface water systems.

Surface water in the Liverpool & Sefton FRA drains via ditches and watercourses to the Rivers Alt and Mersey. It drains directly or via the eight brooks that have been designated as main rivers by the Environment Agency. However, the high level of the ground water table during wet conditions can result in high water levels in these ditches and watercourses. It prevents the sub-catchments from discharging surface water effectively. High levels in the River Alt prevents many larger watercourses from discharging effectively and water backs up in the system leading to flooding.

High groundwater levels cause localised flooding in the FRA. Perched water tables are also present in Liverpool due to localised areas of less permeable material and most common in areas where the underlying geology is clay. It is estimated that the underlying clay strata is present across the vast majority of the City. In other areas, primarily in the City Centre the dense sandstone bedrock provides little infiltration.

Tidal flooding on the River Mersey occurs during high spring tides which causes a rapid increase in water levels together with strong winds. This flooding is most likely to occur within low lying areas or areas directly adjacent to the River Mersey estuary. Particularly when high astronomical tide levels combine with low atmospheric pressure conditions in combination with powerful onshore wind direction.

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Sefton is at risk from flooding and erosion from the sea, with high storm surges affecting the coastline from High Town to Crosby. The coastal defences along the Crosby frontage can suffer damage during these events. Overtopping and flooding of coastal car parks is common at the northern end. Erosion of the made ground to the north also occurs.

The Leeds and Liverpool canal lies within the FRA, owned and maintained by the Canals and Rivers Trust.

Current flood risk

In July 2010, Liverpool experienced a high intensity rainfall event. It resulted in widespread flooding across the city, affecting properties and transport networks in three known flooding locations, Crawford Close, Churchdown Road and Leyfield Road.¹ In this event, approximately 257 properties flooded internally. In June and August 2020 parts of South Liverpool flooded including the Dovecot, Mossley Hill and Garston areas of the City. In December 2020, the West Derby and Deysbrook areas of the City suffered from internal property flooding. It caused severe disruption to the Highway Network. This incident triggered a Section 19 Flood Investigation.

In the early nineties the Leeds and Liverpool Canal burst its banks flooding over 200 properties. In July 2010, 50 properties were flooded in Seaforth and in September 2012, 40 properties in Maghull were flooded.² The winter of 2013/2014 saw a series of storm events that significantly impact the coastline with widespread damage, erosion and overtopping of defences in Sefton.

In December 2015, widespread flooding impacted roads and properties in Sefton. In Autumn 2019 the Dover's Brook overtopped its bank and properties narrowly avoided flooding due to preventative action by the residents and RMA.

In June 2020, widespread ponding on the highway network across Sefton. In August 2020, flooding was recorded in the Maghull, Thornton, Southport, Crossens and Formby areas of Sefton. Storm Christoph caused the Dovers Brook to overtop its banks resulting in standing water in properties in Maghull and Lydiate in January 2021. A more severe event was avoided due to the bank on the River Alt collapsing downstream on the Lunt Meadows Flood storage area. This event saw c1m cubic meters of water flood the site and surrounding fields.

The flood hazard and risk maps show that in the Liverpool Flood Risk area some 90,041 people are in areas at risk from flooding from surface water. It covers approximately 37,517 residential properties, of which 17.68% are considered to be in areas of high risk.

Also shown to be at risk of flooding from surface water are: -

- 4,557 non-residential properties, including golf courses, schools/colleges, hospitals, retail parks, industrial parks and public utilities
- 1 Airport
- 38.83km of roads
- 41.65km of railway
- 526.69ha of agricultural land, and

¹ https://liverpool.gov.uk/media/1356897/local-flood-risk-management-strategy_final.pdf

² <https://www.sefton.gov.uk/media/2728/fcerms-strategy-v14-final.pdf>

- Areas of environmental designated sites, parks and gardens, scheduled monuments, heritage sites, listed buildings and water abstraction points

The flood risk and hazard maps provide more detailed information on the likelihood and consequence of flooding for the Liverpool and Sefton FRA.

Based on this information it is concluded that further steps should be taken to reduce the likelihood of flooding and its impact. In particular, the impact it can have on people, the economy and the environment both for now and the future.

How the risk is currently managed

The management of surface water flood risk is led by Liverpool City Council & Sefton Metropolitan Borough in collaboration with other Risk Management Authorities (RMAs) and other stakeholders. For example, Mersey Rivers Trust, the Canal and Rivers Trust.

Under Section 13 of the Flood and Water Management Act 2010, RMAs are required to work in partnership and cooperate to help holistically manage flood and coastal erosion risks in their area. Operational, Tactical and Strategic level meetings (Chaired by a Local Councillor) between RMAs and stakeholders are held on a quarterly basis. The aim of the meetings is to help meet the agreed actions set out within the Partnership's annual Business Plan.

The Merseyside Flood Risk Partnership brings together the RMAs and other relevant stakeholders, to coordinate and maximise flood risk management across the area. For example, The Healthy Rivers Trust. A strategic partnership with elected members from each authority steers the direction of flood risk management and represents Merseyside at the North West Regional Flood and Coastal Committee (RFCC). A tactical partnership of lead officers supports the strategic group through the provision of technical advice and sharing of best practice. Sefton Council has an operational group where officers from the RMAs assess and seek to resolve local flood risk issues.

The EA monitors groundwater level at 8 sites within the Liverpool & Sefton FRA. The EA also monitors surface water levels at 3 sites in the FRA.

Reported flood incidences are recorded on the relevant RMAs data systems.

This information is used to inform activities related to 6 flood warning areas that cover the Liverpool & Sefton FRA. It enables people to receive a warning when flooding could occur. This data also informs the operational response during a flood incident.

Liverpool City Council, United Utilities and the Environment Agency have undertaken an integrated modelling study to provide Flood mapping for the Liverpool City Council area. The flood maps were reviewed and validated against United Utilities DG5 Register, flooding records from Liverpool City Council and local knowledge held by the various stakeholders. The United Utilities DG5 Register include record of reported sewer flooding to properties. The flood maps have been found to perform very well, showing good correlation to known flood risk areas across the city.

The modelling provided a previously unknown understanding of the performance of the culverted watercourse network within the City. It is now a vital tool which is regularly used for providing LLFA responses to planning applications, developing capital schemes and the identification of capacity issues.

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Liverpool City Council & Sefton Borough Council LLFAs and United Utilities maintain assets that perform a flood risk management function on the drainage network that they have responsibility for. Liverpool City Council also maintain a number of other structures and defences on ordinary watercourses such as debris screens. There are many riparian owners with responsibility for maintenance of watercourses including private residences.

Sefton Council maintain the hard-coastal defences at Crosby.

The Environment Agency similarly maintains flood risk management assets on the main watercourses in the Liverpool & Sefton FRA. These include screens, outfalls, control gates and spillways, flood defence embankments and open channels. The Alt Pumping station is maintained by the Environment Agency.

The Canals and Rivers Trust maintains the Leeds and Liverpool Canal as a navigable waterway.

The impact of climate change and future flood risk

As rainfall intensity increases, it means that surface water flooding will become more frequent as higher rainfall totals will be seen more often.

Objectives and measures for the Liverpool & Sefton FRA

No additional specific FRMP objectives have been set for the Liverpool & Sefton FRA.

Measures have been developed which apply specifically to the Liverpool & Sefton FRA. These measures have been developed in addition to measures covering a wider geographic area but which also apply to the Liverpool & Sefton FRA. You can find information about all of the measures which apply to the Liverpool & Sefton FRA in the interactive mapping tool - flood plan explorer. This includes information on which national objectives each measure helps to achieve

South Sefton Flood Risk Area

- Between 2021 and 2027, the Environment Agency and Liverpool City Council and Sefton Council will undertake updates to the national flood risk maps in the Liverpool area to ensure that DEFRA is sharing the most up to date and validated information with regards to flood risk.
- By 2023, Sefton Council and Risk Management Authorities will take forward any recommendations from the Surface Water Management Plan level 2 study, on a priority basis, in the Liverpool area to aid in the long term management of surface water flooding.
- Between 2025 and 2027, the Environment Agency and Risk Management Authorities will work together to consider implications of revised climate change predictions and guidance and changes to other technical understandings in the Lower Alt Catchment to update the understanding of both fluvial and surface water systems with the intention to reduce the consequences of flood events and the risk of surface water flooding.

- By 2027, Sefton Council and Liverpool City Council will support the Liverpool Combined Authority to identify flood risk to the designated Key Route Network in the Liverpool area to support critical transport network suppliers such as the Highways Authority, Highways England and Network Rail to risk assess and manage flood risk to key transport routes.
- By 2025, the Environment Agency and Liverpool City Council and Sefton Council will review maintenance standards of main rivers and ordinary watercourses in the Liverpool area to better understand future maintenance needs taking into consideration the impact of climate change to reduce the likelihood of flooding to communities.
- By 2025, Sefton Council will seek partnership contributions for the Crosby Coastal Erosion and Flood Risk Management Scheme in the Crosby area to promote works that reduce coastal erosion and flood risk along that frontage of the coastline.
- By 2027, the Environment Agency will investigate the viability of a flood alleviation scheme in Whinney Brook, Maghull to reduce the risk of flooding from both fluvial and surface water causes.

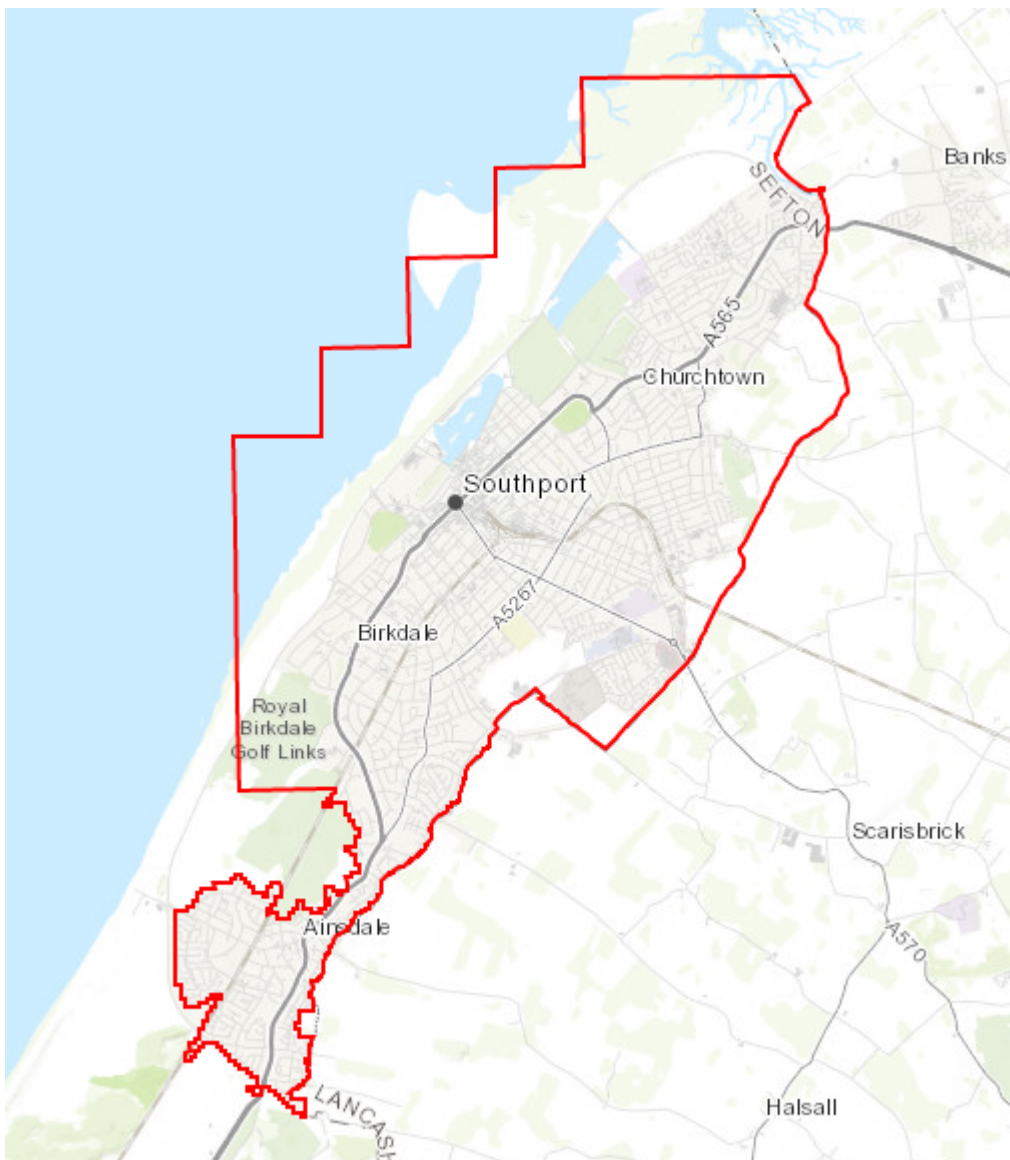
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Draft content from a larger report to be produced by the Environment Agency –references and links will be updated by the Environment Agency prior to publication of the report for public consultation.

The Southport Surface Water Flood Risk Area

Introduction to the Southport Surface Water Flood Risk Area

map showing boundary of Southport Surface Water Flood Risk Area



The Southport Flood Risk Area (FRA) has been identified as the flood risk from surface water is considered nationally significant.

Sefton Metropolitan Borough Council take the lead on the development and delivery of the FRMP for this FRA. It is identified as the Lead Local Flood Authority

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responsible for managing flood risk from 'local' sources. These local sources of flooding are surface water, groundwater and ordinary watercourses.

The Environment Agency's remit covers flood risk from rivers and the sea.

United Utilities is the Water and Sewage Company that own, operate and maintain the sewerage network and waste water treatment infrastructure in the FRA.

The Southport FRA covers many of the urban districts of Churchtown, Birkdale and Ainsdale which includes residential, business and amenity areas. The FRA is surrounded by a green belt of mainly agricultural land and coastline.

Southport's underlying geology is a bed of mudstone. There are superficial deposits of blown sand to the southern half of the FRA. It gives way to saltmarsh on the northern coast and tidal flat deposits to the north and east.

Several Sites of Special Scientific Interest (SSSI) are located within the Southport FRA including the Ribble estuary, Sefton coast and Hesketh golf links. In addition, a number of Local Wildlife Sites (LWS) are found within the FRA including Martin Mere Mosslands and several others along the coastline, including the Ribble estuary. Sefton coast is a designated Special Area of Conservation (SAC) within the FRA, and the Ribble and Alt estuaries are a designated Special Protected Area (SPA) and Ramsar site. A Local Nature Reserve (LNR), Ainsdale and Birkdale hills, is found within the FRA, in addition to a National Nature Reserve (NNR), the Ribble estuary.

Many listed buildings are located within the Southport FRA, particularly clustered around the Lord Street and Promenade Conservation Areas, both of which are designated as 'Heritage at Risk'.

Historically Southport was a small fishing community before seabathing was embraced by Victorians and the development of the town followed. There were several reclamation schemes along the coastline from the mid-1800s through to the 1980s driven both by an accreting coastline and the need for development land. The town's drainage network flows inland towards the lower lying hinterland and the Three Pools watercourse. There are only a few small watercourses to the south of the FRA that drain directly to the sea but are along an accreting coastline.

The rebuilding of the seawall was completed in 2002 and reduced the frequent flooding of the coastal road. The design of the seawall allows for the crest to be raised to respond to predicted sea level rise.

Development of the town has put pressure onto the capacity of the original drainage systems.

Southport is susceptible to surface water flooding due the low-lying nature of the borough. The water drains to the Three Pools and needs to be pumped in order for it to drain out into the sea at Crossen's Pumping station. A few small pumping stations aid in moving water around the FRA.

The majority of the FRA is serviced by a combined (foul and surface water) sewerage system, particularly in the older parts of the FRA. As a result, some areas have experienced flooding from sewers which occurs when their capacity is overcome by the amount of water trying to enter the network. More modern parts of the town have separate foul and surface water systems.

The groundwater table is high in parts of the Southport FRA and can cause flooding following periods of heavy rain. This flooding tends to persist until the groundwater level subsides.

A number of small watercourses convey water through the Southport FRA including Back Drain, The Pool, Sandy Brook and Fine Jane's Brook, draining local areas throughout the FRA. These ultimately end up at Crossen's pumping station, with the exception of a few small watercourse to the south of the area that discharge straight to the coast.

Southport is at risk from flooding and erosion from the sea, with high storm surges affecting the coastline. The coastline is protected to the north by saltmarsh in front of the coastal road, behind which sits a raised embankment. The southern coastline is protected by a seawall that gives way to a sand dune system.

Current flood risk

Southport had a number of historic flooding events including those in 2010, 2009, 2008, 2004, 1996, and 1994. A secondary sea defence embankment in Crossens was breached in the late seventies, flooding 110 properties.

The winter of 2013/2014 saw a series of storm events that significantly impacted the coastline with widespread damage, erosion and overtopping of defences. In December 2015 widespread flooding impacted roads and properties.

In June and August 2020 prolonged flooding was recorded in Southport, with residential properties affected. Storm Christoph in January 2021 led to widespread surface water flooding across the area, this was followed by several reports of groundwater flooding affecting basements and gardens. Large areas of open ground were waterlogged for a prolonged period.

The flood hazard and risk maps show that in the Southport Flood Risk area some 30,822 people are in areas at risk of flooding from surface water. It covers approximately 12,842 residential properties, of which 22.88% are considered to be in areas of high risk.

Also shown to be at risk of flooding from surface water are: -

- 1,097 non-residential properties, including hospitals, schools/colleges, golf courses, retail parks and industrial estates
- 10.1km of roads including part of the A565 and A570
- 8.70km of railway
- 180.95ha of agricultural land, and
- Areas of environmental designated sites, parks and gardens, listed buildings and water abstraction points

The flood risk and hazard maps provide more detailed information on the likelihood and consequence of flooding for the Southport FRA.

Based on this information it is concluded that further steps should be taken to reduce the likelihood of flooding and its impact. In particular, the impact it can have on people, the economy and the environment both for now and the future.

How the risk is currently managed

The management of surface water flood risk is led by Sefton Metropolitan Borough Council in collaboration with other Risk Management Authorities (RMAs).

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The Merseyside Flood Risk Partnership brings together the RMAs and other relevant stakeholders, to coordinate and maximise flood risk management across the area. For example, The Healthy Rivers Trust. A strategic partnership with elected members from each authority steers the direction of flood risk management and represents Merseyside at the North West Regional Flood and Coastal Committee. A tactical partnership of lead officers supports the strategic group through the provision of technical advice and sharing of best practice. Sefton Council has an operational group where officers from the RMAs assess and seek to resolve local flood risk issues.

Reported flood incidences are recorded on the relevant RMAs data systems.

The EA monitors groundwater level at 1 sites within the Southport FRA.

This information is used to inform activities related to 2 flood warning areas that cover the FRA which enable people to receive a warning when flooding could occur. This data also informs the operational response during a flood incident.

Surface water flood modelling was undertaken in 2011 as part of the Surface Water Management Plan. This modelling is currently being updated and will be included in updates of the national surface water flood mapping.

Sefton Metropolitan Borough Council LLFA and United Utilities maintain assets that perform a flood risk management function on the drainage network that they have a responsibility for. Sefton Metropolitan Borough Council also maintain a number of other structures and defences on ordinary watercourses which pass through its land. There are many riparian owners with responsibility for maintenance of watercourses including private residences and golf courses.

Sefton Council maintain the hard-coastal defences at Southport. Habitat management works takes place on the sand dune belt to maintain the protected site, which also acts as a coastal defence. The accreting coast reduces the risk of tidal flooding and the saltmarsh removes a significant amount of wave energy that would otherwise impact on the coastline.

The Environment Agency similarly maintains flood risk management assets on the main watercourses in the FRA. These include screens, outfalls, control gates and inspection chambers, flood defence embankments and open channels and culverts. The Crossen's pumping station is maintained by the Environment Agency.

Recent flood risk improvements within the Southport FRA include the 'Nile Investigation', protecting 15 homes by December 2019.

Coastal understanding has improved through the availability of data from the North West Regional Strategic Coastal Monitoring Programme.
www.coastalmonitoring.org.

A scheme along the Pool watercourse in Churchtown is in development that will seek to reduce the risk to properties as well as create new habitat. The project is in partnership with United Utilities who have installed a significant storage tank that reduced the risk of foul flooding to properties in the area.

The impact of climate change and future flood risk

As rainfall intensity increases, it means that surface water flooding will become more frequent as higher rainfall totals will be seen more often. This can also increase the risks of groundwater flooding.

Sea level rise and increased storminess is likely to increase the risks of tidal flooding and erosion across this section. This can also impact on the ability of surface water systems to discharge during higher tides. Monitoring of this section of coastline is critical in assessing the rates of accretion against sea level rise.

Objectives and measures for the Southport FRA

No additional specific FRMP objectives have been set for the Southport FRA.

Measures have been developed which apply specifically to the Southport FRA. These measures have been developed in addition to measures covering a wider geographic area but which also apply to the Southport FRA. You can find information about all of the measures which apply to the Southport FRA in the interactive mapping tool - flood plan explorer. This includes information on which national objectives each measure helps to achieve.

Southport flood risk area measures

- By 2022, the Environment Agency will engage with Sefton Council and United Utilities on the Crossens Embankment Strategic Flood Assessment in the Southport flood risk areas to ensure that the interaction of the embankment with wider flood risk is fully understood and that all risks and opportunities are taken in to consideration when deciphering the assets future.
- By 2022, the Environment Agency will undertake wider partnership engagement on the Environment Agency Groundwater Management Study in the Southport flood risk areas to ensure all partners understand wider flood risk interactions to ensure that any onwards investment in the area tackles combined flood risk issues
- By 2023, the Environment Agency and Sefton Council will review maintenance standards of main rivers and ordinary watercourses in the Southport flood risk areas to better understand and programme future flood risk management maintenance needs.
- By 2023, Sefton Council and Natural England will determine relevant works required to maintain the free drainage of surface water coastal outfalls in an environmentally sensitive manner in the Southport flood risk areas, along Sefton's coastline from Ainsdale to Southport, to have positive benefits for inland flooding as a result of subsequent works to limit the accretion of sediments within outfall watercourses to reduce the likelihood of flooding.
- By 2026, Sefton Council will work with partners to review the feasibility of any options previously discounted for Birkdale and Hillside in the Southport flood risk areas to re-assess their viability as a product of the new funding rules to reduce the likelihood of flooding.
- By 2025, Sefton Council will subject to cost viability, work with partners to progress a flood alleviation scheme in and around Pool watercourse at Churchtown to reduce flood risk to communities living in the area.
- By 2027, Sefton Council will support the Highways Authority and Network Rail to better understand flood risk to their networks in the Southport flood risk

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areas to help develop partnership working opportunities to aid in the management of flood risk to key transport routes.

- By 2025, Sefton Council and United Utilities will work in partnership to deliver updates to the Surface Water Management Plan and associated surface water flood risk modelling in the Southport flood risk areas to identify locations for future opportunities for managing surface water flood risk.
- By 2027, Sefton Council and partners will work to ensure that and Flood and Coastal Erosion Risk Management works undertaken will not be detrimental to the wider policy unit area in the Southport flood risk areas to ensure that natural working processes are not hindered, which act to protect the coastline and provide a vital habitat.
- By 2027, the Environment Agency and Sefton Council and United Utilities will work in partnership to improve the uptake of flood warning services and improve community resilience mechanisms in the Southport Flood Risk Area to reduce the consequences of flood events to the local communities.

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Report to:	Cabinet Council	Date of Meeting:	24 th June 2021 15 th July 2021
Subject:	Extension of the North West Regional Coastal Monitoring Programme		
Report of:	Head of Highways and Public Protection	Wards Affected:	Ainsdale; Blundellsands; Cambridge; Church; Dukes; Harington; Linacre; Meols; Ravenmeols;
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes.
Exempt / Confidential Report:	No		

Summary:

The continuation of the North West Regional Coastal Monitoring programme has been approved by the Environment Agency and allocations of grant funding have been made. This report seeks approval to include the capital grant into the capital programme from 2021 to 2026 with a total value of £5.699m. The allocation for 2021/2022 is £834,000.

Recommendation(s):

that Cabinet consider and recommend to Council;

(1) approval of the inclusion of the capital allocation of £834,000 into the capital programme for 2021/2022 and the associated supplementary capital estimate;

(2) approval of the inclusion of future annual capital allocations (2022-2026), as outlined in this report, in the capital programme subject to annual confirmation from the Environment Agency; and

(3) delegation of the acceptance and administration of the grant in each of the six years to the Head of In-House Operational Services.

that Council;

(1) approve the inclusion of the capital allocation of £834,000 into the capital programme for 2021/2022 and the associated supplementary capital estimate;

(2) approve the inclusion of future annual capital allocations (2022-2026), as outlined in this report, in the capital programme subject to annual confirmation from the Environment Agency; and

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(3) delegates the acceptance and administration of the grant in each of the six years to the Head of In-House Operational Services.

Reasons for the Recommendation(s):

Grant to be included in the capital programme in accordance with the constitution.

Alternative Options Considered and Rejected: (including any Risk Implications)

N/A

What will it cost and how will it be financed?

(A) Revenue Costs

There are no revenue cost implications. Eligible in-house staff time will be recharged against the capital budget for this scheme.

(B) Capital Costs

The total cost of the programme will be £5.699m over six years, 100% grant funded by the Environment Agency.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The programme funds three FTEs within Sefton Council, they are fully funded through this programme. Any equipment and software required is also funded through the programme.

Legal Implications:

N/A

Equality Implications:

There are no equality implications.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y

The delivery of the project will have some short term negative impacts, such as using specialist vehicles on the beach to survey, driving to sites across the northwest to survey and commissioning vessels to go and maintain marine monitoring equipment. However, the purpose of the programme is to better understand the changing coastal conditions to enable future sustainable management along the northwest coastline. The project actively seeks to use new technologies that reduce the need for site based surveys, thus reducing carbon footprint.

On balance the project has a neutral impact.

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Contribution to the Council’s Core Purpose:

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: Provides the evidence to support discussions with communities at risk
Commission, broker and provide core services: N/A
Place – leadership and influencer: N/A
Drivers of change and reform: The project actively seeks to use new technologies that reduce the need for site based surveys, thus reducing carbon footprint
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A
Cleaner Greener: N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6395/21) and the Chief Legal and Democratic Officer (LD.4595/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately after the meeting of the Council

Contact Officer:	Paul Wisse
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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

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1. Introduction/Background

1.1. Sefton MBC has been the lead authority (since 2011) for the collection of coastal process monitoring data for the Northwest of England. This is being delivered by the Green Sefton - Development Team within Locality Services. As lead authority Sefton Council will continue to:

- Act as Accountable Body in respect of all payments to contractors (including in-house teams), participating local authorities and recharges to participants.
- Act as Banker in respect of all receipts of grant aid (whether Environment Agency or externally funded)
- Coordinate all applications for grant aid from Environment Agency, and other agencies where appropriate, in consultation with the National Implementation Board for Phase 3 of the National Network of Regional Coastal Monitoring Programmes.
- Undertake the supervision and administration necessary to co-ordinate the project.
- Co-ordinate procurement of all programme elements, within the Northwest Regional Coastal Monitoring Programme.

2. Grant Allocation

2.1. The programme has been allocated a 6-year funding stream. Only the value for the first year 2021/22 has been confirmed, which is normal practice for grant from the Environment Agency. Sefton Council will receive annual confirmation of budget values. The funding programme is detailed below.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
GIA	£834,000	£735,000	£1,058,000	£1,306,000	£888,000	£878,000	£5,699,000
Contingency	£95,000	£96,000	£96,000	£96,000	£96,000	£96,000	575,000

It is anticipated that the contingency will not be drawn upon due to the nature of the work.

2.2. As the grant allocation is only approved each year updates to the capital programme will have to be undertaken annually. Any variation to the above profiled amounts will be approved in line with the Council's Financial Procedure Rules.

3. Monitoring programme spend profile

3.1. The programme has an outline spend profile against the various datasets it collects over the 6yr period. The profile is subject to change as the data collection is sensitive to weather related delays.

	Year 2021/22	Year 2022/23	Year 2023/24	Year 2024/25	Year 2025/26	Year 2026/27
	(£ k)	(£ k)	(£ k)	(£ k)	(£ k)	(£ k)
Topographic Surveys	207	171	187	182	187	193
Bathymetric Surveys	250	200	200	641	300	300
Aerial photography/photogrammetry	21	-	276	-	23	-
Hydrodynamics	105	105	105	105	105	105
Terrestrial Ecological Mapping	10	11	33	114	-	-
Assets	34	35	37	37	39	40
Project Management	52	53	55	57	59	60
Data Management (regional)	62	64	66	68	70	72
Data Analysis & Reporting	93	96	99	102	105	108
Total	834	735	1058	1306	888	878
<i>Contingency</i>	95	96	96	96	96	96
<i>Total</i>	<i>929</i>	<i>831</i>	<i>1,154</i>	<i>1,402</i>	<i>984</i>	<i>974</i>

3.2. The programme funds three full-time-equivalents within Sefton Council (c£135k per year) and reimburses other northwest maritime authorities for legitimate staff time spent on the project. Within Sefton Council the staff are based within Green Sefton’s Development Team. The staff undertake the following project activities:

- Project management
- Contract management
- Engagement with Northwest Maritime Authorities
- Data management
- Data analysis and reporting
- Asset inspections
- Coastal surveys

4. Risk Management

4.1 There are several risks inherent in a programme of this scale that require management:

- **Procurement** – The programme requires the appointment of several contractors to deliver different work packages. The national network of coastal monitoring programmes, of which this north west programme is a member, has developed a dynamic purchasing framework of quality assessed suppliers to minimise procurement risks. Tendering is undertaken through the Chest portal via a mini competition with the framework suppliers under Sefton Council’s terms and conditions. This will minimise procurement risk.
- **Weather related delays** – There is a high likelihood of weather-related delays due to the nature of the surveying and monitoring. Where possible these delays are specified in contract documents to manage financial commitment risks. Many surveys have a specified survey period for data collection that includes an allowance for weather related delays.

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- **Financial** – the programme allocation has been specified based on the previous programme survey requirements and costs, a review of this for this programme and allowances for inflation. However, there is a contingency allowance that can be drawn upon should insufficient funds be available in the allocated programme. Based on previous programme not calling upon this contingency it is unlikely that this programme will need it.

5. Programme Outputs

- 5.1 The programme collects coastal datasets to inform the delivery of the Shoreline Management Plan and sustainable coastal management decisions. As well as collecting a variety of coastal datasets such as beach topographic surveys, aerial photography, wave data, the programme also undertakes analysis and interpretation of this data to provide coastal managers with informed information. This data and reports are made freely available on www.coastalmonitoring.org
- 5.2 The programme is collecting data to inform decisions across the Sefton frontage and, in particular, the Crosby Coastal Defence Scheme has benefited from the information the programme has collected.

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Southport Theatre and Convention Centre		
Report of:	Executive Director (Place)	Wards Affected:	Cambridge & Dukes
Portfolio:	Cabinet Member - Regeneration and Skills		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt Confidential Report:	/ No		

Summary:

To update Cabinet on the current condition of the Southport Theatre & Convention Centre, short term opening options with associated costs and risks. To further update on recent work and the preferred option of the proposed new Events Centre as part of the Southport Town Deal.

Recommendation(s):

It is recommended that:

- (1) Cabinet notes the current condition of the building and the required capital and revenue for any short-term opening;
- (2) Cabinet agrees to progress with option 5 for the new Marine Lake Events Centre and adjacent water and light show, with subsequent reports to be brought to Cabinet and Council for procurement and final business case approval;
- (3) Cabinet notes that The Town Deal Board have allocated £33.3m of capital funding (from the Town Deal of £37.5m) to the new Marine Lake Events Centre and water and light show;
- (4) Cabinet notes that The Liverpool City Region Combined Authority supports the principle of allocating up to £20m to the new Events Centre, subject to a satisfactory business case being approved through the LCRCA's assurance framework; and
- (5) Cabinet agrees due to the above recommendations not to pursue a short-term reopening of the current STCC.

Reasons for the Recommendation(s):

The reasons for these recommendations are to provide a new all-purpose Events Centre as part of the Southport Town Deal that will bring economic benefits to Southport and the wider City Region and be a driver for economic recovery after Covid-19

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Alternative Options Considered and Rejected: (including any Risk Implications) An option to re-open the STCC on a short-term basis was considered while the work for the new Events Centre is progressed. The report details this option with the anticipated risks.

Five options were also considered for the new Events Centre, and again all five options are included in the full report below. The assessment of these options identified the Preferred Option to be Option 5.

What will it cost and how will it be financed?

(A) Revenue Costs

Short term re-opening

An exercise has been undertaken to look at the potential for the venue to re-open on a short-term basis. This included looking at previous running costs along with future income projections based on previously confirmed conferences and entertainment shows.

The tables below show the required budget if the venue was to open for a full two years, the current budgets in place is made up of existing tourism budgets that could be diverted to the operation.

A one-off reopening budget of circa £40k would be required to deep clean the building, for stock control and other essential tasks to get the venue in a position to reopen.

Year	Full year budget required	Current budget in place	Additional budget required (Increase to budgeted subsidy)
1	£261,275	£114,950	£146,325
2	£131,660	£114,950	£16,710

New Events Centre Option 5

An outline business case has been produced for the new Events Centre, a full projected profit and loss has been completed for the preferred option 5. The table below shows the projected 3-year outturn considering any potential operating profit/fees.

A small profit would be potentially generated in year 1 increasing steadily to year 3 where it matures. It is important to note there would be costs required before opening and life cycle costs to then factor in from year 7 onwards. These are initial estimates and will be further refined as part of the full business case

Year 0 - pre-opening	Year 1	Year 2	Year 3
-£456,158	£41,485	£257,291	£524,246

(B) Capital Costs

Short term re-opening

A building condition survey was completed as part of the ATG exit, and a plan of essential works was produced. However, since that time further investigations have revealed that many of the Mechanical & Electrical systems throughout the facility are at the end of their life, requiring substantial investment and renewal.

Site visits and the building condition survey has concluded the asset is in poor condition, with the main areas of concern centre around the Theatre which requires extensive refurbishment to reopen and to continue to operate safely. This is far in excess of the income it could generate in any short-term period.

There is also a need to undertake essential repairs to facilities and equipment along with fire protection measures throughout the building.

The projected capital cost for any short-term reopening of the STCC (excluding the theatre) is approximately £550k for essential repairs and upgrading works. These works are to make the building legally compliant, none of these capital works will improve the operation of the asset.

New Events Centre Option 5

The total investment for the project under option 5 (which includes the water and light show in Marine Lake) is circa £75m..

As above, £33.3m from the Town Deal and £20m from the LCR CA is agreed in principle, and at the time of this report engagement is ongoing with potential funding partners and investors for any balance required. Options and recommendations will be brought to Cabinet as part of the final business case, as per the recommendations above.

The remaining budget gap will be closed as the full business case is developed. This will be through securing additional funding to deliver option 5, and / or value and cost engineering to reduce the construction cost of that option with minimal impact on the financial performance or economic impact of the venue.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The financial implications of both any short-term reopening and the preferred option 5 are set out earlier in this report. These estimates reflect the evaluation of the information provided to the council by industry experts whose expertise has been procured in order to directly inform the development of the outline business case as this specific knowledge was not held in the council. This has then been financially modelled, verified and challenged by officers within the service.

