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Sefton Council 

MEETING: CABINET
DATE: Thursday 1st September, 2022
TIME: 10.00 am
VENUE: Birkdale Room, Town Hall, Southport

DECISION MAKER: **CABINET**

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

COMMITTEE OFFICER: Paul Fraser
Senior Democratic Services Officer
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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

If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

We endeavour to provide a reasonable number of full agendas, including reports at the meeting. If you wish to ensure that you have a copy to refer to at the meeting, please can you print off your own copy of the agenda pack prior to the meeting.

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 Minutes of the meeting held on 28 July 2022		(Pages 7 - 26)
4	Cost of Living Crisis Report of the Chief Executive	All Wards	(Pages 27 - 72)
* 5	Market Sustainability and Fair Cost of Care Report of the Executive Director of Adult Social Care and Health	All Wards	(Pages 73 - 80)

* 6	Sexual Health Service Contract Report of the Director of Public Health	All Wards	(Pages 81 - 86)
* 7	Allocation of Supplemental Substance Misuse Treatment and Recovery Grant Report of the Director of Public Health	All Wards	(Pages 87 - 94)
* 8	Summerhill Primary School - Section 106 Contributions and Proposal for Expansion Report of the Assistant Director of Education	Park; Sudell	(Pages 95 - 108)
* 9	Financial Management 2022/23 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2022/23 – September Update Report of the Executive Director of Corporate Resources and Customer Services	All Wards	(Pages 109 - 132)
* 10	Southport Pier Report of the Executive Director - Place	Dukes	(Pages 133 - 140)
11	Appointment to Sefton New Directions Limited Board Report of the Chief Legal and Democratic Officer	All Wards	(Pages 141 - 144)
12	Exclusion of Press and Public To comply with Regulation 5(2) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, notice has been published regarding the intention to consider the following matter(s) in private for the reasons set out below. The Cabinet is recommended to pass the following resolution: That, under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the press and public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The Public Interest Test has been		

applied and favours exclusion of the information from the Press and Public.

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|------|---|------------------|-------------------|
| 13 | Marine Lake Event Centre - Exempt Appendices
Report of the Executive Director - Place | Cambridge; Dukes | (Pages 145 - 232) |
| 14 | Pendle Drive Litherland - Exempt Appendices
Report of the Executive Director of Corporate Resources and Customer Services | St. Oswald | (Pages 233 - 236) |
| 15 | Public Session
The Cabinet meeting will now move back into open session to consider the following agenda items. | | |
| * 16 | Marine Lake Event Centre
Report of the Executive Director - Place | Cambridge; Dukes | (Pages 237 - 262) |
| * 17 | Pendle Drive Litherland
Report of the Executive Director of Corporate Resources and Customer Services | St. Oswald | (Pages 263 - 270) |

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THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 10 AUGUST 2022. MINUTE NO.S 28 AND 37 (9) AND (10) ARE NOT SUBJECT TO "CALL-IN"

CABINET

MEETING HELD AT THE COMMITTEE ROOM, TOWN HALL, BOOTLE ON THURSDAY 28TH JULY, 2022

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

24. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Hardy.

25. DECLARATIONS OF INTEREST

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

26. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 23 June 2022 be confirmed as a correct record.

27. GOVERNANCE DOCUMENTATION FOR SANDWAY HOMES LIMITED

The Cabinet considered the report of the Chief Legal and Democratic Officer that Sefton Council was the 100% shareholder in Sefton (ACS) Holding Company Limited which in turn was the sole shareholder in Sandway Homes Limited; that the Council and the companies had recently undertaken a review of the governance documentation determining the relationship between the Council and the companies and revised governance documentation was being presented to Cabinet for approval; and that in accordance with the Council's Constitution Cabinet performed the shareholder function for the Council.

Decision Made:

That In capacity as shareholder for Sefton (ACS) Holding Company Limited:

- (1) Sefton Holding Company Limited be approved and adopted as the new name of Sefton (ACS) Holding Company Limited;
- (2) the amended Articles of Association be approved and adopted as the Articles of Association of Sefton Holding Company Limited as outlined in Appendix 1 to the report;

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- (3) the amended Governance Agreement be approved and adopted as the Governance Agreement of Sefton Holding Company Limited as outlined in Appendix 2 to the report;
- (4) approval be granted to enter into an Intra-Group Agreement as outlined in Appendix 3 to the report; and
- (5) the company secretary for Sefton Holding Company Limited be authorised to undertake the necessary filing with Companies House; and

That In capacity as shareholder Sefton Holding Company Limited:

- (6) the amended Articles of Association be approved and adopted as the Articles of Association of Sandway Homes Limited as outlined in Appendix 4 to the report;
- (7) the company secretary for Sandway Homes limited be authorised to undertake the necessary filing with Companies House;
- (8) the amended Governance Agreement be approved and adopted as the Governance Agreement of Sefton Holding Company Limited as outline din Appendix 2 to the report; and
- (9) approval be granted to enter into the Intra-Group Agreement as outlined in Appendix 3 to the report.

Reasons for the Decision:

The formal governance arrangements determining the relationship between the Council and Sefton Holding Company and Sandway Homes Limited have not been reviewed since the creation of the companies and it is felt appropriate to do so now.

Alternative Options Considered and Rejected:

To remain with current governance documentation. This would not reflect good practice in the governance arrangements between the Council and the companies.

28. IMPACT OF COVID 19 ON THE PRIMARY CURRICULUM WORKING GROUP - FINAL REPORT

The Cabinet considered the report of the Chief Legal and Democratic Officer that presented formally the final report of the Impact of Covid 19 on the Primary Curriculum Working Group. The report would also be considered by Council at its meeting to be held on 15 September 2022.

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Decision Made:

- (1) That, once data is available, the Head of Education Excellence be requested to submit a monitoring report to the Overview and Scrutiny Committee (Children's Services and Safeguarding), on primary school performance, to include school attendance and any available information on SATs results, and other performance indicators, in order to draw comparisons with 2019 performance and also with regional and national performance.
- (2) That the Council be requested to agree in writing to all Headteachers of schools throughout the Borough, to thank teaching staff for their on-going input throughout the pandemic and to raise the following matters:
 - (a) to remind schools of the continued support available from the Council.
 - (b) to remind schools of the various options available for securing additional teaching staff, such as:
 - the graduate teaching apprenticeship scheme
 - School Centred Initial Teacher Training (SCITT)
 - Teach First
 - Degree course in Bachelor of Education (B.Ed.) and
 - a Post Graduate Certificate in Education (PGCE)
 - (c) to remind schools of the availability of mental health support, including the Young People's Emotional Wellbeing Toolkit that can be accessed via the following link:

[Mental Health & Emotional Wellbeing \(sefton.gov.uk\)](https://www.sefton.gov.uk/mental-health-emotional-wellbeing)
 - (d) to encourage schools to try to re-engage with families as a source of support in schools **where possible and where practical**, particularly given covid concerns.
- (3) That the Mayor of Sefton be requested to consider hosting an event for representatives of all schools throughout the Borough, to thank them for their on-going input throughout the pandemic.
- (4) That the Council be requested to agree to writing to the Department for Education in the strongest terms, to request additional resources for Sefton schools, particularly in view of forthcoming literacy and numeracy expectations on primary schools by 2030.
- (5) That the Senior Democratic Services Officer be requested to liaise with relevant officers in order to ensure that the Overview and Scrutiny Committee (Children's Services and Safeguarding) receives a six-monthly monitoring report, setting out progress made against each of the recommendations outlined above.

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Reasons for the Decision:

1. The Working Group has made a number of recommendations that require approval by the Overview and Scrutiny Committee (Children's Services and Safeguarding); the Cabinet; and the Council.
2. Chapter 6 – Overview and Scrutiny – of the Council's Constitution states that

"7. All Overview and Scrutiny Working Group Final Reports should be reported to Cabinet and full Council for final approval."

Alternative Options Considered and Rejected:

No alternative options were considered. The Overview and Scrutiny Committee (Children's Services and Safeguarding) established the Working Group to review the impact of covid 19 on the primary curriculum and the Working Group has performed this task.

29. APPOINTMENTS TO SEFTON NEW DIRECTIONS LIMITED BOARD; TO STANDING ADVISORY COMMITTEE FOR RELIGIOUS EDUCATION (SACRE); AND LIVERPOOL UNIVERSITY HOSPITAL NHS FOUNDATION TRUST - COUNCIL OF GOVERNORS

The Cabinet considered the report of the Chief Legal and Democratic Officer that sought the appointment of two further elected Members to serve on the Sefton New Directions Limited Board; the appointment of elected Members as substitutes to the Standing Advisory Committee for Religious Education (SACRE); and to change the Council representative serving on the Liverpool University Hospital NHS Foundation Trust - Council of Governors.

Decision Made:

That:

- (1) Councillor Liz Dowd be appointed as a representative to serve on the Sefton New Directions Limited Board and that the term of office expire on 25 May, 2023;
- (2) Cabinet, at its next meeting to be held on 1 September 2022, appoint the second representatives to serve on the Sefton New Directions Limited Board and that the term of office expire on 25 May, 2023;
- (3) the following Members be appointed as substitutes to the representatives indicated to the Standing Advisory Committee for Religious Education (SACRE):

Substitute	Representative
Councillor Thomas	Councillor Roscoe (Chair)
Councillor Morris	Councillor Brough
Councillor Richards	Councillor Grace
Councillor Lloyd-Johnson	Councillor Pugh; and

- (4) Councillor James Hansen replace Councillor John Joseph Kelly to serve on Liverpool University Hospital NHS Foundation Trust - Council of Governors and that the term of office would expire on 24 June 2024.

Reasons for the Decision:

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.

The draft SACRE constitution states that “Elected members may appoint alternates to attend meetings on their behalf.”

Alternative Options Considered and Rejected:

None.

30. LOCAL GOVERNMENT ASSOCIATION PEER REVIEW REVISIT

The Cabinet considered the report of the Head of Strategic Support that updated on the outcome of the Local Government Association Peer Review Revisit; advised of the intentions to action the areas identified; and informed of the intention to review and refresh the Vision 2030.

The LGA Corporate Peer Challenge – Re-visit Report was appended to the report.

Councillor Lappin, Cabinet Member – Regulatory, Compliance and Corporate Services referred to the Member Development section of the LGA Corporate Peer Challenge – Re-visit Report and stressed the importance of providing support for Chairs, Vice-Chairs and all other members of Overview and Scrutiny Committees.

Decision Made:

That:

- (1) the responses and actions to the recommendations contained in the Local Government Association Peer Review Revisit, as detailed in the report, be approved;
- (2) as part of the Member Development Programme all Overview and Scrutiny Committee Members be required to attend mandatory training; and

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- (3) the timeline review and refresh of the Vision 2030 and the strengthened Core purpose as detailed in Appendix B to the report be noted.

Reasons for the Decision:

Peer Reviews are a proven tool for sector-led improvement and the Council has always been open to learning from others and sharing good practice.

The peer challenge that took place in 2018 provided external recognition of the things it believes the Council was doing well, highlighted where the Council can learn from other councils considering best practice elsewhere and recommended several key actions.

The follow up revisit took place in April 2022 and the peers have made a number of recommendations.

Sefton Council is a listening Council and intends to review and refresh Vision 2030 as per the timeline presented in the report.

In the interim Council are asked to consider and note the strengthened Core Purpose at Annex A.

Alternative Options Considered and Rejected:

None.

31. EXTERNAL GRANT FUNDING TO SUPPORT THE COST-OF-LIVING CRISIS

The Cabinet considered the report of the Head of Communities that provided an overview of how the Council had allocated the various grants from the Department for Work and Pensions (DWP) to support residents with the cost-of-living crisis and to highlight the additional measures that had been introduced to in light of the emerging priorities.

Decision Made:

That the report be noted.

Reasons for the Decision:

To keep the Cabinet updated on actions taken.

Alternative Options Considered and Rejected:

None.

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32. HIGH NEEDS FUNDING 2022-23 QUARTERLY MONITORING UPDATE

The Cabinet considered the report of the Executive Director of Children's Social Care and Education that advised of:

- (1) the current position relating to the 2021/22 High Needs Outturn forecast;
- (2) the monitoring position of the High Needs budget position at the 1st June 2022 as per previous agreement to provide update on a quarterly basis relating to:
 - the Dedicated Schools Grant – High Needs funding allocation for 2022/23
 - the forecast expenditure to year end based on current / anticipated Special Educational Needs and Disabilities support required during 2022/23; and
- (3) the 2022/23 Special Educational Needs Review / Sufficiency Programme aimed at bringing High Needs expenditure pressures back into a more manageable financial position in the future.

Decision Made:

That in respect of the Dedicated Schools Grant – High Needs Budget:

- (1) the current position relating to the High Needs Outturn forecast for 2021/22 be noted;
- (2) the current forecast position relating to the 2022/23 High Needs Budget be noted; and
- (3) the financial risks associated with the delivery of the 2022/23 High Needs budget be recognised and it be acknowledged that the forecast outturn position will continue to be reviewed / reported to Cabinet on a quarterly basis to ensure a more sustainable financial position can be achieved in the future.

That in respect of the update on the 2022/23 Special Educational Needs Review / Sufficiency Programme:

- (4) the work undertaken in the implementation of the new High Needs Funding Model for Special Educational Needs and Disabilities placements in Special Schools and Alternative Provision Schools from April 2022 be noted;
- (5) the changes to Special Educational Needs and Disabilities placements for September 2022, both in Sefton and out of Borough be noted;

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- (6) the Capital Funding Plan (Section 7) for 2022 - 2024 and the work being undertaken to ensure future Special Educational Needs and Disabilities placements and support can be delivered effectively, in-house where possible, within future High Needs budget allocations be endorsed; and
- (7) the proposal to reinstate the previous High Needs Funding system whilst the Delivering Better Value (DBV) programme is ongoing be approved.

Reasons for the Decision:

- (1) to ensure Cabinet are informed of the forecast outturn position in relation to the 2021/22 High Needs budget and the accumulative deficit position being carried forward against the Dedicated Schools Grant budget;
- (2) to provide an updated forecast financial position of the 2022/23 High Needs budget;
- (3) to ensure that the Special Educational Needs and Disabilities Review / Sufficiency programme can progress to provide sustainable and effective Special Educational Needs and Disabilities support for Sefton pupils within the available resources allocated through the Dedicated Schools Grant – High Needs Block; and
- (4) to give settings more support through high needs funding which will likely reduce the requests for Education, Health and Care needs assessments.

Alternative Options Considered and Rejected:

None.

33. OUTCOME OF THE OUTLINE BUSINESS CASE (OBC) FOR A SEFTON CLEAN AIR ZONE (CAZ)

The Cabinet considered the report of the Head of Highways and Public Protection that:

- advise Cabinet on the outcomes of the Clean Air Plan Outline Business Case, which presented the preferred option for potentially progressing a Clean Air Zone as part of the Clean Air Plan
- sought approval of the Outline Business Case findings and recommendations
- provided recommendations on next steps / pathways for further progression of the Clean Air Plan Outline Business Case - for later determination by Cabinet

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Decision Made:

That:

- (1) the conclusions and recommendations from the Clean Air Plan Outline Business Case (CAP OBC) be noted;
- (2) the risks, issues, dependencies/interdependencies and anticipated costs associated with progression to a Full Business Case and subsequent implementation of a Clean Air Zone be noted;
- (3) the next steps and stated pathway options contained in Section 5.0 of the report be noted;
- (4) the Head of Highways and Public Protection be authorised to publish the CAP OBC Executive Summary (attached at Appendix A to the report), and other technical information from the CAP (once it has been finalised and checked) on the Council's website and advise residents through a media release and updated Your Sefton Your Say Clean Air Plan public engagement page;
- (5) the Head of Highways and Public Protection be authorised to undertake further engagement with the key stakeholders identified in this report, to inform Cabinet's decision regarding the next steps and pathway options; and
- (6) a further report be submitted to Cabinet following completion of (5) above for a decision on the next steps.

Reasons for the Decision:

Sefton Council has statutory Local Air Quality Management duties and public health responsibilities and has also declared a Climate Emergency.

The Clean Air Plan Outline Business Case (CAP OBC) has been prepared to enable the Council to improve local air quality, enhance public health and to help reduce carbon emissions.

The business case for the Clean Air Plan (CAP) has been developed in accordance with the appropriate guidance and needs to be approved to facilitate the next stage of the process. The issues associated with the proposed CAP and the options for the next steps need to be considered in deciding whether and how to proceed.

There is a need for Cabinet to consider the outcomes of the OBC, specifically the next steps/pathway for the CAP and to consider the implications of proceeding to a Full Business Case (FBC) for the CAP.

Alternative Options Considered and Rejected:

A range of different air quality interventions were considered as part of an initial feasibility report and different options for a Clean Air Zone were

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appraised in detail as part of the business case process. The alternative options were rejected as they were less effective in meeting the strategic objectives of the CAP and less readily deliverable.

34. PROCUREMENT FOR THE PROVISION OF ENFORCEMENT AGENT SERVICES

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that advised that the Council had, for many years, used the services of external enforcement agent companies as a last resort to recover various debts it was owed, such as for Council Tax, Business Rates, Housing Benefit overpayments, Sundry Debts and other income from fees and charges including penalty charge notices for parking fines. The report also advised that most people paid the Council on time, but some simply tried to delay payment. However, the Council recognised that people and businesses in the community were facing challenges in the current economic climate, particularly in the light of rises in the cost of living, post COVID economic recovery and the Government's welfare reform changes; and that to help mitigate these issues support procedures remained under constant review within the debt collection process.

The report continued that before a debt was passed to an enforcement agent company to collect, the Council attempted to engage with the debtor to offer help and assistance at each stage in the collection and recovery process and, where possible, supported them to make affordable arrangements based on their individual circumstances together with providing information about voluntary sector or business advice organisations that could give further practical support with debt and welfare advice. Regrettably for some, the refusal to engage or to seek independent advice could leave the Council with limited alternatives and sometimes it became necessary to pass the debt to an enforcement agent company to enforce a Liability Order which had been obtained from the Magistrates Courts.

The Council complied with all relevant Government legislation that governed the collection of debt and applied best practice to Council Tax debt collection, as recommended by the Local Government Association; and the Council worked in partnership with Sefton Citizens' Advice and contracted enforcement agents to ensure that people with Council Tax arrears were treated fairly.

The report concluded that the Council's existing contract which was entered into under the Rotherham Enforcement and Debt Collection Services Framework was due to expire on the 31 March 2023.; and that therefore, to ensure enforcement action could continue a procurement process for enforcement agent services was required. The report sought approval to commence a mini competition under the YPO Enforcement Agency Services Framework 953.

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Decision Made:

That:

- (1) the procurement process of a mini competition under the YPO Enforcement Agency Services Framework 953 be approved;
- (2) the decision on which enforcement agent companies to award contracts to be delegated to the Executive Director of Corporate Resources and Customer Services in consultation with the Cabinet Member - Regulatory, Compliance and Corporate Services;
- (3) approval be granted for contracts to be drawn up for a period of three years with effect from 1st April 2023, with the option to extend for one further year; and
- (4) the preferred Lots as detailed below be noted:
 - Lot 1 – Enforcement Agent contracts for Parking Fines. This will include recycled cases (Phase 2). A maximum of three suppliers to be appointed.
 - Lot 2 - Enforcement Agent contracts for Council Tax and Business Rates Collection. This will include recycled cases (Phase 2). A maximum of three suppliers to be appointed. This Lot will also include collection of debt for the Southport Town Centre Business Improvement District.
 - Lot 3 – Debt Collection Services for Sundry Income, Housing Benefit Overpayments and Council Tax and Business Rates debts that have proved uncollectable by other means. This will be a separate Lot from the enforcement agents although suppliers may come from the same companies. A maximum of three suppliers to be appointed with a commission rate expected on collections. A zero commission was paid during the current contract.

Reasons for the Decision:

The YPO Enforcement Agency Services Framework 953 has been reviewed and assessed by the Procurement Team as the most suitable framework for this exercise and is fully compliant with the Public Contract Regulations 2015.

Existing contracts will expire on 31 March 2023. Enforcement agents are a vital additional resource for the collection of unpaid debt due to the Council. The amount collected on behalf of the Council between 1 April 2019 to 31 May 2022 was £4,407,112.93.

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The contract period recommended is consistent with previous contracts, allows time for officers and new suppliers to establish efficient working arrangements, and for performance to be monitored effectively. Due to the nature of the debts being collected performance can only be effectively measured in years rather than weeks or months.

The total value of fees collected by enforcement agents in the same period was £1,520,520,63. Although the fees are statutory amounts paid directly to the enforcement agents by debtors, for procurement purposes the value of fees collected is considered to be the value of the contract.

The debt collection suppliers appointed on the current contract also provide enforcement agent services. It is considered that a zero commission does not provide sufficient incentive to maximise collections whereas the suppliers receive statutory fees on Council Tax, Business Rates and Parking Fine collections. It is considered that by separating the debt collection into a separate Lot, alternative suppliers that specialise in debt collection may bid for that element. This may in turn present opportunities to explore alternative debt collection options for Council Tax debt, in particular old debt that may otherwise be written off.

Alternative Options Considered and Rejected:

- (1) The option of not appointing a contractor was considered but dismissed. This was because the authority cannot risk not collecting a sizeable percentage of its annual income without the support of enforcement agents.
- (2) The Council could conduct a compliant procurement exercise, approaching the whole market directly. This option however would require a longer timescale as the tender opportunity would need to be advertised on the UK's e-notification service, Find a Tender (FTS). Further, the volume of bids submitted is unpredictable and so in addition to managing a longer advertising period, officers could easily find that evaluation of bids also takes a much longer period. This could prove problematic as the existing contracts expire on 31 March 2023 and would be an inefficient use of the Council's resources. Therefore, this option has been rejected.
- (3) Contracts can also be awarded under a concession agreement with direct awards to successful bidders. However, there is a limit to the value of the contracts that can be awarded as a concession based on the value over the lifetime of the contracts. It has been assessed that the potential value of the contracts would exceed the FTS threshold. A tender process would still be required by way of advertisement via FTS that would open the process to unlimited competition and would be inefficient use of Council's resources. This is also likely to extend the timescale to procure services which could negatively impact on the collections process.

35. TREASURY MANAGEMENT OUTTURN 2021/22

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that provided a review of the Treasury Management activities undertaken during 2021/22; and advised that Cabinet received this outturn report to allow monitoring against the Treasury Management Policy and Strategy and Prudential Indicators approved by Cabinet and Council in March 2021.

Decision Made:

That the Treasury Management position during 2021/22 and the update to 31st May 2022, the effects of decisions taken in pursuit of the Treasury Management Strategy and the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities be noted.

Reasons for the Decision:

To ensure that Members are fully apprised of the treasury activity undertaken during 2021/22 and also to 31st May 2022 in order to meet the reporting requirements set out in Sefton's Treasury Management Practices and those recommended by the CIPFA code.

Alternative Options Considered and Rejected:

None.

36. FINANCIAL AND CORPORATE PERFORMANCE 2021/2022

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that advised of the revenue and capital outturn position in relation to the 2021/22 financial year; and in doing so the report outlined any key variations and where appropriate any impact on future years' financial performance. In addition, the report provided details of the Council Corporate Performance for 2021/22.

Councillor Lappin, Cabinet Member – Regulatory, Compliance and Corporate Services indicated that the production of an executive summary, on a quarterly basis, would be helpful to monitor corporate performance.

Decision Made:

That in respect of the Revenue Outturn

- (1) the General Fund net surplus of £3.462m for 2021/22 that will increase the Council's General Balances by £1.962m more than was budgeted for be noted;
- (2) the increase in Schools' balances of £2.613m for 2021/22 and the

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net reduction of non-schools centrally retained DSG balances of £4.482m be noted;

- (3) the deficit on the High Needs Budget of £12.4m be noted;
- (4) the changes to Earmarked Reserves in 2021/22 be noted; and
- (5) the addition to the Earmarked Reserve detailed in paragraph 6.4.(f) be approved;

That in respect of the Capital Outturn

- (6) the total capital outturn of £30.531m for the financial year 2021/22 be noted; and
- (7) the successful delivery of a number of schemes as set out in section 12 that have supported the delivery of the Council's core purpose be noted; and

That in respect of Corporate Performance:

- (8) the Council's Corporate Performance Report for 2021/22 be noted; and
- (9) the Executive Director of Corporate Resources and Customer Services be requested to produce a quarterly performance report alongside that for financial reporting to help in the monitoring of corporate performance

Reasons for the Decision:

The production of a revenue and capital outturn report is a key feature of effective financial management and will allow Members to make informed decisions that will support service delivery and medium-term financial sustainability.

This report should be read in conjunction with the Treasury Management Outturn report for 2021/22 and the High Needs Funding report which are also on the agenda for this meeting.

Alternative Options Considered and Rejected:

None.

37. FINANCIAL MANAGEMENT 2022/23 TO 2024/25 AND FRAMEWORK FOR CHANGE 2020 - REVENUE AND CAPITAL BUDGET UPDATE 2022/23 – JULY UPDATE

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that informed of:

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- (1) the current position relating to the 2022/23 revenue budget;
- (2) the current forecast on Council Tax and Business Rates collection for 2022/23; and
- (3) the monitoring position of the Council's capital programme to the end of June 2023 in respect of:
 - The forecast expenditure to year end
 - Variations against the approved budgets and an explanation of those variations for consideration by Members
 - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.

Decision Made:

That in respect of the Revenue Budget:

- (1) the current position relating to the 2022/23 revenue budget be noted;
- (2) the financial risks associated with the delivery of the 2022/23 revenue budget be recognised and it be acknowledged that the forecast outturn position will continue to be reviewed, and remedial actions put in place, to ensure a balanced forecast outturn position and financial sustainability can be achieved; and that the remedial actions required to address this financial forecast will be reported to Cabinet in September 2022;
- (3) the creation of the post 'Assistant Director - Help and Protection' within Children's Services with the post being funded via the deletion of vacant posts to the value required be approved; and that the appointment to this follow the Council's normal process for jobs of this grade;
- (4) that due to the potential changes to the treatment of high needs balances / deficits it be agreed that the financial position be reported as part of each monthly budget monitoring report during the year; and
- (5) the reporting cycle for the Council's Wholly Owned Companies be approved.

That in respect of the Capital Programme:

- (6) the spending profiles across financial years for the approved capital programme (paragraph 7.1) be noted;
- (7) the latest capital expenditure position as at 30 June 2022 of £5.198m (paragraph 7.4); and the latest full year forecast is

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£42.426m (paragraph 7.6) be noted;

- (8) it be noted that capital resources will be managed by the Executive Director of Corporate Resources and Customer Services to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council (paragraph 7.9);
- (9) Council be recommended to approve a supplementary capital estimate of £0.700m for Phase 1 of the Strand Repurposing project funded from the Economic Recovery Earmarked Reserve; and
- (10) Council be recommended to approve a supplementary capital estimate of £0.171m for the completion of the Crosby Lakeside Adventure Centre improvements, funded from the Economic Recovery Earmarked Reserve.

Reasons for the Decision:

To ensure Cabinet are informed of the current position in relation to the 2022/23 revenue budget.

To provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

To keep members informed of the progress of the Capital Programme against the profiled budget for 2022/23 and agreed allocations for future years.

To progress any changes that are required in order to maintain a relevant and accurate budget profile necessary for effective monitoring of the Capital Programme.

To approve any updates to funding resources so that they can be applied to capital schemes in the delivery of the Council's overall capital strategy.

Alternative Options Considered and Rejected:

None.

38. EXCLUSION OF PRESS AND PUBLIC

To comply with Regulation 5(2) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, notice has been published regarding the intention to consider the following matter in private for the reasons set out below.

Decision Made:

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That, under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the press and public be excluded from the meeting for the following item on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The Public Interest Test has been applied and favours exclusion of the information from the Press and Public.

39. MARINE LAKE EVENT CENTRE - EXEMPT APPENDICES

The Cabinet considered exempt information relating to the Marine Lake Event Centre business report and appendices.

Decision Made:

That the exempt information be considered as part of the public report in relation to the Marine Lake Event Centre (Minute No. 41 below refers).

Reason for the Decision:

The exempt information is required to be considered with the information in the public report in order that an informed decision may be made.

Alternative Options Considered and Rejected:

None.

40. PUBLIC SESSION

Decision Made:

That the press and public be re-admitted to the meeting.

41. MARINE LAKE EVENT CENTRE

The Cabinet considered the report of the Executive Director – Place that updated on the Marine Lake Events Centre (incorporating The Light Fantastic) and presented the preferred option for progressing the commitment of Southport Town Deal funding for the project. The report also included the business case for the project for required submission by the Council, as accountable body, to Government on behalf of the Town Deal Board; and set out the next steps required in relation to the appointment of a main contractor and Operator.

Decision Made:

That:

- (1) the full business case for the Marine Lake Events Centre project be approved and submitted to Government on behalf of the Town Deal Board;

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- (2) the agreement and return of all project documentation to the Department for Levelling Up, Housing and Communities be delegated to the Chief Executive and the Executive Director of Corporate Resources and Customer Services, in consultation with the Executive Director - Place and the Cabinet Member - Regeneration and Skills and Cabinet Member - Regulatory, Compliance and Corporate Services, on behalf of the Town Deal Board and in line with Town Deal funding deadlines;
- (3) the Executive Director - Place in consultation with the Cabinet Member - Regeneration and Skills be authorised to exercise delegated authority to procure a suitable contractor for the capital works via a fully compliant framework;
- (4) the Heads of Terms for the operation and management of the Marine Lake Events Centre as set out in the report and Full Business Case be approved and that the Executive Director - Place in consultation with the Cabinet Member - Regeneration and Skills be authorised to exercise delegated authority to agree the detailed terms;
- (5) it be noted that the Liverpool City Region Combined Authority continue to support the principle of allocating up to £20m to the new Events Centre, from which the first £2.3m has been released to support pre-development work;
- (6) it be noted that a request for a supplementary capital estimate to enable the scheme to be included within the Council's Capital Programme will be submitted to Cabinet and Council following on from the Liverpool City Region Combined Authority final approval and agreements from the Department for Levelling Up, Housing and Communities;
- (7) the key risks identified within this report be noted; and
- (8) 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 Deputy 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.

Reasons for the Decision:

Cabinet has previously approved to progress with a new Marine Lake Events Centre in Southport as part of the successful Southport Town Deal.

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Under the Town Deal Heads of Terms, Sefton Council is required to submit a full business case by 8th August 2022. The business case for the Marine Lake Events Centre (incorporating The Light Fantastic) has been developed in accordance with the guidance provided for Town Deal projects. The business case needs to be approved for the submission to be made to Government to facilitate the provision of the grant funding.

As per Cabinet on 29th July 2021 a Competitive Dialogue procedure to procure an operator for the MLEC site is underway, and as this process concludes it is necessary to agree the final terms to allow appointment.

It is also now required to start the process of appointing a suitable build contractor, with early engagement and input increasing cost certainty and reducing risk on the project.

Alternative Options Considered and Rejected:

The Outline Business Case presented to Cabinet on 24th June 2021 considered several alternative options ranging from do minimum, to refurbishment, to major redevelopment. The preferred option was major redevelopment with the other options being rejected as they did not meet the project aims and objectives.

The preferred way forward identified at the Outline Business Case stage was subject to further review in early 2022 focused on the re-examination of the scheme given capital affordability constraints alongside a review of the funding strategy. This review led to the confirmation of the preferred way forward scheme as set out at the Outline Business Case stage.

The shortlisted intervention options examined as part of the Full Business Case include the Outline Business Case preferred option requiring £73m of funding and a reduced scheme requiring £61.8m capital investment.

These two intervention options were considered against a revised reference case that considers that the STCC did not re-open after COVID-19 and has been mothballed by the Council. Therefore, the Do Minimum option, examined as part of the Outline Business Case, was no longer considered.

The preferred option from the Outline Business Case scored the highest in the Full Business Case and therefore the circa £73m major redevelopment remains the preferred option.

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Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Cost of Living Crisis		
Report of:	Chief Executive	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Communities and Housing		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

This report summarises the impact of the escalating Cost of Living Crisis on local people and outlines the support available and proposed in Sefton.

Recommendation(s):

Cabinet is asked to

1. note the support currently provided as set out in paragraph 2.3 of the report; and
2. support the additional assistance proposed to support those struggling families and individuals with practical support to assist in this cost of living crisis.
3. Members are to consider the Indices of Deprivation (2019) at Appendix A, Sefton Children and Young People Living in Low Income and Poverty at Appendix B and the Equalities Impact Assessment at Appendix D.

Reasons for the Recommendation(s):

For Cabinet to consider the impact of the escalating Cost of Living Crisis on local people note the support available and approve plans proposed in Sefton.

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

NA

What will it cost and how will it be financed?

(A) Revenue Costs

(B) Capital Costs

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Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
Legal Implications:	
Equality Implications: The equality Implications have been identified and risk remains, as detailed in Appendix D.	
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

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Those with complex care needs may be disproportionately affected by the energy costs. The Council has a number of schemes that may support those eligible during the Cost of Living Crisis.
Facilitate confident and resilient communities: The Council will actively sign post people to where they can access support. The Council will continue to work with its many partners for example with schools and early years professionals to support families who are living in poverty.
Commission, broker and provide core services: The Council commissions a number of organisations that offer information, advice and support that can be accessed by many throughout this Cost of Living Crisis.
Place – leadership and influencer: The Council will use data and feedback from our communities, children and young people in shaping plans to address the Cost of Living Crisis. The Council will demonstrate strong leadership and work with partner organisations to work towards common goals to reduce the impact of the Cost of Living Crisis on local people. Working locally at a strategic level to shape policy and strategy development in a way that will draw out the implications for tackling poverty and put in place sustainable partnership action plans.
Drivers of change and reform: the Council will play a key role in advocating change and

<p>reform to improve the position for Sefton residents and minimise the impact on every child's future.</p> <p>The Council will challenge the stigma and negative narratives about people living in poverty.</p>
<p>Facilitate sustainable economic prosperity: There are many people currently that do not have the level of money they need to take care of themselves and their family.</p> <p>Through Sefton@Work the Council will continue to offer a range of free and confidential job-related services to local people aged 16 years plus and provide a free, professional recruitment service to employers in Sefton to help them to recruit locally to find the right person for the job.</p> <p>The Council will continue to champion the borough and encourage investment into Sefton with a view to creating more local job opportunities.</p>
<p>Greater income for social investment: NA</p>
<p>Cleaner Greener; Sefton's coast and greenspaces will be key in supporting people's wellbeing.</p>

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6902/22.) and the Chief Legal and Democratic Officer (LD.5102/22.) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The Council continues to engage with partners on the matter.

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:

Appendix A Indices of Deprivation (2019)

Appendix B Sefton Children and Young People Living in Low Income and Poverty

Appendix C Factsheet

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Appendix D Equalities Impact Assessment

Background Papers:

[What actions are people taking because of the rising cost of living? - Office for National Statistics](#)

<https://www.gov.uk/guidance/cost-of-living-payment>

[Report to: \(sefton.gov.uk\)](#)

1. Introduction

- 1.1 Sefton has a unique socio-economic geography. In its entirety it is in the most deprived fifth of English Local Authorities, with 38 of the 189 Sefton Lower Super Output Areas (LSOA) being in the top 10% nationally. This equates to approximately 58,000 residents (21% of the population). Conversely only seven Sefton LSOAs fall in the least deprived 10% nationally (4% of the population).
- 1.2 Seven of Sefton's LSOAs (3.7%) fall in the most deprived 1% of the country, equating to almost 11,000 residents. Six of the seven LSOAs are in Linacre ward and the remaining LSOA spans Linacre and Derby ward. Recent analysis from the Office of National Statistics (ONS) states

“Those living in the most deprived areas more likely to be using credit.

Just over 1 in 10 (13%) people in England reported using credit (such as credit cards, loans or bank overdrafts) more than usual because of the rising cost of living. However, this rose to almost one-fifth (18%) among those living in the most deprived areas and fell to 8% among those living in the least deprived areas.”

- 1.3 People across Sefton, like many across the country, are living with and facing further challenges in light of the mounting national Cost of Living Crisis. The combination of changes to the welfare system, soaring domestic energy and fuel prices, rising prices in the shops due to inflation has hit households hard, leaving many struggling to make ends meet. Thousands of local people face a tough winter and for some this will mean that they will need to choose between eating and heating, with many going without food so that their children or other members of their family can eat.

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- 1.4 Many will be unable to heat their homes and may not have the resources to keep themselves warm as they do not have the money to be able to afford additional clothing, winter coats and blankets.
- 1.5 The impact of this ongoing crisis cannot be underestimated, recent analysis from the Office of National Statistics (ONS) states

“For those who had seen their cost of living go up, the most common lifestyle changes they had made as a result were:

- spending less on non-essentials (57%, around 26 million people)*
- using less gas and electricity in their home (51%, around 24 million people)*
- cutting back on non-essential journeys in their vehicle (42%, around 19 million people)*

More than a third of those whose cost of living had gone up cut back spending on food and essentials (35%, around 16 million people). Almost a quarter (23%, around 11 million people) used savings to cover costs, and 13% (around 6 million people) said they were using more credit than usual.”

- 1.6 Those on the lowest incomes are disproportionately affected by price rises. These households have to spend a greater proportion of their income on food and household bills, so the increasing food price inflation and the spiralling energy costs disproportionately affect them, many of them are already struggling to get by. Households across the UK will get cash payments to ease cost-of-living pressures. In February 2022 the Government announced support to help households with rising energy bills including a one-off £150 Energy Rebate payment to Council Tax payers in bands A to D. The £150 Energy Rebate payment has now been made to 99,878 households. There are approximately a further 9,500 households having their Council Tax account credited with the £150 energy rebate and have been sent a letter to confirm this and the option to take a refund.
- 1.7 Nationally, eligible low income households will also receive £650 paid in two instalments. The first instalments was to be paid directly into bank accounts from

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July. The second instalment of £324 will be paid in the autumn. For many this will not bridge the gap as costs continue to rise.

- 1.8 The Income Deprivation Affecting Children Index (IDACI) covers the proportion of children aged 0-15 living in income deprived households. This is defined as households that receive Income Support, income-based Jobseeker's Allowance, Universal Credit, Pension Credit Guarantee or Child Tax Credit below a given threshold. The IDACI shows Sefton is ranked 108th out of the 317 English local authorities. Sefton's IDACI rank places it in the second most deprived quintile of local authorities. But IDACI varies across Sefton and thirty-one Sefton LSOAs are in most deprived decile and 5 fall in the most deprived 1%. These LSOAs are all in the south of the borough.
- 1.9 Some families have struggled to feed their children throughout the school holidays and as they return to school some children will arrive poorly nourished and so will find it difficult to concentrate and learn. Childhood poverty is the first step to poor physical and mental health, and the largest impact on infant mortality is poverty.
- 1.10 Disabled people who are accessing therapies, accessible transport and using specialist equipment that take energy to run will be disproportionately affected by the energy costs. The recent ONS analysis states

“Around 4 in 10 disabled people experiencing rising cost of living cut back on food and essentials

Disabled people were more likely than non-disabled people to have reduced their spending on food and essentials because of their increased costs of living (42%, compared with 31%).

Economic factors, such as personal income and the level of deprivation of the area they live in (based on the Index of Multiple Deprivation), also appeared to affect a person's likelihood of having reduced spending on food and essentials.

Among those who had seen cost of living increases, those living in the most deprived fifth of areas in England were more likely to have cut back on food and essentials (42%) than average (35%).

Meanwhile, those in the least deprived fifth of areas were less likely (27%).”

Disabled people may be eligible for a Disability Cost of Living Payment under the national scheme.

- 1.11 The pandemic exacerbated mental health and wellbeing issues. As more people face financial difficulties as a result of the Cost of Living Crisis the mental health and wellbeing of many will decline further.
- 1.12 The Income Deprivation Affecting Older People Index (IDAOP) provides the proportion of the population aged 60 and over who are income deprived. Overall Sefton is ranked 83rd out of the 317 English local authorities for this measure. However, Sefton’s overall ranking masks the differing level of deprivation affecting older people across the borough. Deprivation disproportionately affects LSOAs in the south of the borough. Ten LSOAs (all in South Sefton) are in the most deprived 5% of the country and one in Derby ward is in the top 1%. Data from the Pension Policy Institute reveals that pensioners spend a growing portion of their income on housing, bills and food as they become older and less on transport or leisure activities. Age UK reports that:

“Among those aged 70+ who reported an increase in their cost of living, the most common reasons given were rises in the price of food shopping (96%), gas or electricity bills (80%) and in the price of fuel (81%). In response to this, over-70s are:

- *spending less on non-essentials (51%)*
- *cutting back on non-essential journeys in their vehicle (47%)*
- *using less energy at home (45%)*
- *shopping around (40%)*
- *spending less on food shopping and essentials (26%)*
- *using savings (21%)”*

- 1.13 People entitled to a Winter Fuel Payment for winter 2022 to 2023, will get an extra £300 for their household paid with their normal payment from November 2022. Some people will find it difficult to cover the travel costs. The recent analysis from the Office of National Statistics states

“When asked what was contributing to their increased cost of living between March and June 2022, almost 8 in 10 (79%) people cited the rising price of fuel. Overall, of people whose cost of living had gone up, 42% said they were reducing the number of non-essential journeys they made in their vehicle.”

- 1.14 Across the generations its further impacts may include increasing levels of social isolation, increasing levels of digital poverty, increasing demand on foodbanks,

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leading to increasing demand on Council services and community, voluntary and faith organisations.

2. Currently In Sefton

- 2.1 Sefton has a long established Welfare Reform and Anti-Poverty (WRAP) Cabinet Member Reference Group that 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.
- 2.2 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. The [Welfare Reform Annual Report 2022](#) was considered by Cabinet in June 2022.
- 2.3 The Council, along with its partners, continue to put communities, local people and businesses at the heart of what it does. The Council provides support through –

Information and Advice - The Council website and Sefton Directory provide information, advice and signpost people to support that is available. The Sefton Support Hub at www.sefton.gov.uk/seftonsupporthub is a digital One Stop Shop where local people can find help, advice and guidance, as well as financial and social support. The Council also uses its social media accounts to share signposting information to the community and amplifying the messages of Sefton CVS and other community groups that may be able to provide advice and support.

ELAS (Emergency Limited Assistance) – those facing severe hardship can access this scheme to help them meet one-off needs. This includes people in need of urgent help with the cost of food, winter coats, gas, electricity or emergency travel.

Council Tax Support – those on a low income may be eligible to receive support through the Council's Council Tax Reduction Scheme. For people already in receipt of support through this scheme and are struggling they can request an Exceptional Hardship Fund payment due to unusual or extreme circumstances. Under the Council Tax Regulations, a dwelling in which a disabled person lives may qualify for a reduction in the amount of Council Tax actually payable. There are further discounts available for others such as students, sole occupiers and care experienced young people.

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Affordable Warmth Scheme - people living in fuel poverty can seek advice and information about the support available from the Affordable Warmth team on 0151 934 2222 or the local Energy Advice line managed by the charity EPPlus Freephone 0800 043 0151. They will be able to advise on the simple actions that people can take in the home that will help save energy and money, as well as reducing greenhouse gases, such as carbon dioxide.

Rent & Housing – on occasion the Council may be able to support people facing difficulties paying rent. This support is called a Discretionary Housing Payments (DHP). It is most commonly used for people affected by any national Welfare Reform changes.

Free School Meals – ([Free school meals \(sefton.gov.uk\)](https://www.sefton.gov.uk/free-school-meals)) eligible families can apply for free school meals.

Summer Food - in its seventh year, this much-needed provision has seen Sefton Council and Sefton Council For Voluntary Services (Sefton CVS) put together thousands of packed lunches for children across Sefton. In 2021, more than five thousand meals, in the form of takeaway packed lunches, are served through the scheme. This year families who have had their income significantly affected by the impact of the cost-of-living crisis and the COVID-19 pandemic, were eligible for the scheme. To compliment the Summer Food offer to families, the Family Wellbeing Centres hosted a number of activities for young people, as well as helpful sessions on topics such as Debt Advice, Wellbeing Days and Mental Health awareness.

The Council has been awarded £1m Holiday Activity Fund from the DfE for 2022/23. Officers coordinate activities in the Easter, Summer and Christmas holidays for children in receipt of Free School Meals to access. As well as children accessing the range of activities they may not normally have access to they also receive food as part of the scheme.

School uniforms – the Council and schools support families with school uniform provision.

Sefton@Work - offers a range of free and confidential job-related services to local people aged 16 years plus. The team also provides a free, professional recruitment service to employers in Sefton to help them to recruit locally to find the right person for the job.

Alongside this the Council will continue to promote the free early learning and childcare support to eligible families.

Commissioned Activity – the Council commissions a range of activities to support local people and families such as debt advice, emotional health and wellbeing support and Living Well Sefton.

Living Well Sefton is a free service with a focus on supporting people with issues that may be affecting their health and wellbeing. It is collaboration of various Sefton organisations which have the expertise and knowledge to share with local people that may help them at this difficult time.

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Kooth is an online counselling and emotional well-being platform for children and young people, accessible through mobile, tablet and desktop computers and is free at the point of use was launched in Sefton in July 2019. Kooth is an early intervention resource which targets improvements in young people's emotional and mental wellbeing. It ensures a timely and appropriate response to service requests from a range of individuals and agencies and ensures information about the service is widely available. The service provides structured 1:1 counselling service to young people in need which draw on relevant NICE guidelines, provides secure online counselling and support to young people via the Kooth.com web platform.

Influencing Activity – The Council uses its influence to make sure what we and what others do are in the best interests of Sefton and its residents. This activity takes many forms for example actively warning people not to turn to loan sharks and how to access support when needed.

Mayor's Toy Appeal - Every year hundreds of people across Sefton demonstrate their kindness and community spirit by contributing to the Mayor's Christmas Toy Appeal. Ward councillors also contribute £250 from each ward budget to this appeal meaning that families facing hardship do not miss out on the festive season.