Legal Implications:

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Details of any legal implications are contained within the report	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	Y
Have a neutral impact	N
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N
<p>The continuation of work directly contributes towards achieving the targets within the Council’s Climate Emergency strategy. The design and operation of the new Events Centre will help Sefton’s aim of becoming net zero carbon neutral by a number of design and building techniques. This will also help the Events Centre sales position as a number of event organisers now expect venues to be able to demonstrate good practice when it comes to the environment.</p>	
Equality Implications:	
The equality Implications have been identified and mitigated	

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: The proposed new event centre will provide a high-quality cultural experience that will provide a first-class venue and destination for local communities to use and enjoy.
Commission, broker and provide core services: N/A
Place – leadership and influencer: The proposed new Events Centre will be an enabler for change and lead to further private sector investment in Southport. The proposed centre will be a game change for the Sefton Visitor Economy being fundamental in the Covid-19 visitor economy recovery while also helping change the perception of Southport and the wider region
Drivers of change and reform: Providing a long-term sustainable future for a new multi functioning event space that will include conference facilities and auditorium along with new uses such as E-sports.
Facilitate sustainable economic prosperity: The new Events Centre will act as a major catalyst for the visitor economy contributing millions to the local economy by supporting local businesses and supply chains. It will also enable future private sector investment.
Greater income for social investment: The new Events Centre is projected not to require any large subsidies that have been required in the past.

Cleaner Greener: The future operation will contribute to Sefton's aims to becoming net zero Carbon Neutral.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6416/21) and the Chief Legal and Democratic Officer (LD.4617/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The new Events Centre formed part of the Southport Town Deal consultation. This overall consultation resulted in over 7,000 responses with regards to the overall Town Deal. Separate consultation also took place with under 16's in relation to The Events Centre and future uses, with more than 1,000 respondents

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

Contact Officer:	Mark Catherall
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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1.0 Background

- 1.1 The STCC facilities primarily consist of three major event spaces, including a c1,600 seat theatre auditorium, the Floral Hall Ballroom and the sub-divisible Waterfront Suite, both of which are capable of hosting c 700 delegates. The STCC has been developed incrementally over time since the 1930s which has created several challenges, including an inefficient layout for event organisers and the customer journey, the appearance and condition of the facilities differs throughout.
- 1.2 Whilst the main conference meeting space, the Waterfront Suite is a good size and in fair condition, the overall facility is tired compared to competitors. The theatre is now of a very poor standard, with significant technical short-comings, and the ceiling is in such poor condition that netting has been installed to catch falling debris.

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- 1.3 The STCC was previously managed by the Ambassador Theatre Group (ATG) between 1996 and 2018 under a full repairing and insuring (FRI) Lease with Management Agreement.
- 1.4 Following the termination of the ATG contract in 2018, Bliss Space Southport Ltd (Bliss Space) were appointed to operate the STCC on a three-year management contract. However, following the closure of the theatre, due to Covid-19, Bliss Space was placed into liquidation and the Council as owner and landlord of the STCC has taken back legal possession of the vacant building.
- 1.5 In addition to the poor financial performance, the audiences for entertainment events have fallen significantly since 2012, from 165,500 in 2012 to just over 50,000 in 2019, a reduction of c70%. 1.6 Without a major intervention to modernise/ update/ replace the facilities it is highly likely that there will be an accelerated decline in the quality and operational performance of the STCC, and a continued reduction in the number of events and attendees which in turn would have a negative economic impact on the town.
- 1.6 In February 2020 a two-stage assesemnt was commissioned to consider the potential options for the future redevelopment of the STCC. The feasibility study considered the condition and operating performance of the STCC, explored market trends and demand parameters and identified and assessed potential options for redevelopment. The options were progressed to RIBA Stage 0 & 1 and indicative capital costs established. The feasibility study has been used to inform the development of this business case.
- 1.7 Alongside the development of an outline business case, a design team was appointed including venue specialists IPW, HOK Architects, Gardiner & Theobold (G&T) cost consultants and AECOM (engineering and transport), to work up a RIBA Stage 2 design.

2.0 Short-term reopening option

- 2.1 There are several critical factors that need to be considered with regards to any short-term reopening options;
 - Current condition of the building
 - Economic impact
 - Conference market confidence
 - Potential operators
 - Town Deal outcome
- 2.2 Whilst the STCC has played a major role in Southport's visitor economy and cultural landscape the facilities are no longer up to modern standards and need significant investment.
- 2.3 The age and condition of the plant equipment present a major risk of failure

without some short-term investment. It is becoming harder and harder for the STCC to compete for entertainment events and audiences and business events and delegates. It is particularly important for business events facilities to maintain modern standards and keep up with key competitors that are regularly investing in facility improvements.

2.4 As part of the ATG exit the Council undertook a building condition survey and a plan of essential works was produced. However, since that time further investigations have revealed that most of the Mechanical & Electrical systems throughout the facility are at the end of their life, requiring substantial investment and renewal

2.5 Site visits and the building condition survey has concluded the asset is an extremely poor condition, the main areas of concern centre around the Theatre which requires extensive refurbishment to continue to operate. This is far in excess of the income it could generate in any short-term period.

2.6 There is also a need to undertake essential repairs to facilities and equipment along with fire protection measures throughout the building. The projected capital cost for any short-term reopening of the STCC (excluding the theatre) is approximately £550k for essential repairs and upgrading works to make the venue legally compliant. Even if these works are carried out there is no guarantee more problems/issues will not arise once the venue is open requiring more capital allocation and resulting in cancellation of conferences and entertainment shows.

Required Short term repairs & maintenance

Electrical Systems			
	Fire Alarm	Renewal Floral, upgrading convention centre	£80,000
	Emergency lighting	Renewal and extending	£40,000
	General remedial works	All areas	£30,000
Mechanical Systems			
	Legionella Remedials	All areas	£30,000
	Heating, Ventilation, gas safety remedials	Floral / Convention	£70,000
	Boiler plant replacement		£100,000
Building Fabric			
	Fire protection, general repairs	Floral / Convention / theatre	£50,000
	Roof repairs and asbestos issues	Floral / Convention	£50,000

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	Theatre ceiling / security & Mothballing	Theatre	£100,000
Total			£550,000

(Survey work carried out over the last 12 months)

- 2.7 One of the key objectives of the STCC is delivering the economic impact that it brings to Sefton, supporting a range of other local businesses and wider employment. This is considered particularly important as part of the COVID-19 recovery process.
- 2.8 Whilst all events at the STCC will generate economic impact for the local economy, the primary driver, for the accommodation sector, is conference and business events, that attracts business tourists to Southport. Therefore, the retention of conference business is considered particularly important.
- 2.9 During the last 10 years the venue has hosted more than 170 major conferences contributing over £100 million to the economy. Several conferences are still provisionally booked to take place from September 2021 until 2022, Sefton's conference team have been in regular dialogue with the conference organisers.
- 2.10 Since the temporary closure of the venue due to Covid-19, 13 conferences have cancelled resulting in a loss of 14,800 bed nights causing a £6.8m negative impact on the local economy.
- 2.11 There are 8 remaining conferences previously contracted for 2021/2. These would generate 8,900 bed nights having an economic impact of £4.1m if they were still to go ahead.
- 2.12 The STCC has been operated on behalf of Sefton Council for over 20 years by several theatre and venue operators through yearly management fee payments. ATG being the long-term operator over that term, more recently Bliss Space managed the venue for 18 months before entering into liquidation.
- 2.13 There are only a small number of venue operators in the UK, before Bliss were awarded the contract to manage the venue the Council had undertaken three unsuccessful procurement exercises to secure a long-term operator.
- 2.14 Due to the current economic climate and condition of the STCC it is envisaged there would be little to no interest from an operator for the venue for any short-term operation, without payment of a substantial management fee. This is validated by soft market engagement undertaken for the Events Centre project.
- 2.15 A piece of work has been carried out to look at how the venue could reopen with the Council taking the operation in house as a short-term option. The following assumptions were made;
1. Maximise the current expertise within the Council with regards to management to enable reduced costs and secure the necessary booking income.

2. Not to open the auditorium due its current condition, amount of capex required, and the financial risks associated with large scale theatre shows
3. Spend the required capex (at the time circa £150k) that would see the Waterfront Suite (conference space), meeting rooms and Floral Hall return to operation that would allow destination conferences, banqueting and small entertainment events to take place
4. Any short-term options would be limited to two years or shorter depending on securing funding for the future redevelopment option

2.16 The tables below show the required budget for 2 full year running costs, the current budgets in place is made up of existing tourism budgets that could be diverted to the operation. A one-off reopening budget of circa £40k would be required to deep clean the building, stock control and other essential tasks.

	Year 1	Year 2
Total	(261,275)	(131,660)
Current budget in place	£114,950	£114,950
Additional Budget Required (Increase to Budgeted Subsidy)	£146,325	£16,710

2.17 There is still an uncertainty with business tourism in the short term due to covid-19, it is expected that the sector will continue to face challenges and disruption in the next 12-18 months then bouncing back strongly.

In conclusion;

- Conference organisers are not expecting to have any major conferences until September 2021
- Due to liquidation all contracts for confirmed business are null and void therefore forecasting is based on pre-contracted business.
- Detailed surveys and site visits have concluded the STCC is in an extremely poor condition and requires circa £550k of repairs and replacement to open the venue on a short-term basis excluding the theatre
- There would be a substantial revenue subsidy required for any short-term opening
- To date the closure has resulted in 13 conferences cancelling resulting in a negative economic impact of £6.8m, there are also potentially 18 conferences to take place in the next two years' worth £14.5m to the local economy

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The Council will work with potential bookings and partners to try to secure alternative facilities for conferences to still take place in Southport, or Sefton, or the Liverpool City Region, while STCC is closed until the new venue is delivered.

3.0 New Events Centre

3.1 As part of the Southport Town Deal a feasibility study, outline business case and Stage 2 RIBA design report have been completed by specially selected industry experts including;

- IPW - Experience on the feasibility and design of venue renovations/ expansions including Harrogate Convention Centre, Bournemouth International Centre, Exhibition Centre Liverpool, and York Barbican, plus replacement venues for tired offers in Gateshead, Brighton and Aberdeen
- HOK - are a global design, architecture, engineering and planning firm, have led the design on many iconic stadiums, theatres and conference centres around the World.
- AECOM – are a leading infrastructure firm – engineers, planners, designers, consultants and construction managers
- G&T - are an independent construction and property consultancy working across all sectors of the built environment. They have worked on some of the UK's most recognisable mixed-use projects from major regeneration schemes

3.1 Early in the process a vision and a set of objectives were agreed to help guide the business case and design work. The vision is;

“To transform the STCC into a high quality, distinctive entertainment and business events venue capable of providing exceptional experiences to audiences and users. It will be an anchor for the Waterfront redevelopment, retaining and attracting visitors and driving economic impact for Southport”.

Objectives:

- Improve the overall quality of the audience/visitor experience of STCC
- To retain existing and attract new customers, visitors, users, and events
- Improve the financial operating position and reduce any revenue subsidy requirement
- To act as an ‘anchor’ for the Waterfront redevelopment, complimenting other planned uses and stimulate wider regeneration in Southport
- Increase overall economic impact
- Reduce whole life building costs
- Reduce carbon footprint and adopt sustainable operational practices

3.2 As part of the outline business case a long list of options were drawn up that included full refurbishment and additional location. Following a robust review five options were short listed;

1. Do nothing
2. Do minimum
3. New STCC
4. New STCC & waterfront activity
5. New STCC, waterfront activity & water and light show

Short list options

<p><u>Option 1 – Do nothing</u></p>	<ul style="list-style-type: none"> • Parts of building in poor condition • Services nearing/at end of serviceable life • Minimise capital and lifecycle expenditure to essential expenditure (legal/safe) • Estimate £1m capex required (likely to be more due to recent survey work) • Re-open facility in full • Council (in-house) operation • Assume operates for 3 more years, then closure due to services failing and no further investment • Requires large Council subsidy circa £436k (Operating year 3)
<p><u>Option 2 – Do minimum</u></p>	<ul style="list-style-type: none"> • Scoped out works required to enable facility to open for the longer-term -but no major improvements • Essential works, central plant replacement, new theatre seats, front of house redecoration • Estimate £4.9m capex required • Re-open facility in full • Council (in-house) operation • Assume remains operational for the long-term • Lifecycle costs included in the business plans • With this option visitor numbers and events will deteriorate significantly over time • Requires large Council subsidy

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	circa £617k (operating year 3)
<u>Option 3 – New STCC</u>	<ul style="list-style-type: none"> • Capacity for 1,200 all seated (dual-use) –<i>design provides 1,482 seated and standing</i> • Ability to reduce scale (x3) • Quality sightlines and acoustics • Flytower & proscenium arch • Flexible seating arrangements for alternative event layouts (including partial flat floor) • Differential seating for hospitality • Improved dressing rooms and touring crew areas • Event space able to hold a plenary for 1,000 delegates • Breakout/ seminar facilities for 1,000 del. (dedicated or dual-use) • Flat floor events space of c1,500m² for dinners, weddings and supporting exhibition space of conferences • Estimate £64.9m capex required • Does not require Council subsidy, circa £210k profit (operating year 3)
<u>Option 4 – New STCC & waterfront activity</u>	<ul style="list-style-type: none"> • As option 3 plus; • Dedicated car parking (82 new spaces) • Waterfront food & beverage infrastructure • Estimate £70m capex required • Does not require Council subsidy, circa £352k profit (operating year 3)
<u>Option 5 – New STCC, waterfront activity & water and light show</u>	<ul style="list-style-type: none"> • As option 4 plus; • Waterfront pier and light feature • Estimate £75m capex required • Does not require Council subsidy, circa £524k profit (operating year 3)

3.3 The cost of the options ranges from £1m for Do Nothing to £75m for Option 5. Do Minimum has an estimated cost of £4.9m.

3.4 Option 2 (Do Minimum) is projected to hold 246 events attracting a total audience of 105,500 attendees in year of operation. However, it is important to understand that for Option 2, this performance is expected to deteriorate significantly over time due to the offer falling behind competitors and limited appeal. Annual audiences are expected to fall to 101,500 in year 5, 77,000 in year 10 and 59,000 by year 15.

Events & Attendances

Event type	Option 1	Option 2	Option 3	Option 4	Option 5
<i>Per annum</i>					
TOTAL EVENTS	221	246	286	286	294
TOTAL STCC event attendances	79,265	105,603	144,777	144,777	150,338
Additional non-event users (paying)	0	0	51,125	86,225	151,965
Additional site visitors (non-paying)	0	0	0	23,725	205,338
Total site attendances	79,265	105,603	195,902	254,726	507,641

3.5 The table below sets out the annual gross expenditure across the options per year. Total gross on and off-site expenditure is highest for Option 5, which incorporates additional footfall around the food pop-ups and pier driving higher on-site expenditure.

Visiting Expenditure

Components	Option 1	Option 2	Option 3	Option 4	Option 5
On-site F&B	£1,086,197	£1,182,841	£2,229,934	£2,229,934	£2,415,376
Other expenditure (inc. car parking)	£226,203	£205,187	£89,323	£187,283	£329,361
Third party (Restaurant & F&B)	£0	£0	£940,104	£1,200,104	£1,624,271
Total on-site	£1,312,399	£1,388,028	£3,259,361	£3,617,321	£4,369,007
Entertainment Events	£985,958	£1,551,402	£2,093,308	£2,308,998	£2,963,473
Conferences	£2,332,560	£2,332,560	£4,814,154	£4,865,645	£5,130,610
Restaurant/Café	£0	£0	£258,225	£342,305	£701,295
Food Pop Ups/Lagoon	£0	£0	£0	£751,435	£1,309,432
Water light show					£3,914,327
Total off-site	£3,318,518	£3,883,962	£7,165,687	£8,268,382	£14,019,136
Total on and off-site	£4,630,917	£5,271,990	£10,425,048	£11,885,703	£18,388,143

3.6 The table below provides a summary of the intervention options and their performance based on the quantifiable metrics relevant to increasing visitor related activity within the town centre.

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3.7 Critically, the redevelopment options safeguard existing jobs and footfall generated by the STCC and seek to grow this again the levels experienced some 10 or more years ago. Option 5 would increase footfall by 435,000 over the expected business as usual position in three years' time with Option 4 leading to an additional 182,000 visits. Therefore, safeguarding and increasing off-site spend for the benefit and vitality of the town centre and increasing the level of overnight stays.

Summary impact metrics	Option 1	Option 2	Option 3	Option 4	Option 5
Total footfall (visitor days)	79,266	105,603	203,079	262,196	515,112
Number of out of local area visits (visitor days)	54,242	67,230	133,664	163,428	321,899
Overnight stays (STCC events directly)	19,700	21,017	46,843	47,837	59,470
Number of jobs – workplace based	58	65	234	235	288
On and off-site expenditure (£m, D&I)	4.1	5.3	10.4	11.9	18.4
Visitor days as a % of baseline	0.6%	0.7%	1.4%	1.8%	3.5%
Overnight stays as % baseline hotel supply	9.7%	9.2%	20.3%	20.6%	25.6%
Jobs as % of baseline (D&I)	0.8%	0.9%	3.4%	3.6%	4.2%
Expenditure as % of tourism expenditure (D&I)	0.8%	0.9%	1.8%	2.1%	3.3%

3.8 The intervention options have been developed through a process of examining the future development options for STCC against the objectives set out by the STCC Project Group. **This led to the identification of option 5 as the preferred way forward.**

Artists Impression of Events Centre



4.0 Funding

- 4..1 As part of the Southport Town Deal submission £37.5m has been allocated to Southport subject to satisfactory business cases being submitted to Government. The Southport Town Deal Board have agreed to allocate £30m to the new Events Centre with a further £3.3m to the light and water show.

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- 4.2 The Liverpool City Region Combined Authority have also recently in principle committed £20m towards the project subject to a satisfactory business case being submitted.
- 4.3 The remaining budget gap will be closed as the full business case is developed. This will be through securing additional funding to deliver option 5, and / or value and cost engineering to reduce the construction cost of that option with minimal impact on the financial performance or economic impact of the venue. Development of this full business case, further design work, and consultation and engagement with partners and communities will progress at pace to ensure that the period to opening of the new venue is minimised, and to ensure that the scheme is not delayed due to any affordability gap.

5.0 Next Steps

- 5.1 A comprehensive delivery strategy is being produced and will be completed by July 2021, that will guide the delivery of the project over the subsequent 10 months. This will include operator procurement, full business case (for both the Town Deal and the LCR CA funding), detailed design and planning application submission. It is intended to bring a pre-procurement report to the next Cabinet that will detail the findings of the delivery strategy.
- 5.2 The full business case will be brought back to Cabinet for final approval.

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Bootle Strand Shopping Centre – Business Plan 2021/22 to 2023/24		
Report of:	Executive Director (Place)	Wards Affected:	Linacre / Derby
Portfolio:	Cabinet Members: Regeneration and Skills; and Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report includes the three-year Business Plan for the fiscal years 2021/22 to 2023/24 for the Strand Shopping Centre, Bootle. As well as forecasts for each of these periods, the Business Plan includes outline strategy and short-term action plans for the future of the asset.

This report and the plan have been delayed, and follow an interim update provided to Cabinet on 4 March 2021. As has been widely reported, COVID-19 has had a significant impact on the financial performance of shopping centres across the UK and the financial returns in year to landlords and owners. As a result, the financial position of Bootle Strand (The Strand) shopping centre, owned by Sefton Council, will be impacted in the short- to medium-term.

This impact has also created market uncertainty, which remains for the economy and for the sector, and which has delayed the publication of a three-year forward forecast.

Recommendation(s):

It is recommended that Cabinet:

- 1) Approve the Business Plan for 2021/22 to 2023/24;
- 2) Note the content of the report and of the Business Plan, including the factors that could influence and impact upon the financial returns to the Council from The Strand, and the outline strategy and action plans proposed to manage and mitigate these; and
- 3) Recommend to Council that Council approve a supplementary capital estimate of £795k (£640k in 2021/22, £115k in 2022/23 and £40k in 2023/24) to be supported by borrowing and funded from within the business plan cashflow

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Reasons for the Recommendation(s):

The council's objectives for the acquisition of The Strand in 2017 were to ensure that it was supported to continue its role in the local community, as a key asset at the heart of Bootle critical to the town's physical, economic and social regeneration.

Since the start of the spread of COVID-19 in the UK in March 2020, the regular weekly and monthly monitoring of the operations of The Strand have indicated increasingly severe impacts of the pandemic and associated government restrictions on the operations of and financial returns from The Strand. Despite continued uncertainty, this report and Business Plan provide an update on forecasts for the coming years, as well as short- to medium-term mitigants and actions.

However, operational decision-making must be made within the context of an approved Business Plan.

Alternative Options Considered and Rejected:

Further delay to publication of a three-year Business Plan— despite continued uncertainty on the economic and regulatory impacts of the pandemic, and governmental and sectoral response, and continued impacts on The Strand, this was discounted given the importance of an approved Business Plan, and the expected continuation of uncertainty for the economy and for the sector for a significant period to come.

What will it cost and how will it be financed?

(A) Revenue Costs

All revenue implications are addressed in the report. At this stage any deficit could not be claimed under central government's Sales, Fees and Charges Compensation Scheme Therefore, this will be part of the Council's overall outturn position and will be funded either through the normal general fund budget and / or one-off sums provided for the Council to support its financial position in response the issues caused by the pandemic.

(B) Capital Costs

The Business Plan contains capital costs of £795k (£640k in 2021/22, £115k in 2022/23 and £40k in 2023/24) required to maintain and improve the performance of the centre. This will be financed by borrowing and the associated repayments have been factored into the business plan projections.

Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<p>Resource Implications (Financial, IT, Staffing and Assets):</p> <p>All resource implications are addressed within the subsequent annexes to this summary.</p>									
<p>Legal Implications:</p> <p>There are no legal implications arising from this report.</p>									
<p>Equality Implications:</p> <p>There are no equality implications arising from this report.</p>									
<p>Climate Emergency Implications:</p> <p>The recommendations within this report will</p> <table border="1"> <tr> <td>Have a positive impact</td> <td>N</td> </tr> <tr> <td>Have a neutral impact</td> <td>Y</td> </tr> <tr> <td>Have a negative impact</td> <td>N</td> </tr> <tr> <td>The Author has undertaken the Climate Emergency training for report authors</td> <td>N</td> </tr> </table> <p>The Business Plan itself will have a neutral impact in respect of climate emergency. The future development of the site will be in line with the Council's strategy and objectives in respect of climate emergency, with both the delivery of any construction projects and the operation and maintenance of the asset in mind.</p>		Have a positive impact	N	Have a neutral impact	Y	Have a negative impact	N	The Author has undertaken the Climate Emergency training for report authors	N
Have a positive impact	N								
Have a neutral impact	Y								
Have a negative impact	N								
The Author has undertaken the Climate Emergency training for report authors	N								

Contribution to the Council's Core Purpose:

<p>Protect the most vulnerable:</p> <p>The Strand provides essential amenities that are accessible for local people including the most vulnerable.</p>
<p>Facilitate confident and resilient communities:</p> <p>The Strand provides essential amenities that are accessible for local people.</p>
<p>Commission, broker and provide core services:</p> <p>Financial returns to the Council, as owner of The Strand, can provide revenue to contribute towards service provision.</p>
<p>Place – leadership and influencer:</p> <p>The Strand is a key asset at the heart of Bootle critical to the town's physical, economic and social regeneration.</p>
<p>Drivers of change and reform:</p> <p>Physical infrastructure (retail and other amenities) is a significant contributor to</p>

Agenda Item 13

and enabler/catalyst for change.
Facilitate sustainable economic prosperity: The continued success of The Strand is essential to maintain and increase its significant contribution to the local economy, including in terms of creating local employment and providing essential facilities required to help attract inward investment.
Greater income for social investment: The Action Plan includes the provision of opportunities and support for local people to launch and sustain micro enterprise within and around The Strand.
Cleaner Greener: All development proposals will be compliant with the Building Regulations and other Planning and Habitat regulations meaning Sefton builds cleaner and greener.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD 6425/21) and Chief Legal and Democratic Officer (LD 4626/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

There have been no external consultations.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting.

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Appendices:

Appendix 1 – Strand Business Plan 2021/22 to 2023/24.

Background Papers:

There are no background papers available for inspection.

1.0 Introduction and Background

- 1.1 In April 2017, Sefton Council acquired The Strand Shopping Centre to secure its future and support its continued role as a cornerstone asset at the heart of Bootle, critical to the town's physical, economic and social regeneration.
- 1.2 The Council remains fully committed to supporting and securing investment in The Strand for the short, medium and long terms to reverse the decline it was suffering in the hands of private ownership and to respond proactively to the challenges of a changing retail market that have been accelerated and increased by the impacts of COVID-19. Feedback from industry experts and private sector engagement reaffirms that this was an appropriate strategic action for the Council to take.
- 1.3 Therefore, the Council has been working on a long-term strategy for investing in and improving The Strand to: help address the challenges to trading that it (along with all similar centres across the UK) is facing; to help support the economic recovery of Bootle after the impacts of COVID-19; and to enhance its value to Bootle Town Centre.
- 1.4 The detailed plans for The Strand (and Bootle more widely) will be developed in full consultation with local people and other local stakeholders.
- 1.5 Prior to the start of the spread of COVID-19 in the UK in March 2020, The Strand's operations and financial returns were performing as expected- a positive financial return had been achieved in each year and had allowed £1m to be allocated to support the Council's budget.
- 1.6 As would be expected, and as experienced worldwide, since the start of the spread of the pandemic, the regular weekly and monthly monitoring of the operations of The Strand have indicated increasingly severe impacts of the pandemic and associated government restrictions on the operations of and financial returns from The Strand. This has made clear the need for proactive management and mitigation measures in the immediate and short terms, alongside the more proactive improvements outlined above.

2.0 Business Plan 2021/22 to 2023/24

- 2.1 Notwithstanding continued uncertainty in respect of the pandemic, the length and depth of its impact and implications for the economy and the sector, and government policy in respect of enforcement powers for landlords, this report includes the full three-year business plan. This was delayed given ongoing sector uncertainty, with an interim update provided to Cabinet in March 2021.

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- 2.2 Regular detailed monitoring remains in place, with analysis and assessment arrangements to ensure the Council is fully informed on a weekly basis of the issues, risks and requirements for intervention arising as a result of the impacts of the COVID-19 pandemic. This analysis is conducted at both an individual tenant level and for the overall asset. In turn, the Business Plan appended to this report has been developed on a tenant-by-tenant. However, the detail in this respect is of course commercially sensitive and confidential, so excluded from the Business Plan.
- 2.3 Tenants are charged rent and a service charge based on the terms of a lease agreement. As a result of the pandemic, there is a significant proportion of businesses who have not paid these sums due. Government advice since the start of the pandemic has been that landlords are not permitted to initiate recovery action for sums owed at this time. The expected end of this moratorium on enforcement activity at the end of June 2021, or any further delay or future moratoria, will be one of many important factors influencing the Business Plan. The Council's approach to recovery of outstanding sums will vary according to the tenant, recognising the difference between smaller local traders who have been unable to trade for much of the pandemic, and larger tenants (including some national chains) who have traded throughout the period.
- 2.4 An analysis of the potential risks and impacts of the pandemic on operations for the Business Plan has been produced. The extension of the moratorium and the introduction of any further local or national lockdown will have a major impact on the council's ability to collect rent and services charges (and business rates); on the trading conditions for tenants; the levels of arrears; the number of vacancies and the number of insolvencies and Company Voluntary Arrangements (requiring rent and service charge reductions and holidays). These factors, and this continued uncertainty, affect the whole sector, including the Strand. Variances to Business Plan, as this position changes, will be monitored on an ongoing basis.
- 2.5 Data within the Business Plan reaffirms the importance of the Strand as a community asset, reflected in the reductions in footfall throughout the pandemic relative to other retail centres. Moreover, the Plan outlines the platform for the future and economic recovery in Bootle town centre that the Strand provides. The uncertainty referred to within this report would be exacerbated drastically if the asset remained in private ownership.
- 2.6 As a consequence of the impacts of the COVID-19 pandemic, the potential outturn deficit for the financial year 2021/22 is -£2.089m, and for the three-year period is -£3.637m. However, there remain factors that will influence this outcome for the period, including uncertainty on future local or national lockdowns, on any extended future moratorium on landlords' ability to pursue enforcement, and the ongoing pursuit of rent and service charge arrears. The Business Plan includes an overview of mitigating actions aiming to address these risks.

- 2.7 The final position for each financial year will be addressed as part of the Council's year end outturn process and will be reported as has been the case in previous years. It should be noted that the Council's budget currently includes £1.7m as the estimated loss position for 2021/22. At this stage it is not considered that any deficit will be covered by central governments cost sharing mechanism for the loss of fees and charges experienced by local authorities. As a result, this will be funded either through the Council's general fund budget and / or via one off funding provided by government to support the council and the financial impact of the pandemic.

3.0 Vision and Strategy for the future of The Strand

- 3.1 Work continues developing the vision and strategy for the future of The Strand. This will be progressed in partnership with key stakeholders and communities, and will include wider engagement on Bootle town centre. A Bootle Task Group comprising key organisations from across the region has been convened to support with progression of that wider action plan for the town and its future.
- 3.2 Demolition has been completed of the recently-acquired assets adjacent to the shopping centre. This has been progressed with financial support from the Liverpool City Region Combined Authority, from whom pre-development funding has also been secured to support strategy, masterplanning and consultation work from 2021, including for the development of an Area Action Plan for Bootle.
- 3.3 Work is now underway to ensure that meanwhile uses are in place for the Summer of 2021 in the canal-side areas adjacent to the Strand. This will bring new uses and a new offer to the area in advance of the development of the longer-term vision. More information is included within the Business Plan update. Development and delivery of these exciting opportunities would not be possible without Council ownership of this important town centre asset.

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THE STRAND SHOPPING CENTRE, BOOTLE



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Executive Summary

Uncertainty remains about the impact of COVID-19 on the retail environment over the forecast period on a national basis. A base scenario is used for the purposes of this business plan, albeit with risks identified given continued uncertainty in respect of public health, the economy, and the associated restrictions and interventions.

Business Plan assumptions		Risks
Lockdown status	National lockdown ends in Q2 2021 No further lockdowns are predicted, and the sector and asset return to relative normality in trading throughout 2021/22	Further delays to national lockdown Rolling regional lockdowns impact The Strand in later quarters, with delays to the sector and the asset returning to normal trading
Moratorium	Moratorium on enforcement action is lifted in June 2021	Further delay to lifting of moratorium
Impact	Non-essential retail is opened, and further restrictions lifted, in accordance with the government roadmap Q4 & Q1 rent collection is heavily impacted and tenants continue to use the moratorium for the avoidance of rent. Assumption of some arrears to be written off.	The potential for further lockdowns remains which will impact rent collection throughout the business plan forecast period. The Strand would see decreased lettings and worsening leasing outcomes as both tenant failure and vacancies increase. Poor consumer confidence and wider macroeconomic downturn would lead to a significant decrease in retail spend and the profitability of retailers will reduce.

Outlined below are the predicted annual net council returns for the three financial years from 2021/22 to 2023/24:

	2021/22	2022/23	2023/24
BP £	-£2,088,979	-£584,015	-£964,073

Key drivers of performance are:

- Rent and service charge collection rates decreasing due COVID-19 and the associated write offs.
- Assumptions relating to the moratorium on enforcement action.
- Over 100 individual leasing events between now and the end of the business plan period (expiries, break options, assumed regears, stepped rents, rent reviews) and assumptions about the individual outcomes of these all drive performance. However, due to the structural change in the retail market which has been accelerated dramatically by COVID-19, the leasing market is currently weak and negotiating strength is predominantly held by the tenants.
- Sefton’s ability to mitigate the impact of COVID-19 on The Strand including incurring defensive capital expenditure to protect against further tenant loss. Strategic investment and development with the

future of the asset and the wider town centre in mind are also vital, and recognise the rationale for the acquisition of the asset by the council for regeneration purposes.

- Several ‘second tier’ leasing events which include expiries / breaks with certain large tenants.

All the above is discussed further in this business plan.

Moreover, this plan includes not only potential mitigating actions in the event of realisation of certain risks identified above, but also an overview of the process through which the council will develop and implement the vision and strategy for the future of the Strand and the wider town centre, in line with the original objectives for the acquisition of the asset.

There is much work to do in respect of the finalisation, quantification and formalisation of that strategy and action plan, not least in respect of community and stakeholder engagement. Moreover, as this entire business plan reflects, there remains significant uncertainty in respect of the pandemic and its impact on the economy and on key sectors, including but not limited to retail. This strategy needs to capture learning over the coming years on the future of town centres, the world of work, the retail sector and customer behaviours, and much more.

However, the importance of this asset to Bootle and of its resilience to economic recovery in the town are recognised. Work is therefore underway on the canalside site adjacent to the Strand to develop a food, drink and leisure offer that will be open and hosting events during the current financial year, benefitting both communities and the Strand itself. This and further works will continue as the vision for the future of the Strand is progressed, working towards a future asset at the heart of Bootle Town Centre of which communities can be proud, which is environmentally sustainable, and which effectively captures future opportunities to deliver positive financial, economic and social outcomes for the Strand, for Bootle and for Sefton.



Background

Sefton Council purchased the Strand Shopping Centre in Bootle in 2017 and a 3-year business plan was agreed in August 2017. Ellandi LLP has been retained as Asset Manager and has been managing the centre since purchase. There have been various changes in the retail market since acquisition, notably the structural shifts in the market that have been accelerated by the COVID-19 pandemic which will be discussed further in more detail later in this document. COVID-19 and the implications of the Coronavirus Act have been challenging for the whole retail sector, including for The Strand, and as a result the projected returns to the Council have been negatively impacted.

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The centre generated a surplus of £1m which supported the council budget in 2018/19 | 2019/20, but a deficit is predicted across the business plan period. A programme of remedial measures has been put in place, together with Ellandi and Savills, to help improve this position including service charge savings, increasing the number of charity lettings, and reducing the marketing and promotional budget. Work also continues at pace on strategic planning for the future of the asset.

The business plan and associated risk assessment derive from analysis of sensitivities around rent and service charge collection rates, and the extension of the moratorium on enforcement

action. Operational reporting will provide regular updates to this analysis as the regulatory and legislative environment is expected to change, but uncertainty remains at the time of writing. This business plan explores further in detail the implications of COVID-19 on The Strand and attempts to review the options to mitigate this impact and build a town centre that is fit for purpose to serve its local community.



Retail Market & Trends

The national retail market has gone through a period of structural change since Sefton Council’s acquisition of The Strand Shopping Centre, which has been further accelerated by the impact of the pandemic. The retail market is continuing to evolve, and set out below are some of the challenges that this presents.

The market has seen significant polarisation over the past 5 years. Pre-pandemic, the successful retail market was divided sharply with modern, large, destination type retail centres like Westfield, Bluewater, and Lakeside at one end of the market. These are used less frequently but have high basket spends and are often bolstered by leisure, food and beverage operators. At the other end of the polarised market are the smaller community centres. These are local schemes that fulfil a needs and convenience function for their shoppers, do not rely as heavily on fashion and are used regularly with typically lower basket spends. The impact of COVID-19 on the retail market is still to be fully understood, however what has become clear is a rise in “localism”, where shoppers use their local centres more and travel less frequently to city centre or destination retail locations. If this trend continues, we should see a positive impact on retail in The Strand and on Bootle Town Centre.

There has been a fundamental shift in the retail market; retailers are trying to downsize their portfolios using the pandemic as a backdrop. Retailers seem increasingly prepared to vacate schemes and towns entirely.