Household Support Fund (HSF) – the Council has been allocated various grants from the Department for Work and Pensions (DWP) to support residents with the Cost of Living Crisis. In April 2022 the DWP extended HSF from 1 April 2022 to 30 September 2022 and the value remained the same as in 2021/22 (£2.435m).

However, the grant conditions changed with the requirement for:

- 33% of the grant to be spent on households with children
- Up to 33% of the grant spent on households without children
- 33% of the grant to be spent on households containing pensioners. The focus remains on food, affordable warmth, help with utility bills and other essential households' items.

In addition, resources have also been allocated to develop projects designed to identify sustainable sources of food to reduce residents' reliance on food banks. The scheme is also being used to fund Winter Pyjamas distribution via Family Well Being Centres, Winter safe packs – contribution to Merseyside Fire & Rescue Service to provide packs to households, contribution to foodbanks, Energy Project Plus – provide meter top up vouchers to be distributed by Energy Project Plus and CVS Winter Coat project – to provide winter coats.

The Council support the Foodbanks and Food Pantry network throughout the borough and are seeking to appoint a Sustainable Affordable Living Project Coordinator to support and coordinate these networks to ensure efficiency and maximum reach to the households that need support the most.

Plans are currently being devised, in partnership with Sefton CVS, to provide residents with additional support during the winter months. The plans include opening various community settings where residents would be given the opportunity to take part in meaning full activities in warm welcoming settings, whilst also accessing free food.

2.4 As well as the areas the Council and its partners are assisting struggling families with, the Council are also proposing that

- A new fact sheet has been prepared at Appendix B this will be available to all Ward Councillors and circulated widely throughout our community networks
- A new webpage will be made available entitled 'Cost of living' to assist families and individuals struggling with the costs of living
- A discretionary payment will be made to certain residents in relation to the Energy Rebate Scheme. This includes payments to households in receipt of Council Tax Reduction Scheme support who did not qualify for the mandatory scheme as their property was in Band E to H, additional payments to households in receipt of CTRS support who have already received a payment from the mandatory scheme and additional payments to all households in receipt of CTRS support which include children. In addition, payments will be made to households in receipt of a full Council Tax exemption, due to being Severely Mentally Impaired, who did not qualify under the mandatory scheme.

3 **Equalities**

3.1 Members are to consider the Indices of Deprivation (2019) at Appendix A, Sefton Children and Young People Living in Low Income and Poverty at Appendix B and the Equalities Impact Assessment at Appendix D.

Members are asked to note that as the Council puts plans and actions into place there is a need to be clear and precise about our processes, and impact assess potential changes ensuring that the impact of poverty and the experiences of people who are living in poverty are considered in service design and delivery.

4 **Next Steps**

4.1 The Council is developing a Child Poverty Strategy which will be underpinned by a partnership Action Plan. The draft strategy will be present to Cabinet in October for consideration.

4.2 Officers will continue to work closely with partners across Sefton to a develop and range of ideas and proposals to support local people in crisis, as well as reinforcing what support is currently available.

The Council will work at the highest levels nationally to influence policies towards tackling poverty and make the argument that poverty impacts negatively on the whole community and impacts significantly on the life chances of Sefton's children and young people.

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Indices of Deprivation (2019)- Sefton Summary

Claire Brewer

Commissioning Support & Business Intelligence Service

Data, Insight, Business Intelligence, & Performance

Document Control

Issue/Amendment Record

Version	Date of Issue	Reason for Issue
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Document Ownership

Role	Name/Title
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Distribution

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Introduction

The English Indices of Deprivation 2019 (ID2019) are the Government's official measure of multiple deprivation at small area level. ID2019 updates information produced in 2015. It provides a relative ranking of areas across England according to their level of deprivation.

ID2019 brings together 39 indicators which cover specific dimensions of deprivation: Income, Employment, Health and Disability, Education, Skills and Training, Barriers to Housing and Services, Living Environment and Crime. These are weighted and combined to create an overall Index of Multiple Deprivation (IMD). ID2019 provides scores and ranks for IMD, the seven domains of deprivation and 2 supplementary income deprivation indices – one relating to children (IDACI) and one relating to older people (IDAOP).

The IMD2019 is based on lower super output areas (LSOA) - geographical areas containing approximately 1,500 people. The LSOAs are ranked from most deprived to least deprived. Nationally the most deprived LSOA is given a ranking of 1 and the least deprived a ranking of 32,844. This report also includes analyses where LSOAs have been categorised into deprivation bands, most commonly deciles (10% bands) or quintiles (20% bands).

Important considerations

ID2019 is a relative measure of deprivation. It can be used to say that an area is more deprived than another, but it cannot be used to determine 'how much' more deprived. For example, it is not possible to say that area X, ranked 20 is twice as deprived as area Y, ranked 40.

The ID 2019 has been produced using the same methodology that was used in 2015 and for previous iterations. However, the scores and ranks can only be used to identify relative changes and not real change over time. It could be said that an area has become more or less deprived in relation to other areas, but it would not necessarily be correct to state that the level of deprivation in the area has increased or decreased on some absolute scale. Care should also be taken when comparing the indices over time as changes may have taken place between versions e.g. changes to geographical boundaries or the indicators used to measure deprivation domains.

ID2019 provides an indication of deprivation in an area but it is important to note that this level of deprivation will not apply to everyone residing in that area. Not all deprived people live in deprived areas and conversely, not everyone living in a deprived area is deprived.

Index of Multiple Deprivation (IMD)

According to the ID (2019) Sefton's IMD is ranked 89th out of 317 local authorities. Sefton's 2015 IMD ranking was 100. This suggests that Sefton has become relatively more deprived, compared to other parts of the country, than it was in 2015. Sefton's 2019 rank places it in the second most deprived quintile or fifth of local authorities (unchanged from 2015). Sefton is the least deprived local authority in the Liverpool City Region according to ID2019. This is a slight change from 2015 when Wirral was the least deprived.

Rank of average rank	2019	2015*
Halton	39	36
Liverpool	4	7
Knowsley	3	5
St Helen's	40	52
Wirral	77	103
Sefton	89	100

Figure 1: IMD rank by Local Authority (2015 and 2019)
*recast to 2019 LA district boundaries

IMD scores and rankings are produced at LSOA level, allowing deprivation to be explored within Sefton. Figure 2 illustrates the geographical spread of deprivation across the borough. In 2019, 38 of Sefton's 189 LSOAs (covering an area of approximately 58,000 residents) are in the most deprived 10% nationally. Conversely only 7 Sefton LSOAs fall in the least deprived 10% nationally (covering 4% of the population and 10,000 residents).

Seven of Sefton's LSOAs (3.7%) fall in the most deprived 1% of the country, covering almost 11,000 residents (figure 3). This is an increase from 2015, when 5 LSOAs (approximately 7,000 residents) were in the most deprived 1%. Six of the seven LSOAs are in Linacre ward and the remaining LSOA spans Linacre and Derby ward. None of Sefton's LSOAs lie in the least deprived 1% nationally and only one, in Harington ward, falls into the least deprived 5% nationally.

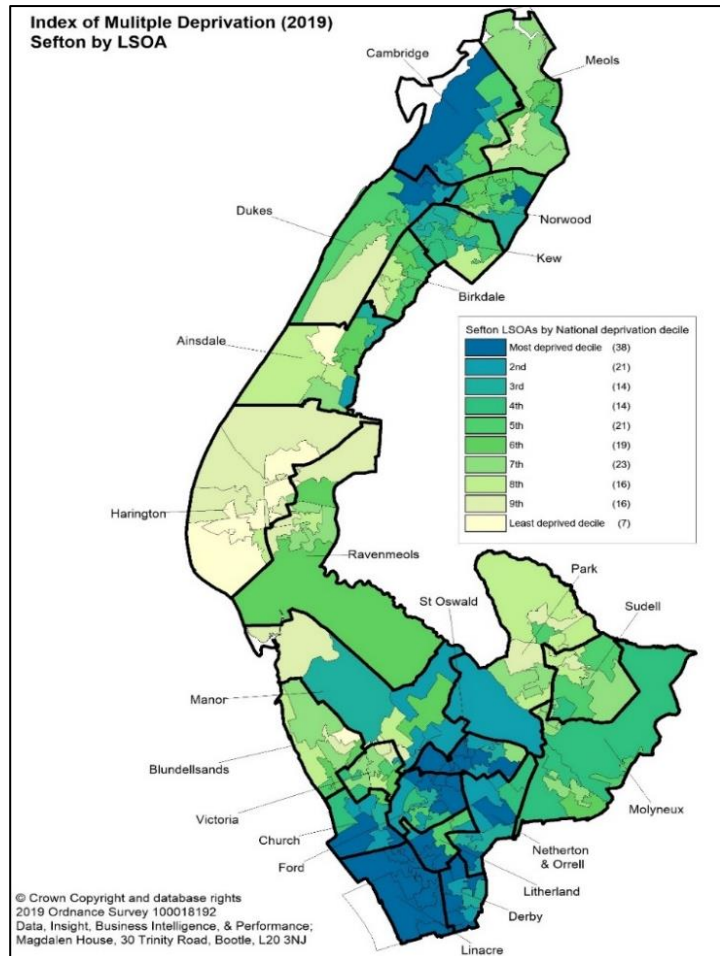


Figure 2: Map of IMD decile by Sefton LSOA

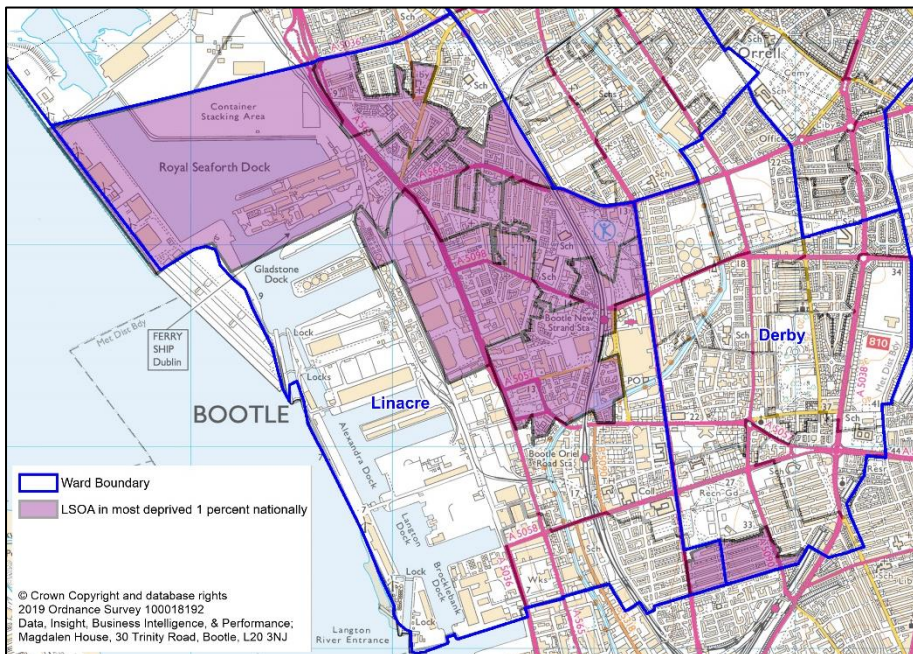


Figure 3: Map of Sefton LSOAs in most deprived 1% nationally

The most deprived and least deprived neighbourhoods in Sefton have remained largely the same between 2015 and 2019. Seventy two percent of LSOAs (137) are in the same deprivation decile on the ID2019 as they were on the ID2015. Forty-one LSOAs (22%) have moved to a more deprived decile and 11 (6%) have moved to a less deprived decile. Where LSOAs have changed deprivation decile, all have only shifted to the next decile (either up or down).

Income deprivation affecting children index (IDACI)

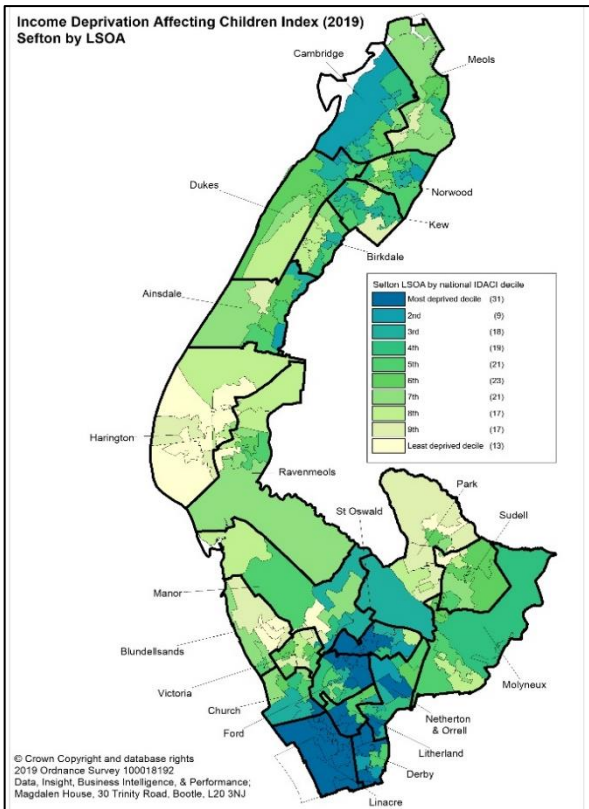


Figure 4: Map of IDACI decile by Sefton LSOA

The ID2019 includes a supplementary index for income deprivation affecting children. This index covers the proportion of children aged 0-15 living in income deprived households. This is defined as households that receive Income Support, income-based Jobseeker’s Allowance, Universal Credit, Pension Credit Guarantee or Child Tax Credit below a given threshold. The IDACI shows Sefton is ranked 108th out of the 317 English local authorities. Sefton’s IDACI rank places it in the second most deprived quintile of local authorities (the same as in 2015 when Sefton was ranked 115 out of 326 authorities).

Like with IMD, IDACI varies across Sefton. Thirty-one Sefton LSOAs are in most deprived decile and 5 fall in the most deprived 1%. As shown on figure 4, these LSOAs are all in the south of the borough. Central and north Sefton are less affected by income deprivation amongst children. Four LSOAs in Sefton and one in Formby fall in the least deprived 5%.

Income deprivation affecting older people index (IDAOP)

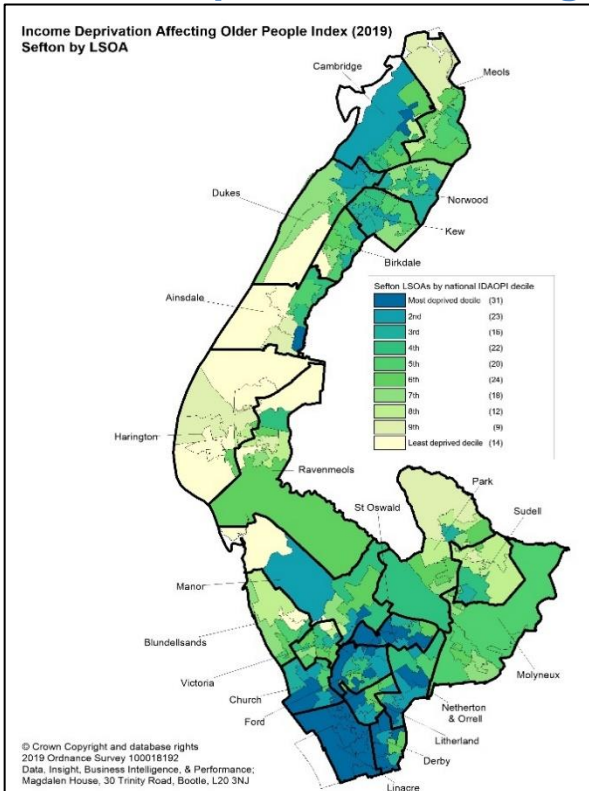


Figure 5: Map of IDAOP decile by Sefton LSOA

The IDAOP provides the proportion of the population aged 60 and over who are income deprived. Overall Sefton is ranked 83rd out of the 317 English local authorities for this measure. This is similar to 2015 when Sefton was ranked the 82nd most deprived district out of 326 local authorities. As with IMD and IDACI this places Sefton in the second most deprived quintile of local authorities

However, Sefton’s overall ranking masks the differing level of deprivation affecting older people throughout the borough. Deprivation disproportionately affects LSOAs in the south of the borough (figure 5). 10 LSOAs (all in South Sefton) are in the most deprived 5% of the country and one in Derby ward is in the top 1%. One LSOA in Harington ward is in the least deprived 1% nationally and, other than one LSOA in Blundellsands, the 7 Sefton LSOAs in the least deprived 5% nationally, are all in Southport and Formby.

Subdomains

Sefton's lowest ranking across the 7 domains is for Health & Disability (37th) and the highest is for Barriers to Housing and Services (310th). Sefton's subdomain ranks and resultant quintile bandings have not significantly changed compared to 2015.



Income

Measures the proportion of the population experiencing deprivation relating to relating to low income

Sefton rank: 67 (2nd most deprived quintile)



Employment

Measures the proportion of the working age population in an area involuntarily excluded from the labour market.

Sefton rank: 39 (most deprived quintile)



Education

Measures the lack of attainment and skills in the local population

Sefton rank: 162 (3rd most deprived quintile)



Health

Measures the risk of premature death and the impairment of quality of life through poor physical or mental health

Sefton rank: 37 (most deprived quintile)



Crime

Measures the risk of personal and material victimisation at local level

Sefton rank: 147 (3rd most deprived quintile)



Barriers to Housing & Services

Measures the physical and financial accessibility of housing and local services

Sefton rank: 310 (least deprived quintile)



Living Environment

Measures the quality of both the 'indoor' and 'outdoor' local environment

Sefton rank: 90 (2nd most deprived quintile)

Ward Level Analysis

The Local Government Association (LGA) has produced ward based IMD scores and rankings using population weighted centroids. Scores and rankings for Sefton's 22 wards can be seen in the table below. According to this analysis Linacre is the most deprived ward within Sefton and is the 4th most deprived ward in England overall. Looking across all 7 subdomains of deprivation, Linacre also has the highest ranking for Income, Employment, Education, Health and Disability and Crime. Duke's is the most deprived ward for Barriers to Housing and Services and Church is the most deprived ward for the Living Environment domain.

Linacre's national IMD ranking was 13 in 2015, indicating that it has become relatively more deprived compared to other English wards in 2019. However, this is the case for most of Sefton's wards. Only Duke's and St Oswald ward have lower deprivation scores in 2019 than they did in 2015 and have therefore become relatively less deprived.

	Score	Rank within Sefton Wards (22)	Rank within North West Wards (859)	Rank within England Wards (7219)
Linacre	70.74	1	3	4
Derby	54.89	2	42	81
St Oswald	43.42	3	118	331
Litherland	41.46	4	143	415
Ford	40.92	5	149	439
Church	37.92	6	183	570
Netherton & Orrell	37.23	7	191	607
Duke's	31.08	8	252	1,060
Cambridge	29.44	9	293	1,244
Manor	23.62	10	389	2,015
Kew	23.57	11	391	2,023
Norwood	22.48	12	406	2,200
Molyneux	18.89	13	473	2,913
Ainsdale	17.77	14	508	3,174
Birkdale	16.02	15	550	3,647
Victoria	15.24	16	569	3,891
Sudell	15.15	17	571	3,908
Meols	13.79	18	606	4,324
Ravenmeols	12.18	19	660	4,857
Blundellsands	11.81	20	670	4,995
Park	11.42	21	683	5,121
Harington	6.66	22	824	6,628

Figure 6: IMD 2019 score and ranks by Sefton ward

References

English indices of deprivation (2019). Ministry of Housing, Communities and Local Government, <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

Indices of Deprivation (2019) – Ward Reports, Local Government Association
<https://reports.esd.org.uk/reports/3092>

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Children and Young People

Child Poverty

Assessment of National and Local Statistics

Last Updated: August 2022

Wayne Leatherbarrow

Strategic Support

Data, Insight, Business Intelligence, & Performance

Document Control

Issue/Amendment Record

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Final version for general release.

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Executive Summary

Across the most recent five years (2016/17 to 2020/21) the percentage of Sefton’s children living in relative low-income families initially showed increases, though has reduced in the latest year, with 16% in 2020/21. The Borough levels have continually remained below the England national average and North West average.

CRLIF %	2016/17	2017/18	2018/19	2019/20	2020/21
Sefton	15.9%	17.3%	17.1%	16.8%	16.0%
LCR	18.4%	20.1%	20.3%	20.4%	18.9%
North West	20.5%	22.2%	22.4%	22.4%	21.1%
England	16.9%	17.9%	18.1%	19.2%	18.5%

Latest data released by the Government on the 31st March 2022, which includes numbers of children in relative low-income families' (CiLIF) by Parliamentary Constituency and to reflect geography boundaries set out by the Office for National Statistics (ONS) as at February 2021 and Census 2011, shows that in Sefton that there are 9,501 children in low-income families.

CRLIF	2016/17	2017/18	2018/19	2019/20	2020/21
Sefton	9400	10245	10141	9988	9501
LCR	64492	70616	72008	72213	67045
North West	350970	380056	386732	388232	365604
England	2208700	2356748	2392383	2544700	2463098

The highest density of children living in relative low-income families is the south of the borough.

Statistical Overview

The Children in low-income families' local area statistics (CiLIF), provides information on the number of children living in Relative and Absolute low income by local area across Great Britain. With the rollout of Universal Credit and the Higher Income Child Benefit charge, these new statistics draw data from a new database "RAPID" (Registration and Population Interaction Database) which provides a single coherent view of citizen interactions with DWP and HMRC within a tax year for the UK. RAPID provides a basis for analyses of children, the family unit, and gross personal incomes (benefits/tax credits, employment, self-employment, occupational pensions) from which estimates of the number of children in low income families can be derived.

Children in Low Income Families - local area statistics, Great Britain: 2014/15 to 2020/21

(Experimental - still being developed) was released on 31st March 2022 to include numbers by Parliamentary Constituency and to reflect geography boundaries set out by the Office for National Statistics (ONS) as of February 2021 and Census 2011.

Data Definitions:

- Children are defined as dependent individuals aged under 16; or aged 16 to 19 in full-time non-advanced education. Child age is derived as the duration from Date of Birth to 31 March in each year.
- A family is defined as a single adult; or a married or cohabitating couple; or a Civil Partnership; and any dependent children.
- Absolute low income is defined as a family in low income Before Housing Costs (BHC) in the reference year in comparison with incomes in 2010/11. A family must have claimed one or more of Universal Credit, Tax Credits or Housing Benefit at any point in the year to be classed as low income in these statistics.

The National Context

According to End Child Poverty, a campaign which is made up of organisations including children’s charities, child welfare organisations, social justice groups, faith groups trade unions and others untied in freeing the UK of child poverty.

- 4.3 million children live in poverty in the UK in 2019/20
- 9 children in a classroom of 30 live in poverty
- 75% of children growing up in poverty live in a family where at least one person is working.

The Joseph Rowntree Foundation states that “Two thirds of children in poverty live in a working family.”