In historic property market cycles, it would have been possible to predict that once the market recovered and spending power increased with turnover and profitability on the rise, retailers would return to towns that they previously would not consider. If weaker retailers were removed from the market through Company Voluntary Arrangements (CVAs), this could create an argument for a resurgence in the strength of traditional retail

destinations. However, the current retail market is not seen as the low point in a cycle, more a fundamental shift in shopping patterns and behaviours that have profoundly influenced retailer decision making, and a shift back to the decision patterns of the past 5-10 years is not expected.

Key trends in the occupational and consumer led retail market (including learnings from other retail schemes in the Ellandi portfolio):

Footfall

- Occupiers at The Strand have been subject to various national rules relating to the closure of non-essential retail and limiting operations to click-and-collect or takeaway in various guises over the past 12 months.
- As non-essential retailers were forced to close in late March 2020 and again in January 2021, footfall across the Ellandi portfolio dropped significantly. Bootle was no exception to this, and footfall was broadly in line with the Ellandi average due to the prevalence of essential retailers in the scheme which is replicated across their portfolio of 27 majority community shopping centres.
- The centres that saw bigger declines in footfall tended to be city centre locations, or fashion and leisure led ‘destination’ shopping centres.
- Community schemes have overall consistently outperformed the UK retail average as regional centres have felt the impact of large-scale store closures.
- While footfall across the UK in the 12 months from March 2020 saw an average decline of -67.4%, community assets experienced a less

pronounced drop in footfall of -54.5% for that same period and The Strand showed resilience to declining footfall in the category with an average decline of -38.5%.

- Despite footfall levels continuing to track below 2019 levels, the Ellandi portfolio and Bootle have continuously outperformed the national benchmark since March 2020.
- While local restrictions and curfews have had a devastating effect on leisure and hospitality and with many office blocks still empty and much of the public avoiding public transport, footfall is not returning to towns and city centres, whilst local and grocery anchored shopping centres and retail parks continue to recover.
- With continued demand for locally accessible everyday retail and amenities, Bootle has been well placed to capture local resident trade.

Consumer behaviours

The November lockdown caused the UK's GDP to contract by 2.6%, according to the Office for National Statistics (ONS).

December's rate of inflation doubled, rising to 0.6%, driven by higher travel costs and Covid disruption, according to the ONS.

- According to data from Barclaycard, consumer spending in January fell 16.3% YoY, the largest annual drop since spring 2020.
- Peak visit days in Bootle are now predominantly during the week as visitors look to avoid weekend trips and more residents having the flexibility to do so with an increased number of the population working from home. This is mirrored in the Ellandi benchmark data.
- Changes in visitor behaviours highlight the increasingly purpose-focused nature of trips made by visitors to Ellandi schemes. While dwell time has decreased by 30% on average, visit frequency has increased from the equivalent average of 20 visits per annum to 25.
- While many people continue to work from home the population continue to avoid larger retail destinations and town centres in favour

of local retail and amenities.

- As a result, while many schemes in the Ellandi portfolio have seen a decline in visitors from further afield with visitor catchments shrinking by 18% in radius on average, visits from local postcodes near centres have seen an increase of up to 100% in some locations.
- Compared to Bootle, Liverpool has suffered a far more pronounced impact on visitor behaviours, with an average footfall decline of 63% and a shrinkage of catchment radius of 42%, with a significant loss in visits from residents who live nearer to local town centres and high streets.

Retail Sales

- In December, total retail sales increased by 1.8% as shoppers spent more in the run-up to Christmas.
- Like-for-like sales for the month were up 4.8% as overall sales were still affected by restrictions and temporary closures.
- 2020 total retail spend fell 0.3% year-on-year, with non-food sales falling 5% and food sales up 5.4%.
- Unsurprisingly, grocery spend was particularly robust, with 17.3% year-on-year (Y-o-Y) growth, while discount store sales grew by 21.5% and furniture store sales by 11.6%.
- At the other end of the spectrum, spending in department stores and clothing shops fell by 15.2% and 7.3% respectively.
- Due to increased lockdown measures, hospitality and leisure spend fell by 50.0%, which dragged overall consumer spending down by 2.3% for the month.
- Retail sales in the UK grew 1% in February, compared with the same period last year, in a sharp reverse of a 1.3% contraction in January. Data from the BRC-KPMG Sales Monitor showed much of this growth was driven by a rise in online, particularly in non-food categories, with non-essential online sales soaring 82.2% in February. The uptick in

sales is clearly encouraging, and an indication that the roadmap to reopening has boosted consumer confidence and prompted a mini boost in spending on non-food items.

- Looking forward, the Office for Budget Responsibility (OBR) now expects a ‘swifter and more sustained’ economic recovery due to the success of the UK’s vaccine programme. While there remains a considerable amount of economic uncertainty, the Government’s independent forecaster expects growth of 4% this year and 7.3% in 2022, which would see the economy hit its pre-pandemic level by the middle of next year - six months earlier than previously estimated. The OBR also reported that UK households have built up savings of around £180bn in the past year, and forecasts that around a quarter could potentially be spent once restrictions are lifted, driven by a ‘degree of euphoria’ among consumers.

No turnover detail from retailers in Bootle is available at the time of writing, with many of the teams on furlough or too stretched to provide proper information, but anecdotally many are still struggling with trade down on this period last year. Some of the fashion retailers have reported poor trade.

- Another anecdotal report from Bootle is that whilst stores are seeing footfall down year on year, some are noting that conversion rates are much higher – shoppers are making purposeful trips to buy what they need, or perhaps have identified online before they visit.
- While trading conditions remain challenging, some retailers are navigating their way through the crisis relatively successfully by finding ways to adapt their operations to changing consumer behaviours. They are doing this by embracing innovation and technology (which includes trialling new concepts and formats) and accelerating the move towards omni-channel fulfilment models.

Retailers

- The recent collapse of major retailers such as Debenhams and Arcadia, plus potential further closures, will accelerate the supply reset that the industry is perceived to need.
- According to the BRC- Local Data Company’s latest vacancy monitor, rates rose to 13.7% in the last 3 months of 2020. Some of the space will find viable retail replacements, from discount operators such as B&M and Home Bargains, and stronger fashion retailers such as Zara, Frasers Group and JD Sports.
- Other space could be repurposed into ‘experiential leisure’, with firms anticipating pent-up demand for social activities once lockdown restrictions end.
- Looking ahead, an increase in the conversion of current retail schemes into other non-retail uses is expected, be that residential, logistics, alternatives (data centres for instance), or public use such as green space, with successful repurposing will be driven by local market dynamics.

UK Shopping Centre Investment Market

Prior to the Covid-19 pandemic, the UK shopping centre investment market was already at record low levels of transactional volume. Around £500m of assets transacted in 2019 (excluding super-prime London and debt trades), compared to a 10-year average of around £3.5 billion. Structural change in the retail sector had combined with uncertainty relating to the UK General Election and Brexit process, contributing to weaker market sentiment and a reduction in pricing and liquidity.

Shopping centres are one of the most affected commercial property sub-sectors from the Covid-19 crisis, causing transactions to reduce further as lockdown took effect in March. Excluding the £138m sale of Kings Mall in London in January, around £300m of shopping centres transacted in 2020. Seven of these 17 transactions were sold to councils.

Many deals agreed prior to lockdown have remained “on ice” since. Despite the disruption, the limited number of deals which have gone on to complete successfully during and after lockdown generally fall into three categories – council acquisitions, grocery anchored and residential development assets, and smaller assets sold to cash buyers.

Market activity indicates that a select number of shopping centres continue to receive a degree of buyer interest, despite Covid-19 and macro challenges. However, assets outside of the above three categories are viewed as largely illiquid until some clarity can be found following Covid-19 disruption.

In general, traditional lenders are currently all but closed for new business in the shopping centre space. This lack of debt will inevitably feed into pricing as the market finds its clearing

level, without the leverage required to support opportunistic returns. Where stapled finance can be made available to buyers this is expected to significantly aid liquidity.

A limited, but growing, pool of highly opportunistic buyers remains interested in the space, but many are taking a “wait and see” approach while Covid-19 disruption continues. They are likely to be highly selective about the assets they target, conservatively “pricing in” downside risk while seeking an opportunistic return. This is likely to have a significant impact on initial yields, particularly where alternative uses are largely unviable, where there is material over-renting / over-spacing of retail, and/or there is a high degree of income risk.



Enforcement Action & Insolvency Impact

Provided below is a summary of the three key insolvency events: CVAs, administrations and liquidations for reference.

Company Voluntary Arrangement

This is a legally binding agreement with a company's creditors to allow a proportion of its debts to be paid back over time. 75% of the creditors, by value, who vote need to support the proposal. Once the proposal has been approved then all unsecured creditors are bound by the arrangement. The company can carry on trading as normal and the directors remain in control. The CVA is monitored by a supervisor who must be a licensed insolvency practitioner. The arrangement usually lasts for 3-5 years.

Administration (looking for a buyer/investment and/or disposing of stores)

Often a voluntary process initiated by its directors when a company is experiencing financial or operational difficulties, administration effectively means a licensed insolvency practitioner (IP) assumes management of a business in the short-term going forward. An administration can also be imposed by shareholders of a business if they feel their capital may be at risk. Administration is not a long-term solution in itself, instead it provides a company with breathing space during which time it is given protection from creditors who may be threatening to begin legal action to recover outstanding debts, a legal stay is known as a 'moratorium'. During the time the company is in administration, the appointed IP is required to act in the best interest of the insolvent company's creditors as a whole and will need to consider whether the company has the potential to trade successfully in the future (often following a period of restructuring, investment or after a sale), or whether its problems are unfortunately insurmountable and therefore it needs to be liquidated.

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Impact of retail trends on The Strand

Impact of insolvency activity on The Strand

The Strand has been impacted by the increase in insolvency activity in the retail and F&B sector since Sefton's acquisition.

Post COVID-19 there have been several key insolvency events, but only three that have impacted The Strand.

The Strand has been isolated from many of the post COVID-19 insolvency events including major fashion retailers. In addition to these high-profile fashion failures, significant amount of the CVAs and administrations have been in the casual and fast dining sector. Further insolvency events are expected in 2021 as the various support packages available to retailers from government potentially come to an end.

Current trading conditions are difficult for many of The Strand's occupiers. This is a national issue, and The Strand has not been immune from this pressure. Key sectors that have been impacted by COVID-19 include:

- Travel
- F&B
- Hospitality
- Car parking
- Commercialisation
- Betting and gaming
- Fashion and other non-essential traders

Prudent assumptions have been against these sectors in the financial modelling. There have been retail sectors that have benefitted from the impact of covid-19, as discussed above. Where relevant this has been

reflected in modelling, albeit with reasonably conservative assumptions against these occupiers where they are represented in The Strand. There are several tenants within The Strand which are at a higher risk of future insolvency events. We consider these to be high risk due to several factors: underlying weakness in their business model, sectors that have been particularly hard hit by COVID-19 or those that Ellandi consider are taking a cynical approach to managing their business liabilities.

Liquidation (ceases to exist)

Liquidation is the process of bringing a business to an end and distributing its assets to claimants. It is an event that usually occurs when a company is insolvent, meaning it cannot pay its obligations when they are due. It often follows the culmination of many months of financial distress when the possibility of a successful turnaround has been extinguished. As company operations end, the remaining assets are used to pay creditors and shareholders, based on the priority of their claims.

So far 5,318 units have been through an insolvency procedure in 2020, spread across 138 brand fascia's and 85 holding companies. This is more than the whole of each of the previous two years (4,017 units & 4,283 units in 2019 & 2018 respectively).¹

2020 insolvency activity by asset class

The in-town market has seen the largest impact in 2020 with high street stores (37%, 1,992 units) and high street shopping centres (23%, 1,235 units) collectively accounting for 60% of all insolvency activity. This compares to 32% of units for the out-of-town market and only 4% for regional shopping centres. In-town has also seen the most closures (890 units across the high street and high street shopping centres) compared to 191 for the out-of-town market.²

¹ Source: Savills Insolvency Impact Analysis – October 2nd, 2020

² As above

2020 insolvency activity by retail sector

Fashion is the sector that has seen the most insolvency activity in 2020, accounting for 2,322 units, 44% of all those that have undergone a either a CVA, administration or liquidation this year. Leisure accounts for over a quarter (29%) of all units to have entered an insolvency process in 2020, compared to only 6% the previous year. With much of the leisure sector unable to trade at all during the lockdown and the sector seemingly being the last to see some return in consumer traffic, it is unsurprising the sector has seen an increase in brands facing financial difficulty, particularly as the industry is service led and much less able to serve consumers online. Mass market retail has seen the most activity (55%) however, it is important to note that the proportions across the spectrum are broadly reflective of the division across the entirety of the UK's provision.³

³ As above

Income Forecasts

Net income summary

The business plan is based on the following assumptions, recognising the risks identified herein:

Business Plan assumptions		Risks
Lockdown status	National lockdown ends in Q2 2021 No further lockdowns are predicted, and the sector and asset return to relative normality in trading throughout 2021/22	Further delays to national lockdown Rolling regional lockdowns impact The Strand in later quarters, with delays to the sector and the asset returning to normal trading
Moratorium	Moratorium on enforcement action is lifted in June 2021	Further delay to lifting of moratorium
Impact	Non-essential retail is opened, and further restrictions lifted, in accordance with the government roadmap Q4 & Q1 rent collection is heavily impacted and tenants continue to use the moratorium for the avoidance of rent. Assumption of some arrears to be written off.	The potential for further lockdowns remains which will impact rent collection throughout the business plan forecast period. The Strand would see decreased lettings and worsening leasing outcomes as both tenant failure and vacancies increase. Poor consumer confidence and wider macroeconomic downturn would lead to a significant decrease in retail spend and the profitability of retailers will reduce.

The following net output to Sefton over the next 3 years for the two scenarios:

	2021/22	2022/23	2023/24
BP	-£2,088,979	-£584,015	-£964,073

Financial Business Plan - Key Assumptions

A forensic review of the letting assumptions in the business plan has been undertaken by Ellandi in conjunction with Barker Proudlove, the retained letting agents on the centre.

Considering the impact of Covid-19 on retail and the acceleration of pre-existing structural change in this sector, it is appropriate to review the assumptions made in the previously agreed business plan for The Strand. Significant future capital investment in the malls is not assumed in the modelling at this time, given continued economic and sectoral uncertainty, but strategic planning for the future of the asset continues to progress.

The new business plan assumptions have been made on a line-by-line basis with detailed knowledge of likely occupier demand, the nature of individual units and the resulting outcomes in terms of likely void periods, rent, rent free and capital contribution assumptions. The revised business plan continues to avoid a heavy reliance on traditional Zone A (ZA) rental evidence and tone. Rent assumptions have been made based on affordability and total occupational costs which has become a much more relevant metric for retailers is generally the basis of new lettings and renewals across community shopping centres. Total occupational costs include business rates, service charge, insurance and rent payable. Rent is the only cost of these four where there is any flexibility and as such is under pressure in the current environment. Retailers use this figure, rather than solely focussing on rent, when they appraise the profitability and viability of stores. Whilst retailers are 100% exempt from paying business rates to 30th June 2021, with a subsequent 66% exemption to 31st March 2022 (up to a total of £2m) this is potentially encouraging operators to continue to trade

to the summer and there are risks of vacancies after this date.

UK retailers are under a series of cost inflation pressures that have threatened profit margins and decreased profitability. The rise in online shopping is a threat to fashion-led retail and this is not a challenge just for Bootle. However, there are other cost increases that have significantly impacted on margins including rises in business rates, the national living wage, import price inflation due to drops in the value of sterling and uncertainty surrounding Brexit. Retailers are not able to pass these cost increases on to consumers, many of whom are facing reduced household disposable income. They therefore focus on non-fixed costs, one of which is the cost of property, including rent and service charge. Even pre-covid, landlords were in such a weak bargaining position that retailers have been able to use their relative strength to reduce rents and service charge outgoings at lease events. Post covid-19 this trend has only been accelerated. Now that property costs are such a relatively low percentage of retailers overall cost base, we are seeing other factors dominate their decision making. Property economics are less and less relevant to a retailer's spatial strategy and decision making.

Summary of expiry profile

A summary of the centre's expiry profile is set out below, with 58.9% of income due to expire over the coming five years. 36.1% of the income is due to expire within the business plan period, which results in a significant number of lease renewal transactions assumed over the period.

The current weighted average unexpired lease term (WAULT) of The Strand is 5.8 years to expiry, 2.4 years to break.

Rent and service charge payments

Arrears

A line-by-line analysis of all outstanding rent and service charge arrears for this period has been undertaken. Assumptions are based on a combination of factors including the following:

- Consideration of whether the tenant is a national/multiple or a local/regional/sole trader.
- Was the tenant an 'essential retailer'?
- Did the tenant open for trade in June, and have they been able to trade in any way through the second and third lockdowns?

Knowledge of tenant financial strength
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It arrears where uncollectable may need to be written off. Service charge arrears will need to be funded to top up the service charge account. This has been allowed for in cashflow where assumed that service charge will have to be written off. The service charge repayments are not reflected in the payment plan cashflow as this is not income due to Sefton, rather the service charge fund.

Of the rent arrears, the remainder is assumed for collection by agreeing payment plans. Varying assumptions are applied which feed into payments plans based on the age of the debt. As such the payment plans taper off throughout the 2021/22 financial year.

Several tenants are choosing to pay their liabilities monthly to aid with cashflow, even if not explicitly provided for in their leases.

It should also be noted that a substantial proportion of arrears are with major retail chains who remain financially stable and have remained open

throughout the pandemic. This is the case nationally across the sector. Approach to tenant engagement and any enforcement action will be according to a case-by-case approach.

Moratorium on enforcement action

With the impact of Covid-19 on the economy in April 2020, central government introduced the Coronavirus Act which included various provisions to protect businesses. This included a moratorium on enforcement action. Landlords cannot invoke commercial rent arrears recovery (CRAR), wind up businesses or issue statutory demands for unpaid sums. This moratorium was initially intended to cover March -June 2020 but has since been extended to September 2020, 1st January 2021 and subsequently to 30th June 2021. In our base case it is assumed that this is lifted in July 2021.

Monitoring of government guidance continues, and enforcement action will be sought against tenants believed to be able to pay, as and when the moratorium is lifted. Actions and legal proceedings elsewhere in the UK are being monitored to understand implications for the Strand.

If the length of the moratorium were extended, arrears could continue to build. This comes with an increased risk that the tenants do not set aside these increasingly large sums. In order to allow for future sensitivity analysis, different collection rates have been applied, and write offs relating to those collections depending on the nature of the tenant. If no enforcement action can be taken in the business plan period, significantly worse collection rates would be expected.

Vacancies

- The current retail market is very challenging and there are very few new entrants into the UK market. Most of the activity evident is related to lease extensions, regears or relocations.
- However, proactive engagement continues to secure new tenants to address vacancies in the asset.
- There are currently 14 vacant units in The Strand, of which 12 would be considered 'standard' retail units, which comprise 6% of the total area.
- Total vacancy across the site, including all vacant areas, equals 13% of the total area.
- The national shopping centre vacancy rate is currently 14.3%.

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Repairs and Maintenance

A planned and preventative maintenance (PPM) survey was undertaken in 2019 via the service charge as is best practice every 3-5 years. This survey highlighted work required in the malls as much of the mall finishes and lighting are no longer economical to repair and require replacement. It was intended that the service charge PPM budget would be used where justifiable and appropriate to undertake some of this work.

Part of the service charge will be allocated to repair works. The intention was to focus on areas of the centre with the highest levels of vacancies and temporary lettings, excluding The Palatine, and would have delivered the modernisation of Mons Square, the refurbishment of The Hexagon and the refurbishment of The Esplanade, leveraging better leasing outcomes across these areas.

As a result of covid-19 and the reduced service charge collection rates, an emergency service charge budget was implemented at The Strand, reducing it by 40%. To achieve this, all non-urgent or emergency health and safety PPM work were put on hold. The refurbishment work has fallen into the non-essential category of work and is currently on hold. Until service charge collection rates improve there is not enough money in the service charge fund to pay for these works. This will not improve tenant confidence in the shopping centre as previously hoped, however in light of the current situation it is expected that tenants would prefer that service charge budgets are kept to a minimum.

The work on hold is not discretionary and will be undertaken at some point in the future.

Short-Term Mitigation Options

If it becomes clear that the risks identified are materialising, radical and proactive steps may be required to mitigate the impact of these on The Strand. Full business cases will need to be prepared for these options and have not been fully costed or appraised to date, but these options will be kept under review as part of operational management reporting. These may include closure of parts of the Strand, temporary lettings, service charge reductions, and further fee reductions.

Work also continues in engagement with potential occupiers and partners, notably in the health sector, to minimise vacancies, increase footfall and maximise community usage. Moreover, evaluation of options for vacant units that align with longer-term strategy (e.g. leisure uses) will continue.

Opportunities for The Strand

There are several key options available to Sefton Council to mitigate the impact of the pandemic and of change in the sector on The Strand, and to use the role as landlord and Local Authority to catalyse an exciting development opportunity for The Strand and the wider community. This was the original premise of the acquisition. Accelerated structural shift in retail post covid-19 means that town centres require proactive intervention to ensure they remain relevant and purposeful spaces for their communities.

As landlord, Sefton Council can take an exciting, medium- to long-term vision for the Strand, which the private sector would not be able to.

This will result in better outcomes for our communities, and ultimately in improved return on financial investment.

Sefton Council continues to progress vision, strategy and action plan for the future of the Strand, of the town centre, and the whole of Bootle. This process will continue to be delivered collaboratively with communities and stakeholders, including through the Area Action Plan process now underway.

The future of The Strand must be:

People First

A plan developed through consultation and engagement with communities, delivering positive economic, social and environmental outcomes for those communities

Connected

Building on proximity to Liverpool and to the new Everton FC stadium, and on strong transport and digital connectivity

Green

An environmentally-sustainable asset that aligns with Sefton Council's strategy for climate emergency

Resilient

A diversified proposition that complements the wider town centre offering and is regionally competitive through its distinctiveness

Redevelopment Opportunities

Sefton has a clear vision for the borough, and for the town, as formulated in the Sefton 2030, Bootle Town Centre Investment Framework 2016 and the Strand Vision 2035 documents. The Area Action Plan work presently underway will also support this. The Strand needs to become a desirable location for residential, education and business uses by introducing a variety of new offerings including leisure, culture, restaurants, health and community activities, and public space.

The Strand of the future needs to be better configured and to provide the following attributes:

- Open plan design
- Integrated into the rest of Bootle town centre and the surrounding area.
- Reduced retail footprint
- Introduce alternative uses including a focus on culture, F&B, leisure and extending the evening economy.
- Provide a town square with quality public realm.
- Be open to the canal and take advantage of the waterside setting.
- Provide better links to Washington Parade and Stanley Road

There are several immediate priorities for the repurposing of The Strand. Bootle town centre needs to take advantage of the opening of the new Everton Football Club stadium at Bramley Moore Dock in the coming years, while recognising the current and anticipated changes in retail and in the world of work.

Bootle Canalside

Short-term actions in this respect include the transformation of the canalside site on Washington Parade into an exciting new events and entertainment space. Work is now underway to transform the site into a vibrant space to host a range of events from Summer 2021. Initial clearance works on the Washington Parade site has now finished, allowing contractors to begin stage two of the project, which will see the space opened up to create a dynamic, multi-purpose venue that will sit alongside the waters of the Leeds Liverpool Canal. This would include a



Page 146	Universification	<ul style="list-style-type: none"> Retention of a smaller retail footprint aligned to customer needs A flexible office accommodation offering for the future world of work Leisure, food and beverage offers that build on proximity to the city of Liverpool and to the new Everton FC stadium, and support extension of the evening economy Public spaces and other uses that enhance the area and maximise the canalside location
Distinctiveness		<ul style="list-style-type: none"> Reflective of Bootle and its history, character, community and values Recognising the need to differentiate the offer from other secondary towns across the region Building on our assets: <ul style="list-style-type: none"> The Leeds – Liverpool Canal Excellent public transport links Sefton’s high-quality digital infrastructure Expansion of the Port of Liverpool The growth and success of Hugh Baird
Driven by communities		<ul style="list-style-type: none"> Formal and informal consultation, engagement and communications throughout the planning and development process Creating opportunities for local offerings in retail, culture, food and beverage, and beyond An environment for events led by communities, and for communities A vision, a project and an asset that build on and engender pride and belonging in Bootle

food, drink and leisure offer, new events spaces and an urban garden. Other enhancements in this area will also improve the environment and open up the canal, with vegetation clearance enabling use of that space. An exciting calendar of events is envisaged which, subject to restrictions at the time, would include a Food and Drink Festival later in the Summer, and a Christmas Market from December 2021. The hosting space will aim to bring new activity to the under-used land as the long term regeneration of Bootle develops; stimulating the local economy, transforming the look and feel of the town for residents, businesses and visitors and improving the quality of life for the community. The Festival of Ideas managed by Make CIC in 2020 has provided a strong platform to understand what the Bootle community wants to see from this project.

would complement plans already in place at Bootle Canalside for a food, drink and events space. Although work continues to progress the project in advance of feedback on the bid, such a leisure attraction could include a unique “Fly Over Britain” experience, along with immersive shows focused on the history of Bootle and the region.

Additionally, Everton Football Club are supportive of the Levelling Up Funding bid, given the site’s proximity to the new stadium location at Bramley Moore Dock, transport commitments made through the planning process to connect Bootle Town Centre, the proposed stadium development, and mutually beneficial community and regeneration opportunities for canalside and towpath links between the stadium site and Bootle Town Centre.

Levelling Up

June 2021 Sefton Council submitted bids for projects across Sefton as part of the Government’s Levelling Up Fund. If successful, funding will help kickstart regeneration and recovery in parts of the borough, including Bootle, that have been hit hardest by the COVID-19 pandemic, bringing jobs and investment to the area and supporting the development of the vision for the Strand.



The project submitted as part of the bid will support the ongoing regeneration and recovery as part of the wider transformation of Bootle, including the Bootle Area Action Plan and the wider regeneration of Bootle town centre. The proposed bid for Bootle will include exploration of new visitor attraction in the town centre. A ‘Flying Cinema’ would be a unique and complementary part of the region’s visitor offer and will help diversify use and increase town centre footfall. This interactive and immersive experience

The project development process will remain community-focused, drawing from local community consultation and engagement in recent and forthcoming weeks and months, in particular from young people, schools and colleges.

Running concurrently with the Canalside project the strategy to realise the vision for The Strand will continue to develop, addressing the challenges and maximising the opportunities ahead for the asset and for Bootle’s town centre.

Appendix

Current Asset SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ Sefton Council are a proactive and fully engaged local authority. ■ Development feasibility work has demonstrated that a repurposing of the centre is possible. ■ Only 5 tenants contribute more than 4% of rent ■ Loyal local catchment ■ Strong level of footfall at 6,800,000 p.a. ■ Considerable number of national brands trade from the centre ■ Affordable rents ■ Positive feedback from retailers on trade (pre covid-19) ■ Convenience led scheme with focus on serving people’s needs. 	<ul style="list-style-type: none"> ■ Significant oversupply of retail space in the town centre is putting downwards pressure on rents and occupancy. ■ High concentration of fashion tenants, increasing the risk of default. ■ Redevelopment would not be viable for the private sector to deliver in the short/medium term. ■ Bootle has an estimated 160,000 sq. ft too much retail (To be validated further). ■ Number of temporary tenants and those on flexible leases ■ Impending HMRC and Santander office closures ■ Number of small units in the centre ■ Number of voids / temporary tenants in The Palatine ■ M&S closure ■ Phase 1 looks dated. ■ Lack of available capital expenditure can put lettings at risk, particularly for units in poorer conditions.
Threats	Opportunities
<ul style="list-style-type: none"> ■ Short WAULT. ■ Further potential tenant defaults could affect short/medium term cash collection. ■ Further lock down measures could affect collection statistics. ■ Competing schemes ■ Unforeseen administrations and further CVAs ■ Unexpected decision making by retailers. ■ Number of expiries and breaks over the next 3 years, the WAULT to break is 2.4 years. ■ External factors including declining consumer confidence, Brexit and a global economic slowdown. ■ Weak retail market facing increasing cost pressures. ■ Retailers’ requirements for increased flexibility and risk aversion ■ Potential recurrence of structural issues 	<ul style="list-style-type: none"> ■ Exciting vision for The Strand led by Sefton. ■ Acquisition of additional sites ■ Canalside projects bring vitality to the town centre. ■ New capital funding streams. ■ There is an under-provision of offices in the town centre according to Ellandi’s data. ■ To let vacant units particularly in Mons Sq. and Medway ■ By redeveloping the Palatine, removing surplus retail space and creating competitive tension in the remainder ■ To attract different uses in the centre ■ To relocate and upsize key tenants.

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Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Development of Child Poverty Strategy		
Report of:	Executive Director	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Communities and Housing		
Is this a Key Decision:	N	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

In 2012, Parliament voted to modernise the welfare system and Universal Credit remains the biggest transformation of the welfare state, forming a key part of this Government's action to reduce reliance on benefits and increase incentives to work.

For the last seven years Sefton Council and key partner agencies across the private, voluntary, community and faith sectors have worked collaboratively to mitigate the risk of the changes to the welfare system on residents in receipt of benefits. These efforts were increased in 2017 as Universal Credit began to be rolled-out across Sefton.

As a result of the unprecedented times experienced due to the COVID-19 outbreak the impacts upon welfare reform and anti-poverty have been felt across Sefton's communities. The Welfare Reform and Anti-Poverty Partnership (WRAP) and Cabinet Member Reference Group has been, and continue to be, responsive to community needs and have been considering the evidence base and impact of child poverty within Sefton

In addition, the Council declared a poverty emergency at its meeting 4th March 2021 as follows:

RESOLVED: That:

This council notes the increase in food bank use around the country and in Sefton in particular.

Council also notes fuel poverty is also very evident in Sefton with the number of households being fuel poor being higher than the national average.

This council notes that the highest single reason for need is 'low income'.

Council also notes the success of the progress of the Climate Emergency declaration and that by aligning this with a Poverty Emergency believes that a commitment to a People and Planet approach will aid recovery and renewal.

This council believes it is time for change and that recognising socio-economic deprivation is an equality issue.

Therefore, this council resolves to:-

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- Declare a Poverty Emergency.
- Ensure that the poverty emergency workstream sits alongside the Climate Emergency Declaration workstream.
- Develop a poverty emergency strategy which takes a people and planet approach.
- Take a collaborative and evidence-based approach, working more closely with health, trade unions, further education facilities and community groups.
- To share our approach with other councils and the LGA as best practice.

Recommendations: That

- (1) the welfare reform and anti-poverty update as detailed within this report be noted;
- (2) the development of a childhood poverty strategy be approved, and
- (3) The resulting strategy be submitted to a subsequent Cabinet meeting for approval.

Reasons for the Recommendations:

To highlight the work of the WRAP Partnership and Member Reference Group and to gain approval for the development of the strategy.

Alternative Options Considered and Rejected: (including any Risk Implications)

None

What will it cost and how will it be financed?

(A) Revenue Costs

There are no significant revenue costs associated with this recommendation and any expenditure on the development of the strategy will be contained within existing resources.

(B) Capital Costs

There are no capital costs associated with this recommendation.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
There are no resource implications
Legal Implications:
There are no legal implications
Equality Implications:
The equality implications are positive. A childhood poverty strategy will redress the negative impact of poverty exacerbated by the COVID pandemic. The strategy will build

resilience through strategies to prevent families falling into poverty, early support to help those already in difficulty and long term strategies to sustain community resilience.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	Y
Have a neutral impact	N
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N

Fuel poverty mitigation is one on-going area that fulfils the Council’s aims around both the climate emergency and the child poverty strategy. Others will be identified through the course of the strategy development.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable:
The child poverty strategy will enable the Council to protect the most vulnerable children and young people within available resources.

Facilitate confident and resilient communities:
The strategy will focus on early intervention and prevention, working with communities to develop relevant and responsive interventions to build resilience against the drivers of poverty. Actions will improve mental wellbeing, addressing stigma and exclusion; improve digital inclusion; increase family income and improve opportunities for employment.

Commission, broker and provide core services:
The Council will work with partners across the statutory, community, voluntary and faith sectors to ensure supportive and enabling services are in place to support families.

Place – leadership and influencer:
The strategy will enable the Council to provide leadership through engagement, consultation and coproduction of strategies that prevent and mitigate against the impact of child poverty.

Drivers of change and reform:
The strategy will ensure that policy, service provision and initiatives help to reduce the level of child poverty recorded in Sefton.

Facilitate sustainable economic prosperity:
The strategy will raise the profile and importance of anti-poverty actions to protect our most vulnerable residents and promote a fairer and more sustainable economic environment.

Greater income for social investment:
This strategy is unlikely to create additional income for social investment.

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Cleaner Greener

The climate change impacts will be monitored across the strategy development.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6412/21) and the Chief Legal and Democratic Officer (LD.4613/21.) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The Welfare Reform and Anti-Poverty Partnership have been and will continue to be engaged in the strategy development.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer:	Andrea Watts
Telephone Number:	Tel: 0151 934 2030
Email Address:	andrea.watts@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

Child Poverty in Sefton and impacts of the Coronavirus Pandemic – Discussion Paper

Background Papers:

There are no background papers available for inspection.

1. Background

- 1.1 In 2012, Parliament voted to modernise the welfare system and Universal Credit remains the biggest transformation of the welfare state, forming a key part of this Government's action to reduce reliance on benefits and increase incentives to work.
- 1.2 For the last seven years Sefton Council and key partner agencies across the private, voluntary, community and faith sectors have worked collaboratively to mitigate the risk of the changes to the welfare system on residents in receipt of benefits. These efforts were increased in 2017 as Universal Credit began to be rolled-out across Sefton.
- 1.3 The Welfare Reform and Anti-Poverty (WRAP) Cabinet Member Reference Group is chaired by the Cabinet Member for Communities and Housing and its membership includes Cabinet Members for Adult Social Care, Health and Wellbeing and Regulatory, Compliance and Corporate Services, and senior officers for Communities, Health and Wellbeing, Strategic Support and Customer Centric Services.
- 1.4 The reference group provides the main forum for strategic discussions about WRAP including receiving and responding to policy developments, consultations, approaches to work jointly with other organisations, and ideas for local action. The reference group contributes to and works collaboratively with the WRAP Partnership Steering Group in the development and delivery of the local Partnership Action Plan.

2.0 Partnership Action Plan 2020/21

- 2.1 The Partnership Action Plan 2020/2021 was driven by the overarching vision for Sefton 2030 as a confident and connected borough with the aim to:
 - Create conditions which enable everyone to fulfil their long-term potential
 - Support vulnerable adults and families and keep them safe, healthy and as independent as possible
 - Work in partnership across sectors to support the residents of Sefton as early as possible
- 2.2 The plan set out how we will achieve improvement across the partnership focussing on four structural priorities: Local Intelligence, Referral Pathways, Workforce Development, Sustainability and four developmental priorities:
 1. Money Management
 2. Friendship
 3. Essentials
 4. Fuel Poverty
- 2.3 As a result of the unprecedented times experienced due to the COVID-19 outbreak the impacts upon welfare reform and anti-poverty have been felt across Sefton's communities. The WRAP has been, and continue to be, responsive to community needs. For 2020/2021 the key issues are outlined below:

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1. Community Resilience

- Access to food – holiday meals, shopping services, food pantries, community shop
- Access to services, including those accessing services for first time – Lydiate pilot

2. Mental Health and Wellbeing

The pandemic has exacerbated mental health and wellbeing issues.

Issues highlighted by the WRAP Partnership include the impacts upon mental wellbeing of:

- redundancy and debt
- loss of loved ones
- family break-up

The WRAP Partnership is an important and valued forum to be able to share service information and awareness to access to mental health and wellbeing support.

3. Digital Poverty

Access to digital resources and digital confidence became the new great divide as a result of the pandemic. There has been a need to adapt services for those who do not have resources and/or lack confidence. Longer term implications of restrictions and the use digital for education, employment and engagement has been an important consideration of WRAP. The WRAP Partnership is a key forum to share information about support programmes and initiatives locally and regionally.

4. Universal Credit and Discretionary Funds

Early in the pandemic it was seen that lower income families increased their use of high-cost products like credit cards and overdrafts as well as informal loans and monetary gifts to make ends meet without access to sustainable income. The period March – April 2020 saw a 39% increase in the number of people on Universal Credit in Sefton. For working families in poverty, the increase in Universal Credit was not enough to bridge the gap.

- 2.4 The Council has continued to support those who have been financially disadvantaged through ELAS, council tax reduction caseload, discretionary housing payments and exceptional hardship fund. The Council has also implemented the job retention scheme furlough, test and trace support payment to those self-isolating, kick start scheme to support young people to build their experience and help them move into sustained employment. Sefton Council is also implementing a debt respite scheme (breathing space) which will give someone with problem debt the right to legal protections from their creditors. This scheme includes additional protections for those experiencing mental health crisis.

3.0 Childhood Poverty

- 3.1 Childhood poverty is the first step to poor physical and mental health, and the largest impact on infant mortality is poverty.

- 3.2 On 1 April 2021, the Welfare Reform and Anti-Poverty Cabinet Member Reference Group received a detailed report in relation to child poverty in Sefton and the impacts of the Coronavirus pandemic (Appendix A). The report outlines indicators and drivers for childhood poverty, the impacts of growing up in a low impact household and the impact of the COVID-19 pandemic on the causes and consequences of poverty.
- 3.3 It was noted that there was an increasing trend of those in absolute low income and relative low-income families, and eligibility to free school meals prior to the pandemic.
- 3.4 It was discussed that for working families in poverty the increase in Universal Credit was not enough to bridge the gap.
- 3.5 The profile of jobs in Sefton highlighted in the report include retail, health and care, and hospitality and leisure. It was noted that these sectors are lower income, less likely to be able to work from home and include populations at higher risk of exposure to COVID-19.
- 3.6 It was reported that the pandemic has adversely impacted childhood poverty in a number of ways including:
- Household income
 - Employment opportunities
 - Access to services
 - Cost of living
 - Mental health
 - Physical wellbeing
 - Access to education, learning and development
- 3.7 Prevalence of mental distress was discussed. National research shows that those with poor mental health have a 50% higher likelihood of having a low income and are 70% more likely to experience persistent poverty.
- 3.8 Social mobility and pay potential were discussed. It was noted that Sefton has a relatively small gap in terms of education attainment but a large gap in pay potential in employment.
- 3.9 Cabinet Members were in agreement that the report should be the start of a call for action of prevention, mitigation and provision of immediate basic needs.. It is recommended that Cabinet supports the development of a Sefton Childhood Poverty Strategy that recognises socio-economic deprivation as an equality issue, aligns programmes taking place across the Council and partnerships, and provides strategic synergy to reducing childhood poverty in Sefton through collaboration and partnership. In developing a Sefton Childhood Poverty Strategy, mapping and engagement activities will be undertaken.

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Appendix A

Briefing to: Welfare Reform and Anti-Poverty Cabinet Members' Reference Group

Briefing from: Margaret Jones, Director of Public Health

Date: 1 April 2021

Subject: Report for discussion on Child Poverty in Sefton and impacts of the Coronavirus Pandemic

1. Background and introduction

Purpose of report

Growing up in conditions of poverty has long been recognised as a defining influence on health and wellbeing across the life-course and a persistent driver of health and income inequality. The term child poverty encompasses a wide range of experiences and impacts. These add up to a major set of challenges and obstacles that make it much more difficult for children to reach their potential as they grow and develop, whether in health and mental health, education and employment, or other life goals.

At a population level, child poverty is a strong predictor of future health and socio-economic disadvantage, but in some parts of England and in some groups of the population this relationship is weaker. Taking effective, wide-ranging action to protect children and families from the short- and long-term effects of poverty is a clear priority with benefits for everyone.

The purpose of this report is to provide the Welfare Reform and Anti-Poverty Cabinet Members' Reference Group with up to date information on the issue of child poverty in Sefton. The report will provide the basis for further discussion on current and possible future actions arising from the Coronavirus pandemic.

The report includes:

- Overview of key definitions and the main measures of child poverty and child deprivation
- Description of the scale and distribution of childhood poverty in Sefton, including trends and comparators
- Summary of drivers of child poverty and how these relate to health and social inequalities
- The impact of child poverty on life chances and opportunities
- The added impact of the pandemic on the causes and consequences of child poverty
- Responses to child poverty

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Summary statistics

- The latest Government figures published in June 2020 for 2018-19 show that in Sefton 10655 (18%) of children and young people aged 0-19 were living in relative poverty, equivalent to 6 in a class of 30
- Individual Universal Credit Claims have increased by approximately 80% since then, including amongst young people of school-leaver age and adults who may be parents to children of school age. This gives an impression of the magnitude of the expected increase.

Summary of key points

- Pre-pandemic Sefton had a higher than average rate of workless families. Child poverty related to in-work low income families has grown significantly because of the pandemic. The number of individuals in employment and in receipt of Universal Credit was twice as high in January 2021 compared to March 2020.
- 16-24 year olds are already encountering higher unemployment, hardship and uncertainty. Higher growth in poverty amongst primary children is likely to continue.
- Children who are experiencing continuing or new in-work poverty may be at higher risk of experiencing the biggest deterioration in health, social and financial wellbeing related to the pandemic. It is important to note that these negative effects are common, serious and ongoing.
- Temporary and permanent changes in the labour market introduce a period of instability and uncertainty for many and a need to support new skills development and re-orientation for low income households who are also more likely to be experiencing a downturn in mental health.
- The expected impact of the pandemic on child poverty is an increase in health, social and income inequality – with a larger number of children at risk from poverty and a wider gap in those outcomes, which are most strongly associated with household income and community level deprivation.
- The impact of Coronavirus on need and inequality will require long-term action to mitigate impacts across the life-course. Equity-centred whole place approaches as set out in Health and Wellbeing Strategy and Children and Young People's Plan continue to provide the relevant framework to guide the response to changing patterns of need amongst children.
- Existing activities to prevent, mitigate and respond to income deprivation affecting children and families, which are championed through WRAP have an essential role to play. Important secondary benefits can accompany delivery of this support to families, e.g. enhancing social inclusion, demonstrating respect and boosting self-worth.

Recommendation

Cabinet Members of the Welfare Reform and Anti-Poverty Reference Group are requested to note this report for further discussion and identify any aspects where further information or mapping of support to changing needs may be required.

1. Overview of key definitions and the main measures of child poverty and child deprivation

There are four widely used measures of child poverty: children living in absolute low income families, children living in relative low income families, Income Deprivation Affecting Children, and Children Eligible for Free School Meals

Percentage of children under 16 living in absolute low income families¹

The Government updated its measures of absolute and relative child poverty in 2020. Children are counted in the 'Percentage of children (under16) living in absolute low income families' statistics if their family has claimed one or more of Universal Credit, Tax Credits or Housing Benefit at any point in the year and their gross personal income before housing costs from benefits/tax credits, employment and occupational pensions is less than 60% of the middle-ranking (median) household income *from 2010/11*, adjusted for inflation and family size.

This measure of absolute poverty is useful for understanding how low incomes are changing with respect to cost of living, anchored to a fixed point. A reduction in this measure would suggest that some low income families had experienced an increase in income above inflation.

Percentage of children under 16 living in relative low income families.²

The percentage of children in relative low income families is similar to the absolute measure of child poverty above, but sets the income threshold as 60% of the *current* UK median income – the 60% income threshold moves each year as the national range of household income changes. Relative low income is useful for understanding the proportion of children experiencing life in a low income household currently and how this situation compares to other areas.

A reduction in the percentage of individuals in relative low income can be caused when the threshold, based on current median income stays the same, or goes up, but low income households see a proportionately bigger increase. Alternatively, median income may fall overall, with lower income households falling less than the average.

Eligibility for free school meals

¹https://fingertips.phe.org.uk/profile/public-health-outcomes-framework/data#page/6/gid/1000041/pat/6/par/E12000002/ati/102/are/E08000014/iid/93701/age/169/sex/4/cid/4/page-options/ovw-do-0_car-do-0

² https://fingertips.phe.org.uk/profile/public-health-outcomes-framework/data#page/6/gid/1000041/pat/6/par/E12000002/ati/102/are/E08000014/iid/93700/age/169/sex/4/cid/4/page-options/ovw-do-0_car-do-0

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Eligibility for Free School Meals is also based on being in receipt of a range of benefits. Some children who qualify for FSM will not be included in relative low income family statistics because their family income is above the threshold. Nevertheless, FSM eligibility is a valuable means of understanding changing patterns of need related to lower family income, both over time and from place to place.

This measure is important because it reveals inequalities in important outcomes in the early years of life, e.g. reaching developmental milestones and educational attainment. FSM is a stronger predictor of less good developmental and educational outcomes in some parts of the country and within some population groups than others. Places in which the link between FSM and less good outcomes in early life is weaker have been described as having better social mobility. The Government's Social Mobility Commission has continued to publish new research about factors that appear to be important in mitigating the impact of poverty on children's health and life chances.³

Income Deprivation Affecting Children Index (IDACI)

The Ministry of Housing, Communities and Local Government produces a multi-faceted measure of deprivation, called the Index of Multiple Deprivation or IMD⁴. This measure takes account of seven components of deprivation:

- Income
- Employment
- Education, Skills and Training
- Health Deprivation and Disability
- Crime
- Barriers to Housing and Services
- Living Environment Deprivation.

Whilst the measures of absolute and relative poverty outlined above are suited for understanding how many children are impacted by lack of financial resource to provide for basic needs, the IMD is useful for looking at areas where children are more likely to experience wider poverty of experience and opportunity, beyond family income.

IMD combines the domains listed above to produce a single score, which is usually simplified as a ranking from 1 (most deprived) to 10 (least deprived). The IMD measure speaks to the social and wider determinants of health and inequality model; for this reason, inequalities in important outcomes such as prevalence of health conditions or health behaviours, like smoking are often presented for the IMD groups 1-10.

³

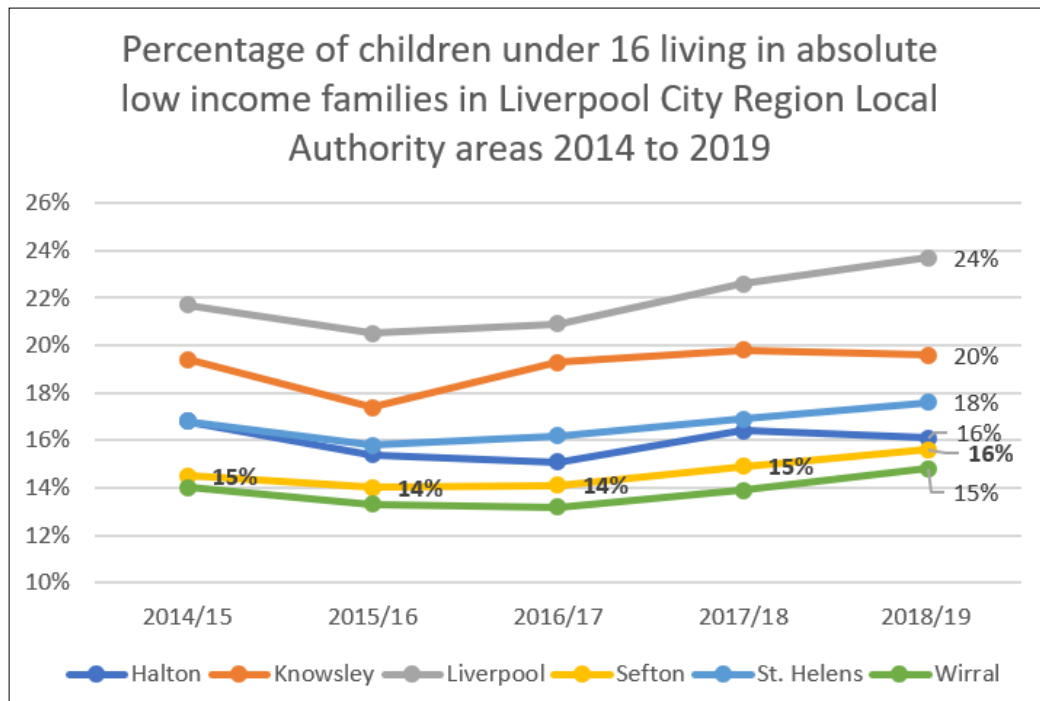
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/923623/SMC_Long_shadow_of_deprivation_MAIN_REPORT_Accessible.pdf

⁴ <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

The Income Deprivation Affecting Children Index (IDACI, 2019) accompanies the IMD and measures the proportion of all children aged 0 to 15 living in income deprived families, whether in or out of work.⁵

2. Description of the scale and distribution of childhood poverty in Sefton, including trends and comparators

Absolute low income families



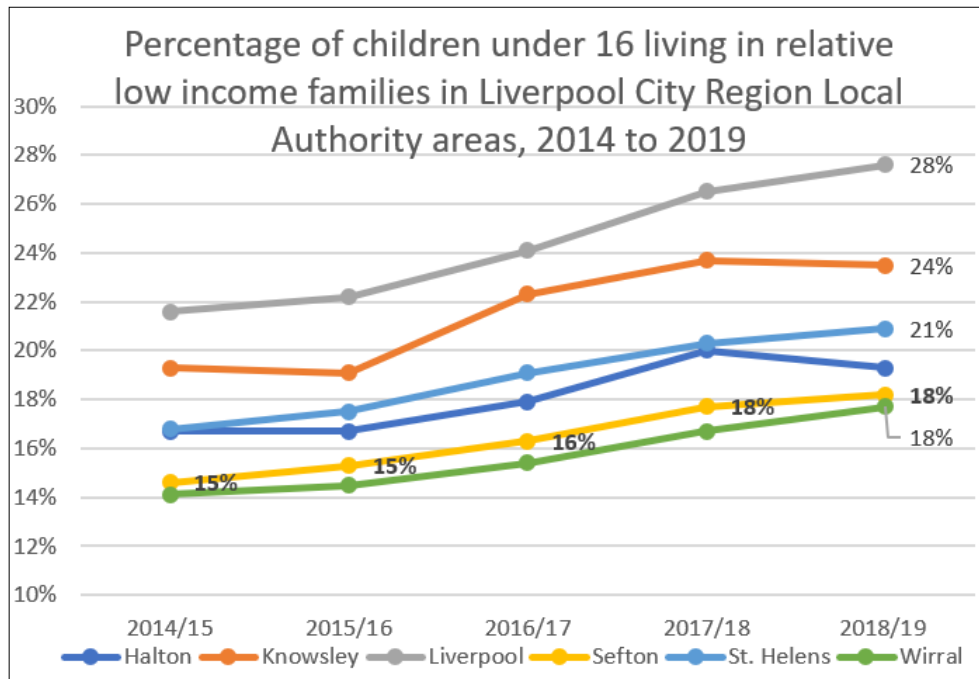
- The graph has the latest data published June 2020 and shows that in Sefton
- 16% (7479) of children under 16 are classified as living in absolute low income families
 - This is similar to the England average and previous years in Sefton
 - This measure of absolute child poverty is lower in Sefton compared to the North West average (19%) and most other Councils in LCR

⁵ p30

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/833951/loD2019_Technical_Report.pdf

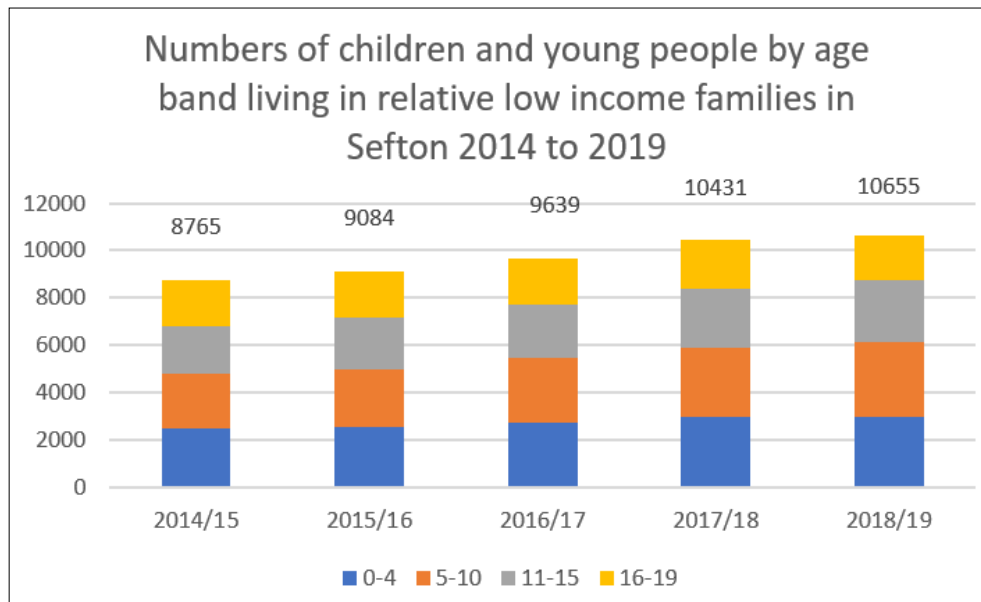
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Relative low income families⁶



- 18% (8733) of children under 16 are classified as living in relative low income families, similar to the England average
- This measure of relative child poverty is lower in Sefton compared to the North West average (23%) and most other Councils in LCR
- 7 out of the top 10 local authorities with highest relative child poverty are in the North West
- The proportion of children living in low income families rose from 15% to 18%

⁶ <https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-201415-to-201819/children-in-low-income-families-local-area-statistics-201415-to-201819>



- The relative low income figures above include 16-19 year-olds in education
- From 2014/15 to date, the largest increase was amongst 5-10 year olds
- 58% of children who experience life in low income families in Sefton are

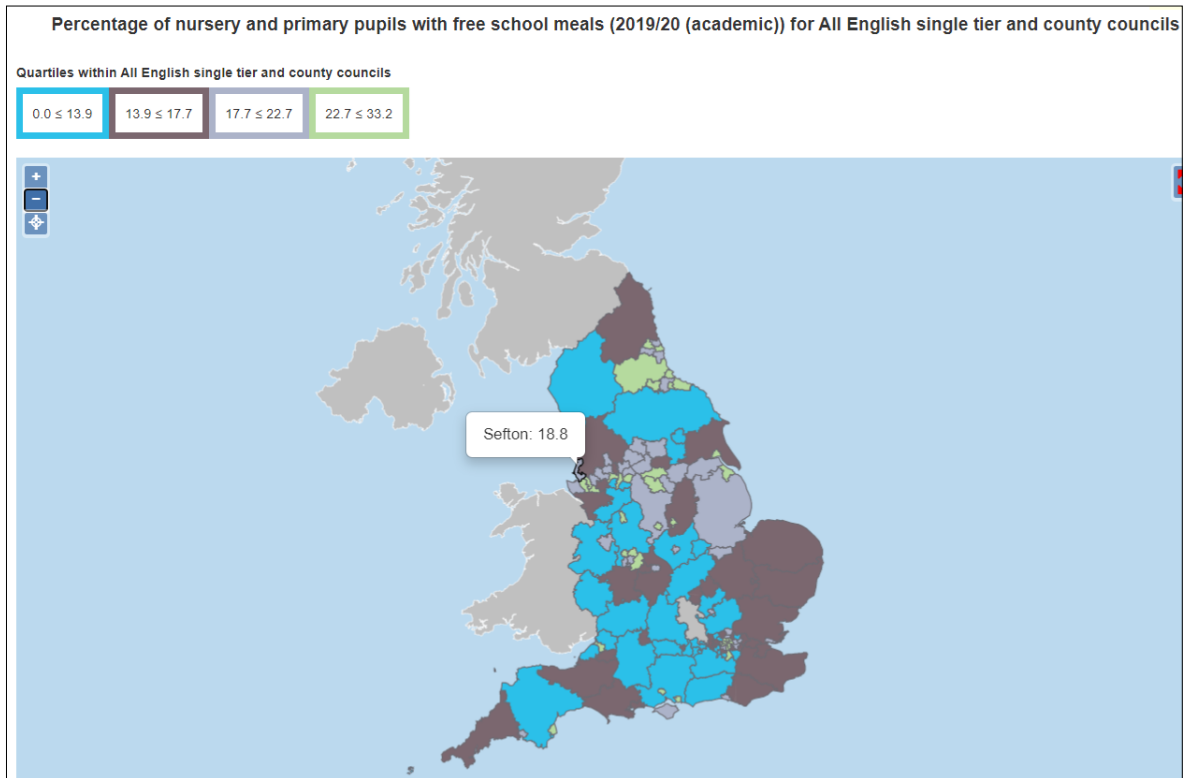
Taken together, these indicators show that in the five years leading up to the Coronavirus pandemic in 2020 a growing number and proportion of children in Sefton were living in low income households relative to typical household income in the UK; and although this trend had begun to level off a growing number of low income families were not seeing their income keep up with rises in cost of living.

Proportion of children eligible for free school meals - primary

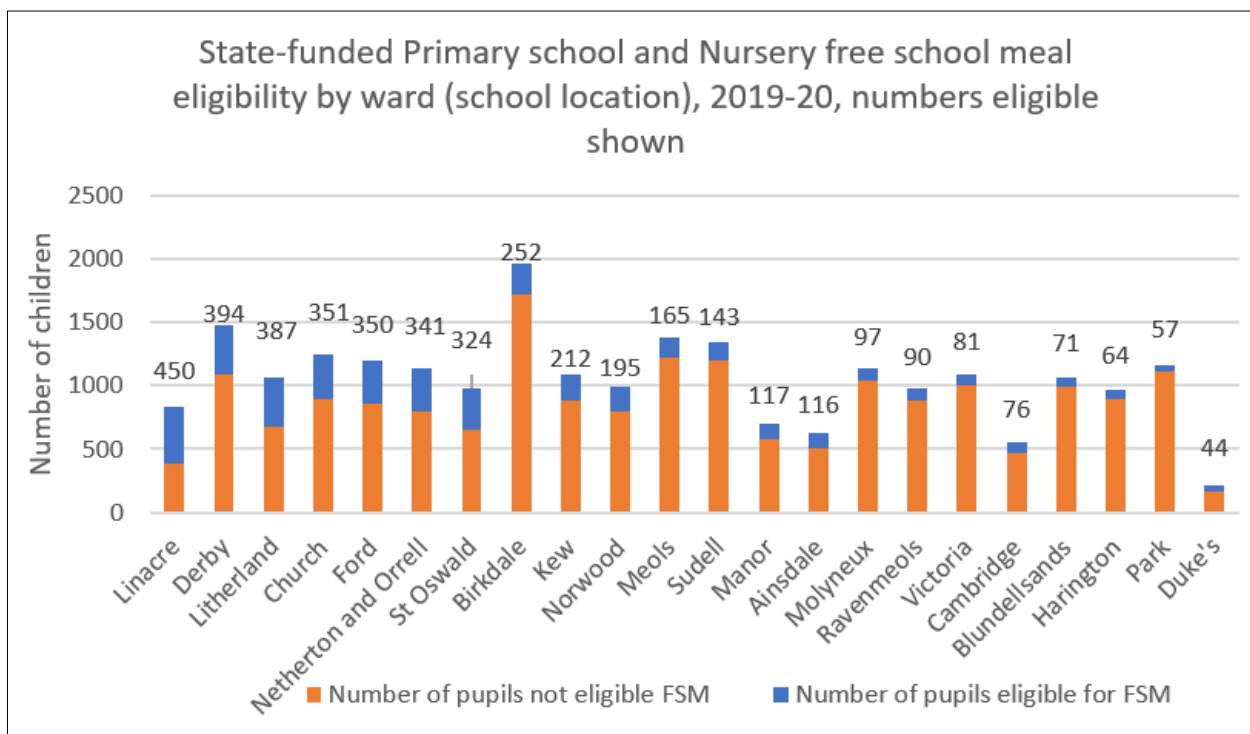
The map below shows the percentage of children in maintained nurseries and state-funded primary schools who are eligible and receiving free school meals (FSM) in local authorities in England.⁷ According to this latest data 1 in 5 of Sefton’s younger children are eligible for free school meals. However, there is ten-fold difference between the highest and lowest proportion of children when the location of schools is broken down to ward level.

⁷ https://lginform.local.gov.uk/reports/lgastandard?mod-metric=2173&mod-area=E08000014&mod-group=AllSingleTierAndCountyLainCountry_England&mod-tvne=namedComparisonGroup

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- In 2019/20 academic year 18.8% (4376) of primary age children in Sefton were eligible for free schools meals
- This is similar to England and lower than the North West average (20.8%)
- Sefton has seen a recent increase in eligibility from 15.7% in 2017/18



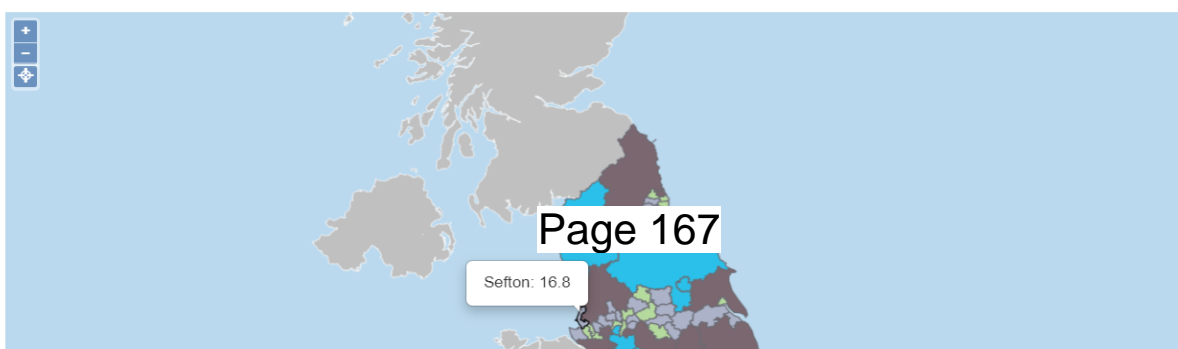
- There are children living in low income families in all parts of Sefton
- The lowest FSM eligibility for children attending school in Park ward is 5%; FSM eligibility is highest in Linacre ward is 54%
- Primary schools situated in Litherland, St Oswald, Netherton and Orrell, Ford, Church, and Derby have over 25% of children attending who are eligible for FSM

Proportion of children eligible for free school meals – secondary

The map below shows the percentage of children in state-funded secondary schools who are eligible for and receiving free school meals in local authorities in England⁸. According to this latest data 1 in 6 of Sefton’s older children and young people are eligible for free school meals. Secondary school catchments are larger and not every ward has a secondary school located within its boundary. However, there remains notable variation ranging from 7% FSM eligibility for schools located in Harrington ward compared to 44% eligibility for school located in Derby ward.

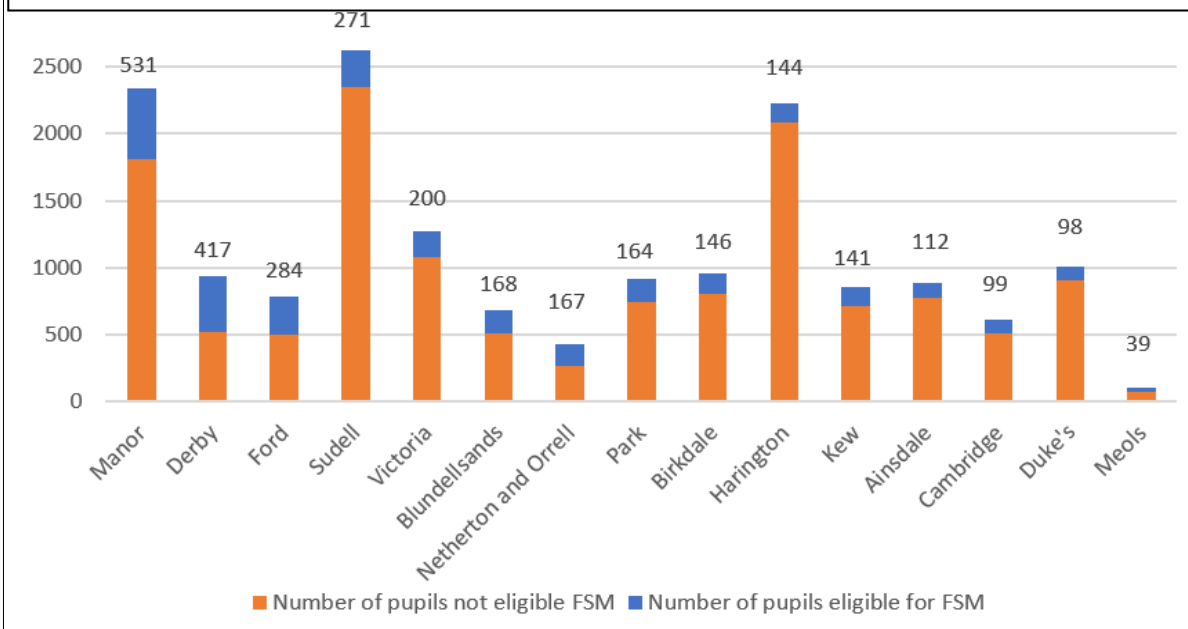
Percentage of secondary school pupils with free school meals (2019/20 (academic)) for All English single tier and county councils

Quartiles within All English single tier and county councils



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- In 2019/20 academic year 16.8% (2693) of secondary age children attending school in Sefton were eligible for free schools meals
- This is similar to England and lower than the North West average (20.2%)
- Sefton has seen a recent increase in eligibility from 13.7% in 2017/18

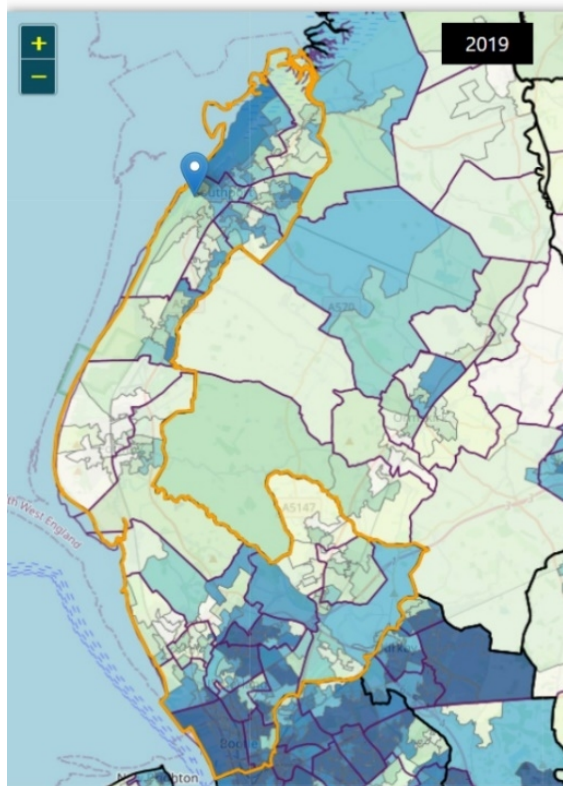


- Secondary and special schools situated in Derby, Ford, Netherton and Orrell, and Meols have FSM eligibility over twice the national average (range:36-44%).
- Schools situated in Manor, Blundellsands and Park wards have rates of FSM eligibility above the national average, (range 18to 25%)
- Uptake of the FSM offer is 73%. Most schools with lower uptake have a lower proportion of FSM eligible pupils. Possibly this pattern may reflect

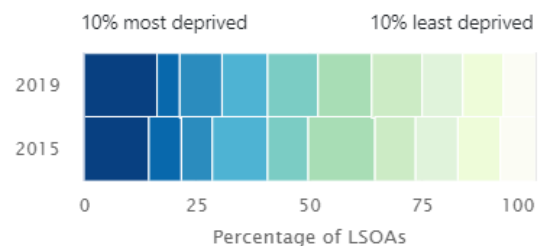
Income Deprivation Affecting Children (IDACI)

The map below⁹ shows IDACI at a neighbourhood (Lower Super Output Area, LSOA) level in 2019.

Income deprivation affecting children (IDACI) mapped to LSOA level in Sefton, with colour coding to indicate national ranking from 10% most deprived to 10% least deprived in 2015 and 2019



This chart shows the percentage distribution in 2019 and 2015 of LSOAs within Sefton, in each decile of the **Income Deprivation Affecting Children Index (IDACI)**.



- 31 out of 189 (16%) LSOAs in Sefton are in the top 10% most deprived LSOAs nationally.
- Between 2015 and 2019 the number of LSOAs in the most deprived group increased by 5, including 3 areas in Ford ward. All 31 neighbourhoods with the highest levels of income deprivation affecting children are in south Sefton
- Sefton has 5 LSOAs amongst the 1% most deprived in England and 5 LSOAs

⁹ http://dclgapps.communities.gov.uk/imd/ioid_index.html#

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3. Drivers of child poverty and how these relate to health and social inequalities

Higher living costs, reduced earnings through job loss or benefit change, emergency costs such as replacing vital household goods, or a combination of factors can push families into poverty. Poverty is not caused by mismanagement of household income or reckless spending. The majority of children now living in poverty come from working households. Other risks associated with childhood poverty include, living in a large family, being the child of a teenage parent/s, having one or more disabled parents.

The main structural drivers of child poverty are:

Income

- Welfare and benefits policy

Reform to welfare policy has sometimes created financial disincentives to extend working hours, which contributes to patterns of long-term low income.

In the context of COVID-19 the furlough scheme, paying 80% of employee wages led to an important reduction in income, which was most acute for low income, in-work benefits claimants, even with a small increase in the standard universal credit payment. Periods of uncertainty surrounding income support schemes, notably in the early phase of the epidemic, and prior to announcements on extensions was associated with business closures and redundancies.

The statistics below give an indication of the increase in financial vulnerability caused by the pandemic.¹⁰¹¹

¹⁰ https://lginform.local.gov.uk/reports/view/lga-research/ficlga-research-report-financial-hardship-and-economic-vulnerability?mod-area=E08000014&mod-group=AllSingleTierAndCountyLaInCountry_England&mod-type=namedComparisonGroup

Universal Credit Claimants increase

- In March 2020 15920 people in Sefton were in receipt of Universal Credit, of whom 5056 (32%) were in employment
- By May 2020, an additional 9581 Claimants had been added – 3238 (64% increase) in in-work claimants and 9581 (58% increase) not in work
- In December 2020, the total is 27 249 claimants, which includes 10 012 (37%) in employment. This figure has almost doubled since March and the not in work portion remains 60% higher than before the first lockdown
- Compared to January 2020, the number of Universal Credit Claimants one year later is 82% at higher.
- This jump is seen across all age groups. 18-21 year-olds had the highest rate of universal credit claims in March (7%) and remain the group with the highest proportion of claimants - 12%, which is a third higher than the national average .
- The latest figures for children in workless households are published to regional level. At the end of 2019 11.5% of under 16s in the North West were living in workless households

Work-related benefits increase

- In March 2020 3.8% (6239) of 16-64 year olds in Sefton were claiming work-related benefits (GB average 3.2%)
- By May 2020 this had almost doubled to 7.3% (11985)
- In January 2021, the proportion of working age claimants remains high at 6.8% (11165 people), (GB average 6.2%).