Child Poverty Action Group suggest that poverty affects more than one in four children in the UK today. When children grow up in poverty they miss out and there are wider impacts that will affect all of us –They might miss out on the things most children take for granted: warm clothes, school trips, having friends over for tea. They

often do less well at school and earn less as adults. Furthermore, children in large families are at a far greater risk of living in poverty – 43 per cent of children living in families with 3 or more children live in poverty

On a basic level, child poverty means parents cannot afford the essentials of food, clothing and shelter, even when millions of children living in poverty have at least one employed parent. Low paid jobs and zero-hour contracts mean many working families live without income security and this could mean living ‘hand to mouth.’ The Covid-19 pandemic - loss of jobs, home schooling, bigger bills – has had an impact on many.

This potentially means children and young people are arriving at school hungry, have no or limited access to digital resources or missing out on enjoying activities with friends. Parents worry about the impact poverty has on their children, particularly that they may be bullied.

Children from poorer backgrounds may not have the same opportunities as other young people their age. They may not have access to the same learning materials, computers to help with homework or they may miss out on trips with friends. All of this can make a child or young person feel different to their peers.

Living on a low-income can increase parents’ stress levels, in turn affecting relationships and family dynamics. Many children will be aware and worried about the family's money problems.

Increases in family income can support children's educational achievements, and emotional and physical wellbeing. Additionally, children who get free school meals are less likely to get A* - C grades at GCSE than wealthier peers.

Sefton Demographics

According to mid-year population estimates for 2020, there are 59,324 children and young people (aged 0 to 19) residing in Sefton. Making up 21.5% of the Boroughs population, lower than the rates seen across Liverpool City Region (LCR) at 22.7%, the North West and England both with 23.6%.

Population Groupings

	Sefton Count	Percentage of total population			
		Sefton	LCR	NW	England
Aged 0 - 19	59324	21.5%	22.7%	23.6%	23.6%
Aged 0 - 4	13789	5.0%	5.6%	5.7%	5.7%
Aged 5 - 10	19077	6.9%	7.1%	7.4%	7.5%
Aged 11 - 15	15383	5.6%	5.6%	6.0%	6.0%
Aged 16 - 19	11075	4.0%	4.4%	4.4%	4.4%

In 2019, approximately 92% of Sefton’s children and young people (aged 0 to 19) have an ethnicity deemed as White British higher than the comparator areas (LCR – 89%, the North West – 80.5% and England - 73%).

Ethnicity for 0 -19 year olds

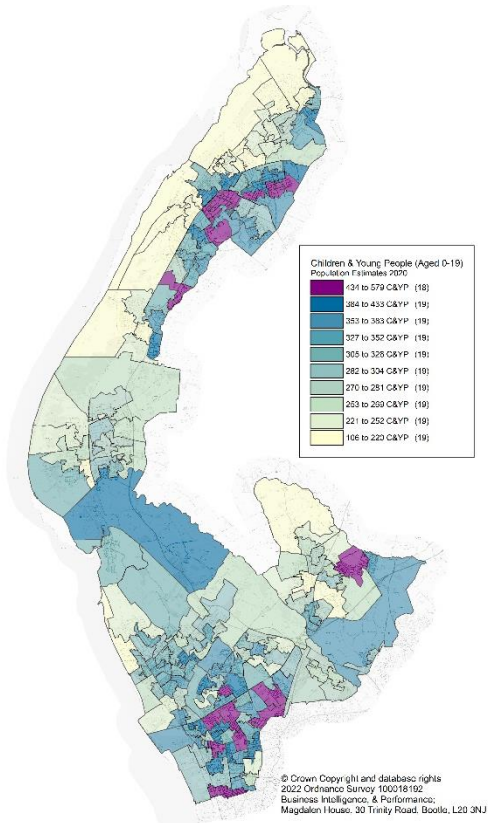
Aged: 0 - 19	Sefton Count	Percentage of total population			
		Sefton	LCR	NW	England
White	56054	94.4%	91.0%	82.8%	77.3%
White British	54770	92.3%	89.3%	80.5%	72.8%
Mixed	2029	3.4%	3.5%	4.1%	6.0%
Asian	756	1.3%	2.7%	9.9%	10.4%
Black	235	0.4%	1.5%	2.2%	4.9%
Other	275	0.5%	1.2%	1.0%	1.4%

The population single year age bands (0-19) for children and young people and demography are shown in the following table and diagram.

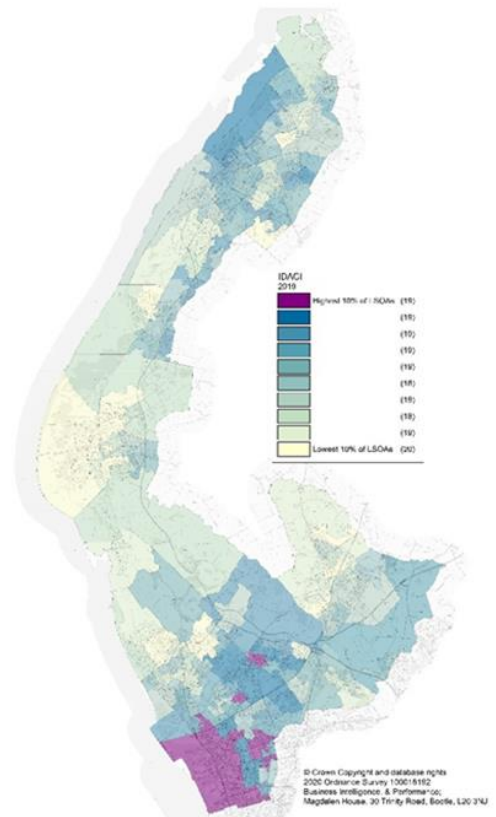
Population Single Year Age Bands - Sefton

Age	Male	Female	Total
0 Years Old	1269	1216	2485
1 Years Old	1341	1326	2667
2 Years Old	1397	1344	2741
3 Years Old	1510	1379	2889
4 Years Old	1564	1443	3007
5 Years Old	1528	1476	3004
6 Years Old	1635	1598	3233
7 Years Old	1616	1467	3083
8 Years Old	1647	1574	3221
9 Years Old	1700	1592	3292
10 Years Old	1692	1552	3244
11 Years Old	1579	1552	3131
12 Years Old	1692	1514	3206
13 Years Old	1552	1557	3109
14 Years Old	1595	1421	3016
15 Years Old	1500	1421	2921
16 Years Old	1472	1480	2952
17 Years Old	1438	1459	2897
18 Years Old	1466	1343	2809
19 Years Old	1242	1175	2417

0-24 Year olds by Sefton Lower Super Output Area



Income Deprivation Affecting Children Index (IDACI)



Deprivation in Sefton

Deprivation may have considerable effects on children, including their physical and mental health (both as a child and later in life), along with their school attendance, education attainment and future prospects.

The Income Deprivation Affecting Children Index (IDACI) measures the proportion of all children aged 0 to 15 living in income deprived families. It is a subset of the Income Deprivation domain (one of the seven domains making up the Index of Multiple Deprivation – IMD). The higher the IDACI score, the greater the deprivation in the area.

IMD and its seven domains are calculated by lower super output areas (LSOA), an average of this is used to create local authority (LA), regional and national figures. In 2019, Sefton’s average IDACI score was 0.17, this was higher than the national level (but lower than scores seen regionally and in LCR). Sefton average scores have reduced from 2004 to 2019, there has also been reduction in the three comparator areas.

31 of the 189 LSOAs in Sefton fall within the top 10% of deprived areas nationally this means that the children living in these areas are some of the most deprived in England. Of Sefton’s 31 most deprived LSOAs;

- five of are in the top 1% of deprived areas nationally
- a further 19 are in the top 5%
- An increase from the 27 LSOAs in 2015

In comparison, 30 LSOAs have fallen in the lowest 10% deprived areas nationally.

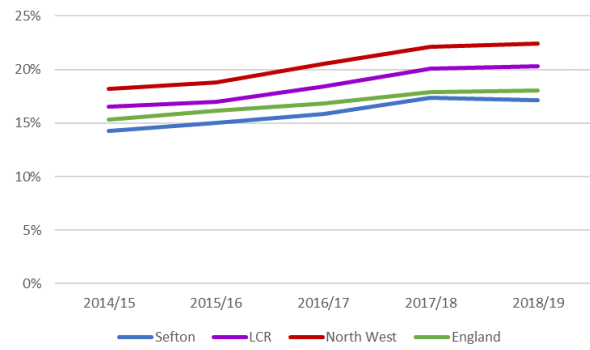
- 13 are in the least affected 5%
- A slight reduction from the 14 LSOAs seen in 2015.

Overall 56 LSOAs in Sefton have shown an increase in the IDACI when comparing 2019 scores to those of 2015, 129 reducing and 4 remaining the same.

IMD by National Percentile and Change - Sefton

National Percentile (where 1 is most deprived nationally)	Number of Sefton LSOAs
Percentile: 1	5
Percentile: 5	19
Percentile: 10	7
Percentile: 20	9
Percentile: 30	18
Percentile: 40	19
Percentile: 50	20
Percentile: 60	24
Percentile: 70	20
Percentile: 80	18
Percentile: 90	17
Percentile: 95	13
Percentile: 100	0

Direction of Travel	Number of Sefton LSOAs
▲	56
▼	129
▶	4



In 2018/19, there were **10,141** children living in relative low-income families equating to **17%** of all 0-19-year olds residing in the Borough.

Children Living in Relative Low-Income Family Counts

CiLIF	2014/15	2015/16	2016/17	2017/18	2018/19
Sefton	8494	8895	9400	10245	10141
LCR	57337	59166	64492	70616	72008
North West	306958	319722	350970	380056	386732
England	1980580	2098559	2208700	2356748	2392383

Sefton is ranked 116 of the 309 lower tier local authorities in England (where one is most deprived) for the percentage of children living in relative low-income families and is the second lowest of the six Liverpool City Region (LCR) authorities (only Wirral is lower).

As of Census 2011, Sefton is split up into 189 Lower Super Output Areas (LSOA), there is considerable variance in the percentage of children living in relative low-income families across these areas.

- 10 are in top 10% most deprived areas nationally
 - four of which are in the top 5%
 - nine are in south Sefton
 - two are in north Sefton
- 30 are in lowest 10% of affected areas nationally
 - 19 are in the least 5% deprived areas nationally
 - 15 are in north Sefton
 - 15 are in central Sefton.

Children in Low Income Families (CiLIF)

Relative low-income is defined as a family whose equivalised income is below 60 per cent of contemporary median income. Gross income measure is Before Housing Costs (BHC) and includes contributions from earnings, state support and pensions.

Across the past five years (2014/15 to 2018/19) there has been an increase in the levels of children living in relative low-income families (CiLIF) within Sefton, a pattern mirrored across the three comparator areas. Statistically the Borough has continually been below the regional and national rates, although there are specific areas of the borough where Sefton has a level of child poverty that is at least comparative or above that seen nationally.

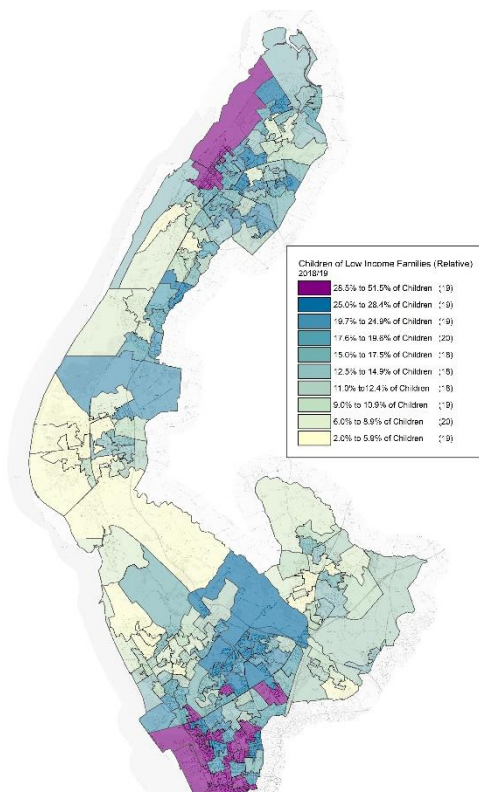
Children Living in Relative Low-Income Family Rates

CiLIF	2014/15	2015/16	2016/17	2017/18	2018/19
Sefton	14.3%	15.0%	15.9%	17.3%	17.1%
LCR	16.5%	17.0%	18.4%	20.1%	20.3%
North West	18.2%	18.8%	20.5%	22.2%	22.4%
England	15.3%	16.1%	16.9%	17.9%	18.1%

Children Living in Relative Low-Income Families by National Percentile - Sefton

National Percentile (where 1 is most deprived nationally)	Number of Sefton LSOAs
Percentile: 1	0
Percentile: 5	4
Percentile: 10	6
Percentile: 20	28
Percentile: 30	17
Percentile: 40	25
Percentile: 50	19
Percentile: 60	23
Percentile: 70	23
Percentile: 80	14
Percentile: 90	15
Percentile: 95	19
Percentile: 100	0

0-19 Year old Children Living in Relative Low-Income Families



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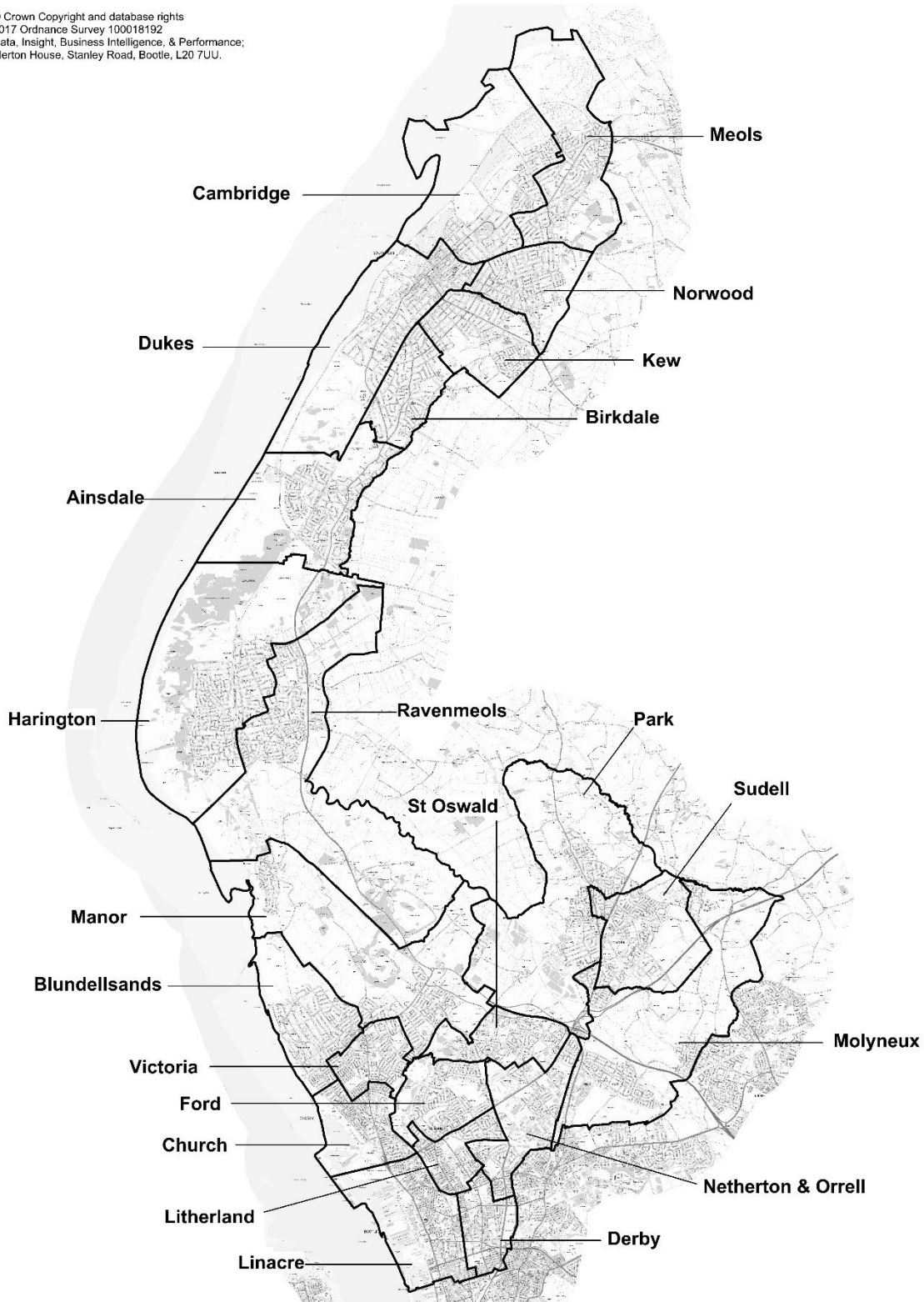
0–19-Year-old Children Living in Relative Low-Income Families by Sefton Ward

The following tables show the number of children and young people in low-income families' (CiLIF) by age ranges and locality, compared to the England, Northwest and Liverpool City Region (LCR) averages for 2018/19. The highest density of children living in relative low-income families are in South and Central Sefton.

Children of Low Income Families (Relative)		0-4		5-10		11-15		16-19		Total	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
Ainsdale	North Sefton	87	16.1%	111	15.2%	110	16.4%	105	20.3%	411	16.7%
Birkdale	North Sefton	90	13.3%	116	11.0%	112	13.8%	102	16.4%	413	13.1%
Blundellsands	Central Sefton	45	9.7%	51	7.6%	55	9.2%	28	6.5%	177	8.2%
Cambridge	North Sefton	94	25.8%	112	21.1%	72	19.3%	51	15.1%	324	20.1%
Church	South Sefton	111	16.3%	138	19.5%	105	18.1%	82	18.1%	438	18.1%
Derby	South Sefton	274	32.4%	248	24.8%	195	26.9%	172	30.8%	889	28.4%
Duke's	North Sefton	132	22.8%	127	19.0%	81	17.5%	79	17.1%	413	19.0%
Ford	Central Sefton	223	25.7%	205	20.0%	167	21.2%	134	23.7%	727	22.4%
Harington	North Sefton	21	6.0%	26	3.6%	46	6.7%	33	6.7%	128	5.7%
Kew	North Sefton	155	19.0%	173	16.3%	131	15.9%	117	20.9%	580	17.8%
Linacre	South Sefton	372	35.7%	274	26.0%	251	32.1%	177	30.5%	1073	31.0%
Litherland	South Sefton	159	18.9%	190	20.1%	143	23.3%	112	22.8%	607	21.0%
Manor	Central Sefton	75	12.8%	106	13.3%	90	15.4%	68	13.3%	346	14.0%
Meols	North Sefton	95	18.4%	85	11.0%	95	13.7%	80	15.9%	351	14.1%
Molyneux	Central Sefton	69	11.6%	75	9.3%	66	10.3%	56	11.3%	263	10.3%
Netherton & Orrell	Central Sefton	164	21.3%	198	20.5%	175	24.2%	138	23.0%	671	21.9%
Norwood	North Sefton	153	15.8%	198	14.9%	188	20.3%	139	20.7%	681	17.5%
Park	Central Sefton	45	9.7%	72	10.3%	52	10.1%	46	10.6%	214	10.1%
Ravenmeols	North Sefton	61	11.4%	66	9.0%	85	12.2%	52	10.2%	265	10.7%
St Oswald	Central Sefton	219	33.5%	204	22.5%	127	20.8%	91	19.4%	641	24.3%
Sudell	Central Sefton	58	10.7%	67	10.1%	72	12.0%	47	9.7%	244	10.7%
Victoria	Central Sefton	73	9.9%	85	9.1%	81	10.3%	55	9.9%	287	9.5%
Sefton		2779	19.2%	2910	15.5%	2492	17.0%	1963	17.4%	10141	17.1%
LCR		20776	23.0%	20878	19.0%	17312	20.8%	13046	18.4%	72008	20.3%
North West		102529	23.6%	116766	21.5%	98084	23.6%	69355	21.1%	386732	22.4%
England		613494	18.3%	717529	17.0%	619477	19.5%	441880	17.7%	2392383	18.1%

Sefton Ward Boundaries

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2017 Ordnance Survey 100018192
Data, Insight, Business Intelligence, & Performance:
Merton House, Stanley Road, Bootle, L20 7UU.

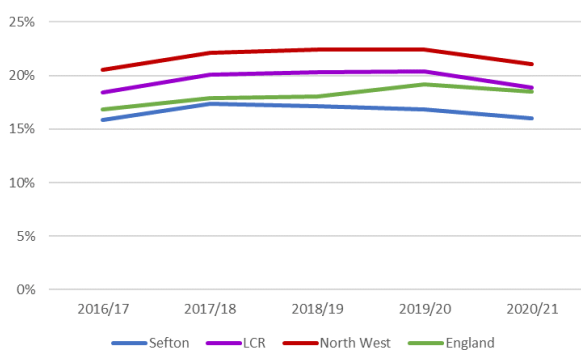


Children in Low Income Families (CiLIF) – 2021 Update

Across the most recent five years (2016/17 to 2020/21) levels of children living in relative low-income families (CiLIF) in Sefton initially showed increase, though the figure has reduced in the latest 12-months, a pattern mirrored across the three comparator areas. Statistically the Borough continues to be below the regional and national rates.

Children Living in Relative Low-Income Family Rates

CRLIF %	2016/17	2017/18	2018/19	2019/20	2020/21
Sefton	15.9%	17.3%	17.1%	16.8%	16.0%
LCR	18.4%	20.1%	20.3%	20.4%	18.9%
North West	20.5%	22.2%	22.4%	22.4%	21.1%
England	16.9%	17.9%	18.1%	19.2%	18.5%



- There are only three LSOAs within the top 10% most deprived areas nationally
 - All of which are located in South Sefton
- 35 are now in lowest 10% of affected areas nationally
 - 16 are in the least 5% deprived areas nationally
 - 16 are in north Sefton
 - 19 are in central Sefton.

Children Living in Relative Low-Income Families by National Percentile - Sefton

National Percentile (where 1 is most deprived nationally)	Number of Sefton LSOAs
Percentile: 1	0
Percentile: 5	0
Percentile: 10	3
Percentile: 20	21
Percentile: 30	16
Percentile: 40	23
Percentile: 50	27
Percentile: 60	24
Percentile: 70	19
Percentile: 80	21
Percentile: 90	19
Percentile: 95	16
Percentile: 100	0

In 2020/21, there were **9,501** children living in relative low-income families equating to **16%** of all 0-19-year-olds residing in the Borough.