Coronavirus Job Retention Scheme – furlough eligibility and uptake

- In Sefton 115900 employees were eligible for furlough under the Coronavirus Job Retention Scheme

- Delivery of benefits of benefits and employment support

Delivery of benefits services can be out of step with immediate financial pressures, resulting in additional hardship.

During COVID-19 the increased dependence on online service rather than in-person service interfaces created barriers to access for some, which were often most significant for those already in need of income support.^{12 13}

Digital inequality

- 49% of households on the lowest incomes do not have digital access
- Research into recent lived experiences of people living in poverty at the start of the pandemic captured this theme
“I'm sick of getting texts off the dole asking me to log on to my journal... I've told them before I have no internet. I have been trying to ring them but can't get through. I'm worried sick. Will I still get my payment which is due this week, do I have to be doing job searches? They are not really telling us much...”

¹² <https://www.cam.ac.uk/stories/digitaldivide>

¹³ <https://www.jrf.org.uk/blog/coronavirus-response-must-include-digital-access-connect-us-all>

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- **Access to income support services**

Physical and mental health conditions, which occur more commonly in people living in areas of high deprivation, can make it more difficult for people to engage consistently with income and employment support services and work if this is appropriate^{14,15,16}. Access to affordable transport, formal and informal childcare can be additional barriers. Family income can be reduced in the short or longer

Health, mental health and income

- People with poor health have a 50% higher likelihood of a having a low income and are 70% more likely to experience persistent poverty
- Compared to the general population who do not report health problems, people who report a mental health problem are more than twice as likely to live in relative poverty
- Longstanding mental health problems are a leading cause of long-term unemployment
- Employment Support Allowance Statistics from 2018 in Sefton show that 4% of 16-64 year olds were in receipt of ESA because of a mental health disorder
- Sefton ranks amongst the most deprived local authorities in both the health and employment domains of the Index of Multiple Deprivation 2019 and had a significantly above average rate of sickness absence before the pandemic

The impact of the pandemic on mental health

- The pandemic has caused a large-scale deterioration in mental wellbeing at a population level, the scale and pace of this change is considered unprecedented in recent times
- Groups most affected were broadly, women, people in the 16-24 age group and those with pre-existing lower mental wellbeing

term as a result.

- **Dependability of income**

A key aspect of living on a low income home is the ability to forward plan and respond to unexpected adverse events. Insecure employment, periods of severe financial stress and problems with unmanageable debt have a debilitating effect on mental health and emotional wellbeing for parents and children and is an underlying cause of harmful coping strategies such as gambling, tobacco addiction, alcohol and other substance use. Interruptions to household income severely impact on families' ability plan financially and to recover from unexpected or periodic costs. The informal safety net available from family and friends in more affluent communities means that the financial impact from job loss, illness or bereavement are likely to be more serious and lasting for people on low incomes.¹⁷

¹⁴ <https://www.ifs.org.uk/uploads/R145%20for%20web.pdf>

¹⁵ <https://lginform.local.gov.uk/reports/view/lga-research/lga-research-report-indices-of-deprivation-2019?mod-area=E08000014&mod-group=ALLaInCountry&mod-type=comparisonGroupType>

¹⁶ <https://www.ifs.org.uk/publications/14876>

¹⁷

<https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/datasets/parentalsplitestimatesonpersonalandeconomicwellbeingacrosstime>

Income, health risking behaviour and long-term health

Between April and December 2020 parents were more likely than non-parents to report they could deal with unexpected expenses 46% vs 27%; and were also more likely to report needing to use savings and remained more pessimistic about the financial outlook this year – 30% of parents believe 2021 will be worse for their household finances vs 23% of non-parents.

Chronic financial stress is an underlying factor in the higher prevalence of health risks in places and population groups affected by poverty. Managing on a low income makes the challenges of adopting and maintaining lasting behaviour change even greater. Exposure to these behaviours has direct and indirect impacts on the health and health behaviours of children. In time, the impact on health can affect ability to sustain employment. For example,

- In Sefton, 5.8% of adults earning a ‘professional’ level income smoke tobacco; but the rate is twice high amongst people who are unemployed and over 3 times as high (19.0%) amongst people in routine and manual occupations
- The rate of hospital admission related to alcohol is twice as high in areas with highest deprivation compared to the lowest
- Just over 1 in 40 of Sefton School Children had identified social, emotional and mental health needs in 2020. The recent and ongoing experiences of children in low income families. Unlike neighbouring LCR Local Authorities Sefton remains below the national average, but there continues a clear rising trend

Employment and the local labour market

The make-up of the local employment and labour market is a major determinant of income opportunity and future income potential for the local working age population, especially so for lone parents for example who depend more on jobs closer to home.

For children, the jobs that they are aware of in their local community have an influence on their expectations of employment and is linked to the concept of social mobility.

Jobs market and employment data for the whole of the financial year 2020/21 (covering the pandemic period) have not yet been published and the full impact of Coronavirus on jobs, the local economy, income inequality and childhood poverty will not be fully known for months, perhaps years to come. The statistics below highlight potential sources

vulnerability to low income families relating to the make-up of Sefton’s local economy and how this was affected by the pandemic.¹⁸¹⁹

¹⁸ https://lginform.local.gov.uk/reports/view/lga-research/ficlga-research-report-financial-hardship-and-economic-vulnerability?mod-area=E08000014&mod-group=AllSingleTierAndCountyLaInCountry_England&mod-type=namedComparisonGroup

¹⁹ <https://analytics.phe.gov.uk/apps/covid-19-indirect-effects/#:~:text=The%20Wider%20Impacts%20of%20COVID-19%20on%20Health%20%28WICH%29,COVID-19%20pandemic%20on%20the%20population%27s%20health%20and%20wellbeing.>

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Where do people work in Sefton?

- In terms of numbers of business operations in Sefton, prominent sectors are
 - Construction, business admin and support, retail, Arts, entertainment, recreation and other service enterprises, accommodation and food, transport and storage, manufacturing, health, information and communications, wholesalers, property businesses, motor trade, not for profit organisations, financial and insurance, education
- In terms of employment of Sefton residents, the biggest employments sectors are (2019):
 - Wholesale and retail, repair of motor vehicles and motorcycles (16000)
 - Human health and social care (16000),
 - Public administration (9000)
 - Education (8000)
 - Accommodation and food (7000)
 - Professional, Scientific and Technical (6000)
 - Finance and insurance, transport and storage, manufacturing, construction, arts, Entertainment and recreation, other services and information and communications employ between (1000-5000)
 - Other sectors (1360)
- 7845 business have operation in Sefton. 9 out of 10 have 9 employees or fewer, including 1295 run by sole proprietors. 0.3% of businesses are classified as large employers with 250 or more employees. This picture is broadly typical of UK local authorities.
- In 2019, 46% of Sefton employees held jobs in the highest paying professional and managerial classification; this proportion is below the national average of 49%. A higher proportion of residents worked in administration and skilled trades (23%) and service care and sales (18%) categories. The proportion of employees in the lowest paying group of jobs – processing and elementary occupations, is lower than the national average (12%, vs 15%).
- A large proportion of Sefton's employers require people to attend work, and this is reflected in the profile of Coronavirus cases where employer/occupation is known. 27% of employees work in the public sector, compared to 21% nationally and the proportion of Sefton employees working in health and social care is notably higher than the national average (17%, vs 13%).
- Part-time working is more commonplace in Sefton (38% of employees vs 32% nationally), which may be a reflection of the need for more flexible working associated with Sefton's higher dependency ratio (ratio of economically active people to dependents)

Impact of Coronavirus on work

- In the year up to March, 2020 just before the first national lockdown, 4000 working age people not in employment wanted a job. For the year up to September 2020, including the first 6 months of social and economic restrictions due to Coronavirus, this figure had risen to 6900
- Over the same period the biggest reductions in available roles were in lower paying occupations including Caring, Leisure, Sales and Customer Service, Process and Machine Operators and elementary occupations
- 12% of all UK businesses experienced a drop in turnover of 50% or more due to Coronavirus
- Of significance in Sefton, accommodation and food service businesses were more severely affected with national data showing 32% reporting a high drop in turnover, and 60% of staff on furlough in May 2020 and 22% in November 2020
- Wholesale, retail, accommodation and food services saw the highest

Cost of living

- Cost of living is the other main balancing driver of child poverty. The main costs of living are housing and household utility bills, communication (phone, internet), household furniture and appliances, transport, and day to day material needs like clothes, food, books and toys. Managing these costs on a low household income is made more challenging when opportunities to price compare, find and take advantage of best value options and secure credit are constrained, e.g. by access to internet, private transport, savings, other prerequisites.

A good example is the link between obesity and food poverty. Living on a low income can mean that families do not have access to the financial means to equip, use and stock a kitchen where they live, cannot easily shop online, or regularly visit large supermarkets and invest surplus income in good value products. High energy, low nutrients, low cost foods that take little preparation, are available within walking distance from home and which are familiar and enjoyable are a rational and understandable choice for families in these circumstances.

National research shows that reductions in income and spending were common at the outset of the pandemic, but that families on low incomes and with few savings soon reported food and fuel poverty and rising debts, whilst higher income earners frequently reported a rise in savings because of the unavailability of non-essential services.^{20,21,22}

²⁰ <https://www.resolutionfoundation.org/app/uploads/2020/11/Caught-in-a-Covid-trap.pdf>

²¹ <https://www.trusselltrust.org/heriot-watt-research-2020/>

²²

<https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/personalandeconomicwellbeingintheuk/january2021>

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Income impacts from the pandemic were widespread but unequal

- National research comparing incomes before and after the first national lockdown found that 23% of working age adults reported lower family income, almost half of new claimants saw income fall by over a quarter
- Parents were more than twice as likely to report reduced income, this peaked at 32% in May 2020, and had reduced to 18.1% in December 2020 (vs 10.8% non-parents)
- 81% of low income families reported lower income – those with income from employment were more likely to report this than benefits claimants not in employment pre-pandemic. 54% lowest income families had borrowed money to cover everyday costs
- 25% of adults reported reductions in household expenditure – higher income households whose income was maintained accrued savings
- 29% of families on lower income throughout the pandemic reported they could not afford daily heating costs or to have fruit and vegetables every day
- Food is the biggest day to day expense for low income families and loss of income from 80% furlough. not compensated for by increase in Universal

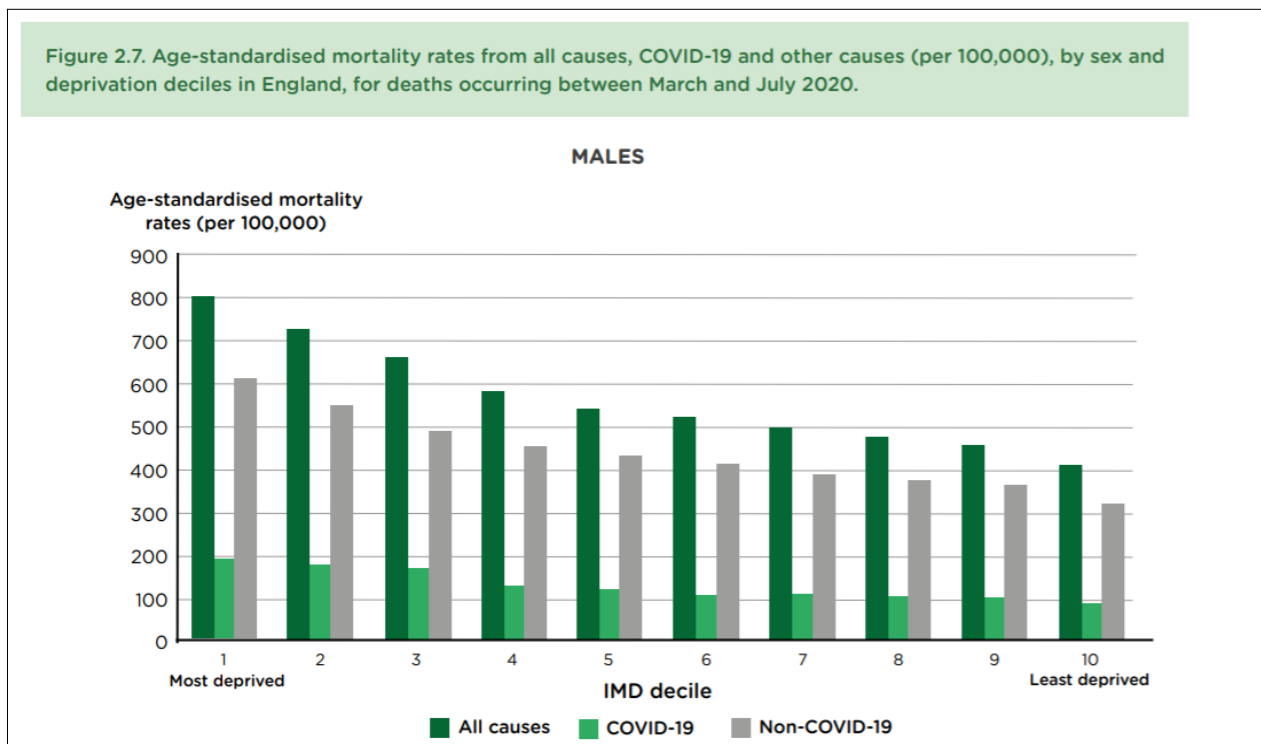
Income potential

- Managing costs living on a low income impacts quality of life, opportunity and social participation in day to day life. Over time, limits on these enriching experiences can affect how children see their place and their potential in the world.
- If parents and their children are to move into a more a more financially secure situation long-term this means developing greater income potential, for example through education, skills development, training and re-training. Sustained low income potential from one generation to the next is perhaps the major driver of entrenched patterns of health inequality in the UK. This is sometimes referred to as the cycle of poverty.
- Sefton has a slightly than average proportion of adults who have no qualifications (7.2%) and a lower than average proportion of adults with qualifications at or above NVQ level 4, which includes further education qualifications (33.9% in Sefton vs 40.3% nationally)
- Breaking this cycle for children cannot be fully achieved through single-focus interventions for example in education or parenting. Areas with higher social mobility benefit from other positive place factors – they are well connected, have high quality built and natural environments, diverse employment opportunities, and more integrated neighbourhoods that bring lower and higher income families closer together.
- Enabling more children to achieve to their potential and bridge the income gap in later life is now even more challenging. This is due to income-related barriers to home learning and exposure to a range of adverse childhood experiences that many children will have endured in the past year.

4. The impact of child poverty on life chances and opportunities

How do the drivers of poverty interact and what is the impact on children?

Thanks to the work of Michael Marmot, Margaret Whitehead and others the social gradient in health has become a familiar concept. The latest report of the Institute of Health Equity has many examples of worsening outcome moving in step with worsening deprivation.²³ The typical step-wise graph below shows death from Coronavirus, from other causes and from all causes for men in different IMD groups, from most to least deprived. With each step up the ladder of deprivation the risk of death goes up; at the extremes there is a two-fold difference in death rates, even after taking account of age.



This stepwise social gradient is present to a greater or lesser degree for most health, social and economic outcomes from early childhood to older age. This is because the root cause of the difference in outcomes is the difference in the conditions in which we are born, grow, live, work and age. The resources, surroundings and experiences that define our childhood years significantly determine the opportunities available to children to help them grow, learn and develop their potential.

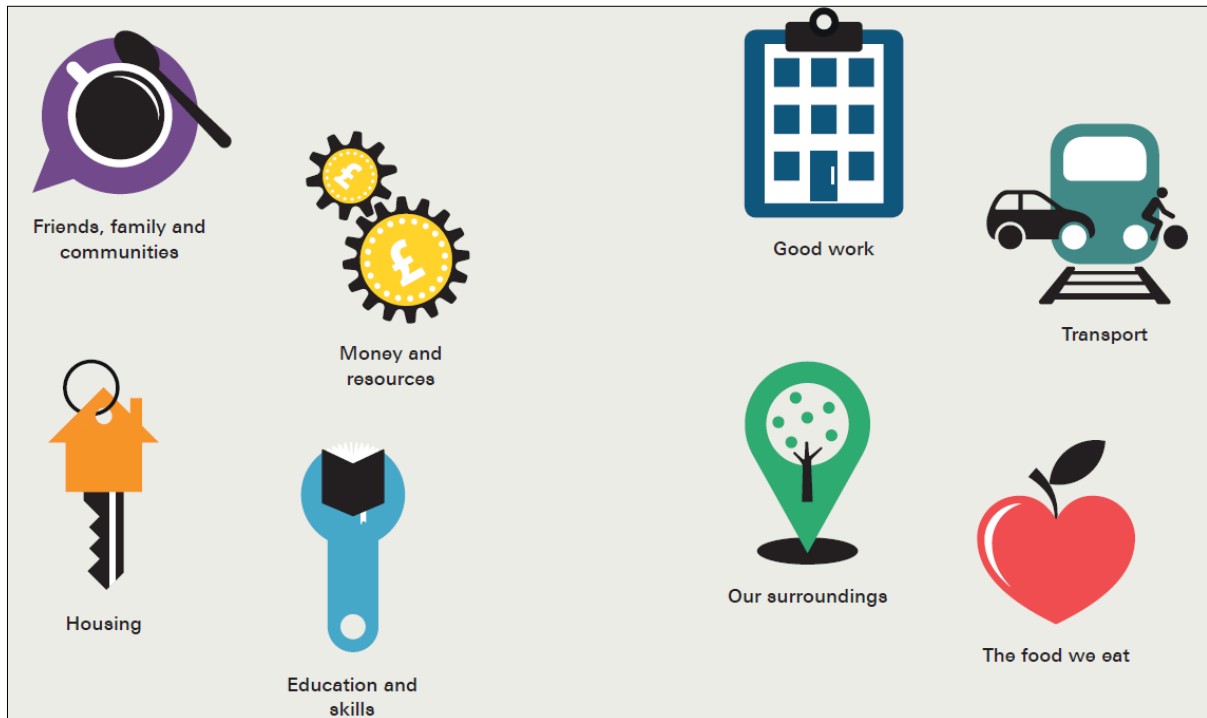
The most influential determinants are shown on the next page²⁴. When these are plentiful and high quality, the chances of experiencing good health and social wellbeing, gaining good qualifications and gaining income security through good employment is relatively high. But when these determinants are lacking, scarce or poor quality, children need to overcome a range of major obstacles and barriers if they are to attain similar outcomes to children growing up in less deprived circumstances. Most children are not in a position to do this, which leads to the predictable social gradient. The illustration on the

²³ <https://www.health.org.uk/publications/build-back-fairer-the-covid-19-marmot-review> p23

²⁴ <https://www.health.org.uk/sites/default/files/What-makes-us-healthy-quick-guide.pdf> p21

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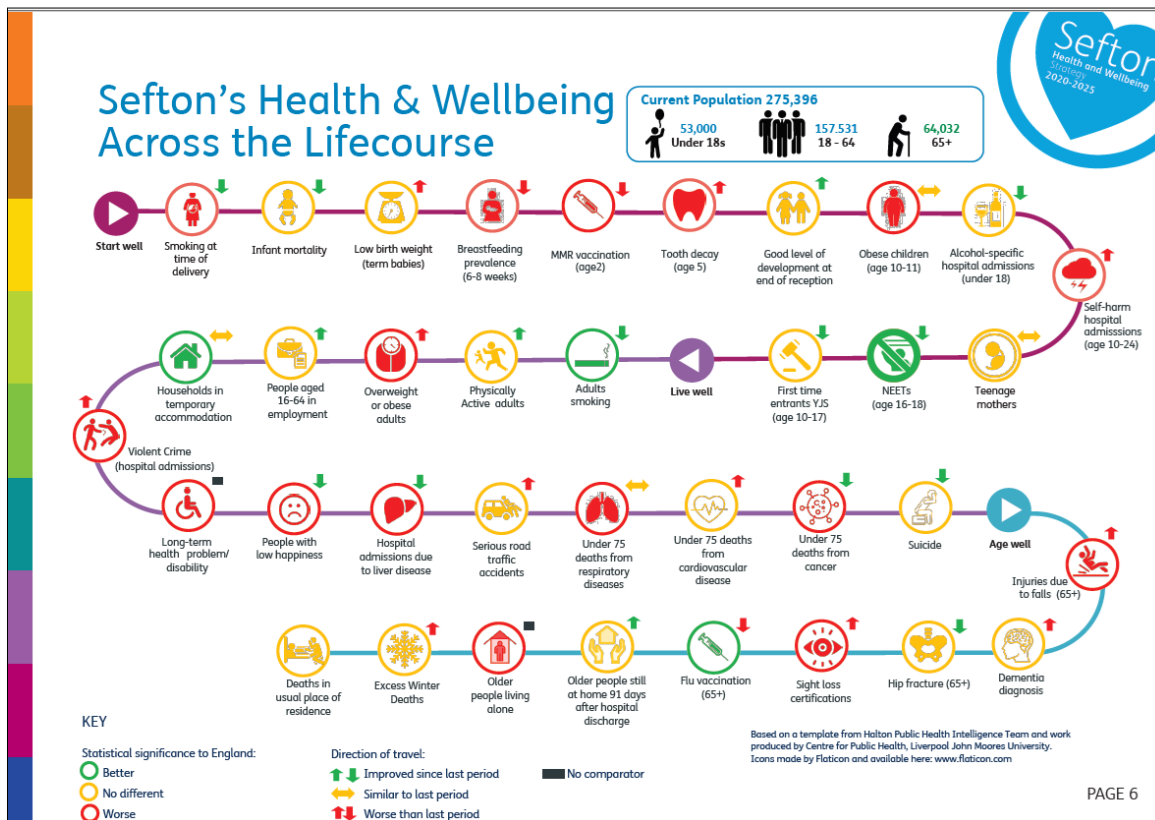
following page is from Sefton's Health and Wellbeing Strategy and shows what this looks like locally.



How does the landscape of social and wider determinants influence childhood experiences in low income families?

Gaps in these key areas of life tend to negatively reinforce one another. For example,

- Food poverty + poor housing + chronic parental stress => multiple challenges to effective learning both at school and at home
- Limited transport + poor quality neighbourhood environment + little or no money for treats and days out => narrower range of experiences and less direct knowledge of the opportunities open to children and young people
- Low education and skills + low money + similar in child's family and friends network => sets expectations and norms, exposure to adverse childhood experiences more likely



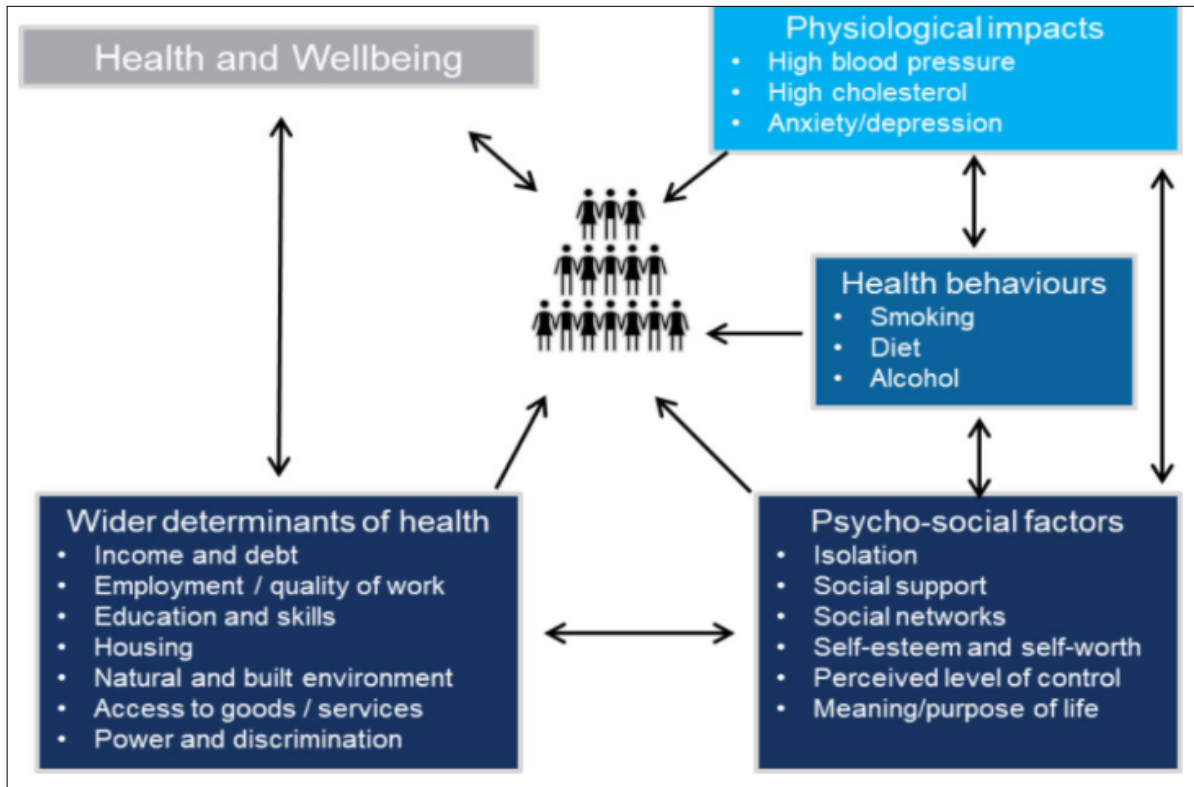
The impact on parents, families and children from financial and other stressors is shown below.²⁵ The link between these determinants and psychological and social wellbeing is particularly important; both directly for the child's developing sense of self and self-worth and that of parents. As chronic stress moves into mental distress, harmful behaviours, and related health problems are much more likely to develop; providing a secure and supportive home-life becomes a growing challenge. Negative and traumatising experiences shape the child's expectations of adult behaviour and responses and can set in train future mental health and parenting difficulties.

A related psycho-social aspect is the increasing awareness of income inequality amongst children themselves. Their perceptions and experiences may lead them to feel

- Shame and stigma from not having desirable possessions, which have social status value amongst peers
- Excluded from fun activities with other families and friends because of transport, admission or equipment costs
- Stressed and insecure from living in housing that does not meet family's need for safe, adequate living space, privacy, studying at home and play
- Anxious because of times when typical expectations of children for food, warmth and clothing could not be fully met

²⁵ <https://www.gov.uk/government/publications/health-inequalities-place-based-approaches-to-reduce-inequalities/place-based-approaches-for-reducing-health-inequalities-main-report>

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The balance of positives and negatives that make up the landscape of social and wider determinants in childhood accumulate and result in health, education and economic inequalities for children growing up in low income families compared to others.

Some examples using recent data for state-maintained mainstream schools in Sefton²⁶ are:

Inequality in educational outcomes

Indicator	Achievement - All pupils	Achievement - Pupils eligible for free school meals
% of children achieving a good level of development at the end of reception 2018/19	68.8%	53.5%
% of children achieving expected level in the phonics screening check in year one 2018/19	82.5%	69.9%

²⁶ <https://explore-education-statistics.service.gov.uk/>

Average Attainment 8 Score at Key stage 4 in mainstream 2019/20	47.6	35.6
Progression to higher education 2018/19	41.1% (top universities 11.0%)	23.3% (top universities 3.2%)

Some health and socially focused examples from national data are presented in the table below.²⁷ It's important to note that the risk captured here is comparing the extremes of social advantage and disadvantage – a minority of children experience any one of these outcomes and in some cases this minority is very small. Even so, the accumulation of possible setbacks and challenges that children and their families face is appreciable.

Inequality in health and social outcomes

Indicator	Increase in relative risk of outcome in most vs least deprived areas
Having a teenage mother	3.0 times higher
Mother who smokes in pregnancy	1.8 times higher
Being born at low birth weight	1.7 times higher
Difference in life expectancy at birth in Sefton comparing the 10% most and least deprived	Boys 12.5 fewer years life expectancy at birth Girls 11.8 fewer years life expectancy at birth
Being admitted to hospital when aged 0-4 or 10-14	1.4 times higher
Being obese in reception	2.2 times higher
Having visible tooth decay at age 5	2.9 times higher
Being obese in year 6	2.3 times higher
Being a child in care	2.3 times higher
Being a first time entrant to the youth justice system	2.2 times higher

Social mobility: the impact of child poverty and deprivation is not the same everywhere

Statistics like those in the tables above can give the impression that this pattern of worse outcomes is inevitable or fixed, but this is not the case. Stories of highly successful people who have overcome many obstacles and difficulties in childhood and gone on to attain influential and high earning jobs are widely promoted in our culture. However, this tends to over-emphasise the extent to which individual perseverance alone can win out over social inequality. What is less well publicised is the differences in outcomes for children experiencing similar levels of deprivation and

²⁷ <https://fingertips.phe.org.uk/profile/child-health-profiles>

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low household income, living in different parts of the country. Research into the reasons why poverty is a weaker determinant in some places and possible policy responses has been championed by the Social Mobility Commission.^{28,29}

Social Mobility Commission key findings

- Earnings of young adults who grew up with the same level of socio-economic disadvantage are twice as high in places with high social mobility compared to those with of low social mobility
- Where social mobility high is young adults with the same qualifications will have little difference in earnings, irrespective of household income growing up
- In areas of low social mobility education only explains one third of differences in income, non-education factors, including socio-economic status of household in which the child grows up play a bigger part

Factors that are associated with higher social mobility are:

- Less deprivation overall,
- Fewer selective schools,
- Higher proportion of professional job opportunities in the local jobs market,
- Connected communities, including housing and public transport that bridge high and low income communities, and higher ethnic diversity

Quality of education plays an important part, but the evidence points to a far wider range of place-based determinants.

The latest report, *The Long Shadow of Deprivation*, shows that aspects of social mobility in Sefton are:

- Average pay of 28 year olds in receipt of free school meals at age 16 is £13 800
- Sefton is middle-ranking for the size of the income gap of young people from most and least disadvantaged families
- Sefton has one of the lowest gaps in educational attainment for children in the most and least disadvantaged families (top performing 20% of local authorities)
- Sefton has one of the widest gaps in pay for young adults with the same qualifications, but who grew up in most and least disadvantaged households (bottom performing 20% of local authorities)
- This emphasises the impact of other barriers and lower opportunities that prevent young people from disadvantaged backgrounds from realising their

5. The added impact of the pandemic on the causes and consequences of child poverty

So far, this report has set out information on;

²⁸ <https://www.gov.uk/government/organisations/social-mobility-commission>

²⁹

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/923623/SMC_Long_shadow_of_deprivation_MAIN_REPORT_Accessible.pdf

- what child poverty is,
- the different measures that are used to quantify and track it
- the main drivers that result in families and children living in low income households and how these have been affected by the pandemic in Sefton
- the other risk factors or social determinants that contribute to the pattern of less good educational attainment and health amongst children who grow up in low income households and in areas with greatest child income deprivation

What has Coronavirus meant for child poverty and its impacts on children?

Few if any of these challenges are things that children can control. Many parents will feel that that they have few options to alleviate the causes of the financial stresses they continue to face. The pandemic has hit existing low income families harder in all areas of life and has given many their first experience of financial insecurity and difficulties providing for basic needs.

The Wider Impacts of COVID-19 on Health tool developed by Public Health England draws out some of the differences in the experiences of households with incomes ranging from very low (£10 000 or less per annum) to very high (£120 000 or)³⁰.

Food Shopping

Lowest income individuals consistently made more trips to buy groceries per households and purchased smaller volumes. This is likely a reflection of needing to budget and spread costs, more limited food storage at home, reduced access to online shopping and delivery services and less access to private transport.

The result of this increased mobility is likely to have been more frequent exposure to Coronavirus.

At the beginning of the pandemic 29% of people on low incomes reported high stress in connection to food compared to less than 10% in other income groups.

Eating habits

Low income households were slightly less likely to report changes in eating habits, such as cooking from scratch more, eating more healthily, eating more snacks and processed foods and eating more with family.

Those on lowest incomes were more likely to report these as 'not done', which is possibly a reflection of unaltered constraints of food poverty and more single person or single parent households.

³⁰ <https://analytics.phe.gov.uk/apps/covid-19-indirect-effects/>

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Outdoor space

People from low income households were three times more likely than most well off households to report they did not have access to garden space. The low income group was most likely to report access to communal garden space.

These differences are likely to have contributed to differences in mental wellbeing and physical activity amongst children from low income homes.

Physical activity

Lowest income groups showed the smallest change in physical activity to keep fit, averaging 16 minutes per day, whilst higher earners increased time spent exercising to 32 minutes per day, which likely reflects being to make more use of appropriate indoor and outdoor space for exercise amongst first-time home-workers.

Lower income groups were more likely to report doing zero days of physical activity (25%) compared to those on higher incomes (15%). This relationship is similar for children with 12.5% in lower income households reporting 0 minutes of exercise per day compared to 8% in high income households. The proportion of children meeting the recommended 60-minute target was similar, 18-19%.

Alcohol use

High risk drinking was higher in more affluent households during the pandemic. Low income groups had a larger proportion of non-drinkers (ethnicity may be an underlying factor), but also reported lower motivation to reduce high-risk drinking.

Smoking

Comparing smoking rates at September 2020 to baseline pre-pandemic, all income groups except the £15-20 000 group showed a fall in smoking. The size of the drop was largest in higher income brackets and the under £10 000 group. A small increase in the £15-20000 group may reflect high stress levels and reduction in income not immediately precluding the cost of tobacco. The cost of tobacco addiction is a known contributor to child poverty.

Home-schooling

Lower income groups in the £10 000 to £20 000 income range were the most likely to home-school during the first national closure of schools. Children in higher income households spent 20% more time on school learning; digital exclusion, especially in households with more children may partly explain this.

Households in the £10 000 to £15 000 bracket were least likely to report that their children were continuing to learn in lockdown (58%), compared to 80% of households in the £30 000 to £40 000 bracket.

This is likely a reflection of differences in school attendance, age of children, and access to online learning.

In September 2020, 15% of schools in high deprivation communities reported children were 6 months or more behind with learning compared to 2% of in low deprivation areas. No schools in areas of high deprivation reported pupils' learning was unchanged by disruption to schooling.

Relationship strain

50% of households in the £15-20 000 income bracket reported home-schooling placed family relationships under strain. This group also reported the highest rate of negative impacts on wellbeing of parents (38%) and children (53%) from home-schooling.

Negative impacts on parents' wellbeing were lowest in the £40-50 000 income group (13.6%). Reported negative impacts on children were lowest in the under £10 000 group for (34%). This may be because more households in this group were previously not in employment; this lowest income group also reported high perception of community support.

Aside from the issues noted above, relationship strain in low income families may have been compounded by other factors including pending return to work, loss of income and childcare arrangements. In June 2020 home-schooling by parents in the 25-34 age group dropped to 50% but rose to 86% in 55-64 year olds.

Abuse

Experience of abuse peaked at September 2020 in the lowest income group (14%), which coincides with the peak rate of redundancies. The highest income group also reported periodic spikes in abuse reaching 11% in June 2020.

Mental Health and Wellbeing

Loneliness

The latest data from October 2020 shows that 10% of individuals on lower incomes (£10 000 to 15 000 per annum) often feel lonely compared to 1% of people in the £40-50000 bracket. Age is likely to play a part here, with more young adults experiencing isolation from family friends and greater financial insecurity.

Low Life Satisfaction, Low Happiness, Low Self-worth

19% of individuals on lower incomes reported low life satisfaction and low happiness, compared to 5-12% in of people with income of £40-50 000. The biggest change was in the £30-40000 group, but their baseline level of low life satisfaction was much lower before the pandemic. The added employment and financial insecurity experienced by young people, including younger parents is likely to accentuate this difference. Low self-worth in this group rose from 1% to 16%, compared to a peak of

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2% in the £40-50 000 group. Anxiety scores were twice as high in low income individuals compared to high income.

The smallest change in reporting low happiness was in the lowest income group (£10 000 or less per annum). This group had the highest rate of low happiness pre-pandemic 10.5% and this increased to 11.8%, which is likely a reflection of the smaller impact on income and employment and a continuation of existing adversity.

Depression, Self-Harm and Suicidality

Depression scores were twice as high in low income groups compared to highest income. Scores from mid-January 2021 remain at a similar level to those recorded in March 2020. 30% of individuals with income less than £16 000 per annum reported thoughts of self-harm and death. This rate is ten times higher than in the highest income group. 13.6% of the lowest income group reported self-harming, compared to less than 1% in the highest earning group, although the biggest increase in hospital admissions for injury including self-harm in 0-24 year olds after the first lockdown was in the most affluent group.

Sources of high stress

Individuals at both ends of the income scale reported similar levels of high stress in connection with Coronavirus itself. Stress about finances was also similar in people with annual income of less than £16 000 (27%) and more than £120 000 (23%). However, job insecurity was a more significant stressor for lower income groups (25%) compared to other levels of income (less than 10% reported high stress due to job insecurity).

Summary of key issues:

Coronavirus, child poverty and inequality

- **Sefton's Plan for Children, Young People and their families centres on four themes to promote childhood in which each and every child is Happy, Healthy, Achieving, Heard** – Coronavirus has presented a threat to this vision for all children, but especially for those living in poverty or at greatest risk of falling into this category
- **Children of families with low in-work incomes, families with larger numbers of children, and those with younger age parents are likely to have experienced more severe impacts** on income, health and wellbeing compared to their circumstances before the pandemic
- **Other risk factors for child poverty and inequality**, for example having a parent with a long-term physical or mental health condition, being a lone parent, being in a minority ethnic group continue
- **Adults on low incomes, including parents, reported the highest rates of mental distress, which continues.** Children in low income households are more likely to have suffered emotionally from witnessing parental distress and abuse, and from not having basic physical needs met
- **In addition to more prevalent and complex mental health needs, inequality in children's physical health** is also likely to have increased, particularly in relation to the effects of poor nutrition, reduced physical activity and obesity. Interventions that support physical wellbeing also improve mental wellbeing
- **Children from low income households are likely to have considerably more ground to make up in terms of lost learning** on top of pre-existing gaps, and are more likely to continue to be affected by financial insecurity and other adverse experiences
- **The use of centre assessments instead of GCSE, AS and A-level examinations** may have added to risk of disengagement from learning in school and at transition points into further and higher education and training – 16-24 year olds are the group with the highest rates of unemployment
- **Sefton has been identified as a 'cooler spot' in terms of social mobility** – the impact of Coronavirus on disadvantaged families is liable to strengthen the predictive relationship between family income in childhood and adult income potential
- **Sefton's employment profile**, which supports a large number of lower wage and part-time jobs, often connected to small-scale businesses, e.g. in non-essential retail and wholesale, hospitality and leisure, care ,and transport and motor businesses has meant that lower income workers have faced higher risks of exposure to coronavirus and higher risk of income reduction due to reduced working time, furlough and redundancy
- **Lasting impacts on demand for some of these services in the recovery phase and beyond** is not completely clear but is likely to have implications for skills development, training needs and welfare and income support particularly as the Government's Covid-19 support measures taper down

Agenda Item 14

6. Responses to child poverty

The purpose of this report is not to formulate a response to the many complex causes and consequences of child poverty in Sefton. High impact reports, for example Build Back Fairer: the Covid-19 Marmot review³¹ emphasise national policy changes. This does not mean local authorities and the wider family of place-based stakeholders should feel impotent to act. The landmark Due North Report: Inquiry into Health Equity for the North³² published in 2014, identified that childhood is a critical period and makes distinct sets of recommendations aimed at Agencies in the North and at Central Government.

Local Strategic Context

Importantly, the ambitions, principles and approaches set out in the Sefton Health and Wellbeing Strategy³³ and Children and Young People's Plan³⁴ remain valid, relevant and grounded in demonstrable need (see other relevant Business Intelligence Resources on the JSNA webpages including Child Poverty Report 2018, Family Wellbeing Centre Profiles, JSNA Chapter on Children and Sefton Ward profiles).³⁵

Coronavirus has changed the scale and causes of need associated with child poverty, and the full impact of the ongoing pandemic on these issues has not yet been seen (the national furlough scheme is currently due to end in September 2021). However, it is certain that the consequences of the pandemic for today's children and young people will carry far into the future and is likely to have the biggest consequences for those children currently experiencing the greatest adversity and facing the most challenges.

Sefton's response has been dynamic, flexible and established at pace. This section of the report gives an indication of the actions taken to prevent, mitigate and act on the needs of children in low income households. However, this does not constitute a formal mapping exercise.

Our partnerships have an essential role to:

Prevent child poverty – this is captured in across several of Sefton Council's strategic spanning economic and neighbourhood development to education and training. The common focus is on creating positive places and opportunities, enabling children and young people with the most to gain to benefit from these, and develop their potential as fully as possible.

Minimise adverse consequences of child poverty, including limiting prolonged child poverty and minimising the impacts on children's wellbeing and life chances – this type of action is well supported in a range of Council, public and community, voluntary and faith sector services, e.g.

³¹ <https://www.health.org.uk/sites/default/files/2020-12/Build-back-fairer--Exec-summary.pdf>

³² <https://cles.org.uk/wp-content/uploads/2016/10/Due-North-Executive-summary-report-of-the-Inquiry-on-Health-Equity-in-the-North.pdf>

³³ https://www.sefton.gov.uk/media/1063/health_and_wellbeing_strategy-2019-101.pdf

³⁴ <https://www.sefton.gov.uk/media/1010/children-and-young-peoples-plan-2020-2025-final.pdf>

³⁵ <https://www.sefton.gov.uk/your-council/plans-policies/business-intelligence-insight-performance/joint-strategic-needs-assessment-jsna/>

- Improving uptake of free school meals
- Providing advice on debt and welfare support, housing and fuel poverty
- Using holistic approaches to family support, including where physical and mental health problems are present
- The ACE programme (Adverse Childhood Experience) approach is an example of action taken to reduce children's exposure to psychologically harmful experiences and mitigate risks to children's health and emotional wellbeing and negative in the present and future

Identify and support immediate, basic needs – examples of this type of action are prominent in the work of the Welfare Reform and Anti-Poverty Partnership and the wider Council to the Coronavirus pandemic, e.g.

- referral to foodbanks, urgent financial, debt and housing support
- providing holiday activity and lunch schemes
- facilitating better digital access
- the ELAS scheme,
- the winter coats and school uniform scheme
- this type of response also extends to essential social support for isolation and loneliness

Recommendation

Cabinet Members of the Welfare Reform and Anti-Poverty Reference Group are requested to note this report for further discussion and identify any aspects where further information or mapping of support to changing needs may be required.

Plan on a page

Living Well in Sefton

2020-2025

Sefton Health and Wellbeing Strategy 2020-2025

One Vision
A confident and connected borough that offers the things we all need to start, live and age well, where everyone has a fair chance of a positive and healthier future.

Ten Ambitions

Start well

- 1 Every child will achieve the best start in their first 1001 days
- 2 Education and training will enable every young person to unlock the door to more choices and opportunities
- 3 Every child and young person will have a successful transition to adulthood

Age well

- 7 Older people will stay active, connected and involved
- 8 As people grow older they will be provided with support tailored to their needs
- 9 Our communities and the built environment will meet the needs of people as they get older

Live well

- 4 Health, care and wellbeing services across Sefton will work together
- 5 Everyone will have a fulfilling role which can support their needs
- 6 The wider system will have a strong role in prevention and early intervention

All age

- 10 The places where we live will make it easy to be healthy and happy, with opportunities for better health and wellbeing on our doorstep

Seven Principles and ways of working

- 1 Ambitions are based on the Joint Strategic Needs Assessment, and shaped by our consultation and engagement activity
- 2 Recognition that health and life chances are significantly shaped by a wide range of factors
- 3 Public, private, and voluntary, community, and faith sectors will all work together to address these ambitions
- 4 Ambitions are high level, and informed by evidence and guidance wherever possible
- 5 Ambitions will improve health and wellbeing for everybody, but will focus on narrowing inequalities for those with greatest need
- 6 Prevention will be embedded in everything we do
- 7 Partners will work together to keep the most vulnerable members of our community safe

Making it happen

- The Health and Wellbeing Board will hold the health and social care system and wider partners to account
- A performance monitoring framework will provide assurance of impact and progress to the Health and Wellbeing Board
- The activity of the Health and Wellbeing Board will be reviewed regularly, ambitions updated, and progress will be shared with key stakeholders and Sefton residents

PAGE 2

Appendix 1

The following is an overview of the breadth of interventions that have supported families to address worklessness, domestic abuse, education issues, housing and debt support, health and ensuring families had the right intervention at the right time. Support has been offered using a range of methods such as online, doorstep and telephone contacts.

Prevent

Named Early Help practitioners linked to all educational settings
Support online linked to key ASPIRE areas and the wider Early Help Networks
Door step visits 2-year-old offer
First day response to children not in education
Virtual online services and access to services

Mitigate adverse consequences

ACL/Sefton at work delivery to support families into employment/training
Schools pilot to ensure effective communication and access to support children/young people across Sefton
Interventions to support and address families who have been identified as having ACEs online
Supported the shielding members of our community
Family wellbeing centres in each locality to support vulnerabilities and self-referrals

Identify and support immediate basic needs

Winter warmth support
School holiday food schemes
Food bank vouchers and Christmas supermarket vouchers and hampers including food bank and ELAS support
Christmas toy appeal
Baby Banks
Uniform Banks
Provision and support of laptops to support educational learning

Government funding e.g. Covid-19 Winter Grant allocated direct to families with children already known to be vulnerable

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Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Appointment to Outside Bodies 2021/22		
Report of:	Chief Legal and Democratic Officer	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt Confidential Report:	No		

Summary:

To consider the appointment of the Council's representatives to serve on Outside Bodies and Thematic Partnership Bodies for 2021/22 for periods of one year and longer as set out in the attached appendices.

The appendices show the proposed appointments for 2021/22 following nominations submitted by the Political Groups on the Council.

Recommendation(s): That the Cabinet be requested to:

- (1) approve the proposed representation on the various Outside Bodies for a twelve month period expiring in May 2022 as set out in Appendix 1 to the report; and
- (2) approve the proposed representation on the various Outside Bodies for the term of office as indicated and set out in Appendix 2 to the report.

Reasons for the Recommendation(s):

The Cabinet has delegated powers set out in Chapter 5, Paragraph 40 of the Constitution to appoint the Council's representatives to serve on Outside Bodies.

Alternative Options Considered and Rejected:

None

What will it cost and how will it be financed?

(A) Revenue Costs

None arising from this report. The Council pays annual membership subscriptions to a number of the bodies from existing budgetary provision and the annual levy to the North Western Inshore Fisheries and Conservation Authority.

Agenda Item 15

(B) Capital Costs

None

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial								
Legal Paragraph 40 of Chapter 5 in the Constitution gives the Cabinet delegated powers to make appointments to Outside Bodies, appropriate.								
Human Resources								
Climate Emergency Implications: The recommendations within this report will <table border="1"><tr><td>Have a positive impact</td><td>N/A</td></tr><tr><td>Have a neutral impact</td><td>N/A</td></tr><tr><td>Have a negative impact</td><td>N/A</td></tr><tr><td>The Author has undertaken the Climate Emergency training for report authors</td><td>YES</td></tr></table> The continuation of work directly contributes towards achieving the targets within the Council's Climate Emergency strategy.	Have a positive impact	N/A	Have a neutral impact	N/A	Have a negative impact	N/A	The Author has undertaken the Climate Emergency training for report authors	YES
Have a positive impact	N/A							
Have a neutral impact	N/A							
Have a negative impact	N/A							
The Author has undertaken the Climate Emergency training for report authors	YES							
Equality 1. No Equality Implication <input checked="" type="checkbox"/> 2. Equality Implications identified and mitigated <input type="checkbox"/> 3. Equality Implication identified and risk remains <input type="checkbox"/>								

Contribution to the Council's Core Purpose:

Protect the most vulnerable: The appointment of Council representatives on to the Outside Bodies will ensure that the interests of residents of Sefton are taken into account by each Body.
Facilitate confident and resilient communities: As above
Commission, broker and provide core services: As above

Place – leadership and influencer: As above
Drivers of change and reform: As above
Facilitate sustainable economic prosperity: As above
Greater income for social investment: As above
Cleaner Greener: As above

Impact of the Proposals on Service Delivery:

The appointment of Council representatives on to the Outside Bodies will ensure that the interests of residents of Sefton are taken into account by each Body.

What consultations have taken place on the proposals and when?

The Executive Director Corporate Resources & Customer Services (FD6379/21) has been consulted and notes the report indicates no new direct financial implications for the Council.

The Chief Legal and Democratic Officer (LD4580/21) has been consulted and comments have been incorporated into the report

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer: Ruth Harrison
Tel: 0151 934 2046
Email: ruth.harrison@sefton.gov.uk

Background Papers:

There are no background papers available for inspection

Appendices:

Appendix1– Proposed appointments for 12 month period expiring in May 2022

Appendix2– Proposed appointments for a period of over one year.

Agenda Item 15

1. Introduction

- 1.1 The Cabinet has delegated authority in the Council Constitution to appoint Council representatives to serve on Outside Bodies. The majority of the appointments are reviewed on an annual basis and the proposed representation for 2021/22 is set out in **Appendix 1** to this report. The Cabinet is requested to appoint representatives to serve on the bodies set out in the Appendix for the next twelve month period expiring in May 2022.
- 1.2 A small number of appointments are for a period of over one year. These are for charitable bodies and governing bodies. The proposed representation on these bodies is set out in **Appendix 2** to this report. The Cabinet is requested to appoint those representatives whose current term of office on the appropriate body expired(s) in 2020 and 2021, as highlighted in bold type.
- 1.3 A high number of the places on Outside Bodies are historically allocated to the most appropriate Cabinet Member and the remainder are allocated dependent on the number of places available, to the most appropriate Local Councillor(s). The details of the links to Cabinet Portfolios are set out in the two appendices.
- 1.4 The annual appointments to the Merseyside Joint Authority Bodies were agreed at the Adjourned Annual Council Meeting held on 20 May 2021.

2. Local Government Association General Assembly

- 2.1 Councillor Maher has attended meetings of the Local Government Association General Assembly during the last eight years and it is proposed in Appendix 1 to this report that Cllr Maher should continue to be the Council's representative for 2021/22 and be authorised to use the allocated 5 votes on behalf of the Council.

3. Sandway Homes Board and Sefton New Directions Board

- 3.1 The governance structure of the Sandway Homes Board (Sefton Housing Development Company) and Sefton New Directions Board includes the appointment of a shareholder representative and other elected members / officers appointed by the Cabinet. The Cabinet has previously agreed that the Cabinet Member – Communities and Housing should be the Shareholder Representative to the Sandway Homes Board and that the Cabinet Member – Adult Social Care should be the Shareholder Representative on the Sefton New Directions Board. These two appointments are set out in Appendix 1 to this report for noting and the Cabinet is requested to approve the appointment of the other members / officers on to these two bodies as set out in Appendix 1. They will contribute to the strengthening of governance, will support with the development and implementation of strategy, and will enable effective oversight and support of management.

4. Joint Health Scrutiny Committees

- 4.1 The Overview and Scrutiny Committee (Health and Social Care) at its meeting on 6 May 2014 and the Council at its meeting on 3 June 2014 approved a protocol

which had been developed as a framework for the operation of joint health scrutiny arrangements across the local authorities of Cheshire and Merseyside. The protocol allows for the scrutiny of substantial developments and variations of the health service; and discretionary scrutiny of local health services.

- 4.2 The protocol provides a framework for health scrutiny arrangements which operate on a joint basis only. Each constituent local authority has its own local arrangements in place for carrying out health scrutiny activity individually.
- 4.3 All relevant NHS bodies and providers of NHS-funded services are required to consult local authorities when they have a proposal for a substantial development or substantial variation to the health service. Those authorities that agree that any such proposal does constitute a substantial development or variation are obliged to form a joint health overview and scrutiny committee for the purpose of formal consultation by the proposer of the development or variation.
- 4.4 Should that occur a joint committee would be composed of Councillors from each of the participating authorities within Cheshire and Merseyside in the following ways:
 - where 4 or more local authorities deem the proposed change to be substantial, each authority will nominate 2 elected members; and
 - where 3 or less local authorities deem the proposed change to be substantial, then each participating authority will nominate 3 elected members.
- 4.5 To avoid inordinate delays in the establishment of a relevant joint committee, it is suggested in the protocol that constituent authorities should arrange for delegated decision making arrangements to be put in place to deal with such nominations at the earliest opportunity and in making their nominations, each participating authority is asked to ensure that their representatives have the experience and expertise to contribute effectively to a health scrutiny process.

Please follow the link below to access the Protocol:

[http://smbc-modgov-03/ecSDDisplay.aspx?NAME=SD2284&ID=2284&RPID=28603547&\\$LO\\$=1](http://smbc-modgov-03/ecSDDisplay.aspx?NAME=SD2284&ID=2284&RPID=28603547&LO=1)

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<u>ORGANISATION</u>	<u>CABINET PORTFOLIO</u>	<u>NUMBER OF REPRESENTATIVES</u>	<u>REPRESENTATIVE(S)</u>
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APPOINTMENTS TO OUTSIDE BODIES APPROVED BY THE CABINET

ANNUAL APPOINTMENTS TO EXPIRE IN MAY 2021

<u>ORGANISATION</u>	<u>CABINET PORTFOLIO</u>	<u>NUMBER OF REPRESENTATIVES</u>	<u>REPRESENTATIVE(S)</u>
British Destinations	Regeneration and Skills	1	Cabinet Member – Regeneration and Skills (Councillor Atkinson) or nominee
Committee in Common - Healthy Liverpool Programme	Health and Wellbeing	1	Cabinet Member – Health and Wellbeing (Cllr. Moncur)
Formby Pool Trust - Board	Health and Wellbeing	2	Councillor Killen and Interim Head of Communities (Steve Martlew)
Joint Health Scrutiny Committee (where 3 or less local authorities request the scrutiny of a substantial variation to a service)	Health and Wellbeing	3	Chair (Councillor Thomas) and Vice Chair (Councillor Myers) of the O & S Committee (Adult Social Care) and one Conservative Member (Councillor Brough) (Lab 2/Con 1)
Joint Health Scrutiny Committee (where 4 or more local authorities request the scrutiny of a substantial variation to a service)	Health and Wellbeing	2	Chair (Councillor Thomas) and Vice Chair (Councillor Myers) of the O & S Committee (Adult Social Care)

Liverpool City Region Child Poverty and Life Chances Commission	Children, Schools and Safeguarding	1	Cabinet Member - Children's Social Care (Councillor Doyle)																		
Liverpool City Region Employment and Skills Board	Regeneration and Skills	1	Cabinet Member – Regeneration and Skills (Councillor Atkinson)																		
Liverpool City Region Housing and Spatial Planning Board	Communities and Housing	1	Cabinet Member – Communities and Housing (Councillor Hardy) (Substitute: Cabinet Member - Planning and Building Control – Councillor Veidman)																		
Liverpool City Region Local Enterprise Partnership Board	Leader of the Council	1	Leader of the Council (Councillor Maher)																		
Liverpool John Lennon Airport Consultative Committee	Regeneration and Skills	1	Councillor Roche (Substitute: Councillor Myers)																		
Local Government Association General Assembly	Regulatory, Compliance and Corporate Services	1	Leader of the Council (Councillor Maher) - 5 votes																		
Mersey Forest Steering Group	Regeneration and Skills	1	Councillor Roche																		
Mersey Port Health Committee	Regulatory, Compliance and Corporate Services	6	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Member</u></td> <td style="text-align: center;"><u>Substitute</u></td> </tr> <tr> <td>Councillor Morris</td> <td>Councillor Brough</td> </tr> <tr> <td>Councillor John Kelly</td> <td>Councillor Cluskey</td> </tr> <tr> <td>Councillor Howard</td> <td>Councillor Spencer</td> </tr> <tr> <td>Councillor Brenda O'Brien</td> <td>Councillor C. Maher</td> </tr> <tr> <td>Councillor Roche</td> <td>Councillor Dowd</td> </tr> <tr> <td>Councillor Shaw</td> <td>Councillor Lynne</td> </tr> <tr> <td colspan="2">(2020/21 - (Lab 4/L.D&P.A 1/Con 1)</td> </tr> <tr> <td></td> <td>Thompson</td> </tr> </table>	<u>Member</u>	<u>Substitute</u>	Councillor Morris	Councillor Brough	Councillor John Kelly	Councillor Cluskey	Councillor Howard	Councillor Spencer	Councillor Brenda O'Brien	Councillor C. Maher	Councillor Roche	Councillor Dowd	Councillor Shaw	Councillor Lynne	(2020/21 - (Lab 4/L.D&P.A 1/Con 1)			Thompson
<u>Member</u>	<u>Substitute</u>																				
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(2020/21 - (Lab 4/L.D&P.A 1/Con 1)																					
	Thompson																				

<u>ORGANISATION</u>	<u>CABINET PORTFOLIO</u>	<u>NUMBER OF REPRESENTATIVES</u>	<u>REPRESENTATIVE(S)</u>
Merseyside Community Safety Partnership	Communities and Housing	1	Cabinet Member – Communities and Housing (Councillor Hardy) and the Head of Communities
Merseyside Pension Fund Pensions Committee	Regulatory, Compliance and Corporate Services	1	Cabinet Member - Regulatory, Compliance and Corporate Services (Councillor Lappin) or nominee
Merseyside Playing Fields Association	Health and Wellbeing	1	Councillor Cummins (Substitute: Councillor Moncur)
North West Employers' Organisation	Regulatory, Compliance and Corporate Services	1	Cabinet Member – Regulatory, Compliance and Corporate Services (Councillor Lappin) (Substitute: Councillor Moncur)
North West Older Peoples Network	Adult Social Care	1	Cabinet Member – Adult Social Care (Councillor Cummins)
CONTROL (Parking and Traffic Regulations Outside London) Adjudication Joint Committee	Locality Services	1	Cabinet Member - Locality Services (Councillor Fairclough) (Substitute: Councillor Veidman)
			(NB - Nominated Member <u>and</u> substitutes must be Cabinet Members)
Sandway Homes Limited Board (Sefton Housing Development Company)	Communities and Housing	5	Councillor Myers and Mark Chambers (Finance Director) (NB Cabinet Member – Communities and Housing (Councillor Hardy) is the Shareholder Representative)

<u>ORGANISATION</u>	<u>CABINET PORTFOLIO</u>	<u>NUMBER OF REPRESENTATIVES</u>	<u>REPRESENTATIVE(S)</u>
Sefton Coast and Landscape Partnership Board	Health and Wellbeing	2	Cabinet Member – Health and Wellbeing (Councillor Moncur) and Cabinet Member - Adult Social Care (Councillor Cummins)
Sefton Council for Voluntary Service	Communities and Housing	3	Councillors Grace, Pugh and Robinson
Sefton Cycling Forum	Locality Services	2	Councillors John Joseph Kelly and Pugh
Sefton Education Business Partnership	Children, Schools and Safeguarding	3	Cabinet Member - Education (Councillor Roscoe) and Councillors Evans and Moncur
Sefton New Directions Limited	Adult Social Care	5	Councillors Brennan, John Joseph Kelly and Blackburne Executive Director (Stephen Watson) (NB Cabinet Member – Adult Social Care (Councillor Cummins) is the Shareholder Representative)
Sefton Sports Council	Health and Wellbeing	3	Cabinet Member - Health and Wellbeing (Councillor Moncur), and Councillors Cummins and Pugh
Southport Pier Trust	Regeneration and Skills	3	Councillors Blackburne, Brough and Brodie-Browne
Standing Advisory Committee for Religious Education (SACRE)	Children, Schools and Safeguarding	3	Councillors Grace, Pugh and Brough
Trans Pennine Trail Members Steering Group	Locality Services	2	Cabinet Member - Locality Services (Councillor Fairclough) and Cabinet Member - Planning and Building Control (Councillor Veidman) or their nominees
Veterans in Sefton Board	Communities and Housing	1	Councillor Lappin

<u>ORGANISATION</u>	<u>CABINET PORTFOLIO</u>	<u>NUMBER OF REPRESENTATIVES</u>	<u>REPRESENTATIVE(S)</u>
<u>THEMATIC PARTNERSHIPS</u>			
Sefton Safer Communities Partnership	Communities and Housing	3	Cabinet Member - Communities and Housing (Councillor Hardy) and the two Council representatives on the Merseyside Police and Crime Panel (Councillors John Sayers and Spencer)
Sefton Partnership for Older Citizens	Adult Social Care	1	Cabinet Member - Adult Social Care (Councillor Cummins)
<u>OFFICER ONLY APPOINTMENTS</u>			
NOT LISTED ABOVE)			
Southport Business Improvement District Board	Regeneration and Skills	1	Executive Director - Place (Stephen Watson)

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APPOINTMENTS TO OUTSIDE BODIES APPROVED BY THE CABINET

APPOINTMENTS FOR A PERIOD OF OVER ONE YEAR - Seeking approval of appointments in bold

<u>ORGANISATION</u>	<u>CABINET PORTFOLIO</u>	<u>NUMBER OF REPRESENTATIVES</u>	<u>REPRESENTATIVE(S)</u>	<u>TERM OF OFFICE EXPIRES</u>
Merseyside Strategic Flood and Coastal Risk Management Partnership	Health and Wellbeing	1	Councillor McKinley (Substitute representative – Councillor Atkinson)	31.5.2021 (4-year appointment)
North West Reserve Forces and Cadets Association	Communities and Housing	1	Councillor Byrom	31.5.2020 (3-year appointment to 31.05.2023)
North Western Inshore Fisheries and Conservation Authority	Locality Services	2	Councillor McGinnity or nominee and Green Sefton Manager (Mark Shaw)	31.5.2023 (4-year appointment)
Regenerus - South Sefton Development Trust	Regeneration and Skills	1	Councillor Fairclough	30.5.2021 (3-year appointment to 30.5.2024)
<u>CHARITIES</u>				
Ashton Memorial Fund, Formby	Communities and Housing	1	Councillor Killen	31.5.2023 (4-year appointment)
Consolidated Charities of Thomas Brown and Marsh Dole (Formby)	Communities and Housing	2	Councillor Dutton Councillor Webster	26.6.2022 (4-year appointment)
Halsall Educational Foundation	Children, Schools and Safeguarding	1	Councillor Grace	31.5.2020 (2-year appointment)

<u>NHS FOUNDATION TRUST GOVERNING BODIES</u>				
Liverpool University Hospital NHS Foundation Trust - Council of Governors	Health and Wellbeing	1	Councillor John Joseph Kelly	24.6.2024 (3-year appointment)
Liverpool Women's NHS Foundation Trust - Council of Governors	Health and Wellbeing	1	Councillor Hardy	31.9.2020 (3-year appointment)
Mersey Care NHS Foundation Trust – Council of Governors	Health and Wellbeing	1	Councillor Webster	1.5.2022 (3-year appointment)
North West Boroughs Healthcare NHS Foundation Trust - Council of Governors	Health and Wellbeing	1	Councillor Moncur	31.5.2020 (3-year appointment)
<u>SCHOOL GOVERNING BODIES – FOR INFORMATION</u>				
Peterhouse School, Southport	Children, Schools and Safeguarding	1	Councillor Doyle	31.7.2022 (3-year appointment)
Cambridge Nursery	Children, Schools and Safeguarding	1	Councillor Robinson	11.6.2021 (3-year appointment)
Farnborough Road Infant	Children, Schools and Safeguarding	1	Councillor Shaw	31.1.22 (3-year appointment)
Farnborough Road Junior	Children, Schools and Safeguarding	2	Councillor Brodie-Browne	17.9.22 (3-year appointment)

			Councillor Shaw	17.9.22 (3-year appointment)
Great Crosby Catholic Primary	Children, Schools and Safeguarding	1	Councillor Lappin	20.6.2024 (3-year appointment)
Our Lady Star of the Sea Catholic Primary	Children, Schools and Safeguarding	1	Councillor Fairclough	15.12.2024 (3-year appointment)
Rimrose Hope CE Primary	Children, Schools and Safeguarding	1	Councillor Cummins	20.10.2024 (3-year appointment)
St. Mary's Catholic Primary School	Children, Schools and Safeguarding	1	Councillor John Kelly	02.07.2024 (3-year appointment)
St. Oswald's CE Primary	Children, Schools and Safeguarding	1	Councillor Cluskey	09.02.2024 (3-year appointment)
. Teresa's Catholic Infant & Nursery	Children, Schools and Safeguarding	1	Councillor Halsall	29.10.2024 (3-year appointment)
PACT Management Committee	Children, Schools and Safeguarding	1	Councillor Spencer	03.07.2021 (3-year appointment)

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Agenda Item 16

Report to:	Cabinet Council	Date of Meeting:	24 June 2021 15 July 2021
Subject:	Climate Emergency Annual Report		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

Sefton Council declared a climate emergency in July 2019. Following that declaration work has progressed within the council on the agreed actions that were contained and approved by Members. The climate emergency strategy and associated action plan was approved by Cabinet (28 May 2020) and Council (17 September 2020).

Annual reporting on progress made is required as part of the governance approach to the programme. Members are asked to note the progress made on achieving net zero carbon by 2030 and the programme of works supporting the Council's transition to low carbon working.

Recommendation(s):

Cabinet / Council are recommended to :-

(1) Note the progress made on the targets in the Sefton climate emergency strategy and action plan.

Reasons for the Recommendation(s):

To support the delivery of the council motion that declared a climate emergency.

Alternative Options Considered and Rejected: (including any Risk Implications)

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Not acting would increase the risks to Sefton in future years, on the themes of energy security and climate change resilience (increased incidence of extreme weather events, sea level rise etc.)

What will it cost and how will it be financed?

(A) Revenue Costs

There are no revenue implications arising from this report. There is currently no additional budget provision for the delivery of the strategy/action plan with all resources being met from within the council's approved budget.

(B) Capital Costs

There are no capital implications arising from this report. Currently, any capital works being undertaken are fully funded through external funding sources and subject to the normal governance protocols.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
There are no resource implications arising from this strategy	
Legal Implications:	
There are no legal implications arising from this strategy	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	Y
Have a neutral impact	N
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
The continuation of work directly contributes towards achieving the targets within the Council's Climate Emergency strategy.	
Equality Implications:	
There are no equality implications.	

Contribution to the Council's Core Purpose:

The delivery of the council motion will support all of the council's core purpose themes.

Protect the most vulnerable: By enabling greater resilience to future climate events.
Facilitate confident and resilient communities: By enabling greater resilience to future climate events and encouraging energy security measures

Commission, broker and provide core services: By training staff to consider climate impacts as part of service delivery
Place – leadership and influencer: By Sefton taking decisive action on its energy/carbon emissions
Drivers of change and reform: By Sefton taking decisive action on its energy/carbon emissions
Facilitate sustainable economic prosperity: By enabling greater resilience to future climate events.
Greater income for social investment: By Sefton taking decisive action on its energy/carbon emissions
Cleaner Greener By Sefton taking decisive action on its energy/carbon emissions

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6401/21) and the Chief Legal and Democratic Officer (LD.4602/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer:	Stephanie Jukes
Telephone Number:	Tel: 0151 934 4552
Email Address:	stephanie.jukes@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

Climate Emergency Annual Report 2020/21 (draft version)

1. Introduction/Background

Agenda Item 16

- 1.1 Sefton Council declared a climate emergency in July 2019. Following that declaration work has progressed within the council on the agreed actions that were contained and approved by Members. The climate emergency strategy and associated action plan was approved by Cabinet (28 May 2020) and Council (17 September 2020).
- 1.2 The strategy and delivery via the action plan is based on the following approach;
 - Approval of a strategy for the period to 2030
 - Establishing and refining a baseline position on council carbon emissions (carbon footprint)
 - The development of 3 year implementation plans
- 1.3 The progress made on the delivery of the strategy has been impacted by the COVID 19 pandemic, however, opportunities have arisen as part of the recovery phase which Sefton has acted upon.
- 1.4 Both the strategy and action plan have seven key principles to guide work in this area – guided by the acronym C.L.I.M.A.T.E
 - Carbon Reduction
 - Leadership
 - Innovation
 - Mobilisation
 - Adaptation
 - Transformation
 - Engagement

As such, the Annual Report is structured around reporting against each of the above principles.

2 Progress during 2020/21

- 2.1 A significant amount of work has been undertaken in the past twelve months and this is reflected in the attached document 'Climate Change Annual Report 2020/21' Appendix 1. A summary of the progress made, is presented below.

2.2 The Council's carbon footprint has fallen 10% from last year's baseline. This reduction means the Council are on track to meet net zero carbon by 2030.

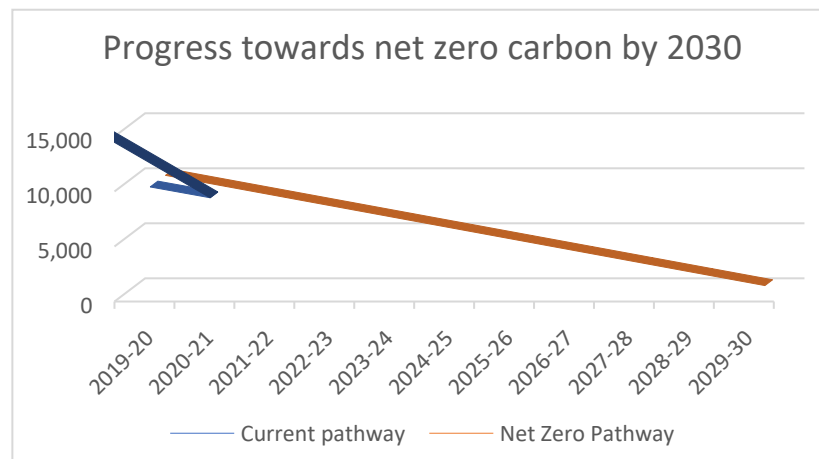


Figure 2.2 Progress to net zero carbon by 2030

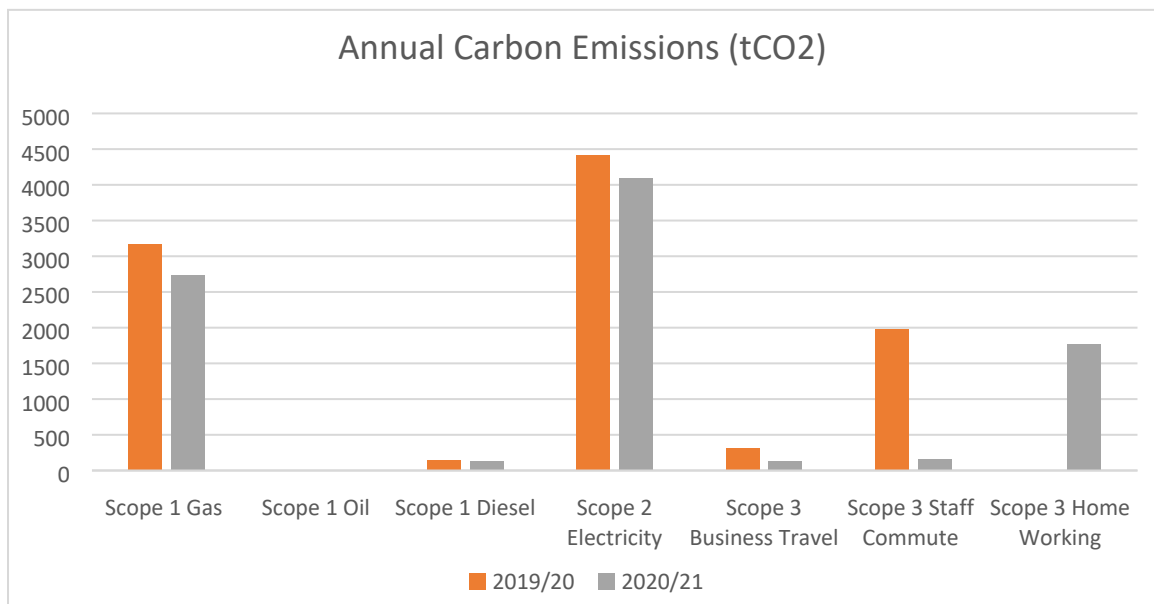


Figure 2.3 Annual Carbon Emissions 2019/2020 and 2020/2021

2.3 Figure 2.3 above shows the Council's carbon emissions have fallen largely through changes to working practices brought about by the pandemic, notably a move to home working. This led to a reduction in staff commuting and reduced the energy consumed in Council owned buildings. Scope 1 emissions (largely gas emissions) fell by 13% and Scope 2 (electricity) emissions fell by 7%. Emissions from staff commuting to work fell by 92%.