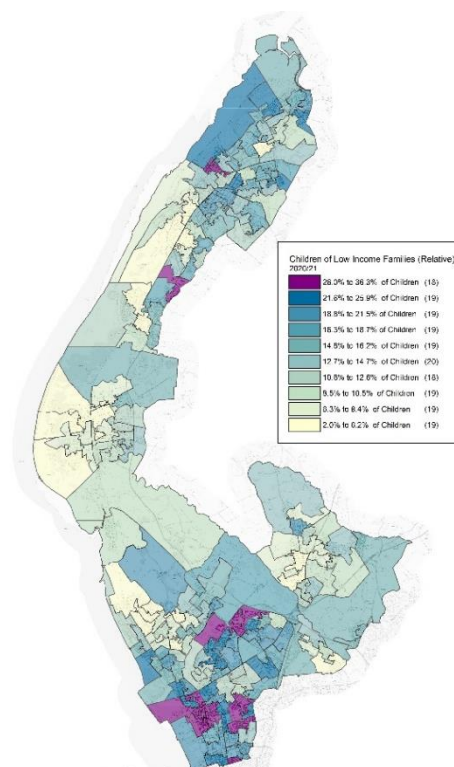
Children Living in Relative Low-Income Family Counts

CRLIF	2016/17	2017/18	2018/19	2019/20	2020/21
Sefton	9400	10245	10141	9988	9501
LCR	64492	70616	72008	72213	67045
North West	350970	380056	386732	388232	365604
England	2208700	2356748	2392383	2544700	2463098

The reduction in the percentage of CiLIF has seen Sefton’s rank out of the 309 lower tier local authorities in England decrease to 135. Though the Borough remains the second lowest of the six Liverpool City Region (LCR) authorities (only Wirral is lower).

There has been substantial changes in the national rankings of the 189 Sefton Lower Super Output Areas (LSOA), when comparing 2020/21 to 2018/19.

0-19Year old Children Living in Relative Low-Income Families



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0–19-Year-old Children Living in Relative Low-Income Families by Sefton Ward

The following tables show the number of children and young people in low-income families' (CiLIF) by age ranges and locality, compared to the England, Northwest and Liverpool City Region (LCR) averages for 2020/21. Like 2018/19 the highest density of children living in relative low-income families are in South and Central Sefton.

Children of Low Income Families (Relative)		0-4		5-10		11-15		16-19		Total	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
Ainsdale	North Sefton	77	15.9%	79	10.8%	109	15.5%	87	16.8%	357	14.7%
Birkdale	North Sefton	86	14.0%	98	10.0%	115	13.8%	81	14.1%	378	12.6%
Blundellsands	Central Sefton	40	8.5%	52	7.6%	48	7.8%	38	8.6%	179	8.1%
Cambridge	North Sefton	80	22.7%	93	16.3%	75	18.8%	43	12.7%	294	17.7%
Church	South Sefton	128	20.0%	122	16.3%	92	15.6%	92	20.8%	431	17.8%
Derby	South Sefton	197	26.0%	229	22.9%	183	23.6%	124	23.8%	731	23.9%
Duke's	North Sefton	73	15.0%	78	11.6%	64	12.5%	46	10.7%	261	12.4%
Ford	Central Sefton	178	22.5%	223	20.9%	150	18.7%	121	20.2%	679	20.8%
Harington	North Sefton	20	5.4%	29	4.2%	30	4.1%	40	9.0%	121	5.4%
Kew	North Sefton	149	19.7%	168	15.5%	134	15.1%	110	18.9%	562	17.0%
Linacre	South Sefton	301	29.5%	266	24.7%	245	31.2%	138	24.3%	953	27.6%
Litherland	South Sefton	146	18.6%	186	19.0%	152	22.7%	80	17.2%	564	19.5%
Manor	Central Sefton	80	14.0%	119	14.5%	101	16.1%	70	14.4%	374	14.9%
Meols	North Sefton	86	17.3%	118	15.6%	101	15.4%	61	11.5%	368	15.1%
Molyneux	Central Sefton	67	11.9%	100	11.8%	80	11.9%	70	13.6%	319	12.3%
Netherton & Orrell	Central Sefton	178	23.2%	195	18.8%	150	19.1%	121	19.7%	645	20.1%
Norwood	North Sefton	149	16.7%	198	14.7%	173	16.6%	117	17.8%	640	16.3%
Park	Central Sefton	59	12.1%	58	8.4%	43	8.2%	42	11.2%	200	9.6%
Ravenmeols	North Sefton	44	9.1%	73	9.6%	101	14.5%	63	12.1%	279	11.4%
St Oswald	Central Sefton	181	28.3%	189	20.7%	157	23.1%	91	20.6%	621	23.2%
Sudell	Central Sefton	70	11.2%	73	10.3%	68	11.0%	63	13.7%	269	11.1%
Victoria	Central Sefton	76	10.3%	82	8.9%	76	9.7%	55	10.0%	284	9.5%
Sefton		2477	18.0%	2811	14.7%	2440	15.9%	1771	16.0%	9501	16.0%
LCR		18452	21.2%	19868	17.8%	16904	19.3%	11826	17.1%	67045	18.9%
North West		91434	21.7%	109240	19.9%	98080	22.3%	66846	20.6%	365604	21.1%
England		587211	18.1%	741721	17.5%	674842	20.0%	459320	18.5%	2463098	18.5%

References

- Children in relative low-income families: [Stat-Xplore - Log in \(dwp.gov.uk\)](https://www.dwp.gov.uk/stat-xplore)
- End Child Poverty [Key facts - End Child Poverty the Good Childhood Report | The Children's Society \(childrensociety.org.uk\)](https://www.childrensociety.org.uk)
- Joseph Rowntree Foundation <https://www.jrf.org.uk/>
- Child Poverty Action group <https://cpag.org.uk/>
- Mid-year population estimates: [Estimates of the population for the UK, England and Wales, Scotland and Northern Ireland - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk)
- Ethnicity estimates: [Population denominators by broad ethnic group and for White British, local authorities in England and Wales: 2011 to 2019 - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk)
- Index of Multiple Deprivation: [English indices of deprivation 2019 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

APPENDIX C

COST OF LIVING FLYER

AUGUST 2022

2 SIDED A4, OR 4 PAGE A5 FLYER

Here are some ways you can get help if you are struggling to pay bills during the national cost-of-living crisis. This information is also available on the Council website www.sefton.gov.uk – just search “**Cost Of Living**”.

If you don't have access to a computer or smartphone, there is **free computer and Wi-Fi access** at all Sefton Council Libraries. Visit your local branch to find out more.

You can also give us a call on **0345 140 0845** or visit one of our One Stop Shops for more information. But please remember our contact centre receive hundreds of calls every day, and this is only increasing as the Cost-of-Living crisis worsens; our staff are working as hard and fast as they can, but you may have wait a while before your call is answered.

Help with Council Tax

You can get help with Council if you receive the following benefits:

- Income Support
- Income Related Employment and Support Allowance
- Income Based Job Seekers Allowance
- Tax Credits
- Guaranteed Pension Credit

Even if your income and circumstances mean that you don't receive any of these benefits, please let us know if you are struggling to pay your Council Tax and we still may be able to help you with an affordable payment plan.

If you are worried about keeping warm or paying your fuel bills you can:

- contact the Council's Affordable Warmth Service on 0151 934 2222
- call the local Energy Advice Freephone line on 0800 043 0151 (Monday to Friday 9am to 5pm)
- visit www.sefton.gov.uk/fuelbills

If you are on a low income and pay rent for your home, you may be entitled to financial assistance towards your rent through Universal Credit or Housing Benefit.

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Find out more at www.sefton.gov.uk/rent-help

Food Banks and Food Pantries

Across Sefton, there are foodbanks that can help if you can't afford the food, toiletries or household supplies you need.

Visit www.seftondirectory.com and search 'Foodbanks'. You may need a Foodbank voucher for some Foodbanks in Sefton, but not for all. Give us a call on **0345 140 0845** or visit one of our One Stop Shops for more information.

Food pantries

There are a number of food pantries across the Sefton. Food Pantries are different to Foodbanks in that they sell food at a reduced cost. With the cost of living rising, you may be struggling to budget for food. Food Pantries will help you to manage your budget and still be able to have healthy meals at home.

While Foodbanks will still be there to support families in crisis, Food Pantries can help if you are recovering from crisis but still struggling to budget.

You may need to be referred to a Food Pantry. Get in touch with us to find out more.

You can find more information on Foodbanks and Food Pantries, including where they are located, by visiting the Council website.

Sefton residents receiving any of the following benefits qualify for free school meals:

- Universal Credit and have a net household income of less than £7400 per annum
- Income Support
- Income based Jobseekers Allowance
- Income related Employment and Support Allowance
- Child Tax Credit ONLY (not entitled/receiving Working Tax Credit) and have an income of less than £16190.00
- Guaranteed element of State Pension Credit
- Working Tax Credit run-on (paid for the four weeks after you stop qualifying for Working Tax Credit)
- Support as part of the Immigration & Asylum Act

Find out how to get free school meals or apply for them at www.sefton.gov.uk/free-school-meals or call 0151 934 3263.

Healthy Start Vouchers and Vitamins

Healthy Start is a government scheme to improve the health of low-income pregnant women and families on benefits and tax credits. Women who are at least 10 weeks pregnant and families with children under four years old qualify for Healthy Start if the family they claim certain benefits such as income support or universal credit. For

APPENDIX C

more details on who is eligible to receive these please visit our website
www.sefton.gov.uk

Emergency Limited Assistance Scheme (ELAS)

Sefton's Emergency Limited Assistance Scheme supports local residents who are experiencing severe hardship, a disaster or emergency.

It is there to meet one-off needs and not ongoing expenses by providing:

- PayPoint credit,
- travel warrants
- essential household goods
- a referral to a support service

You can find out more and apply at www.sefton.gov.uk/elas or get in touch with us to find out more.

Jobs and Training

Through Sefton@Work, we offer information and advice to Sefton residents aged over 16 years on all aspects of jobs, education and training including self-employment.

Services include:

- One to one, confidential appointments with an Adviser
- Latest job vacancies and information non recruitment initiatives
- Pre-employment training programmes for employer vacancies
- Help with producing and updating your CV
- Advice and tips on interview techniques and skills
- Help with completing application forms and cover letters
- Access to the Internet, telephone, fax and postage related to jobs or training
- Access to specific training courses related to employability

For more information, please visit the [Sefton@Work website](http://www.sefton.gov.uk/sefton@work), call us on 0151 934 2610 or visit our office on Stanley Road, Bootle.

Health and wellbeing

Details of services and support available to help you deal with physical and mental health issues can be found at www.sefton.gov.uk/health-services.

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You can also get health advice by calling the NHS 111 service or visiting <https://111.nhs.uk> People with communication difficulties or impaired hearing can contact NHS 111 via a textphone by calling 18001 111.

We're lucky in Sefton that there are lots of Community Groups who might be able to help you through this difficult time. Have a look on the [Sefton Directory website](#) for information on your nearest Community Group.

Equality Analysis Report - Cost of Living Crisis

Details of proposal: Summary of Support Services available in Sefton to assist residents with the Cost of Living Crisis.

Ramifications of Proposal: Support services should be available to all eligible residents in need and should be accessible.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

The protected characteristics under the Equality Act 2010 are:

- *Age*
- *Disability*
- *Gender Reassignment*
- *Marriage and Civil Partnership*
- *Race*
- *Religion or Belief*
- *Sex*
- *Sexual Orientation*
- *Pregnancy and Maternity*

Section one of the report gives detail on the situation in Sefton regarding people on low incomes who will be most impacted by increases in the cost of living.

With regard to the protected characteristics, particular concerns have been identified around the following:

Families with children (para 1.8)
People with disabilities (para 1.10)
Older people (para 1.12)

Consultation:

No additional consultation has been carried out as part of the preparation of this report or analysis.

Is there evidence that the Public Sector Equality Duties will be met?

The Equality Act 2010 requires that those subject to the Equality Duty must, in the exercise of their functions, have due regard to the need to:

- 1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.*
- 2. Advance equality of opportunity between people who share a protected characteristic and those who do not.*
- 3. Foster good relations between people who share a protected characteristic and those who do not.*

The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.*
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.*
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.*

Section two of the report details the actions that Sefton is taking to support people who are experiencing difficulties during the cost of living crisis.

Characteristic	Action	Positive Impact	Negative Impact/Risks	Mitigation
All	Information and advice services via the Council website and Sefton Directory. Sefton Support Hub (online) and social media messaging	Signposts people to available support	Services will be inaccessible to those with limited or no online access or access to social media.	An accessible factsheet will be supplied to all ward members, partners and made available in libraries, One Stop Shop Contact Centre and Family Wellbeing Centres to maximise the accessibility for those with limited or no online access or access to social media.

			Accessibility of information.	The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.
All	<p>ELAS – Emergency Limited Assistance</p> <p>The Council has received 4,308 applications between the 1st April and the 31st July 2022; this is nearly double the amount (1,758) received at the same period last year.</p>	Scheme is aimed at helping people in need with one-off costs.	<p>Awareness of scheme and application process.</p> <p>Accessibility of information.</p>	<p>Staff in the One Stop Shop Contact Centre support people with limited or no online access to access the scheme.</p> <p>Staff across the Council and partners are aware of and promote the scheme to eligible local people.</p> <p>The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.</p> <p>Accessible Easy Read materials will be produced.</p>
All	<p>Council Tax Support - The following are exempt from Council Tax:</p> <ul style="list-style-type: none"> • full time students and school leavers. Halls of residence not included. • young people aged under 18 	Scheme provides for Council Tax Reduction and also Exceptional Hardship Fund payments.	<p>Awareness of scheme and application process.</p> <p>Accessibility of information.</p>	<p>Accessible Easy Read materials will be produced and made available in the One Stop and on the Council website.</p> <p>The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.</p>

	<ul style="list-style-type: none"> • severely mentally impaired people. • a foreign diplomat or member of a visiting force who would normally pay council tax • annexes occupied by an elderly or disabled person • up to 100% discount of the Council Tax to care experienced young people aged 18 or over and up to the date of their 25th birthday, who live in Sefton and who are cared for by Sefton Council. 			
All	Affordable Warmth Scheme	People living in fuel poverty can seek advice and assistance	Awareness of scheme and application process. Accessibility of information.	<p>This service is actively marketed with community groups and hosts a number of public events e.g. two annual Keep Well events, one in Southport, one in Bootle.</p> <p>The Affordable Warmth Partnership Group provides a networking opportunity to promote this offer.</p> <p>The team receives direct referrals from Social Workers and this can include people with limited or no online access or access to social media.</p>

				<p>The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.</p> <p>Accessible Easy Read materials will be produced.</p>
All	Discretionary Housing Payments	People in certain circumstances can obtain support paying rent	<p>Awareness of scheme and application process.</p> <p>Accessibility of information.</p>	<p>Accessible Easy Read materials will be produced. and made available in the One Stop and on the Council website.</p> <p>The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.</p>
All	Sefton@Work – Job search and recruitment	Assisting people to find jobs or higher earnings	<p>Awareness of scheme.</p> <p>Accessibility of information.</p>	<p>Staff across the Council promote this offer and support people with limited or no online access to access Sefton@Work. .</p> <p>The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.</p>
All	'Cost of Living' webpage	Signpost those struggling with the cost of living	Service will be inaccessible to those with limited or no online access or access	An accessible factsheet will be supplied to all ward members, partners and made available in libraries, One Stop Shop Contact Centre and Family Wellbeing Centres to maximise the accessibility for

			to social media.	those with limited or no online access or access to social media.
Age – Families with young children	Free School Meals	Eligible families can apply for free school meals	Awareness of scheme and application process. Accessibility of information.	Staff across the Council and schools promote this offer and support people with limited or no online access to access the scheme. The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs. Accessible Easy Read materials will be produced.
Age – Families with young children	Summer Food Scheme	Eligible families can receive packed lunches during the school holiday period	Awareness of scheme and application process. Accessibility of information.	Articles have been shared in printed press to increase awareness of the scheme. Staff across the Council promote this offer and support people with limited or no online access to access the scheme.
Age – Families with young children	Debt advice from Family Wellbeing Centres	FWC will run debt advice sessions for eligible families	Awareness of scheme. Accessibility of information.	Staff in the Family Wellbeing Centres support people with limited or no online access through direct advice.
Age – Families with young children	Mayor's Toy Appeal	Toys for children from eligible families at Christmas	Awareness of scheme and application process. Accessibility of	This longstanding scheme is promoted by Council staff partners and local businesses. Articles have been shared in printed press to increase awareness of the scheme.

			information.	
Age – Families with young children	Household Support Fund	Government funding to support residents, 1/3 of which is to be spent on families with young children	Awareness of schemes and application processes. Accessibility of information.	Commissioned activity is shared by partners through community groups. Staff across the Council promote this offer. The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.
Age – Older people	Household Support Fund	Government funding to support residents, 1/3 of which is to be spent on households containing pensioners	Awareness of schemes and application processes. Accessibility of information.	Commissioned activity is shared by partners through community groups. Staff across the Council promote this offer. The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs.
Disability	Under the Council Tax Regulations, a dwelling in which a disabled person lives may qualify for a reduction in the amount of Council Tax actually payable.	The person liable to pay the Council Tax is eligible for such a reduction if the dwelling concerned meets certain conditions. People with disabilities may be assisted by the general support available to all eligible residents	Awareness of schemes and application processes. Accessibility of information.	Easy Read materials will be available in the One Stop and on the Council website. The Council website and the Sefton Directory use Recite Me software so that our residents with accessibility needs and or language preferences can customise our website to meet their needs. Accessible Easy Read materials will be

				produced.
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What actions will follow if proposal accepted by Cabinet?

Section four of the report outlines a number of steps that the Council will be taking, including developing a Child Poverty Strategy and working with partners to develop additional proposals to assist residents.

Easy read documents will be produced and shared with ward members, staff and partners where required.

A fact sheet will be produced and shared with ward members, staff and partners.

Where possible take up of the schemes will be monitored.

Agenda Item 5

Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Market Sustainability and Fair Cost of Care		
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:

To update Cabinet on work taking place on the Market Sustainability and Fair Cost of Care exercises for Adult Social Care and to seek approval of the governance and approval arrangements for the associated infrastructure costs to drive the programme forward and the required submissions to the Department of Health and Social Care.

Recommendation(s):

Cabinet is recommended to;

- (1) Note the work taking place on meeting the Department of Health and Social Care Market Sustainability and Fair Cost of Care requirements, associated allocations of 2022/23 funding provided to the Council and risks identified to date;
- (2) Give delegated authority to the Executive Director Adult Social Care and Health (DASS) / Place Director Sefton, in consultation with the Cabinet Member – Adult Social Care, the Cabinet Member – Regulatory, Compliance and Corporate Services and the Executive Director of Corporate Resources and Customer Services to formulate, approve and submit the required provisional and final Market Sustainability Plans, spend reports and cost of care reports to the Department of Health and Social Care;
- (3) Give delegated authority to the Executive Director Adult Social Care and Health (DASS)/ Place Director Sefton, in consultation with the Cabinet Member for adult Social Care, the Cabinet Member – Regulatory, Compliance and Corporate Services and the Executive Director of Corporate Resources and Customer Services, to agree the use of any further funding received for infrastructure costs required to drive forward the programme; and
- (4) Note that further reports will be submitted to Cabinet detailing the outcomes of these work programmes and to seek any required approval for the use of further additional funding the Council receives from the Department of Health and Social Care.

Agenda Item 5

Reasons for the Recommendation(s):

To update Cabinet on the work taking place on meeting the Department of Health and Social Care requirements relating to Market Sustainability and Fair Cost of Care in regards to Adult Social Care, to seek approval of arrangements for submission of the required plans and reports, to provide details of risks identified to date and to seek approval of arrangements for the infrastructure required to drive forward the programme.

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

None

What will it cost and how will it be financed?

(A) Revenue Costs

Revenue costs will be met through the Market Sustainability and Fair Cost of Care fund allocated to the Council by the Department of Health and Social Care.

To date the Council has been allocated £1.029m and are expected to use at least 75% of allocated funding in 2022 to 2023 to increase fee rates paid to Providers in scope, where necessary, and beyond pressures funded by the Local Government Finance Settlement 2022 to 2023. Up to 25% of allocated funding in 2022 to 2023 can be used to fund implementation activities associated with meeting the purpose of the fund, such as additional internal capacity to support the delivery of the significant work programme.

(B) Capital Costs

There are no capital costs associated with the implementation of the recommendations within this report.

Implications of the Proposals:

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

Resources are required to formulate the required Market Sustainability Plans and conduct the Cost of Care exercises.

External consultancy support commissioned previously to conduct a cost of care exercise for Care Homes has been increased to provide further support for this exercise and the additional Domiciliary Care exercise.

Legal Implications:

Care Act 2014
Care and Support Statutory Guidance

Equality Implications:

There are no equality implications associated with the recommendations in this report.

Any decisions implemented as part of the future work detailed in this report will be subject to Equality Impact Assessments.

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

It is not anticipated that there will be any positive or negative impacts relating to the recommendations proposed in this report.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

The production of a Market Sustainability Plan and Fair Cost of Care exercises will ensure that Sefton are better placed to ensure Provider sustainability and therefore the ongoing provision of services to vulnerable people in Sefton.

Facilitate confident and resilient communities:

The commissioning of sustainable, value for money services linked to the development of a Market Sustainability Plan with a strong social value ethos will enable local communities to build a natural resilience.

Commission, broker and provide core services:

Work taking place will have a focus on market sustainability, Provider viability and a vibrant and robust Sefton care market.

The Cost of Care exercises are a further opportunity for Sefton and local care Providers to work together to arrive at a shared understanding of what it costs to run quality and sustainable care provision in the local area and that is reflective of local circumstances.

Place – leadership and influencer:

The work taking place will inform national and local work on the delivery of a 10-year vision that puts personalised care and support at the heart of Adult Social Care, ensuring that people;

- Have the choice, control and support they need to live independent lives
- Can access outstanding quality and tailored care and support
- Find adult social care fair and accessible

Drivers of change and reform:

Agenda Item 5

The drivers are; <ul style="list-style-type: none">• People at the Heart of Care White Paper• Market Position Statement for Sefton• Adult Social Care Vision and Strategy• Adult Social Care Demand Management Programme
Facilitate sustainable economic prosperity:
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.6895/22) and the Chief Legal and Democratic Officer (LD.5095/22) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The Council has commenced Fair Cost of Care exercises with Care Home (65+) and Domiciliary Care (18+) Providers.

Provider engagement is ongoing in order to inform the formulation of the Market Sustainability Plan and allocations of funding from the Market Sustainability and Fair Cost of Care fund.

Implementation Date for the Decision

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

Contact Officer:	Neil Watson
Telephone Number:	Tel: 0151 934 3744
Email Address:	neil.watson@sefton.gov.uk

Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 In December 2021 the Government published a white paper, *People at the Heart of Care*, that outlined a 10-year vision that puts personalised care and support at the heart of adult social care, ensuring that people;

- Have the choice, control and support they need to live independent lives
 - Can access outstanding quality and tailored care and support
 - Find adult social care fair and accessible
- 1.2 Following the publication of the White Paper, the Department of Health and Social Care announced the *Market Sustainability and Fair Cost of Care Fund* which has the primary purpose of supporting Local Authorities to prepare their markets for reform, including the further commencement of Section 18(3) of the Care Act 2014 in October 2023, and to support Local Authorities to move towards paying providers a fair cost of care.
- 1.3 The fund is being allocated in stages in order to allow for a staged implementation that is deliverable, while also reflecting the timelines for charging reform.
- 1.4 For 2022/23 Sefton has been allocated £1.029m and as a condition of the funding is required to evidence the work it is doing to prepare their markets and submit the following to DHSC by 14 October 2022;
- A cost of care exercises for 65+ care homes and 18+ domiciliary care
 - A provisional market sustainability plan, using the cost of care exercise as a key input to identify risks in the local market; and
 - A spend report detailing how funding allocated for 2022 to 2023 is being spent in line with the fund's purpose
- 1.5 A final Market Sustainability Plan is then required to be submitted in February 2023.
- 1.6 In 2022 to 2023 local authorities are also expected to start making genuine progress towards more sustainable fee rates, where they are not already doing so.
- 1.7 Prior to the announcement of this fund, the Council had already taken a pro-active approach to further understanding Care Home costs through of a new Cost of Care exercise which commenced in November 2021 as part of the delivery of the Joint Local Authority and Health Sefton Care Home Strategy 2021-24.