2.4 The change in working practice has led to emissions being shifted away from council buildings but into staff homes. Therefore, to avoid false accounting, the emissions associated with home working will be accounted for by the Council for the first time. This is a discretionary element of the carbon footprint but given the scale of home working it is now included and calculated utilising an accepted tool to estimate average home working emissions.

Key Projects

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- 2.5 The foundations have been laid this year for several key projects which will significantly reduce carbon emissions going forward. For example, within this period the Council have approved the Asset Street Lighting Project and Town Hall Retrofits which will both lead to significant carbon savings in the future.

2.5.1 **Asset Street Lighting Project**

The energy used by Street Lighting accounted for 26% of the Council's total carbon footprint in 2019-20 and these energy costs are increasing year-on-year at a rate above inflation incurring a significant cost to the Council.

This year the Council approved an investment of £12.750m in the Street Lighting Asset Project to improve the portfolio through the installation of energy efficient LED technology and replacement of life expired assets. The programme will generate significant operational cost savings over 20 years against current forecast expenditure without intervention.

By the end of 2021 (year 1 of programme) it is anticipated that Sefton will achieve financial savings of circa £240,000 based on 2020/21 rates.

When the project is complete, annual emissions are expected to reduce by 1,655 tCO₂ per year – which would mean street lighting emissions reduce to 10% of the Council's total carbon footprint (based on 2019-20 data) – saving 16%.

2.5.2 **Energy efficiency work at Bootle and Southport Town Hall**

The Council recently secured £865,000 from the Public Sector Decarbonisation Fund to undertake works at Bootle and Southport Town Halls, with the aim of reducing heat loss at both sites. A specialist heritage contractor will work to improve the glazing and roof insulation in both buildings, ensuring that key historic features are maintained and protected.

Works are scheduled to be completed in late 2021 and will be carried out simultaneously alongside other essential maintenance projects. The works are expected to reduce emissions by approximately 59 tCO₂ per year - reducing the Council's carbon footprint (by 1%) and energy bill as well as creating a more comfortable working environment for staff and visitors.

Agile Working

- 2.6 The Council need to maintain the 10% carbon reduction achieved this year and repeat it year on year – to achieve net zero carbon by 2030. The Property Services Department are developing proposals to embed agile working changes including changes to office numbers, staff commuting, staff travel, IT use and building usage. The climate emergency carbon reduction target is helping to inform the decisions made on how Sefton employees work in the future.

Procurement

- 2.7 The Council have a leadership role in the community, therefore, have established a formal mechanism for procurement of sustainable products and services. During 2020/21, environmental based social value questions have been introduced to large/carbon intensive tenders. Scored by the Energy and Environmental Management Team. A pilot of a new social value tool TOMS which better captures and quantifies carbon emissions has also begun at the Council.

Domestic Housing Retrofit

- 2.8 The Council are the accountable body for an ERDF funded project with Housing Associations retrofitting homes in Sefton and across the LCR with both innovative and traditional carbon reduction interventions – such as external wall insulation, floor insulation and electric heating. Utilising this expertise, the Council have accepted grant funding for retrofit of approximately 245 homes within Sefton. This work will focus on the most inefficient homes of the poorest residents. The outputs from this work will not only reduce the carbon emissions across the Borough, but support local jobs and reduce the risk of fuel poverty for residents.

Staff Training

- 2.9 An eLearning climate emergency module has been developed and will be available to all staff on the Corporate Learning Centre 'Me learning' platform from May 2021. The compulsory training will provide all Council staff with a basic understanding of what climate change is, why it is important, what the Council are doing in response and what staff can do.

Committee Reporting

- 2.10 From May all Cabinet and Council decision papers will include a climate change impact assessment. This will help ensure that climate change is a visible part of the decision-making process in the future, helping to embed climate change thinking into everything we do across the whole council.

Tree Planting

- 2.11 For the planting season 2020/21, 3,430 new trees have been planted in the borough with 160 mature (dead, diseased or dying) trees felled on the highway, and in parks and on the coast. Trees are a valuable carbon sink helping to absorb carbon and aid adaptation to weather extremes by helping to reduce flood risk and providing solar shading.

3 Future delivery plans

- 3.1 In addition to the roll out of projects and processes noted above, in 2021-22 there are a number of key projects scheduled to commence, in line with the Action Plan.
- Climate Change Risk Assessment (adaptation). A full risk assessment of climate change impacts, identifying threats and how they can be managed as well as realising the opportunities.
 - Focus on customer engagement and delivery of communications plan, linking to the United Nations Climate Change Conference (COP26) due to be held in Glasgow in November 2021.
 - Investigate the potential to switch to a 100% renewable/green electricity tariff. This would enable the Council to remove electricity from the carbon footprint. (which currently makes up nearly half of the Council's carbon footprint. Indicative costs are included in the attached report).
 - Explore options for local offset via climate adaptation programmes and local landscape enhancement

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Sefton Council Climate Emergency Annual Report 2021

What Sefton Council
are doing about
Climate Change



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Foreword

Climate change represents a significant threat to our future and preventing and protecting ourselves from climate change is a top priority.

Recent extreme weather events over several years have presented severe challenges to property, transport, agriculture and other services in the Sefton area and have led to the deaths and displacement of thousands of people worldwide.

The Meteorological Office clearly states that these kind of extreme weather events are significantly more likely if we take no action on reducing our carbon emissions; the main driver of man-made climate change.

The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change. In their report "Intergovernmental Panel on Climate Change 1.5C report", published in October 2018, they conclude that humanity has 11 years for "ambitious action from national and sub-national authorities, civil society, the private sector, indigenous peoples and local communities" to deliver the "rapid and far reaching transitions in land, energy, industry, buildings, transport, and cities" needed to turn this around, so we can avoid reaching tipping points where we would no longer have the ability to avoid extreme weather events.

Children in Sefton will be in their teens and twenties in 10 years' time. They deserve a liveable Sefton. We must act now to ensure this. Bold climate action can deliver economic benefits in terms of new jobs, economic savings and market opportunities, as well as improved wellbeing for people locally and worldwide.

Work on reducing carbon emissions does not start from a zero base. Sefton has been involved with numerous projects aimed at reducing emissions and will continue to do so, in the context of the climate emergency and with increased urgency.

We have a strategy that sets out our vision and broad aims and objectives and represents our commitment to maximise the opportunity within climate action and to protect our communities from that damage already caused by climate change.

It was followed by an implementation plans which detailed our journey towards net zero carbon operations by 2030.

We will be reporting our progress in a series of Annual Reports, detailing actions taken so far and progress towards our 2030 net zero carbon target.

This is the July 2021 Annual Report and is part of Phase 1 of our Implementation Plan

We are committed to taking responsibility for our carbon emissions and playing our part in limiting global average temperature rises. Business as usual is no longer an option.





Executive Summary

The Council's carbon footprint has fallen 10% from last year's baseline. This reduction means the Council are on track to meet net zero carbon by 2030.

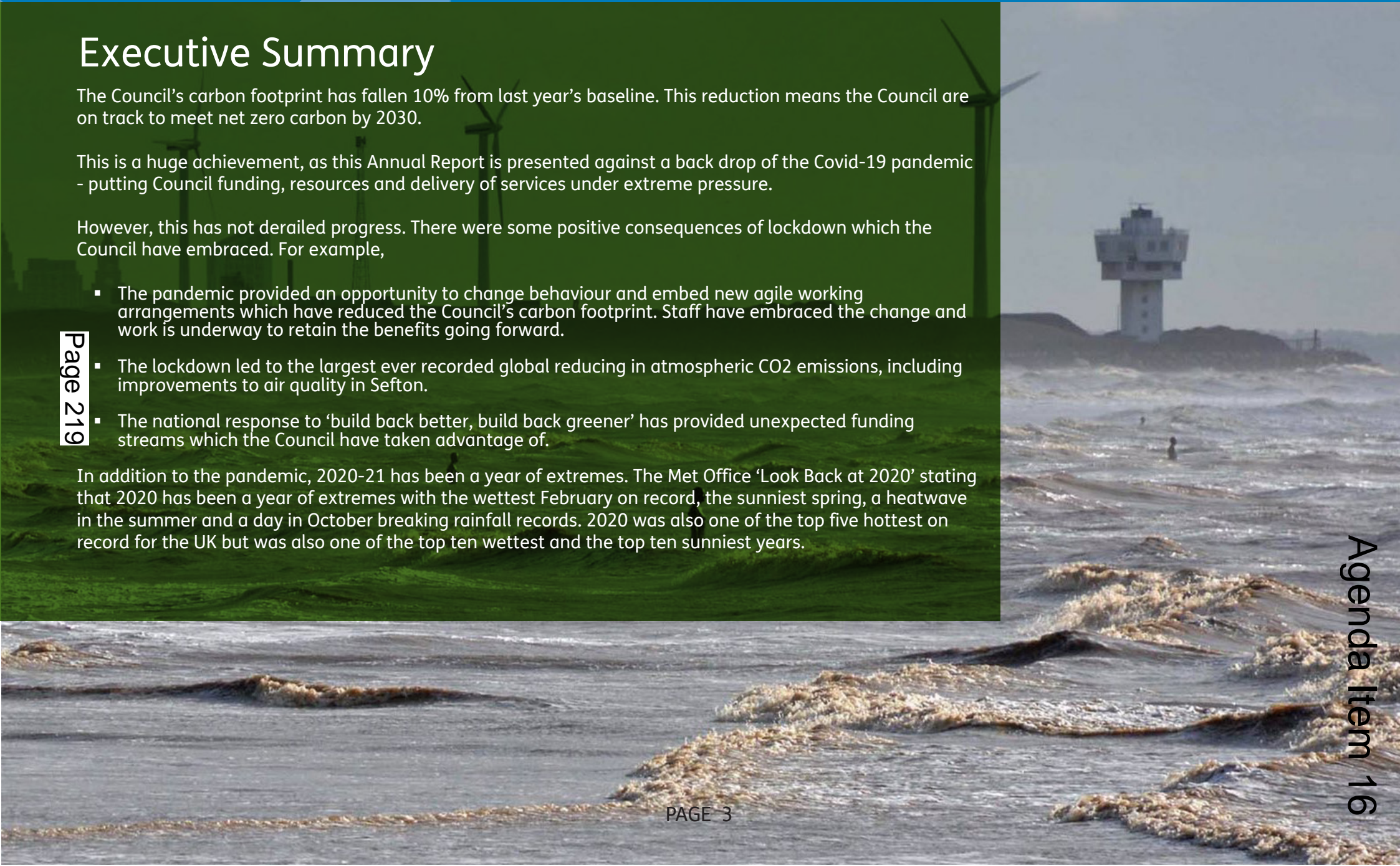
This is a huge achievement, as this Annual Report is presented against a back drop of the Covid-19 pandemic - putting Council funding, resources and delivery of services under extreme pressure.

However, this has not derailed progress. There were some positive consequences of lockdown which the Council have embraced. For example,

- The pandemic provided an opportunity to change behaviour and embed new agile working arrangements which have reduced the Council's carbon footprint. Staff have embraced the change and work is underway to retain the benefits going forward.
- The lockdown led to the largest ever recorded global reducing in atmospheric CO2 emissions, including improvements to air quality in Sefton.
- The national response to 'build back better, build back greener' has provided unexpected funding streams which the Council have taken advantage of.

In addition to the pandemic, 2020-21 has been a year of extremes. The Met Office 'Look Back at 2020' stating that 2020 has been a year of extremes with the wettest February on record, the sunniest spring, a heatwave in the summer and a day in October breaking rainfall records. 2020 was also one of the top five hottest on record for the UK but was also one of the top ten wettest and the top ten sunniest years.

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Executive Summary

This makes it clear that the general trend of warming as a consequence of climate change is being seen, not just at a global level, but in our own national temperature records. It is even being felt at a local level, for example, the extreme flooding event which led to the evacuation of residents in Maghull due to Storm Christoph in March 2021.

Such events act as a reminder of how important tackling climate change is and why it is an emergency.

Page 220
reduction in emissions during 2020-21 was largely driven by the Council embracing the change to working practices brought about by the pandemic, notably move away from office working and into home working. We are working to ensure that we retain some of the new working practices post pandemic, for example, through agile working.

The foundations have also been laid this year for several key projects which will significantly reduce carbon emissions going forward. For example, this year the Council have approved the Asset Street Lighting Project and Town Hall Retrofits which will both lead to significant carbon savings in the future.

Work has also been undertaken to ensure that climate change becomes embedded in all areas of the Council. For example, through the introduction of climate change impact assessments in decision making reports and staff training.

The pandemic has limited progress with external stakeholders, but we hope that we can focus on this going forward, particularly during COP26 in November.





Introduction

In July 2019 Sefton Council declared a Climate Emergency. In declaring a Climate Emergency, it was agreed that:

Sefton Council is committed to reducing carbon emissions and resolves to go further than the UK100 Agreement and to act in line with the scientific consensus that we must reduce emissions to net zero by 2030, and therefore commits to:

- Page 221
- Declare a 'Climate Emergency' that requires urgent action.
 - Make the Council's activities net-zero carbon by 2030.
 - Commit to municipalisation of energy supply by utilising public sector sites to generate energy where appropriate
 - Ensure that all strategic decisions are in line with a shift to zero carbon by 2030.
 - Support and work with all other relevant agencies towards making the Sefton area Zero Carbon within the same timescale.
 - Achieve 100% clean energy across Sefton Council's full range of functions by 2030.
 - Convene an assembly of interested groups not directly represented on Council in 2020 to oversee and feed into the development of related action plans and budgets across the City.

This Annual Report highlights the actions Sefton Council have taken over the year 1 April 2020 to 31 March 2021 to address the Climate Change Emergency.





Strategy and Implementation Plan

Since declaring the Climate Change Emergency Sefton Council have produced a Strategy and associated Implementation plan/action plan. Both were approved by full council in September 2020.

The documents establish a path to lead the organisation to become net zero carbon by 2030.

Both the strategy and action plan have seven key principles to guide work in this area – guided by the acronym C.L.I.M.A.T.E

- Carbon Reduction
- Leadership
- Innovation
- Mobilisation
- Adaptation
- Transformation
- Engagement





CLIMATE

All current projects align with our CLIMATE strategy

Carbon Reduction

Street Lighting Asset Project

The energy used by Street Lighting accounted for 26% of the Council's total carbon footprint in 2019-20 and these energy costs are increasing year-on-year at a rate above inflation incurring a significant cost to the Council.

The Council approved an investment of £12.750m in the Street Lighting Asset Project to improve the portfolio through the installation of energy efficient LED technology and replacement of life expired assets. The programme will generate significant operational cost savings over 20 years against current forecast expenditure without intervention. By the end of 2021, it is anticipated that Sefton will achieve financial savings of circa £240,000 based on 2020/21 rates.

The scheme is expected to reduce the council's emissions by 347tCO₂ over the course of 2021-22. When the project is complete, annual emissions are expected to reduce by 1,655 tCO₂ per year – which would mean street lighting accounts for around 10% of the Council's total carbon footprint (based on 2019-20 data).

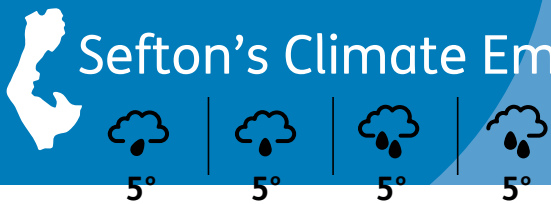
This is a positive scheme for the Council, it is win-win in terms of long-term cost savings and reducing carbon emissions.

Energy efficiency work at Bootle and Southport Town Hall

The Council recently secured £875,000 from the Public Sector Decarbonisation Fund to undertake works at Bootle and Southport Town Halls, with the aim of reducing heat loss at both sites. A specialist heritage contractor will work to improve the glazing and roof insulation in both buildings, ensuring that key historic features are maintained and protected.

Works are scheduled to be completed in late 2021 and will be carried out simultaneously alongside other essential maintenance projects. The works are expected to reduce emissions by approximately 59 tCO₂ per year - reducing the Council's carbon footprint and energy bill as well as creating a more comfortable working environment for staff and visitors.

In addition to these improvements, funding has been secured for the production of a Heat Decarbonisation Plan, covering 14 main corporate buildings. This plan will help to determine how the Council can move away from using fossil fuel heating and utilise alternative low carbon options, such as heat pumps instead.



CLIMATE

All current projects align with our CLIMATE strategy

Leadership

Procurement

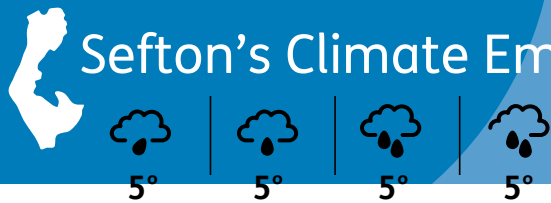
Page 224 The Council's baseline carbon footprint does not include the emissions associated with the products and services which the Council 'buy-in' – this is in line with the international methodology for calculating carbon footprint. However, we estimate that we could add an additional 19% to the carbon footprint if these were included.

Page 224 The Council have a leadership role in the community, therefore, have begun to procure in a way which helps ensure we buy sustainable products and services and work with companies who have a similar environmental ethos to Sefton Council. This year, environmental based social value questions have been introduced to large/carbon intensive tenders. Scored by the Energy and Environmental Management Team. A pilot of a new social value tool which better captures and quantifies carbon emissions has also begun at the Council.

The regeneration of Crosby Lakeside Adventure Centre is an example of the Council requiring contractors, suppliers and stakeholders to consider climate change.

The tender for this regeneration included climate specific social value questions. The regeneration will include the installation of five electric charger points on site and the contractors have agreed the following measures:

- No plastic cups for water coolers
- Sorting all waste into appropriate bins/skips for recycling
- Using local suppliers and employees where possible to reduce mileage
- Minimising electricity, water and fuel use on site
- Looking at potential for employee cycle scheme
- These will all be reported against as part of their monthly update report.



CLIMATE

All current projects align with our CLIMATE strategy

I nnovation

Housing retrofit

The Council are the accountable body for an ERDF funded project with Housing Associations retrofitting homes in Sefton and across the LCR with both innovative and traditional carbon reduction interventions – such as external wall insulation, floor insulation and electric heating.

Page 225 The Council have also accepted grant funding for retrofit of approximately 245 homes within Sefton.

Page 225 This work will focus on the most inefficient homes of the poorest residents. Which will not only reduce the carbon emissions across the Borough – but also help to reduce the risk of fuel poverty for residents.

M obilisation

All Staff Climate Emergency eLearning module

An eLearning module has been developed in-house by the Teachers at the Eco Centre, the Energy and Environmental Management Team and the Corporate Learning Centre. The training will provide all Council staff with a basic understanding of what climate change is, why it's important, what the Council are doing in response and what we expect staff to do.

The training will be compulsory and takes around an hour to complete. The eLearning will be launched in June. The images are screenshots of the training package.





CLIMATE

All current projects align with our CLIMATE strategy

A daptation

Agile working

Property Services Department are developing proposals to embed agile working changes including changes to office numbers, staff commuting, staff travel, IT use and building usage. The climate emergency carbon reduction targets are helping to inform the decisions made on how Sefton employees work in the future.

Agile working has dramatically reduced the daily commute and its associated emissions. It has also meant the underutilisation of offices which has led to emission reductions in the Council owned building. However, the emissions saved from the commute are largely offset by the emissions which result from home working (see Figure 3). This is because, for example, staff at home are using individual gas boilers which are less efficient than those of a larger scale use to heat offices and they tend to be older.

The emissions associated with home working have been calculated based on an industry recognised methodology. It is robust; however, it does include several assumptions. Work will be ongoing this year to test whether those assumptions are reflective of Sefton staff and to educate staff about energy use in the home. For example, heating costs and emissions can be reduced significantly by only heating the room you are working in – rather than the entire house, during winter.

Internal Communications

Periodic campaigns were run for staff throughout the year, for example, Halloween switch off campaign, Climate Change Christmas Advent Calendar and the creation of Energy Dashboards.

Staff at all levels have been involved and input into the climate emergency workstream, either through the Climate Emergency Officers Working Group with Departmental Management Team representatives from across the Council to assist in the delivery of the climate change implementation plan and communicate climate change messages throughout the Council. Or through One Council or the Climate Change Emergency Member Reference Group.

Tree Planting

For the planting season 2020/21, 3,430 new trees have been planted in the borough (all via external funding sources), as opposed to 160 mature (dead, diseased or dying) trees felled on the highway, and in parks and on the coast.

Trees are a valuable carbon sink helping to absorb carbon and also aid adaptation to weather extremes – in terms of reducing flood risk and providing solar shading.



CLIMATE

All current projects align with our CLIMATE strategy

Transformation

Climate Change Emergency in Decision Making Reports and associated staff training

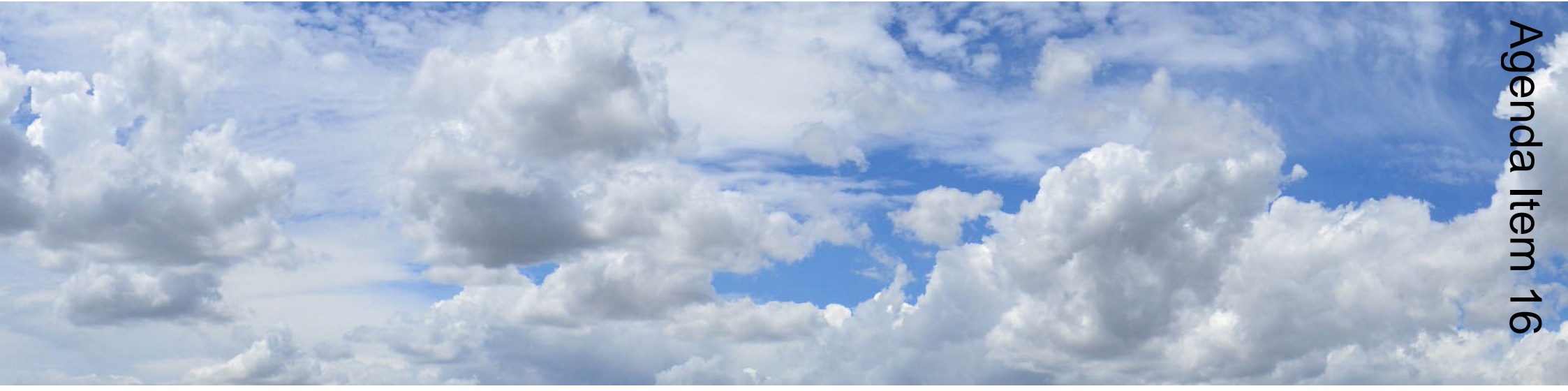
From May all Cabinet and Council decision papers which go to Members will include a climate change impact assessment for the first time.

Pages will help ensure that climate change is a visible part of the decision-making process in the future, helping to embed climate change thinking into everything we do across the whole council.

A new reporting template has been developed by Democratic Services and the Energy and Environmental Management Team.

The associated reporting guidance note to authors has also been updated to include advice on how to complete the new climate emergency implications section. So far, over 90 staff members have been trained in completing a climate change impact assessment.

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CLIMATE

All current projects align with our CLIMATE strategy

Engagement

A draft Communications Plan for the climate change emergency has been created. It focuses on awareness raising campaign's both internally and externally, largely using digital methods (website, Twitter, Yammer etc due to budget constraints).

Internal Communications have been carried out in conjunction with key partners such as Liverpool City Region Combined Authority and Sefton Council for Community Partnership (CCP) and Community Voluntary Service (CVS).

The Council continue to attend Nature Connected (the LCR Local Nature Partnership with engagement in projects and campaigns accordingly - such as reporting on the Fields In Trust initiative in Liverpool City. As part of the Nature Connected Board involvement, Green Sefton have been involved with the development of a Natural Capital baseline work with John Moores University - which will now feed into the Strategic Land Use Plan which highlights the huge contribution landscape can make to the climate change agenda - both adaptation, and mitigation.

The pandemic has meant that the Council have not been able to progress engagement workstreams as much as hoped. However, as the pandemic eases, this can be a focus in 2021-22.

Air Quality

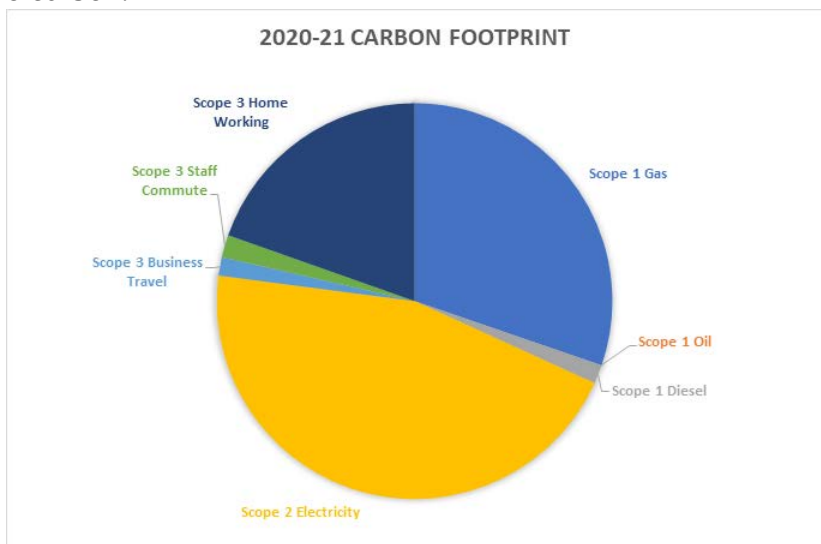
The Council have been involved in the work the LCR have been doing and their consultation on the regions Spatial Strategy. The LCR Environment Fund has been utilised to improve and roll out of Sefton Council's Clean Air Crew Website - which is an online learning tool which communicates messages about air quality, the environment and climate change to primary school children across the entire LCR.

The Council have also received funding from Defra to invest in air quality and create an immersive room/experience at the ECO Centre - which will be a valuable engagement tool available to the Council in the future.



Carbon Footprint

The Council's baseline carbon footprint was calculated in 2019-20 and will be used as a baseline against which to chart progress towards net zero carbon.



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The scope of the Council's carbon footprint was determined as Council operations and details of how this was calculated are available in the Sefton Council Carbon Footprint Report 2019-20.

The footprint was calculated as 10,017 tCO2 in 2019-20.

This compares to 9,035 tCO2 for 2020-21. This is a decrease of 982 tCO2, which is 10%.



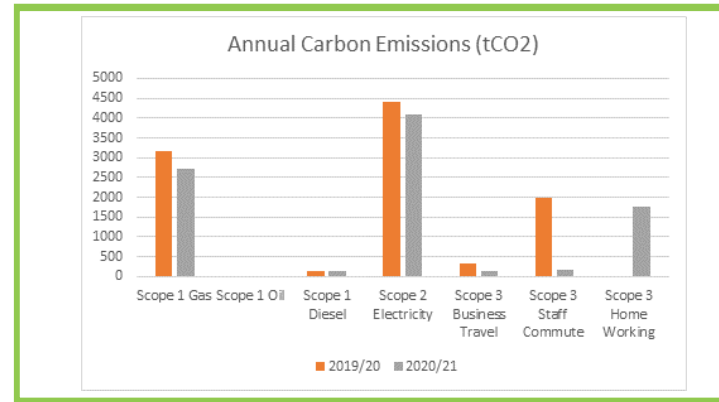
Agenda Item 16

Carbon Reduction

The reduction was largely driven by changes to working practices brought about by the pandemic, notably a move to home working.

This meant that staff did not commute to the office (reducing commuter emissions and also reduced the energy consumed in Council owned buildings – when buildings were closed or had a reduced number of staff working on site).

Scope 1 emissions (gas, oil and diesel emissions) fell by 13% and Scope 2 electricity emissions fell by 7%. Also, emissions as a result of the staff commute to work fell by a dramatic 92%.



The chart above, shows a breakdown of the Council's carbon emissions in 2020-21 and compares it to 2019-20.

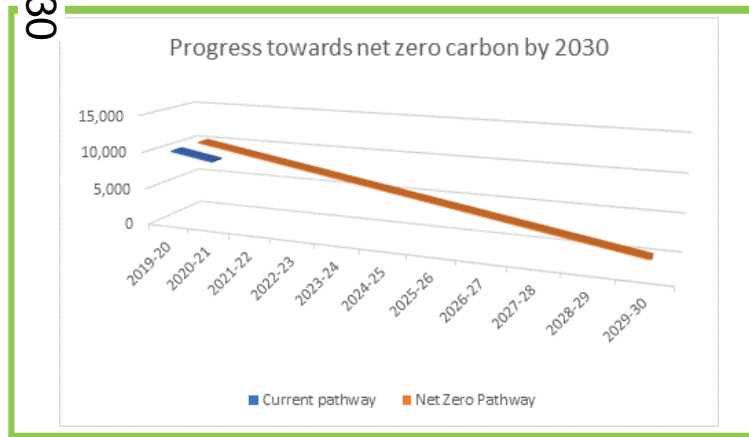
Work is underway to ensure that the carbon savings which have resulted from the new ways of working are retained by implementing a new agile working policy.

The progress made in one year is very positive and the achievement should not be underestimated. But a report by Manchester University Tyndall Centre for Climate Change provides a stark warning that there is a lot still to be done, not only in the Council's operations but across the entire Borough.

The United Nations Paris Agreement sets the UK a carbon budget. If the UK stick to this budget the UK will be playing its part in ensuring global temperatures don't rise above 1.5 degree Celsius.

The Tyndall Centre state that if the Borough of Sefton continue to emit carbon in the way it currently is – it will have used its entire carbon budget up in 7 years. The budget needs to last until 2100. So, it will have used up its entire allocation of carbon 73 years ahead of schedule!

Sefton is not unique in its position, nearly all the Local Authority areas have the same stark warning, but it serves as an important reminder of the challenge.



The change in working practice has led to a large proportion of emissions being shifted away from the Council but into staff homes. Therefore, we have followed best practice in capturing and accounting for the emissions associated with staff working from home.

This is a discretionary element of the carbon footprint but given the scale of home working this past year – the emissions associated with home working will be accounted for by the Council.



Conclusion

In addition to the roll out of projects and processes we have outlined, in 2021-22 there are a number of key projects scheduled to commence, in line with the Action Plan.

- Climate Change Risk Assessment (adaptation). A full risk assessment of climate change impacts, identifying threats and how they can be managed as well as realising the opportunities.
- Focus on Customer Engagement particularly linking to the United Nations Climate Change Conference (COP26) due to be held in Glasgow in November.
- Investigate the potential to switch to a 100% renewable/green electricity tariff when re-procuring the Council's supplier (for supply beginning 1 April 2023). This would enable the Council to entirely remove electricity from the carbon footprint, which made up 45% of the 2020/21 carbon footprint. Traditional procurement routes would be utilised, but the Council would opt for an accredited 'REGO backed' renewable electricity tariff. There is an additional cost associated with the purchase of renewable/green electricity under Sefton's current contract which is driven by market forces. Based on the current market price and 2019/20 annual consumption the additional annual costs would be around £19,500 for corporate sites. If we took a broader approach to also included school and new direction sites, it would be an additional £42,000 per year (Corporate, schools and New Directions). This offsetting would be carried out alongside electricity demand reduction projects, such as the LED Street Lighting projects following the energy hierarchy.
- Explore options for local offset via climate adaptation programmes and local landscape enhancement

Conclusion

After the first year of the Council's ten-year climate change emergency action plan – the Council is on track to reach net zero carbon by 2030, with emissions falling by 10%. This is an achievement, especially set against a backdrop of the global pandemic.

The Street Light Asset Project and energy efficiency works at Bootle and Southport Town Hall projects which have begun this year will translate to further emission reductions in the future (17%). This means plans are in place to have a total reduction of 27%.



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Report to:	Cabinet	Date of Meeting:	Thursday 24 June 2021
Subject:	Phase 2 Sefton Council Asset Disposals		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	Norwood Dukes and Manor
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report provides Cabinet with details of three surplus assets that could be made available to Sandway Homes. These assets will form Phase 2 of Sandway Homes' development programme.

Disposal of the assets to Sandway Homes supports the wider Framework for Change Programme and the Asset Maximisation project identified as part of the Public Sector Reform list of projects that would help the Council meet its stated objectives and deliver financial sustainability. Cabinet has previously agreed to dispose of assets to generate capital receipts to support the Growth and Strategic Investment Programme and the Council's Framework for Change Programme.

Each transfer to Sandway Homes would be subject to the same disposal approval processes set out in the Asset Disposal Policy and used for the transfer of Phase 1 sites to ensure transparency and so that "best consideration" requirements under Section 123 Local Government Act 1972 (as amended) are satisfied. Valuations will be prepared for each site based on the applications submitted for Planning permission and the agreed land purchase price reported back to Cabinet or Cabinet Member as appropriate at a future date.

'As set out within this report, the Company will be notified that the Council has identified these three sites as part of its Asset Disposal programme that it would be prepared to sell to the Company for its Phase 2 operations, for which the Company is asked to produce a robust Business Plan/case that will in turn be provided to Cabinet for consideration. This will be evaluated against the Council's key objectives of housing provision and financial return taking full account of risk. The Company have and will need to incur expenditure from external Contractors and Advisors to prepare this Business Plan/case similar to the approach taken in preparation for Phase 1.

To date the Company have incurred £0.2m of expenditure in advance of the Council

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making a decision as to which sites may be made available in order that progress can be made expediently. As stated during the preparation for Phase 1, the Council incurred such expenditure as the Company was yet to be incorporated and these costs are included in the overall Phase 1 Business Plan.

Similarly these costs incurred by the Company will be included in the overall Phase 2 proposal and will be factored into the overall dividend due. In terms of the impact on working capital of the Company this sum will need to be funded in advance of the Phase 2 Business Plan/case being approved by Cabinet. From discussions with the Company the peak debt of £5.1m that has previously been approved for Phase 1 will not be reached. It is therefore recommended that the Company be permitted to include this sum within that previously approved peak debt facility to support the development of the Phase 2 Business Plan/case to the value of £0.200m with interest being charged as per the agreed approach to debt owed.

This proposal will not impact the dividend due from Phase 1 unless the Council subsequently decide not to progress with Phase 2 in which case this would need to be met from the dividend due from that Phase'

Recommendations:

1. That Cabinet approve the disposal of the following Council sites to Sandway Homes Limited:

- (1) Isle of Wight Farm, Southport – on condition that technical due diligence and a planning application is progressed in the 2021/22 financial year.
- (2) Bootle High School, Bootle – on condition that technical due diligence and a planning application is progressed within the 2021/22 financial year.
- (3) Foul Lane, Southport – on condition that technical due diligence and a planning application is progressed in the 2021/22 financial year.

2. That further report(s) on the detailed terms and conditions agreed for the disposal of the sites be submitted to the appropriate Cabinet Member or Cabinet for approval in accordance with the Asset Disposal Policy

3. Cabinet approve that Sandway Homes Limited be permitted to incur expenditure of £0.200m in the development of the Phase 2 Business Plan and that this be included in the previously approved debt facility for Phase 1.

Reasons for the Recommendations:

Sandway Homes is a key delivery vehicle to secure capital receipts to support the Council's Framework for Change Programme. Cabinet previously approved on 9 January 2020 (Asset Maximisation Report) that the Isle of Wight Farm and Bootle High School be identified as being surplus to operational requirements and available for disposal. Officers have assessed other prospective sites and with the addition of Foul Lane,

Sandway Homes will have three sites to form Phase 2 of their build programme. This will allow the Development Company to continue to provide new residential dwellings, including affordable housing, and generate capital receipts plus a share of profit (revenue return) to the Council

The Asset Disposal Policy details the route for approval dependent on the level of capital receipt agreed between the parties

The request for expenditure of £0.200m for Sandway Homes Limited enables the completion of the Phase 2 Business Plan.

Alternative Options Considered and Rejected: (including any Risk Implications)

Option 1 – “alternative sites are offered to Sandway Homes”.

Risk: current Council sites declared surplus are generally smaller sites or have associated timing issues, which means that they cannot be brought forward as quick. The impact is that the Council would receive a lower land receipt, lesser share of the development profit, and ultimately fewer affordable houses delivered in the Borough.

Option 2 – “the Company takes forward a smaller number of sites” in Phase 2.

Risk: the financial return to the Council will be reduced accordingly. There may be a requirement for Sandway Homes to retain a greater amount of the development profit produced by the remaining sites so that sufficient funding is available to enable technical due diligence and planning applications can be progressed.

What will it cost and how will it be financed?

(A)Revenue Costs The Council will have costs associated with the appointment of external Valuers to prepare a valuation (based on the Sandway Homes scheme submitted for planning), and to take account of any grant funding secured by the development company. The valuations will inform each land purchase price in line with “best consideration” requirements. Such fees can be offset against the eventual capital receipt in accordance with Capital Accounting Regulations.

(B)Capital Costs

£0.200m for the reasons set out in the Summary and Recommendation 3

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

Property and Facilities Management will work alongside Legal and Democratic Services to agree Heads of Terms through to the completion of land sale Agreements.

Legal Implications:

The Chief Legal and Democratic Services Officer will complete legal documentation for each disposal.

Equality Implications:

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There are no Equality implications

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	N
Have a neutral impact	N
Have a negative impact	Y
The Author has undertaken the Climate Emergency training for report authors	Y

Whilst the disposal of three sites for housing will have a negative impact on the Climate Change Emergency Sandway Homes will mitigate such impact by undertaking the development in a compliant scheme in accordance with Planning policy.

The Construction Sector is changing due to the onset of climate change and the need to diversify traditional construction practices towards sustainable, manufacturing led techniques which will reduce carbon emissions through the construction process is recognised.

To date on the Phase 1 sites Sandway have committed to reducing its carbon footprint. The following examples of construction have been implemented to over and above Building Regulation standards

- Car charging points for over 60% of units delivered over the three sites
- MMC methodology wherever applicable, approved to Homes England grant standards
- Site cut and fill strategy is to enable wherever possible all material to be left on site reducing overall site carbon footprint on movement of heavy vehicles.
- Landscaping strategy implemented ensures as much green space on the sites as possible is retained
- SUDS strategy where possible includes natural defences and drainaway

Phase 2 will provide Sandway and the Council the opportunity to explore alternative methods of construction, as well as implementing a comprehensive specification which incorporates renewable technologies such as electric / solar based heating systems.

Sandway will look to implement a 'whole building approach' to design which ensures that all new homes are built to the highest performing standard, following eight core principles: Accessibility, Aesthetics, Cost-effectiveness, functionality, productivity and health, safety/security and sustainability.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Phase 1 will deliver 112 open market homes / 36 affordable homes which comprise a mix of affordable rent and shared ownership

properties. Should the Council wish to seek a Partnership with Sandway Homes to include properties for vulnerable people as part of its Phase 2 Programme, (which may include Extra Care / specialist supported accommodation), this can be explored

Facilitate confident and resilient communities: Sandway Homes development programme is providing new housing in the Borough, including forms of affordable housing which will provide additional housing choice for the local communities of Sefton. Sandway is registered as a Help to Buy agent, which allows the Company to provide access to first time buyers for to up to 20% deposit from Government (on properties up to £224,000), to support them on to the housing ladder. The Company has the ability to reach out to a number of customer Groups, and moving forward can tailor any affordable element of a housing scheme ensuring 'best fit' based on local need in terms of both tenure and property type. This will provide the Council with an opportunity to directly intervene to promote confident and resilient communities.

Commission, broker and provide core services: The disposal of Council owned assets for housing purposes provides a number of direct benefits to the Authority in addition to the items outlined within the resilient communities section. Progressing disposals generates a capital receipt for the Council, Planning gain through S106 stipulations, interest payable on any further loan to Sandway and any profit on sales. These direct outputs will support a number of Council service priorities including economic regeneration and the provision of further housing as required (including affordable homes).

Place – leadership and influencer: not applicable

Drivers of change and reform: The progression of further projects via Sandway Homes, and the Council's ability to deliver additional housing units is a key delivery vehicle supporting the Council's Framework for Change Programme. Direct delivery also supports the Council's Housing Strategy providing housing choice in parts of the Borough where there has not been any new build delivery for a significant amount of time.

Facilitate sustainable economic prosperity: Sandway Homes will continue to generate direct and indirect employment opportunities through the delivery of Phase 2 sites. Construction continues to support economic recovery post Covid-19, and the Company will promote opportunities for local supply chains (including Contractors, Suppliers and Technical & Professional Services), as it moves to commission Phase 2.

Greater income for social investment: The Development Company model set up by the Council looks to generate revenue income to the Council that can be used to support wider Council priorities as outlined in the core services section above. The Phase 1 Programme is set to achieve a return to the Council which comprises the capital receipts a dividend and profit on the loan together with additional Council Tax.

Cleaner Greener; The Construction Sector is changing due to the on-set of climate change and the need to diversify traditional construction practices towards sustainable, manufacturing led techniques which will reduce carbon emissions through the construction process. Phase 2 will provide Sandway and the Council with the opportunity to explore alternative methods of construction, as well as implementing a

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comprehensive specification which incorporates renewable technologies such as electric / solar based heating systems.

Sandway will look to implement a 'whole building approach' to design which ensures that all new homes are built to the highest performing standard, following eight core principles Accessibility, Aesthetics, Cost-effectiveness, functionality, productivity and health, safety/security and sustainability.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6421 /21) and the Chief Legal and Democratic Officer (LD.4621/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

Contact Officer:	Andy Bond, Dominic Ellis
Telephone Number:	Tel: 0151 934 3247,
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Appendices:

The following Appendix is attached to this report:

- 1.Summary of the Council's Agreed Disposal/approval process

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 Due to significant reductions in Government grant allocations, the Council no longer has available capital resources to support the delivery of its Capital Programme. This means that it can either borrow capital funding which would lead to a corresponding financial cost that would need to be met via the Medium-Term Financial Plan or it can seek to secure funding from external partners or through the disposal of assets and generation of capital receipts. As part of the Framework for Change Programme set out and agreed by the Council in March 2017, the Asset Maximisation project was identified as part of the Public Sector Reform list of projects that would help the Council meet its stated objectives and deliver financial sustainability.

- 1.2 Under Asset Maximisation, a Cabinet paper for Phase 1 disposals was presented and approved on 9 January 2020 (with some exceptions), which confirmed those assets identified as being available for disposal (see Table 1). These form Phase I of the disposals programme and a subsequent update report was approved by Cabinet in 5 November 2020, which detailed progress and key financial metrics.

TABLE 1 PROPOSED PHASE 1 DISPOSAL SITES	
Address	Status
Land at Isle of Wight Farm, Southport	Declared surplus
Bootle High School, Browns Lane	Declared surplus

- 1.3 Following the approval of the Company's Business Plan, Sandway Homes has been established and a permanent Chief Executive is now in place. Technical due diligence work has been progressed and has informed the development of master plans for Barton's Close, Meadow Lane and Z Blocks in Netherton. Sandway Homes is now in the process of delivering their first phase and is on site on the Southport sites. The Development Company has now formally requested three new sites, which will form a Phase 2 development programme.
- 1.4 As a result of this cabinet are asked to consider that the following two declared surplus sites in Table 1 be transferred to Sandway Homes:
- 1.5 Land at Isle of Wight Farm Southport is considered a suitable opportunity for Sandway Homes to progress in 2021. As a larger site than the Phase I sites being delivered by Sandway Homes, a disposal and development route via the Company offers clear financial benefits to the Council. At around 15 acres gross, the gross development value (GDV) and the resulting financial gain (land plus development profit) will be significantly larger. A recent valuation report by Cushman and Wakefield commissioned by the Council assumes a notional scheme of 201 houses, including a policy compliant on-site affordable housing ratio of 30%. The notional scheme has a GDV of £36.5m and is expected to produce a gross land value to the Council of £4.91m before deductions for abnormal costs and Planning costs.
- 1.6 Bootle High School Browns Lane is a Council owned site measuring 4.36 acres. A planning application has been submitted by the Council for a scheme of 59 houses. Cushman and Wakefield's report for the Council assumes a Gross Development Value of £9,384,000 with a gross land value of £1.35m before deductions for abnormal costs and Planning costs for a policy compliant scheme.

2. Addition of a Third Development Site for 2021

- 2.1 Officers have identified additional assets which might be suitable for transfer to Sandway Homes for consideration as a third Phase II development site.
- 2.2 The rationale for selecting a shortlist of sites takes account of the following factors:

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- Is the site designated residential within the Local Plan: Officers have considered sites that are designated as residential within the Local Plan.
- No alternative use to residential: Officers have considered those sites that can be brought forward for other land uses (i.e. care home or food store) would generate a capital receipt more than the land receipt plus revenue return that the Company could deliver by building houses.
- Min/max site delivery capability: Larger sites capable of delivering more than 100 dwellings will be supported for inclusion given that the Company has built capacity and confidence through its Phase I programme.
- Local known competition: A consideration is made of whether there are other housing sites coming on stream in the local area, which will present competition for sales and potentially impact on the rate of sales achieved by a scheme i.e. reduce the sales absorption rate.
- Site can deliver increased financial benefits to the Council (Revenue and Capital): Supporting the offer of larger sites to the Company that provide the capability to ensure policy compliance or better e.g. Barton's Close, alongside increased financial gain (both land receipt plus revenue return) if the scheme is successful.
- Increased social value: Sites are favoured where commercial viability is strong (i.e. viability will not be challenging). This provides the opportunity to partner with Registered Providers to supply affordable housing provision on site.
- Location: to ensure even development, a range of high to low value sites and opportunities across the Borough, location is a factor.

2.3 The above factors have informed the recommendation that Foul Lane be offered to Sandway Homes. Further detail on the site is provided in the three paragraphs below:

2.4 Foul Lane Southport is the former Park and Ride site measuring 8.37 acres or thereabouts. The Council's registered title contains restrictive covenants for the benefit of the previous owners restricting the use of the site to that of a Park and Ride only. The previous owners also own the land to the rear. A single point of access from Foul Lane is a Local Plan requirement which necessitates an access road crossing the Council's land as a way of facilitating their development.

2.5 The parties have negotiated terms whereby the Council grant an Easement over its land enabling a highway crossing to be constructed (in a position to be mutually agreed) opening up the land to the rear in return for a waiver of the overage rights over the Park and Ride site enabling that to be disposed of for residential purposes by the Council to Sandway Homes. The Council has allowed access for Contractors to undertake site investigations on the land for the highway crossing. The Combined Authority has agreed to provide grant funding to the Council for pre development works on site which have been tendered and due to be reported.

2.6 The Council's estimate of value based on a scheme for 87 houses is £780,000 assuming a Gross Development Value of £15,900,000. This assumes that the covenants are released. This valuation is out of date so an updated market valuation will be required.

2.7 The land value for each of the proposed sites to be transferred to Sandway Homes will be determined by new valuations (see Section 3), which may take account land payments being deferred. The final disposal will also have to take

account of the lending terms of any external capital funding that Sandway Homes may secure to help bring forward sites (i.e. clawback provisions).

3.0 Best Consideration and Capital Receipt Forecasting

- 3.1 The Council is under an obligation to ensure that any offers for properties represent “best consideration” in accordance with Section 123 of the Local Government Act 1972 (as amended). The transfer of all Council owned land to Sandway Homes will be required to satisfy best consideration requirements under Section 123 of the Local Government Act 1972. Specifically, all the sites will be subject to the same disposal approval process to ensure transparency and that Local Authority best value considerations are satisfied.
- 3.2 The land value for each of the proposed sites to be transferred to Sandway Homes will be determined by new valuations (see paragraph 3.3), which may take account land payments being deferred. The final disposal will also have to take account of the lending terms of any external capital funding that Sandway Homes may secure to help bring forward sites (i.e. clawback provisions).
- 3.3 The Council will commission market valuations of individual sites from suitably qualified Agents, based on a proposed housing scheme to arrive at a land value, which will take account of a market profit return to Sandway Homes. Sandway Homes will be notified of the land value, which then forms the basis of the land payment and ensures compliance with the Asset Disposal Policy as a non-competitive disposal.

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Appendix 1

Summary of the Council's Agreed Disposal/approval process

Pre-delivery stage.

1. Council's Property Department undertake the asset review and identify potential sites for inclusion in Growth and Strategic Investment Programme, Housing Development Company or open market disposal.
2. Initial work presented to SCIG for feedback on potential disposals and options around who to be engaged, this will include consideration of sites that maybe suitable for Sandway Homes Limited.
3. Pre-delivery desktop work undertaken to understand potential value and key issues along with informal engagement.
4. Present initial findings represented to Members.
5. Members to provide guidance to officers on preferred disposal route and next steps prior to formal process/delivery.

Formal Disposal Process.

The main stages in the disposal process are as follows:

- Operational property closed, declared surplus to operational requirements and available for disposal by relevant Cabinet Member.
- Non-operational property declared available for disposal by Cabinet Member Regulatory, Compliance and Corporate Services.
- Pre-disposal actions and activity (planning briefs or outline planning consent, disposal terms, method of disposal, etc) agreed by relevant Officers and implemented.
- The disposal will usually be handled by the Council's property team unless it is of a specialist nature that requires external expertise or resource.
- In the case of open market disposals, the asset will be fully marketed using the Internet and more traditional advertising methods.
- The disposal process will consider any moratorium periods under Community Right to Bid.
- All offers will be considered for compliance with tender conditions and undergo a value for money assessment, initially by the relevant Council officials, before being reported as follows:
 - Value: < £100,000 – Decision delegated to Executive Director, Corporate Resources and Customer Services
 - Value: £100,001 to £500,000 – Decision made by Cabinet Member Regulatory, Compliance and Corporate Services
 - Value: > £500,001 – Decision made by Cabinet.
- After publication of the decision and progression through the call-in process (if instigated) the decision will be implemented, and Legal and Democratic Services instructed to deal with the requisite legal documentation and Conveyance.
- Progress of disposal activity monitored by the Cabinet Member Regulatory, Compliance and Corporate Services
- *Please note: Formal route – to be undertaken in line with the Asset Disposal Strategy (post Pre-delivery stage).*

Report to:	Cabinet	Date of Meeting:	24 June 2021
Subject:	Financial Management 2021/22 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2021/22 including the Financial Impact of COVID-19 on the 2021/22 Budget - June Update		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Leader of the Council		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform **Cabinet** of:

1. The current financial implications of COVID-19 on the 2021/22 Budget;
2. The current position relating to the 2021/22 revenue budget;
3. Additional supplementary capital estimates to the Council's capital programme are presented for approval.

Recommendation(s):

Cabinet is recommended to:

Revenue Budget

- 1) Note the current financial implications of COVID-19 on the 2021/22 Budget together with the key issues that will influence the final position;
- 2) Approve that as in 2020/21, the use of Emergency Funding in 2021/22 be delegated to the Leader of the Council following advice from the Chief Executive and s151 officer
- 3) Note the various Government grants that have been received to support residents and businesses which will be utilised in accordance with central government guidance;
- 4) Approve that decisions on the use of the discretionary elements of the Adult Social Care Infection Control and Testing Fund are delegated to the Executive Director of Adult Social Care and Health in consultation with the Cabinet Members for Adult Social Care and Health and Wellbeing;
- 5) Note the current position relating to the 2021/22 revenue budget;
- 6) Recognise the financial risks associated with the delivery of the 2021/22 revenue budget and acknowledge that the forecast outturn position will continue to be reviewed to ensure a balanced forecast outturn position and financial sustainability can be achieved;

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- 7) Approve the two supplementary revenue estimates set out in section 4, which are fully funded from the grants received.

Capital Programme

- 8) Approve the supplementary capital estimates as set out in sections 5.1 to 5.3 of the report.
- 9) Recommend to Council the approval of the supplementary capital estimate as set out in section 5.4 of the report.

Reasons for the Recommendation(s):

To ensure Cabinet are informed of the current position in relation to the 2021/22 revenue budget, including COVID19 pressures and additional funding being made available to the Council.

To seek Members' approval of supplementary capital estimates to be added to the Capital Programme previously approved by Budget Council.

Alternative Options Considered and Rejected: (including any Risk Implications)

N/A

What will it cost and how will it be financed?

(A) Revenue Costs

The report indicates that for 2021/22 a balanced position is currently expected but that mitigating actions may be required if the position worsens.

(B) Capital Costs

If approved, the additional capital estimates will increase the Capital Programme by £3.217m. This will be fully funded by additional grant allocations.

Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out as follows:

Resource Implications (Financial, IT, Staffing and Assets):

It is currently expected that a balanced budget position will be achieved for 2021/22. However, it should be noted that significant pressure and risk remains in four key business areas, namely Children's Social Care, Children with Disabilities, Education Excellence and Locality Services. If these budgets experience further demand pressure during the remainder of the year corresponding savings will need to be identified. If this cannot take place there may be a call on the Council's General Balances.

Legal Implications:

None

Equality Implications:

None

Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N
<p>The additional allocations of capital funding outlined in section 5 may be spent on projects that will have a high climate change impact as they could relate to new build, rebuild, refurbishment, retrofit and demolition proposals. Environmental consideration will be taken into account when specific projects are designed and tendered – which will help to mitigate negative impacts.</p> <p>Climate Change is increasing the risk of surface water flooring across the Borough. The capital project detailed in paragraph 5.3 should have a positive impact as it will increase the scope of the project to study surface water flooding in the North of the borough, which will inform our climate change adaption response.</p>	

Contribution to the Council’s Core Purpose:

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

<p><u>Protect the most vulnerable:</u> See comment above</p>
<p><u>Facilitate confident and resilient communities:</u> See comment above</p>
<p><u>Commission, broker and provide core services:</u> See comment above</p>
<p><u>Place – leadership and influencer:</u> See comment above</p>
<p><u>Drivers of change and reform:</u> See comment above</p>
<p><u>Facilitate sustainable economic prosperity:</u> See comment above</p>
<p><u>Greater income for social investment:</u> See comment above</p>
<p><u>Cleaner Greener:</u> See comment above</p>

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What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources & Customer Services is the author of the report (FD 6423/21)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 4624/21).

(B) External Consultations

N/A

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer:	Paul Reilly
Telephone Number:	Tel: 0151 934 4106
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Appendices:

There are no appendices to this report.

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 In March 2021, Council approved the budget for 2021/22. As in previous years, full updates on the forecast revenue outturn position for 2021/22 will be presented to Cabinet from the July meeting onwards. These will include the impact of COVID-19 on the Council's 2021/22 budget. This report provides an initial update on any issues plus gives details of new allocations of grant funding received in 2021/2022 to assist with the response to COVID19.
- 1.2 The capital section of the report outlines any additions to the Capital Programme for 2021/22 since it was approved at the March 2021 Budget Council.

2. Impact of COVID 19 on 2021/22 Budget

- 2.1 As part of the Council Budget Report presented to the Budget Council meeting in March, Members received details of the full range of financial issues that were being faced by the Council in 2021/22 arising from the pandemic, and how this cost would be funded. A summary is shown below:

	2021/22
	£'m
Sales, Fees and Charges Income	
Estimated Net Losses	1,500
Use of 2021/22 Emergency Funding	-1.500
	0.000
Collection Fund deficit in 2020/21 arising from COVID-19	
Net losses after government compensation scheme	5.812
Collection Fund Surplus from 2019/20	-1.072
	4.740
Collection Fund deficit re. 2021/22	
Reduction in Council Tax Base	3.564
Council Tax Support Grant	-3.471
Business Rates forecast losses	3.000
	3.093
Temporary Mitigating Measures to Offset Council Tax / Business Rates Losses	
Use of 2020/21 Emergency Funding	-4.000
Framework for Change 2020 – Council of 2023 Savings	-0.890
Forecast Underspend in 2020/21	-1.000
Vacancy Management	-0.500
School Closure Reserve	-0.500
Use of 2021/22 Emergency Funding	-0.943

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	-7.833
Net Impact on 2021/22 Budget	0.000

2.2 An update on the pressures is provided below:

Sales, Fees and Charges Income

2.3 There has been a significant impact on income from sales, fees and charges for a range of services during 2020/21. Whilst some income streams temporarily recovered when lockdown was eased and would expect to do so again once we come out of the national lockdown, others are expected to remain impacted whilst measures are still in place for social distancing, etc.

2.4 The government has announced that the compensation scheme in place in 2020/21 to provide support for a proportion of losses will be extended until the end of June 2021. Therefore, an element of losses will be funded through the compensation scheme. It is currently forecast that this could result in a net loss of income of **£1.500m** during 2021/22, which is unchanged from the figure assumed in the Budget Report. This forecast will be reviewed as there is more experience of the impact on reopened facilities. Any balance of losses not funded by the scheme will need to be covered from the emergency funding received by the Council in 2021/22. It is assumed that income levels will return to normal from 2022/23.

Collection Fund deficit in 2020/21 arising from COVID-19

2.5 The Council, in line with all other local authorities, is experiencing significant reductions in income from both Council Tax and Business Rates. This relates to increases in households eligible to claim under the Council Tax Reduction Scheme and some increases in Business Rates appeals as well as reductions in collection rates.

2.6 The government have announced financial support will be provided to offset 75% of irrecoverable losses. However, Council Tax losses relating to non-collection aren't eligible for compensation under the scheme, neither are adjustments relating to previous years. The Budget Report estimated that net losses not covered by the scheme would therefore be up to **£5.812m** and will need to be funded. The final deficit position for both Council Tax and Business Rates is currently being finalised, along with the amount of financial support that would be claimed from the government. The final position will be reported as part of the report to the July Cabinet meeting.

Council Tax Base

2.7 The Council Tax Base is set by Council in January each year. It reflects changes in the number of properties and the value of exemptions and discounts. In recent years the Council Tax Base has increased steadily due to housing growth. However, due to the impact of COVID-19 on the number of CTRS claimants, the reduced collection rate and the slowdown in housing growth, there has been a significant reduction in the Base for 2021/22. This reduced the Council Tax Requirement by **£3.564m**.

- 2.8 The government has announced additional funding to support the loss of income due to increased numbers of CTRS claimants. Sefton's allocation is **£3.471m** and will be used to offset the majority of reduced funding due to the decrease in the Council Tax Base.
- 2.9 Currently, the number of CTRS claimants hasn't increased as forecast (this is due to the government's "furlough" scheme being extended which may have delayed any increase) and collection rates are slightly ahead of expectations. If these factors continue then a surplus may be generated, although due to regulations this would only be credited to the Council in 2022/23.

Business Rates

- 2.10 Business Rates collection rates reduced in 2020/21 due to COVID-19 and are expected to remain lower than normal in 2021/22. In addition, at the time of the Budget Report there were significant numbers of appeals in 2020/21 due to restrictions being in place. It was estimated that based on the 2020/21 position that £3.000m of the Council's income will be at risk as businesses no longer exist or cannot afford to pay business rates.
- 2.11 However, central government have announced that appeals relating to COVID19 won't be allowed under amended regulations. Therefore, it is forecast that the income now at risk is only **£1.600m**.

Cost of responding to the pandemic

- 2.12 The Council has received £8.063m of emergency funding to assist with covering the financial pressures it will face in 2021/22 due to the pandemic. The budget assumes that £2.443m of this will be required to fund the potential losses described above. This leaves £5.620m to fund any further financial pressures.
- 2.13 Due to the ongoing impact of COVID-19 it is anticipated that the remaining emergency funding will be fully utilised in directly supporting the Council's response to the pandemic and any further loss of income that is anticipated between now and the end of the year. As with the use of this funding in 2020/21 it is recommended that the use of this funding be delegated to the Leader of the Council following advice from the Chief Executive and the Council's s151 officer

Central Government Grant Programmes in Response to COVID-19

- 2.14 As part of its role in responding to the pandemic, Central Government has requested that all councils administer a number of grant programmes that have been designed to support residents and businesses. In the same way as a number of grants received in 2020/21, the Council is being asked to administer these grants in accordance with criteria set by the Government. As in 2020/21, these will be reported to Cabinet- where there is discretion, or the Council has a choice around how to use the funding, this will be in accordance with Financial procedure rules- the following four awards reflect that approach:

Adult Social Care Infection Control and Testing Fund

- 2.15 The Government has announced a further £341 million of funding in 2021/22 for infection control measures and rapid testing in adult social care services. Sefton's allocations are **£1.578m** for Infection Prevention and Control and **£1.064m** for

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Rapid Testing. The funding is designed to help reduce the rate of COVID19 transmission within and between care settings and support rapid testing of staff and visitors in care homes.

- 2.16 As with previous allocations, the significant proportion of the funding must be provided directly to care providers with an element to be utilised on a discretionary basis to support the aims of the grant (£0.474m for Infection Prevention and Control and £0.398m for Rapid Testing). It is proposed that decisions on the use of the discretionary elements are delegated to the Executive Director of Adult Social Care and Health in consultation with the Cabinet Members for Adult Social Care and Health and Wellbeing.

Community Outbreak Management Fund

- 2.17 The Government has continued to provide funding to local authorities in 2021/22 to provide support towards expenditure incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID19. Sefton have received **£2.081m** for 2021/22. This is in addition to the £8.647m received in 2020/21.
- 2.18 The Government has stipulated the criteria that must be met for expenditure to be eligible and the decision lies with a council's Director of Public Health. Given the conditions laid down and the speed of response required it is deemed that approval of Supplementary Revenue Estimates aren't required in this instance. However, the information is provided to ensure full transparency.
- 2.19 The allocations of the £8.647m received in 2020/21 have been approved by the Director of Public Health and subsequently approved by the Outbreak Management Board. The allocation headings are as shown below:

<u>Area/ Activity</u>	<u>Allocation £m</u>
Compliance measures	0.200
Corporate support	0.150
Support for vulnerable groups	0.500
Anti-poverty interventions	1.000
Support for self-isolating	0.300
Using behavioural insight to improve health and wellbeing	1.200
Supporting community groups recovery	0.600
Safe high streets	0.150
Vulnerable families	4.497
Needs assessment	0.050
	8.647

- 2.20 The £2.081m received in 2021/22 have yet to be allocated but will also be approved by the Director of Public Health and subsequently considered and approved by the Outbreak Management Board and will be subsequently reported to Cabinet for transparency.

COVID Winter Grant Scheme / Local Support Grant

2.21 The Government has continued to provide funding in 2021/22 to local authorities to provide support to children and households who are experiencing, or at risk of experiencing, poverty, where they are impacted by the ongoing public health emergency and where alternative sources of assistance may be unavailable. Sefton have been allocated **£0.340m** for the period between the 1st and 16th April, and a further **£0.231m** for the period between 17th April and 20th June.

2.22 The Grants will be used to support vulnerable families who are in receipt of Free School Meals as well as families and individuals who require emergency assistance. An element of the grant will also be used to support affordable warmth in homes. The allocations to the above areas will be approved by the Cabinet Member – Communities and Housing in consultation with Cabinet Member for Regulatory, Compliance and Corporate Services and the Section 151 Officer in line with the Council’s Financial Procedure Rules.

Welcome Back Fund

2.23 On 23 March 2021, the government announced funding of £56 million to help local authorities to boost tourism, improve green spaces and provide more outdoor seating areas, markets and food stall pop-ups. Sefton’s allocation is **£0.344m**.

2.24 Allocations of the funding to appropriate schemes will be approved by the Cabinet Member – Regeneration and Skills in consultation with Cabinet Member for Regulatory, Compliance and Corporate Services and the Section 151 Officer in line with the Council’s Financial Procedure Rules.

3. Revenue Budget 2021/22

3.1 Members are provided with updates of the Council’s forecast financial revenue position each month during the financial year from July, based on the position to the end of June, onwards.

3.2 In 2020/21, as in previous years, significant pressures were identified in several service areas at an early stage of the year, particularly Children’s Social Care, Communities (Children with Disabilities) Education Excellence (Home to School Transport) and Locality Services. These pressures, and the unprecedented financial challenges faced by the Council in relation to COVID-19, meant the Council had to implement a remedial action plan was adopted to ensure a balanced budget position would be achieved. In addition, a number of financial principles that had been implemented in previous years were also adopted.

3.3 In response to these pressures, Budget Council approved that additional resources be added to the 2021/22 budget for these services, with the amounts shown below:

<u>Service</u>	<u>Budget Pressure</u>
	£m
Children's Social Care – Placements & Packages	5.280
Communities – Children with Disabilities / PSR2	1.050
Education Excellence – Home to School Transport	1.100

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Locality Services – Security Force	0.350
	7.780

- 3.4 Initial indications are that the additional resources will be sufficient to ensure that there will be no significant impact on the Council's overall budget in 2021/22. However, as these are demand led services this will need to be carefully monitored during the year. Any pressures arising will need to be managed as it is still vital that the Council is able to achieve a balanced forecast outturn position for its normal activities, ignoring the impact of COVID-19 pressures. Therefore, the approval of mitigating actions, and the adoption of financial principles used in previous years, may need to be implemented at some point during the remainder of the year.
- 3.5 At this early stage no other significant pressures have been identified within services. However, the next report to Cabinet will include the usual full analysis of variations for each service.

4. **Additional Revenue Grant Funding**

- 4.1 Since the budget was approved by Budget Council in March 2021, the Government have announced further grant notifications in the areas identified below:

New Statutory Domestic Abuse Duty – New Burdens Funding

- 4.2 The government have announced a new grant of £125m to cover the cost of new burdens placed upon local authorities in England to meet (and prepare to meet) the new statutory duty relating to the provision of support within domestic abuse safe accommodation during 2021/22. Sefton's allocation is £0.606m. Approval is sought for a supplementary revenue estimate of £0.606m, fully funded from the grant received.

Rough Sleeping Initiative

- 4.3 The government have announced the continuation of the Rough Sleeping Initiative into 2021/22. This grant is to be used to support all rough sleepers in the local authority area. Sefton's allocation for 2021/22 is £0.580m. Approval is sought for a supplementary revenue estimate of £0.580m, fully funded from the grant received.

Protect Plus

- 4.4 The Council has received additional funding to provide additional support to local authorities to protect rough sleepers during the COVID19 pandemic. Sefton has been awarded £0.005m. Note that this is a retrospective award covering the 2020/21 financial year.

Cold Weather Fund

- 4.5 The Council has received additional funding to establish functional COVID-secure accommodation over the winter period 2020/21. Sefton has been awarded £0.011m. Note that this is a retrospective award covering the 2020/21 financial year.

5. **Capital Programme 2021/22 – 2023/24**

Cabinet is requested to approve the supplementary capital estimates as set out below in sections 5.1 to 5.3 and to recommend to Council the approval of the supplementary capital estimate as set out in section 5.4:

5.1 Adult Social Care – Disabled Facilities Grant

- 5.1.1 The provisional allocation approved by Council in March as part of the revenue and capital budget plan for 2021/22 was £4.251m. This estimate was based on Disabled Facilities Grant (DFG) amounts awarded in previous years. Following confirmation of the actual amount of DFG from the Ministry of Housing, Communities and Local Government in April, the total amount to be received for 2021/22 will be £4.823m. Cabinet are therefore requested to approve a further £0.572m for inclusion in the capital programme.
- 5.1.2 Delegated authority has been granted to Cabinet Member – Adult Social Care to approve individual capital schemes up to the value of £1m from within the block grant allocations approved by Cabinet and Council. A further report will be presented to Cabinet Member to approve individual schemes within the above allocation.

5.2 Education Excellence

5.2.1 School's Condition Allocation (SCA) - £0.736m

The provisional allocation approved by Council in March as part of the revenue and capital budget plan for 2021/22 was £1.466m. This estimate was based on SCA amounts awarded in previous years. Following confirmation of the actual amount of SCA from the Department for Education (DfE) in April, the total amount to be received for 2021/22 will be £2.202m. Cabinet are therefore requested to approve a further £0.736m for inclusion in the capital programme.

5.2.2 High Needs Provision - £0.676m

The authority has been allocated, following confirmation from DfE in April, a further £0.676m in capital funding for new High Needs places or the improvement of existing provision for pupils with Special Educational Needs and Disabilities or those requiring Alternative Provision. Cabinet are therefore requested to approve this new allocation for inclusion in the capital programme.

- 5.2.3 Delegated authority has been granted to Cabinet Member – Children, Schools and Safeguarding to approve individual capital schemes up to the value of £1m from within the block grant allocations approved by Cabinet and Council. A further report will be presented to Cabinet Member to approve individual schemes within the above allocations.

5.3 Green Sefton – The Pool Watercourse

- 5.3.1 Following a successful application to the Environment Agency, Sefton has been awarded an additional sum of £0.105m to increase the scope of its project to study surface water flooding in the North of the borough.

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5.3.2 Cabinet is therefore requested to approve a supplementary capital estimate to increase the existing budget for this scheme by £0.105m within the 2021/22 capital programme.

5.4 Communities – Orrell Mount Football Pitch

5.4.1 Sefton last reviewed its playing pitch strategy (PPS) in 2019. Following this review, it was identified that there was an approximate shortage of 17 artificial playing pitches in the borough. The Orrell Mount site, formerly known as Silcocks playing fields, was identified as a potential site to deliver an additional playing pitch in line with the PPS.

5.4.2 An application to the Football Foundation (FF) was made in 2020 for a grant to support the scheme. In addition to the FF grant, Section 106 monies from the St Wilfrids site in the adjacent Litherland ward has been identified to act as match funding for the scheme.

5.4.3 The project will deliver a brand new 3G football pitch, floodlights and a modular changing room facility as well as improved access and parking. The facility will be managed by an external provider who will pay £25k per annum into a Sefton managed sinking fund to meet future repair, refurbishment and replacement costs.

5.4.4 The total capital cost of the project is £1,128,047. This is made up of £778,047 grant from the Football Foundation and £350,000 of Section 106 funding. Cabinet is therefore requested to recommend to Council the approval of a supplementary capital estimate for this scheme for inclusion in the 2021/22 capital programme.