2. Update on Work Conducted to Date, Next Steps and Risks

- 2.1 As outlined above, the Council had already commenced a cost of care exercise for the Sefton care home sector prior to the announcement of the fund. An external consultant was commissioned to conduct the exercise which included engagement and workshop sessions with Providers.
- 2.2 Since the announcement of the fund and an analysis of the requirements of the Department of Health and Social Care technical specification for the cost of care exercise it was identified that there was a need to collect some additional information from Providers on their costs and as a result the consultant has been commissioned to conduct this additional work and care home Providers have been asked to update and submit information through the nationally available cost of care toolkit. This also affords Providers another opportunity to submit

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information if they did not engage in the original exercise the Council commenced in November 2021.

- 2.3 For Domiciliary Care (18+) services a cost of care exercise has also commenced, with further consultancy support being secured to support the analysis of Provider submissions. An initial workshop has been held with Providers to support them with completion of the toolkit and further engagement will take place with them.
- 2.4 Once these exercises are completed the Council is required to submit;
- Fully completed cost of care tables for care homes and domiciliary care;
 - A Spend Report detailing how the grant funding for 2022-23 is being spent in line with the stated purpose; and
 - A Cost of Care Report for care homes and domiciliary care
- 2.5 With respect to the Market Sustainability Plan, work on this has commenced and will be informed by ongoing engagement with Providers in order to ensure that the plan gives a comprehensive and representative picture of the current local market situation. The plan will also include;
- An assessment of the expected impact of market changes over the next three years and will also outline how the fund will be used to move towards a fair cost of care and help address sustainability issues;
 - Details of any further actions proposed to support market sustainability;
 - How the plan compliments other strategic documents and plans – for example the Joint Care Home Strategy 2021-24 which outlines how Commissioners will work with Providers to better meet local needs; and
 - How the Council has engaged with Providers
- 2.6 It is recommended that Cabinet give delegated authority to the Executive Director Adult Social Care and Health (DASS) / Place Director Sefton, in consultation with the Cabinet Member – Adult Social Care and the Executive Director of Corporate Resources and Customer Services to agree the infrastructure costs required to drive forward the programme, formulate, approve and submit the required provisional and final Market Sustainability Plans, spend reports and cost of care reports to the Department of Health and Social Care.
- 2.7 With respect to the £1.029m funding available, the March 2022 budget report detailed this funding and the general approach to its use was approved. Since that report, the Department of Health and Social Care published specific guidance on its use and work has taken place on formulating proposals on how the (minimum) 75% element will be allocated to Providers followed by the allocation of the funding as soon as possible to Providers to mitigate market risks in relation to financial failure, closure of services in Sefton and to increase fee rates to Providers in scope and to reflect additional costs – for example Domiciliary Care additional costs as a result of rising fuel prices which are impacting on Staff costs when conducting visits to Service Users.
- 2.8 For the remaining 25% of the fund, Council Officers are working to finalise the support resources required to deliver on the programme which will be within the 25% of the overall grant. Final decisions will be implemented as part of pre-

existing delegated authority arrangements. For any further funding received it is recommended that delegated authority is given to the Executive Director Adult Social Care and Health (DASS) / Place Director Sefton, in consultation with the Cabinet Member for adult Social Care, the Cabinet Member – Regulatory, Compliance and Corporate Services and the Executive Director of Corporate Resources and Customer Services, to agree any further infrastructure costs required to drive forward the programme.

- 2.9 Once the above submissions have been made to the Department of Health and Social Care it is envisaged that further funding will be allocated to the Council for 2023 and 2024 to ensure that the national objective of making the markets more sustainable is met. This was highlighted in the budget report of March 2022 and will be a key feature of the Council's medium term financial plan and budget planning with the current assumption based on government advice that this will be a fully funded new process. As the work progresses the council will understand whether this principle will be met, or whether there will be an additional cost impact on the council. If this does materialise then lobbying both regionally and nationally will be required for further funding and/or key policy decisions will be required within the Council as to how to approach such a scenario. These will need to be reported to Cabinet and Council at the earliest opportunity should this potentially materialise.
- 2.10 Linked to the above pressures there will be the additional requirement to conduct further market oversight and demand management activities, such as with respect to predictive analysis work in order to identify both changes in demand for specific services and how any increases to rate paid for certain sectors would in part be funded through reductions to commissioning levels in other sectors. Such oversight is also needed to monitor the delivery of strategic objectives and their impact on the market.
- 2.11 As a result, it will be the case that further reports will be submitted to Cabinet to provide updates on these work programmes and to also, if required, seek approval of any associated future financial decisions, in line with the Council's budgetary authorisation and approval processes.

3. Conclusions

- 3.1 This report has been produced in order to update Cabinet on the work taking place to meet the national Department of Health and Social Care requirement and the recommendations have been made so that there is a clear governance and approval process in place for the required submissions.
- 3.2 Further reports will be provided to Cabinet in order to provide updates on the outcomes, impacts and risks associated with the work programmes as they, together with the wider Social Care Charging Reform Programme (care cap) will have a significant impact on the Council, including internal resources and required changes to policies and business processes.

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Agenda Item 6

Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Activation of the extensions to the Integrated Sexual Health Service contract.		
Report of:	Director of Public Health	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Y	Included in Forward Plan:	Yes
Exempt / Confidential Report:	N		

Summary:

The Integrated Sexual Health Service is currently provided by Southport & Ormskirk NHS Hospital Trust. The Service was procured in 2018 through an OJEU light touch open procedure. The contract started 1st July 2018 and has a four-year nine-month core contract ending on 31st March 2023 with three, one-year built in extension options. Considerations is now required for activating the first of the 12-month extensions.

The available options are:

1. To activate the first of x 12month contact extension clauses within the contract and the further 2 extension options available as required.
2. To re-procure the service with a start date of 1 April 2023

Recommendation(s):

(1) Approval is requested for the Director of Public Health to be granted delegated authority to activate the first of the 12-month contract extension clauses in consultation with the Cabinet Member for Health and Wellbeing and the 2 further 12-month extensions as required. The first contract extension would be activated on the 1st of April 2023.

Reasons for the Recommendation(s):

The Integrated Sexual Health Service is a nationally mandated service which all local authorities are required to provide.

The Service continues to deliver against the priorities identified in the service specification to a satisfactory level.

The service has been impacted during the covid pandemic and is still in a period of recovery. The service is reviewing the effectiveness of new models of working introduced in response to Covid 19 including a digital offer and telephone triage, to assess how far

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they meet the needs of the population post pandemic. This will require time for a period of review.

A procurement exercise has the potential to destabilise current service delivery and create uncertainty at a time when it is important to fully re-establish provision. The service is currently the testing site for Monkeypox within the borough and there are national NHS England plans for sexual health services to become local vaccination centres. The stability of the service is important for implementation of local service delivery.

Public Health have recently completed a sexual health needs assessment which is intended to inform service developments which will require time to implement across the wider system and will need to be considered within the context of the new Integrated Care Board.

It is expected that a new national sexual health strategy will be launched in 2022/23 and it is advisable to wait and assess any new requirements before entering into a procurement exercise for a new service.

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

The alternative option is not to extend the current contract with the Service and move to procure a new Integrated Sexual Health Service. This has been rejected due to economic and operational reasons.

Moving to a procurement exercise has the potential to destabilise current Service delivery and to stall progress in re-establishing the service post pandemic.

Additionally, there would be a resource cost associated with the officer time required for a procurement which would reduce capacity to deliver against other key priorities in Sefton.

What will it cost and how will it be financed?

(A) Revenue Costs

The current annual core contract value is £2,700,253 plus an additional payment of £56,265 for Pre- Exposure Prophylaxis (PrEP). PrEP involves giving a HIV medicine to people without HIV during periods of risk to prevent them acquiring HIV and an additional Agenda for Change payment of £32,471. The current total annual cost of the contract is £2,788,989. Full costs of the contract are provided for within the Public Health Grant and budget.

PrEP involves giving a HIV medicine to people without HIV during periods of risk to prevent them acquiring HIV.

(B) Capital Costs

There are no capital costs for the Council associated with this service.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
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The full costs of the service will be met by the Public Health Grant and are allocated within the Public Health budget.	
Legal Implications: The contract extension clauses are part of the existing contract with the Provider.	
Equality Implications: There are no equality implications. This is an open access all age borough wide service.	
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
The proposed contract extensions to the current service contract will have a neutral impact.	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Investment in sexual health services is important to the health and wellbeing of residents. Lack of provision of sexual health services will have unintended consequences e.g., increased unplanned pregnancies including teenage pregnancies and increase in the prevalence and spread of sexually transmitted infections.
Facilitate confident and resilient communities: Not applicable
Commission, broker and provide core services: Commissioning the Integrated Sexual Health Service is a mandated public health responsibility of the Local Authority.
Place – leadership and influencer: Not applicable.
Drivers of change and reform: Not Applicable
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not applicable
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 6888/22) and the Chief Legal and Democratic Officer (LD 5088/22) have been consulted and any comments have been incorporated into the report.

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(B) External Consultations

Informal discussion in relation to the contract period and potential extension with service provider Southport & Ormskirk NHS Hospital Trust.

Implementation Date for the Decision

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

Contact Officer:	Julie Tierney
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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers.

1. Background

- 1.1. The Council commissions sexual health services in Sefton; these include contraception services, services for the prevention, detection and treatment of sexually transmitted infections (STIs), teenage pregnancy services and health promotion and outreach services. Since 1 April 2013 the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 <http://www.legislation.gov.uk> require that each local authority “shall provide, or shall make arrangements to secure the provision of, open access sexual health services in its area”
- 1.2. The Integrated Sexual Health Service provides free, confidential services on a self-referral basis within the Borough and through healthcare professional referrals for residents of Sefton or people registered with a Sefton GP. The aim of this service is to improve access to services through providing community based ‘one-stop shops’ where the majority of sexual health and contraceptive needs can be met on-site.
- 1.3. Therefore, this service provides a single point of access to a wide range of screening, tests, treatments and interventions, and works in collaboration with the wider health service. Onward referrals and collaborative working practices with specialist services, such as the drugs and alcohol service, and the youth offending team, ensure that targeted provision to people at increased risk or vulnerability, are delivered.

- 1.4. The Integrated Sexual Health Service was procured in 2018 through an OJEU light touch open procedure. The contract started 1 July 2018 and has a four-year nine-month core contract ending on 31 March 2023 with three, one-year built in extension options. Following this procurement process the contract was awarded to Southport & Ormskirk NHS Hospital Trust.

2. Summary

- 2.1. The Sefton Integrated Sexual Health Service core contract expires on 31st March 2023.
- 2.2. Current contract extension clauses provide 3 x 12-month optional contract extensions.
- 2.3. Approval is sought for the Director of Public Health to be granted delegated authority to activate the contract extension clauses within the current service contract in consultation with the Cabinet Member for Health and Wellbeing.
- 2.4. The first contract extension would be activated on the 1st April 2023 with further contract extension clauses to be activated as required.

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Agenda Item 7

Report to:	Cabinet	Date of Meeting	1 September 2022
	Council		15 September 2022
Subject:	Allocation of Supplemental Substance Misuse Treatment & Recovery Grant		
Report of:	Director of Public Health	Wards Affected:	All
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary

To request permission to accept the Supplemental Substance Misuse Treatment and Recovery Grant and allocate it accordingly. In February 2022, the Office of Health Inequalities and Disparities (OHID) Department of Health & Social Care announced additional supplemental drugs funding which all Local Authorities are eligible to receive through a Section 31 Grant to support the delivery of the December 2021 national drug strategy. In April, Sefton council received notification of the 3yrs funding from 2022/23 to 2024/25 subject to the submission of a OHID approved plan. The Sefton high level plan and 2022/23 detailed plan has now been approved. Detailed plans outlining the interventions for 2023/24 and 2024/25 will be required to be submitted for approval before the start of each of those years.

Sefton Council will receive this enhanced funding for 3yrs starting from 2022/23. See allocation table below:

	2022/23	2023/24	2024/25
Supplemental Sub Misuse Treatment & Recovery Grant	£1, 002,318	£1,642,287*	£3,169,979*

* Indicative Figs

Recommendation(s):

Cabinet:

(1) That Council be recommended to approve the acceptance of the Supplemental Substance Misuse Treatment and Recovery Grant as detailed within the report.

(2) Subject to Council approving the acceptance of the Grant, approve the proposed contract variations to the current contracts with CGL and WAwY for the

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services to deliver the funded interventions.

(3) Delegate authority to the Head of Health and Wellbeing / Director of Public Health to:

- To issue a contract variation to uplift the contract by an additional £772,068 in the first instance and the uplift for years 2 & 3 by the amounts yet to be determined, with CGL for the provision of Substance Use: Assessment, Treatment and Recovery Services.
- To add via a contract variation an additional £110,250 to the contract with WAwY and uplift any subsequent contracts for years 2 & 3 of the Grant.

Council:

(1) Council be recommended to approve the acceptance of the Supplemental Substance Misuse Treatment and Recovery Grant as detailed within the report.

Reasons for the Recommendation(s):

The Supplemental Substance Misuse Treatment and Recovery Grant should be used by LAs to directly address the aims of the treatment and recovery section of the drug strategy. The additional funding should deliver:

- New high-quality treatment places, including:
 - New places for opiate and crack users,
 - a treatment place for every offender with an addiction
 - New treatment places for non-opiate users and alcohol users
 - More young people in treatment
- More people in long-term recovery from substance dependence
- More medical, mental health and other professionals within the drug treatment system
- Additional drug and alcohol and criminal justice workers
- Sufficient commissioning and co-ordinator capacity in every local authority

The expectation is that each local area will deliver against the above aims and meet national reporting and monitoring requirements. In order to achieve these outcomes, it is necessary to transfer funds to the current providers of Substance Use: Assessment, Treatment and Recovery Services and Young People & Families Substance Use Service.

The local intention is to expand the treatment provision within the existing services to improve access by creating more treatment places and improving quality by reducing caseloads; enhance recovery activities and improve the skill mix within the existing workforce.

The allocation is to support a range of Treatment, Assessment and Recovery interventions for the local substance use population via the local services. Many of the

potential beneficiaries have an already established relationship with these services
The service providers have well established Treatment, Assessment & Recovery pathways in place across the system and are best placed to successfully deliver the interventions.

Process

The Contract Procedure Rules (CPR) requires authorisation by the Cabinet to allocate £772,068 to the current provider of Substance Use: Assessment, Treatment and Recovery Services, Change, Grow, Live, (CGL) of the £1,002,318 received in year 1 (2022/23) and £110,250 in year 1 (2022/23) to the current provider of Young People & Family Substance Use Service, We Are with You (WAwY) and also funding for subsequent years (amount yet to be determined), for delivery of the OHID approved plans.

Please note should the amount of funding to be transferred for Yr.2 & Yr.3 not meet with the requirements stated below a subsequent report will be submitted for approval.

There is provision for this allocation via a contract variation using Regulation 72 of the Public Contract Regulations which states:

“Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:

(c) where all of the following conditions are fulfilled: —

(i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;

(ii) the modification does not alter the overall nature of the contract;

(iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement.

The Grant funding could not have been envisaged when the Council originally procured these services that were advertised in the Official Journal of the European Union (OJEU) and the Find a Tender Service (FTS) respectively. The 3-year funding opportunity was only announced in Q4 of 2021/22. Both contracts had been procured and awarded prior to Q4 of 2021/22.

The allocation is to support a range of Treatment, Assessment and Recovery interventions for the local substance use population aligned to the current local services offer.

The additional grant funding does not exceed 50% of the original contract annual value and remains within the original advertised scope of the contract.

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

The only other option would be to procure other providers to deliver against the additional funding and this has been rejected due to economic and operational reasons. To commission other substance use services to meet the aims of the Grant would be a

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duplication of existing service provision, duplication of some costs and any economies of scale will be lost.

What will it cost and how will it be financed?

(A) Revenue Costs

Full costs of the proposed interventions will be covered by external Dept of Health & Social Care Section 31 Grant Funding.

(B) Capital Costs

None

Implications of the Proposals:

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

External grant funding has been received from Department of Health & Social Care which will cover the costs of the proposed delivery of the interventions by the services. Detailed one-year plans will be required to be submitted and approved for receipt of indicated grant funding for 2023/4 and 2024/5.

Legal Implications:

The Procurement Legislative Framework and the Council's Contract Procedure Rules and Finance Procedure Rules.

Sefton Council will agree contract variations with CGL and WAwY in the first instance, subject to the terms and conditions of the existing contracts to ensure delivery of expected outcomes against deliverable activities.

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	N

The proposed contract variations to the current contracts with CGL and WAwY for the services to deliver the funded interventions will have a neutral impact.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Investment in drug service interventions to support Sefton residents effected by substance use.

Facilitate confident and resilient communities: Investment in drug service interventions

to support communities from the direct and indirect impacts of substance use.
Commission, broker and provide core services: Not applicable
Place – leadership and influencer: Not applicable
Drivers of change and reform: A new 10year National Drugs Strategy
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not applicable
Cleaner Greener: Not applicable

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director Corporate Resources and Customer Services (FD.6884/22) and Chief Legal and Democratic Officer (LD. 5084/22) have been consulted and any comments have been incorporated into the report.

Cabinet Member for Health & Wellbeing and Executive Director (People) have been consulted.

(B) External Consultations

Discussion of the proposed plans with service providers CGL and WAWY.

Implementation Date for the Decision

Immediately following the Committee / Council meeting.

Contact Officer:	Julie Tierney
Telephone Number:	07816115538
Email Address:	julie.tierney@sefton.gov.uk

Appendices:

There are no appendices

Background Papers:

There are no background papers available for inspection.

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1. Background

Sefton Council have been successful in securing an estimated £5,814,584 of external grant funding over a 3-year period from Dept of Health & Social Care. The funding will be used to deliver a range of interventions to support people who use drugs and alcohol, and contribute to improving outcomes for them, their families, and the wider community. Delivery of outcomes will be monitored nationally via the National Drug Treatment Monitoring System (NDTMS) and OHID.

2. The Proposal

2.1 Sefton's plans have been developed in collaboration with people from across the local substance use treatment pathway and reflects identified gaps and areas of need. The Sefton plan has been approved by OHID.

3. Breakdown of Interventions

3.1 Year 1 Funding will be split between CGL, Sefton Council and We Are with You. details outlined below.

Organisation	Funding -Yr 1	Funded Intervention
Change, Grow, Live (CGL)	£772,068	More treatment places & increased staffing to reduce caseloads. Broaden the skill mix within workforce.
		Naloxone Provision
		Outreach
		Novel Long Lasting Opiate Substitute Treatment Pilot
		Needle Exchange
		Increased mental health support in service
		Continuity of care from non-criminal justice settings
		Recovery communities and peer support networks
Young People & Families Service (We Are with You)	£110,250	Expansion of Young People's support places
Sefton Council	45k	Commissioning Support, monitoring & BI
Sefton Council	75k	Residential Rehab Placements

4. Next Steps

4.1 A memorandum of understanding will be signed between Sefton Council and OHID which outlines expected outcomes and the funding allocation.

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A contract variation to be drafted and signed by both parties and added to the existing sealed contract with Change, Grow, Live (CGL).

A contract variation to be drafted and signed by both parties and added to the sealed contract with We Are with You (WAwY) for 2022-23. The Provider maybe subject to change in years 2 & 3.

Detailed one-year plans outlining interventions for 2023/24 and 2024/25 will be required to be submitted to OHID before the start of each of those years for approval and receipt of years 2 and 3 funding as indicated in the summary table above.

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Agenda Item 8

Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Summerhill Primary School - S106 contributions and proposal for expansion		
Report of:	Assistant Director Education	Wards Affected:	Park; Sudell;
Portfolio:	Cabinet Member - Education		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

When Sefton's Local Plan was adopted in 2017 it was agreed that contributions would be sought from the housing developers of the site at Land East of Maghull to expand Summerhill Primary School to provide additional school places in the Maghull area to meet the increased demand from families who move into the area.

This report provides an update on that project and sets out the next steps which need to be put in place for it to proceed.

Recommendation(s):

(1) That Cabinet recommends that a supplementary capital estimate in the sum of £3,782,080 be approved by Council to allow Phase 1 of this scheme to be included in the capital programme

(2) That Cabinet notes that in order to complete Phase 1 and commence Phase 2 of the scheme, allocations will need to be made from both current and future Education capital grant allocations. These will be approved in accordance with the Financial Procedure Rules. Current estimates are that £1,140,420 will be required over a three-year period.

(3) That Cabinet approves the publication of the proposal to expand Summerhill Primary so that this can be published during the 2022/23 academic year once Council has agreed the funding.

Reasons for the Recommendation(s):

The local authority has the power to consider all options including expanding a maintained school following the statutory process detailed in the report.

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

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As part of the development of the Local Plan options were explored and it was determined that Summerhill Primary be identified for expansion.

What will it cost and how will it be financed?

(A) Revenue Costs

N/A

(B) Capital Costs

Section 106 funding has been secured from the housing developers of the site Land East of Maghull. The contributions secured towards Summerhill Primary will be up to £3,782,080. Sefton's Projects and Design team are currently working on further development of the project and budget cost estimates. Additional funding will be required to improve the fabric of the existing building, heating system etc. due to the lack of maintenance over the years and the increase in tender costs and high inflation.

Any increases to the cost of the scheme resulting from further development of cost estimates and additional requirements to improve the existing fabric of the building will need to be met from Education capital grant allocations across a three-year period. These will be reported and presented for approval as per the Council's Financial Procedure Rules.

Implications of the Proposals:

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

See comments above regarding capital costs.

Legal Implications:

Under section 14 of the Education Act 1996, local authorities have a statutory duty to ensure that there are sufficient school places for primary and secondary education in their area. Where additional places are required, the local authority can propose an enlargement to the capacity of school premises by following the statutory process as set out in the Prescribed Alterations Regulations.

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

The recommendation within this report will have a negative impact on the carbon footprint of Sefton Borough. There are the direct emissions which result from the building of additional teaching accommodation as well as long-term carbon emissions

from the new buildings.

However, to mitigate some of the impact, the development will also be required to go through the planning system which will also help to minimise the carbon impact of the buildings by applying the nationally required environmental standards. Creating additional school places in the area will also mean that more pupils will be able to attend their local school which will reduce travelling distances and car use.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: The proposal will provide additional school places and ensure that pupils will not have to travel to other areas to attend school.
Facilitate confident and resilient communities: N/A
Commission, broker and provide core services: The proposal will provide additional school places in an area where demand for places is growing due to additional housebuilding.
Place – leadership and influencer: N/A
Drivers of change and reform: N/A
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 Director of Corporate Resources and Customer Services (FD.6901/22.) and the Chief Legal and Democratic Officer (LD.5101/22.) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Extensive consultation was conducted as part of the Local Plan, but more recently additional consultation has been conducted with parents, governors and staff at the school and Head teachers at other Sefton schools.

Implementation Date for the Decision

Immediately following the Council meeting.

Contact Officer:	Tricia Davies/Tracy McKeating
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Email Address:	Tricia.davies@sefton.gov.uk/tracy.mckeating@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

Appendix A: Public notice and complete proposal for Summerhill Primary School

Background Papers:

Making significant changes ('prescribed alterations') to maintained schools: Statutory guidance for proposers and decision-makers, Department for Education, October 2018

[School organisation: local-authority-maintained schools - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

1. Introduction/Background

1.1 Following the extensive public consultation process for Sefton's Local Plan it was agreed by Sefton Council that contributions would be sought from the housing developers of the site at Land East of Maghull to expand Summerhill Primary School to provide additional school places in the Maghull area. This is to meet the increased demand from families who move into the area and means that the school would expand from one-form entry (210 places) to a two-form entry school (420 places), (A Local Plan for Sefton, MN3 Land East of Maghull).

2. Section 106 Funding

2.1 The Sefton Local Plan was adopted in April 2017. This allocated housing land for over 11,000 new homes to 2030. During the preparation of the Local Plan, officers in the education and planning departments worked closely to ensure that the implications of the new housing on schools was explored and policies in place to mitigate any impact. It was determined that one school, Summerhill Primary in Maghull, be specifically identified for expansion, and in other areas a contribution towards local primary school expansion be secured so that a preferred primary school for expansion could be identified at a later date.

2.2 By far the largest housing allocation in the Sefton Local Plan is at Land East of Maghull, which is an 85-hectare site that could accommodate a minimum of 1,400 homes. Due to the number of homes that are planned for this location, it was decided that the nearby Summerhill Primary would have to be expanded to create a 2-form entry school to accommodate the anticipated additional primary school children. This was set out in Local Plan policy MN3 part 3 and adopted as Council Policy (full Council 20 April 2017).

2.3 At a meeting of the Planning Committee on 17 March 2021, it was resolved to approve two planning applications on the land East of Maghull allocation for a combined number of 1,700 homes. Each of these approvals was subject to the signing of a Section 106 planning obligation that, amongst other things secures a financial contribution towards the expansion of Summerhill Primary. The

contributions secured towards Summerhill from these two applications will be up to £3,782,080.

- 2.4 Development of the southern part of the site is much more progressed and is likely to be on site this Summer. The expedited trigger point for payment of the S106 funding is on planning approval of the school extension. Otherwise, payment is in five stages and is linked to completion of homes, specifically on completion of 300th, 400th, 500th, 600th and 700th home. The north part of the site only has outline planning approval and will need a further approval for details (layout etc.). However, the agreement does trigger a payment if the school extension is permitted with 50% (950k+) within 30 working days and 50% (950k) within 18 months. Otherwise, this will also be paid in five stages linked to completion of homes as above. It would be desirable to get planning approval for the school extension in place as this would trigger early payment of the S106 contribution.
- 2.5 In order for the project to proceed a supplementary capital estimate requires approval by Council to include the scheme in the capital programme.

3. Statutory Process to expand the school

- 3.1 The Council is also required to follow a statutory process including publication of a statutory notice and formal consultation period to significantly enlarge the premises of a school as set out in the Department for Education guidance as this is classed as a 'prescribed alteration' to the school. Cabinet is the decision-maker for such proposals. The decision on whether to proceed must be made within two months of the end of the formal consultation period. The guidance also states that a proposal cannot be approved conditionally upon funding being made available so the funding would need to be in place prior to this decision being made.
- 3.2 Although there is no longer a statutory 'pre-publication' consultation period for prescribed alteration changes, there is a strong expectation that schools and local authorities will consult interested parties in developing their proposal prior to publication, to take into account all relevant considerations.

The proposal was subject to public consultation as part of the process for Sefton's Local Plan. The Head of Education also wrote to parents, staff and governors of Summerhill Primary and Head teachers at other Sefton schools on 23rd September 2021 to inform them of the progress on the project and the statutory process required. At that time, the funding agreements were still waiting to be signed.

Two replies were received. One was an email from an individual who was against the housing developments taking place on Green belt land and concerned about the impact on climate change and the environment. Northway Primary also contacted the Head of Education to confirm their interest in expanding their school. This proposal could be considered in future but would depend on additional funding being made available.

The statutory process is shown in the table below:

Stage	Description	Timescale	Comments
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Stage 1	Publication (statutory proposal/notice)		Must be published in the local newspaper and on the Sefton website
Stage 2	Representation (formal consultation)	Must be 4 weeks from date of publication	As set out in 'Prescribed Alterations' regulations
Stage 3	Decision (by Cabinet)	LA should decide proposal within two months otherwise it will fall to the Schools Adjudicator	Any appeal to the adjudicator must be made within 4 weeks of the decision
Stage 4	Implementation	No prescribed timescale	It must be as specified in the published statutory notice, subject to any modifications agreed by the decision-maker

- 3.3 A copy of the draft public notice and complete proposal is attached to this report at Appendix A, and it is suggested that this should be published as early as possible during the 2022/23 academic year. This will allow time for Council to approve the funding for the project and avoid the school holiday period to ensure transparency so that all interested parties can access the proposals.

4. Proposal to expand Summerhill Primary School

- 4.1 Summerhill Primary School would expand from a one-form entry (210 places) to a two-form entry (420 places). The admission number of the school would be increased from 30 to 60 with effect from September 2024 and then the pupil numbers would increase gradually as the new admission number moves through the school year by year.
- 4.2 A project brief has been prepared and presented to the headteacher and governors at the school. Sefton's Projects and Design team are currently working on further development of the project and budget cost estimates. Surveys need to be conducted during the school holidays to develop the scheme design for further consultation with stakeholders.
- 4.3 The initial proposal for the project is a two phased approach. Phase 1 is to construct the seven classroom block and Phase 2 to modify the existing school area. Phase 1 is planned to complete in July 2024, this will allow places to become available from September 2024 and some of the classrooms/functions to be moved into the new block and release the areas for Phase 2 work and improvement to existing building. Additional funding will be required over and above the S106 contribution to improve the existing fabric of the building, heating system etc. due to the lack of maintenance to the existing school building over the years and the increase in tender costs and high inflation.

4.4 Current budget estimates received for the project are as follows:

	£
Main works	3,728,500
External works	225,000
Other costs	462,500
Fees	507,500
Budget Total	4,923,500

The estimate for the improvements to the existing building are subject to survey. The budget estimate will be regularly reviewed at each stage of the project.

4.5. The increase to the cost of the scheme resulting from further development of cost estimates and additional requirements to improve the existing fabric of the building will need to be met from Education capital grant allocations, which will be reported and presented for approval as per the Council's Financial Procedure Rules (FPRs). The Council receives capital grant allocations from central government for schools' condition and new pupil places. The Summerhill scheme will need to be prioritised when these funds are allocated to individual schemes in line with the FPRs. It is likely that additional costs would be spread over three years. Based on the current estimate of scheme costs, there will be a requirement for £1,141,420 of additional resources. However, there is already a current commitment for a rewire at the site which has been deferred due to these plans, at a cost of approximately £320,000. Therefore, based on current estimated costs, additional allocations of £821,420 would need to be approved.

4.6 As mentioned in Section 2.4 above it is likely that payment of the S106 contributions will be received in stages over the life of the project although planning approval for the school extension will trigger early payment.

5. Pupil Places and pupil numbers

5.1 Sefton is divided into planning areas for purposes of pupil place planning. Schools in Maghull and the neighbouring areas of Aintree, Lydiate and Melling are part of the Maghull and Aintree planning area. These schools had the following numbers on roll as at the January 2022 School Census.

Number on roll 20th January 2022

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School	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
Aintree Davenhill	60	61	61	61	61	61	60	425
Hudson Primary	30	30	29	31	30	25	30	205
Northway Primary	45	45	46	45	45	46	44	316
Summerhill Primary	30	30	31	31	30	30	27	209
Green Park Primary	28	30	31	33	31	30	28	211
Melling Primary	30	32	30	32	30	32	28	214
Lydiate Primary	28	37	22	29	36	40	40	232
St Andrew's CE	29	33	32	30	30	61	61	276
St Thomas CE	29	32	30	31	30	30	31	213
St George's Catholic	23	33	28	30	28	29	30	201
St Gregory's Catholic	32	31	31	30	30	30	28	212
Holy Rosary Catholic	60	62	58	62	61	60	60	423
St John Bosco Catholic	30	31	30	30	30	31	30	212
Total	454	487	459	475	472	505	497	3349

Empty Places 20th January 2022

School	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
Aintree Davenhill	0	0	0	0	0	0	0	0
Hudson Primary	0	0	1	0	0	5	0	6
Northway Primary	0	0	0	0	0	0	1	1
Summerhill Primary	0	0	0	0	0	0	3	3
Green Park Primary	2	0	0	0	0	0	2	4
Melling Primary	0	0	0	0	0	0	2	2
Lydiate Primary	17	8	23	16	9	5	5	83
St Andrew's CE	1	0	0	0	0	0	0	1
St Thomas CE	1	0	0	0	0	0	0	1
St George's Catholic	7	0	2	0	2	1	0	12
St Gregory's Catholic	0	0	0	0	0	0	2	2
Holy Rosary Catholic	0	0	2	0	0	0	0	2
St John Bosco Catholic	0	0	0	0	0	0	0	0
Total	28	8	28	16	11	11	15	117

Many of the schools in the Maghull area are already oversubscribed in most year groups and others have few places available.

6. Pupil Projections

- 6.1 The number of primary places in Maghull is currently reducing due to schools reducing their admission numbers (St Andrew’s CE Primary academy reduced their PAN from 60 to 30 five years ago and Lydiate Primary originally reduced from 50 to 45 and will be reducing from 45 to 30 from September 2022).

Maghull and Aintree pupil projections including housing developments

Places in Maghull & Aintree Planning Area

Year	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
2020/21	480	480	480	480	510	510	510	3450
2021/22	480	480	480	480	480	510	510	3420
2022/23	465	480	480	480	480	480	510	3375
2023/24	465	465	480	480	480	480	480	3330
2024/25	465	465	465	480	480	480	480	3315
2025/26	465	465	465	465	480	480	480	3300

Pupil projections Maghull & Aintree Planning Area

The following projections were submitted as part of the School Capacity collection (SCAP 2021) to the DFE but have been updated to include actual figures for 2021/22 and projected yield from all planned housing developments in the area rather than just projects with planning approval.

Year	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
2020/21*	481	452	473	467	499	498	458	3328
2021/22*	454	487	459	475	472	505	497	3349
2022/23	443	465	494	464	484	468	503	3320
2023/24	506	447	465	498	462	477	469	3324
2024/25	475	510	446	467	495	455	478	3327
2025/26	474	479	509	449	465	489	456	3321

*actual figures (January 2021 and 2022)

Housebuilding in the Maghull and Aintree area is set to continue for many years and according to recent figures received from the Planning Department 2,426 homes are planned to be built between 2021/22 and 2035/36. Based on current figures (17.5 primary pupils per one hundred homes) this could result in an additional pupil yield of 425 primary pupils over the next 15 years.

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APPENDIX 1

Public Notice and Complete Proposal for Summerhill Primary School, Poverty Lane, Maghull

Notice is given in accordance with Regulations 4 and 5 of the School Organisation(Prescribed Alterations to Maintained Schools) (England) Regulations 2013 that Sefton Council intends to make a prescribed alteration to Summerhill Community Primary School, Poverty Lane, Maghull, L31 3DT from 1 September 2024.

Sefton Council is proposing to expand Summerhill Primary School and increase the admission number from 30 to 60 with effect from 1 September 2024.

The current capacity of the school is 210 and the proposed capacity will be 420 when all the building works are completed. The current number of pupils registered at the school is 209.

This Notice is an extract from the complete proposal. Copies of the complete proposal can be obtained from the School Organisation Team, School Support Services, Sefton Council, Town Hall, Oriel Road, Bootle L20 7AE, telephone 0151 934 3427. This is also available on the Sefton Council website at www.sefton.gov.uk/schools-learning/school-organisation

Within four weeks from the date of publication of these proposals, any person may object to or make comments on the proposal by sending them to the School Organisation Team, School Support Services, Sefton Council, Town Hall, Oriel Road, Bootle L20 7AE or by email to: school.organisation@sefton.gov.uk

Signed: D Johnson, Chief Executive and Authorised Officer of Sefton Metropolitan Council

Publication Date: ?

PROPOSAL TO EXPAND SUMMERHILL PRIMARY SCHOOL, POVERTY LANE, MAGHULL L31 3DT

Introduction

Sefton Council is proposing to expand Summerhill Primary School from a one form entry school with an admission number of 30 to a two form entry school with an admission number of 60 with effect from 1 September 2024.

Local Authority contact details

The proposal to expand Summerhill Primary School is being published by Sefton Council. Contact details: School Organisation Team, School Support Services, Sefton Council, Town Hall, Oriel Road, Bootle L20 7AE, email: school.organisation@sefton.gov.uk

School

Summerhill Community Primary School currently caters for up to 210 pupils aged 4 to 11 and is located in Poverty Lane, Maghull L31 3DT. The school does not have a nursery.

Description of alteration and evidence of demand

Sefton Council is proposing to expand Summerhill Primary School and increase the admission number from 30 to 60 with effect from 1 September 2024.

The current capacity of the school is 210 and the proposed capacity will be 420 when all the building works are completed. The pupil numbers will increase gradually as the new admission number works its way through the school. The current number of pupils registered at the school is 209 (January 2022 School Census).

The number of homes in Maghull are set to increase as there are several major housing developments taking place with more planned in the future as part of Sefton's Local Plan. Schools in Maghull are very popular and it is often difficult to find places for pupils moving into the area.

Table 1 below shows the number of places available in the Maghull and Aintree area in January 2022. Demand for places in primary schools in Maghull is expected to continue to increase particularly with new houses being built and many of the schools do not have space to expand.

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Table 1: Empty Places in Maghull & Aintree as at 20th January 2022 (School Census)

School	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
Aintree Davenhill	0	0	0	0	0	0	0	0
Hudson Primary	0	0	1	0	0	5	0	6
Northway Primary	0	0	0	0	0	0	1	1
Summerhill Primary	0	0	0	0	0	0	3	3
Green Park Primary	2	0	0	0	0	0	2	4
Melling Primary	0	0	0	0	0	0	2	2
Lydiate Primary	17	8	23	16	9	5	5	83
St Andrew's CE	1	0	0	0	0	0	0	1
St Thomas CE	1	0	0	0	0	0	0	1
St George's Catholic	7	0	2	0	2	1	0	12
St Gregory's Catholic	0	0	0	0	0	0	2	2
Holy Rosary Catholic	0	0	2	0	0	0	0	2
St John Bosco Catholic	0	0	0	0	0	0	0	0
Total	28	8	28	16	11	11	15	117

Housebuilding in the Maghull & Aintree Planning area is set to continue for many years to come and according to recent figures received from the Planning Department 2,426 homes are planned to be built between 2021/22 and 2035/36. Based on current figures (17.5 primary pupils per one hundred homes) this could result in an additional pupil yield of 425 primary pupils.

Objectives (including how the proposal would increase educational standards and parental choice)

As the strategic commissioner of school provision, the Local Authority has a duty to ensure that there are sufficient good quality school places for the residents of Sefton.

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It is becoming increasingly difficult to offer parents a school place in Maghull particularly when they have more than one child and are moving into the area. The proposed expansion will offer 30 additional places per year group which will give more choice to parents, have a positive impact on the education of the pupils and reduce the cost of transporting pupils to other schools with spare capacity.

The effect on other schools, academies and educational institutions within the area

In January 2022 most of the primary schools in the Maghull & Aintree area were oversubscribed. The additional places will take some of the pressure off the other schools and provide more choice for parents.

Project costs and indication of how these will be met, including how long term value for money will be achieved

The project cost is estimated as £3.79 million, this will be phased over 2 years. The funding will be provided from financial contributions from the developers of the land East of Maghull. This site was subject to a Section 106 planning obligation to secure a financial contribution for providing school places in the area. Each phase will be tendered and awarded on a value for money basis in accordance with the latest procurement legislation.

Implementation and any proposed stages for implementation

Providing this is approved by the proposal will go ahead on 1 September 2024 once the initial building works are completed. The school will admit up to 60 pupils in Reception for the 2024/25 academic year onwards.

The procedure for responses: support, objections and comments

A public notice was published in the Maghull Champion on ? 2022. The notice is displayed at all main entrances to the school. It is also available on Sefton Council's website at: www.sefton.gov.uk/schools-learning/school-organisation

Within four weeks from the date of publication, any person may send in a response supporting, objecting or commenting on the proposal to the School Organisation & Team, School Support Services, Sefton Council, Town Hall, Oriel Road, Bootle L20 7AE, or by emailing school.organisation@sefton.gov.uk. The final date for sending in written representations is ?.

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Report to:	Cabinet Council	Date of Meeting:	1 September 2022 15 September 2022
Subject:	Financial Management 2022/23 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2022/23 – September 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 / Council** of:

- 1 The current position relating to the 2022/23 revenue budget.
- 2 The current forecast on Council Tax and Business Rates collection for 2022/23.
- 3 The monitoring position of the Council's capital programme to the end of July 2023:
 - The forecast expenditure to year end.
 - Variations against the approved budgets and an explanation of those variations for consideration by Members.
 - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.

Recommendation(s):

Cabinet is recommended to:

Revenue Budget

- 1) Note the current position relating to the 2022/23 revenue budget.
- 2) Note the Remedial Action Plan to offset the budget pressures being faced in 2022/23.
- 3) Recommend to Council the release of £1.666m from the Business Rates Income Reserve.
- 4) Recognise the financial risks associated with the delivery of the 2022/23 revenue budget and acknowledge that the forecast outturn position will continue to be reviewed, and remedial actions put in place, to ensure a balanced forecast outturn position and financial sustainability can be achieved.

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- 5) Note the current position relating to the High Needs budget and that officers are currently reviewing all options available to the Council to mitigate the additional pressure and to make the overall High Needs budget financially sustainable.

Capital Programme

- 6) Note the spending profiles across financial years for the approved capital programme (paragraph 7.1).
- 7) Note the latest capital expenditure position as at 31 July 2022 of £7.535m (paragraph 7.5); the latest full year forecast is £42.814m (paragraph 7.6).
- 8) Note explanations of variances to project budgets (paragraph 7.1).
- 9) Recommend to Council the approval of a supplementary capital estimate for £2.000m for Core Disabled Facilities Grants (paragraph 7.11).
- 10) Recommend to Council a supplementary revenue estimate of £1.064m for the City Region Sustainable Transport Settlement support grant (paragraph 7.13.1).
- 11) Approve a supplementary capital estimate of £0.759m for the Maritime Corridor and Southport Eastern access schemes (paragraph 7.13.2).
- 12) Approve a supplementary capital estimate of £0.577m for Section 106 funding for Highways Capital schemes (paragraph 7.13.3).
- 13) Approve a supplementary capital estimate of £0.468m for projects on the Key Route Network (paragraph 7.13.4).
- 14) Recommend to Council a supplementary capital estimate of £1.620m for Tranche 3 of the Active travel Fund (paragraph 7.13.5).
- 15) Recommend to Council a supplementary capital estimate of £4.789m for the Highways Maintenance budget 2022/23 (paragraph 7.13.7).
- 16) Recommend to Council a supplementary capital estimate of £0.188m for Corporate Essential Maintenance funded from capital receipts (paragraph 7.37).
- 17) Note that capital resources will be managed by the Executive Director Corporate Resources and Customer Services to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council (paragraph 7.40).

Council is recommended to:

Revenue Budget

- 18) Note the current position relating to the 2022/23 revenue budget.
- 19) Approve the actions included in the Remedial Action Plan to offset the budget pressures being faced in 2022/23 including the use of £2.9m of General Balances and the release of £1.666m from the Business Rates Income Reserve.
- 20) Recognise the financial risks associated with the delivery of the 2022/23 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.
- 21) Note the potential implications on the Medium-Term Financial Plan for 2023/24 and 2024/25.

Capital Programme

- 22) Approve a supplementary capital estimate for £2.000m for Core Disabled Facilities Grants (paragraph 57.11).
- 23) Approve supplementary revenue estimate of £1.064m for the City Region Sustainable Transport Settlement support grant (paragraph 7.13.1).
- 24) Approve a supplementary capital estimate of £1.620m for Tranche 3 of the Active

- travel Fund (paragraph 7.13.5).
- 25) Approve a supplementary capital estimate of £4.789m for the Highways Maintenance budget 2022/23 (paragraph 7.13.7).
 - 26) Approve a supplementary capital estimate of £0.680m for Phase 1 of the Strand Repurposing project funded from the Economic Recovery Earmarked Reserve as recommended by Cabinet in July (paragraph 7.18).
 - 27) Approve a supplementary capital estimate of £0.171m for the completion of the Crosby Lakeside Adventure Centre improvements, funded from the Economic Recovery Earmarked Reserve as recommended by Cabinet in July (paragraph 7.22).
 - 28) Approve a supplementary capital estimate of £3.782m for the Summerhill Primary School Expansion – Phase 1 scheme funded by Section 106 contributions (paragraph 7.25).
 - 29) Approve a Supplementary Capital Estimate of £69.1m for the Marine Lake Events Centre (MLEC) to be funded by: £31.7m from the Town Deal; £17.7m from the Liverpool City Region Combined Authority; and £19.7m to be funded by the Council as recommended by a separate report to Cabinet in September (paragraph 7.29).
 - 30) Note that, in addition to the £69.1m identified above, £1.6m and £2.3m of pre-development funding, from the Town Deal and the Liverpool City Region Combined Authority respectively, has already been included within the Capital Programme as approved by Council in September 2021. Therefore, the total capital scheme for the MLEC is £73m and this is the total value of the scheme which will be included within the Capital Programme.
 - 31) Note that the finance arrangements for the Council's contribution of £19.7m to the MLEC will be agreed following consultation with the Council's Treasury Management advisors and reported to Cabinet through the quarterly Treasury Management reports and the final proposal will be included within the Budget Report.
 - 32) Approve delegated authority for the completion and signing of Grant Funding Agreement of £17.7m from the Liverpool City Region Combined Authority to the Chief Executive and the Executive Director of Corporate Resources and Customer Services, in consultation with the Executive Director (Place), the Cabinet Member for Regeneration and Skills and Cabinet Member for Regulatory, Compliance and Corporate Services, should it be formally approved by the Liverpool City Region Combined Authority.
 - 33) Approve delegated authority to approve the Grant Funding Agreement of £33.3m from the Southport Town Deal, following Full Business Case approval, to the Chief Executive and the Executive Director of Corporate Resources and Customer Services, in consultation with the Executive Director (Place), the Cabinet Member for Regeneration and Skills and Cabinet Member for Regulatory, Compliance and Corporate Services; should it be formally approved by Government.
 - 34) Approve a supplementary capital estimate of £3m for the Southport Pier Decking Project funded from prudential borrowing as recommended by report to Cabinet in September (paragraph 7.34).
 - 35) Note that the annual cost of borrowing for the Southport Pier Decking Project will be £0.178m and it be agreed that this is added as a growth item to the Council's medium term financial plan and as such will be funded as part of the 2023/24 budget plan.
 - 36) Approve a supplementary capital estimate of £0.188m for Corporate Essential Maintenance funded from capital receipts (paragraph 7.37).

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Reasons for the Recommendation(s):

To ensure Cabinet are informed of the current position in relation to the 2022/23 revenue budget.

To provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

To keep members informed of the progress of the Capital Programme against the profiled budget for 2022/23 and agreed allocations for future years.

To progress any changes that are required in order to maintain a relevant and accurate budget profile necessary for effective monitoring of the Capital Programme.

To approve any updates to funding resources so that they can be applied to capital schemes in the delivery of the Council's overall capital strategy.

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 2022/23 an overspend position of £0.046m is currently forecast after mitigating actions have been implemented to ensure the Council currently remains in a financial sustainable position.

(B) Capital Costs

The Council's capital budget in 2022/23 is £42.777m. As at the end of July 2022 expenditure of £7.535m has been incurred and a full year outturn of £42.814m is currently forecast.

Implications of the Proposals:

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

Currently an overspend position of £0.046m is forecast for 2022/23 after mitigating actions have been implemented to ensure the Council currently remains in a financial sustainable position. However, it should be noted that significant pressure and risk remains, particularly relating to Children's Social Care and energy costs. If these budgets experience further demand and inflationary pressure during the remainder of the year further corresponding savings will need to be identified.

Legal Implications:

None

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	N
The allocations of capital funding outlined in section 7 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.	

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.

<u>Protect the most vulnerable:</u> See comment above
<u>Facilitate confident and resilient communities:</u> See comment above
<u>Commission, broker and provide core services:</u> See comment above
<u>Place – leadership and influencer:</u> See comment above
<u>Drivers of change and reform:</u> See comment above
<u>Facilitate sustainable economic prosperity:</u> See comment above
<u>Greater income for social investment:</u> See comment above
<u>Cleaner Greener:</u> See comment above

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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 6904/22)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 5104/22).

(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
Email Address:	paul.reilly@sefton.gov.uk

Appendices:

The following appendix is attached to this report:

APPENDIX A – Capital Programme 2022/23 to 2024/25

Background Papers:

There are no background papers available for inspection.

1. **Introduction**

- 1.1 On 3 March 2022, Members approved the Budget for the financial year 2022/23. This budget was developed throughout the preceding nine months and took account of all known issues. Within that report, and as with previous years, the inherent financial risk within the budget, especially with respect to Children's Services, was identified. This was further reflected within the reserves' strategy for the Council.
- 1.2 A report to June's Cabinet and Council on 14 July, provided an update for Members of the financial position with the Council for events that had materialised since the budget was approved in March, including the increased cost of providing Children's Services and the increase in energy costs affecting the Council from global price increases. A remedial action plan was presented in the report and approved by Council.
- 1.3 The report to July's Cabinet outlined that pressures continued across a number of service areas, that an overspend in the region of £2.2m was forecast and that remedial actions would be put in place and presented to this Committee to ensure a balanced forecast outturn position and financial sustainability would be achieved.
- 1.4 This report is the second of the Council's monthly budget monitoring reports and updates the revenue forecast outturn position for all services, including the pressures previously identified in the June and July reports.
- 1.5 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.6 The capital section of the report informs Members of the latest estimate of capital expenditure for 2022/23 and forecast expenditure for 2023/24 and 2024/25. The capital budget to date is presented in paragraph 7.1. Paragraphs 7.2 to 7.8 review progress of the capital programme. Finally, paragraphs 7.38 to 7.40 confirm that there are adequate levels of resources available to finance the capital programme.

2. **Revenue Budget 2022/23 – Forecast Outturn Position as at the end of July 2022**

- 2.1 Members are provided with updates of the Council's forecast financial revenue position each month during the financial year from July.
- 2.2 The report to Cabinet in June 2022 highlighted the significant financial pressures being faced by the Council relating to Children's Social Care and energy costs. A remedial action plan was approved to meet these estimated costs during 2022/23. These are included in the forecast outturn position below.
- 2.3 The report to Cabinet in July 2022 outlined that pressures had continued in several service areas and a net overspend of £2.197m was forecast. It was acknowledged that the July report was the first full budget monitoring report of the year, so forecasts included a number of assumptions on anticipated expenditure and income for the remainder of the year. It was also outlined that a full review of budgets and

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assumptions would be undertaken to refine the forecasts for this report and would outline remedial actions to be implemented to ensure a balanced forecast outturn position, potentially including the adoption of financial principles used in previous years.

- 2.4 The review of budgets and assumptions has resulted in forecasts in some service areas being reduced. However, there has been a significant worsening of the position relating to Children's Social Care accommodation costs as well as the impact of the potential local government pay award (these are both discussed below). As at the end of July 2022, the forecast outturn shows a net overspend of **£7.743m**. As with all organisations at this time, the Council is operating in a very challenging financial environment. However, it is vital that the Council achieves a balanced forecast outturn position to ensure its financial sustainability. Proposals to meet this forecast overspend are outlined in paragraphs 2.7 to 2.11.
- 2.5 The table below highlights the variations across services that make up the £7.743m forecast overspend:

	Budget	Forecast Outturn	Variance	Variance to June
	£m	£m	£m	
Services				
Strategic Management	4.024	4.036	0.012	0.003
Adult Social Care	102.055	102.055	0.000	0.000
Children's Social Care	52.151	64.246	10.895	2.540
Communities	17.591	17.488	-0.103	-0.646
Corporate Resources	5.407	5.204	-0.203	-0.025
Economic Growth & Housing	6.583	6.545	-0.038	-0.115
Education Excellence	11.296	12.257	0.961	0.041
Health & Wellbeing	19.349	19.123	-0.226	-0.226
Highways & Public Protection	11.364	11.261	-0.103	0.016
Operational In-House Services	14.867	15.688	0.821	0.031
Energy Costs	0.000	4.300	4.300	0.000
Additional Pay Award Provision	0.000	4.100	4.100	4.100
Total Service Net Expenditure	244.687	259.384	20.416	5.719
Council Wide Budgets	0.180	0.180	-0.173	-0.173
Levies	35.222	35.222	0.000	0.000
General Government Grants	(72.356)	(72.356)	0.000	0.000
Remedial Action Plan	0.000	-12.500	-12.500	0.000
Total Net Expenditure	207.733	209.930		
Forecast Year-End Deficit			<u>7.743</u>	<u>5.546</u>

2.6 The key areas relating to the outturn position are as follows:

- **Adult Social Care** – The current forecast assumes that the Adult Social Care budget will break-even during 2022/23. However, there are a number of significant assumptions and uncertainties that could impact on this position before the year-end. This budget has historically underspent each financial year therefore, officers are continuing to review the forecasts and assumptions to ensure that any potential flexibility or otherwise is raised as early as possible in the financial year given the issues facing the Council.
- **Children's Social Care** – The current forecast shows a potential overspend of £10.895m, a significant increase in the figure of £8.355m reported to Cabinet in July.

As has been regularly reported over the last three years, the cost of accommodation is the largest risk to the Council's budget position. Since the July report a number of additional high-cost placements have had to be entered into which have contributed to the increase in the forecast. Since the budget was set in March there has been an increase in Independent Residential Placements from 69 to 74. In addition, there are now more cases requiring high-cost accommodation and support than previously, and the costs of these have also risen significantly. Some new cases are now initially costing £24,000 per week. There are currently 621 cared for children and a further 419 children on child protection plans.

The current forecast assumes that these costs will continue for a number of months. Work is currently being undertaken to understand if any of these cases will continue beyond this and the impact this would have on the current forecast – this could potentially be a further £2m - £3m of additional budget pressure and an update will be provided for the next report in October along with a clear plan on how this will be funded.

The Council is currently working on developing a range of options to address the inherent demand and costs of Looked After Children whilst supporting the most vulnerable residents, but this budget remains under pressure and purely from a financial point of view this is likely to continue during this year and into the next financial year.

- **Education Excellence** – The current forecast shows a potential overspend of £0.961m relating to Home to School Transport. There has been an increase in the number of children being transported, especially relating to out of borough placements. In addition, there has been an increase in the cost of providing the transport.
- **Operational In-House Services** The current forecast shows a potential overspend of £0.821m. This relates to a number of areas across the Service, including forecast shortfalls in income on Burials and Cremations, Catering, Green Sefton activities (mainly golf courses) and vehicle maintenance.
- **Energy Costs** – As reported in June, the global increase in energy prices is having a significant impact on the Council's energy and fuel costs. This is currently

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estimated at £4.300m and is being closely monitored as more information becomes available from the Council's framework providers on the fees being paid. It should be noted that this is a national issue affecting all local authorities. However, the Government have advised that no additional funding will be made available for local government, despite representations made both nationally and locally,

- **Additional Pay Award Provision** – The approved Base Budget included a provision for the 202/23 pay award of 3%. This was line with most other local authorities who had budgeted for between 2.5% and 3% (and when the Spending Review 2021 was published, the Office for Budget Responsibility was forecasting inflation to be 4% in 2022). On 25 July 2022, the National Employers for local government services body made an offer to trade unions of a fixed increase of £1,925 (plus an additional day's annual leave from April 2023). For Sefton, this equates to an increase in the pay bill of about 6.5% or an additional £4.100m above the amount included in the 2022/23 budget. It should be noted that this is the latest offer and has yet to be accepted by Trade Unions – any increase in the offer will therefore require additional resources to be identified. As previously mentioned for energy costs, this is a national issue for local government however Government have made it clear that no additional funding will be made available.

From the above it can be seen that additional pressures of about £20.2m are being experienced and this mainly reflects the pressure in Children's Social Care and that experienced from energy costs and the additional pay award. Whilst the pressure on Children's Social Care can be deemed to be Sefton specific (although many of the causes are being seen nationally, e.g., increases in numbers of Looked After Children and increases in accommodation costs), the energy and pay award pressures of £8.4m are impacting on all local authorities. These costs were not reflected in the funding provided as part of the Local Government Finance Settlement for 2022/2023 and the Government has made it clear than no additional funding will be made available, meaning the Council needs to make remedial plans to meet these pressures.

Remedial Action Plan

- 2.7 Given the scale of the current forecast deficit it is proposed to utilise one-off resources to enable a balanced forecast outturn position to ensure its financial sustainability. The sources of these resources are:

Emergency Funding

- 2.8 The Council received unringfenced Emergency Funding from the Government in 2020/21 and 2021/22 to help with the costs associated with the COVID19 pandemic. As has been regularly reported, the Council has utilised this funding to offset costs as well as the loss of income from Council Tax, Business Rates and Sales, Fees and Charges. It is now proposed to utilise **£1.700m** of the remaining funding to fund some of the pressures in 2022/23.

Reduction in General Fund Balances

- 2.9 The Robustness Report approved by Budget Council in March highlighted that given the risks faced by the Council, the level of General Balances should be set at 6.5% of the Council's net revenue budget. An element of this related to the rising demand for Children's Social Care as well as economic uncertainty faced by the

Council. It is therefore proposed to reduce balances to 5% (the minimum level of balances that should be held by the Council regardless of the level of economic uncertainty). The remedial action plan approved in June included the use of £0.700m of General Balances, therefore reducing Balances by 1.5% would allow a further **£2.900m** to be utilised.

- 2.10 Given the current environment and financial risks faced by the Council, it is considered imperative that the Council increases Balances at the earliest opportunity from 2023/24 to reflect these risks. In the event that the financial position of the Council improves compared to this latest forecast, e.g., through an underspend on Adult Social Care, there will be a corresponding reduced call on general balances.

Review of Earmarked Reserves

- 2.11 Officers have undertaken a review of Earmarked Reserves to determine if any are no longer required for their original purpose and can be released to support the in-year pressures. The exercise has identified **£3.100m** of reserves that can be released, the most significant are:
- Business Rates Income Reserve – the Council maintains a reserve to allow for the timing of S31 grants to be managed across years, as well as fluctuations in Business Rates income. A review of the reserve has identified that £1.666m can be released. In line with Financial Procedure Rules (FPRs) Cabinet is requested to recommend to Council the release of this reserve.
 - Local Authority EU Exit Preparation Grant – The Council received funding in 2018/19 and 2019/20 to assist with any costs incurred relating to the United Kingdom's exit from the European Union. After funding all known costs, £0.427m can now be released. In line with the FPR's this has been approved by the S151 Officer in consultation with the Chief Executive.
 - COVID-19 New Burdens Grant Funding – the Council received a number of different strands of new burdens funding relating to the administration of various programmes on behalf of the Government. Due to some of the administration being undertaken by existing staff, and after funding all known costs, £0.300m can now be released as this grant is not ringfenced. In line with the FPR's this has been approved by the S151 Officer in consultation with the Chief Executive.
 - Other Earmarked Reserves – in addition, a number of smaller reserves totalling £0.700m can now be released. In line with the FPR's these have been approved by the S151 Officer.

Summary 2022/23

- 2.12 After the implementation of the remedial actions above, an overspend of £0.046m is currently forecast. This represents the current position that has been forecast to the year end- in the event that further pressure is experienced, further remedial action will be required. However, as a result of using the options above, and those previously approved in June, there is no flexibility left for the use of existing reserves and general balances- as a result this pressure will need to be met from within the existing Council budget and delivery monitored carefully and reported to Cabinet. Any remedial action required will need to consider the adoption of financial principles used in previous years.

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3. **Medium Term Financial Planning**

- 3.1 The report to Cabinet in June / Council in July highlighted that the pressures in Children's Social Care, as well as increased Energy costs, would have a significant ongoing impact on the Council's budget in 2023/24 and 2024/25. Whilst some of this pressure was considered to be temporary, much would be permanent.
- 3.2 The report also highlighted that there would be additional pressures from 2023/24 as a result of potential increases in the National Living Wage and the impact that this would have on both the Council pay structure as well as external providers, particularly in Adult Social Care. In addition, the current high levels of inflation would lead to significant pressure on many areas of the Council.
- 3.3 The ongoing impact of the current 2022/2023 pay award offer will now also need to be met in 2023/24 given it has been funded from one-off resources in 2022/23. In addition, the Council will need to assess the ongoing impact of the additional pressures reported this month in Children's Social Care as well as other service areas.
- 3.4 Based on all of these issues, the Council's Medium-Term Financial Plan (MTFP) will start to be refined and updated, however it is clear that based on this update, budget proposals will need to be developed for implementation from April 2023 (pending further Central Government advice on future funding levels) in order that the Council maintains financial sustainability. This will not be easy with extremely tight financial constraints being in existence and demand for Council services increasing continually (and councils being asked to carry out more functions); however, it is essential that this planning commences from this point. The annual comprehensive Medium-Term Financial Plan will be presented to Cabinet in October 2022.

4. **Council Tax Income – Update**

- 4.1 Council Tax income is shared between the billing authority (Sefton Council) and the three major precepting authorities (the Fire and Rescue Authority, the Police and Crime Commissioner and the Combined Authority – Mayoral Precept) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £150.008m for 2022/23 (including Parish Precepts), which represents 84% of the net Council Tax income of £178.590m.
- 4.2 The forecast outturn for the Council at the end of July 2022 is a surplus of -£1.797m. This variation is primarily due to: -
- The surplus on the fund at the end of 2021/22 being higher than estimated (-£0.517m).
 - Gross Council Tax Charges in 2022/23 being higher than estimated (-£0.266m).
 - Exemptions and Discounts (including a forecasting adjustment) being lower than estimated (-£1.014m).

- 4.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2022/23 but will be carried forward to be recovered in future years.
- 4.4 A forecast surplus of £2.022m was declared on the 15 January 2022 of which Sefton's share is £1.699m (84.1%). This is the amount that will be recovered from the Collection Fund in 2022/23. Any additional surplus or deficit will be distributed in 2023/24 and future years.

5. **Business Rates Income – Update**

- 5.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £56.664m for 2022/23, which represents 99% of the net Business Rates income of £57.236m. Business Rates income has historically been very volatile making it difficult to forecast accurately.
- 5.2 The forecast outturn for the Council at the end of July 2022 is a surplus of -£6.598m on Business Rates income. This is due to:
- The deficit on the fund at the end of 2022/23 being lower than estimated (-£0.091m).
 - Increase in the gross charge on rateable properties (-£1.068m).
 - A number of reliefs announced for 2022/23 were assumed in the NNDR1 return with the loss of income as a result of these reliefs covered by Section 31 grant payments. It is now forecast that the value of these reliefs will be less than anticipated (-£5.439m).
- 5.3 When taking into account the lower Section 31 grants due on the additional reliefs, a net surplus of £1.244m is forecast.
- 5.4 Due to Collection Fund regulations, a Business Rates deficit will not be transferred to the General Fund in 2022/23 but will be carried forward to be recovered in future years.
- 5.5 A forecast deficit of £18.702m was declared in January 2022. Sefton's share of this is £18.515m. This is the amount that will be distributed from the Collection Fund in 2022/23. Any additional surplus or deficit will be distributed in 2023/24 and future years.

6. **High Needs Budget**

- 6.1 A report was presented to Cabinet in July regard to the High Needs budget and the changes that are proposed, details of sufficiency planning, the Council's engagement on the Delivering Better Value Programme and the current high needs deficit and the risk around future central government decision making in respect of this deficit.
- 6.2 In light of these factors, the SEND green paper, the commencement of the Delivering Better Value Programme and the potential changes to accounting

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treatment of these high needs deficits that exist in a substantial number of councils in England, it was proposed that a monthly financial forecast be presented to Cabinet each month that reflects financial performance against budget and remedial planning - this would be considered alongside the wider quarterly performance report that will be presented to Cabinet and Council.

- 6.3 The High Needs Quarterly Update report presented to Cabinet in July outlined that the overspend on the High Needs budget in 2021/2022 was £4.2m resulting in an accumulated deficit of £12.5m at the end of 2021/22. The report also highlighted that a deficit for 2022/23 was forecast to be between £2.3m - £4.0m.
- 6.4 Given the increase in placements in September 2022, the current forecast overspend will be at least £2.9m, despite the provision of additional places at Sefton specialist provision schools from September. Between April and September, there has been an increase of 52 children placed at our specialist schools / SEND resource units, 172 additional EHCPs (total now 2,437 with 150 in progress) and an further 18 out of borough placements. The position is exacerbated by the additional pressures from currently proposed pay awards for 2022/23, particularly at the non-specialist provision schools where any additional cost has to be met from the High Needs budget as schools are only required to make a fixed contribution per qualifying pupil.
- 6.5 In light of the current position officers are reviewing all options available to the Council to mitigate this additional pressure during the current year and to reduce the impact on the High Needs deficit. This will include accelerating the proposals reported to members in the July Cabinet paper and determining new proposals to improve sufficiency.
- 6.6 During the next month the Council will be responding to central government's call for evidence on how High Needs deficits should be considered going forward, especially in respect of the potential for the ringfence of this deficit to the Dedicated Schools Grant (DSG) to come to an end from April 2023. Such a decision obviously presents significant financial risk to all councils if this moves from being a DSG issue to one that could impact on a council's General Fund. The response to this will be shared with relevant Cabinet Members and the next comprehensive report on High Needs to October Cabinet and November Council will provide an update on this.

7. Capital Programme 2022/23 – 2024/25

Capital Budget

- 7.1 The Capital Budget and profile of expenditure for the three years 2022/23 to 2024/25 is as follows:

2022/23	£42.777m
2023/24	£16.063m
2024/25	£6.680m

- 7.2 The following updates have been made to the capital programme budget since the previous report to Cabinet in July.

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- **Adult Social Care** – the Cabinet Member for Adult Social care has, under delegated authority, approved revised budgets for the Wider Social Care programme and Community Equipment Stores funded from the Better Care Fund – Disabled Facilities Grant (DFG). The total amount approved was £4.934m for Adult Social Care and £0.550m for Children’s Social Care.
- **Communities** – £0.270m has been added to the programme for essential Health and Safety works at Dunes Splashworld funded by borrowing.
- **Economic Growth & Housing**
 - £0.556m has been added to the programme for Bootle Canal Side Business Plan funded by earmarked reserves.
 - Town Deal Projects – Les Transformations de Southport and Enterprise Arcade budgets have been phased from 2022/23 to 2023/24 (£1.584m) to align with the ongoing development of the Town Deal programme and summary business cases previously reported to Cabinet.
- **Education Excellence** – the following schemes have been rephased for delivery in 2023/24 financial year:
 - Lydiate Primary Rewire £0.104m
 - Hudson Primary Replacement Windows / Roof Refurbishment £0.146m
 - Merefield Roof Repairs £0.115m

7.3 In addition to the above capital budgets the following capital grant allocations have been approved by Cabinet and Council for inclusion in the Capital Programme 2022/23 and 2023/24:

Capital Grant	2022/23 £	2023/24 £
Education Excellence		
Schools Condition Allocation	2,426,403	-
High Needs Provision Capital Allocation	2,062,067	2,908,641
Basic Needs Funding	-	878,823
Highways and Public Protection		
City Region Sustainable Transport Settlement	6,210,000	-
Key Route Network *	400,000	400,000
Transforming Cities Fund - Urban Traffic Control	660,049	440,033
Traffic Signal Maintenance	250,000	-
TOTAL	12,008,519	4,627,497

7.4 Authority has been delegated to Cabinet Member to assign funding to individual capital schemes for Adult Social Care, Highways and the Schools block allocations reported above. The list of schemes for 2022/23 is being fully developed and will be presented to the individual Cabinet Members for approval. A full list of the approved capital schemes will be presented in future reports to Cabinet.

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Budget Monitoring Position to July 2022

- 7.5 The current position of expenditure against the budget profile to the end of June 2022 is shown in the table below. It should be noted that budgets are profiled dependent upon the timing of when works are to be carried out and the anticipated spend over the financial year. For example, Education Excellence will typically carry out most of its capital works during key school's holiday periods such as the summer recess, whilst Highways and Public Protection will complete most of its programmed works during quarters two and four of the financial year. The budget to date in the table below reflects the profiles of each individual scheme.

Service Area	Budget to Jul-22	Actual Expenditure to Jul-22	Variance to Jul-22
	£m	£m	£m
Adult Social Care	1.038	1.014	-0.024
Children's Social Care	0.060	0.060	-
Communities	0.221	0.221	-
Corporate Resources	0.324	0.289	-0.035
Economic Growth & Housing	2.442	2.591	0.148
Education Excellence	0.674	0.678	0.004
Highways & Public Protection	2.172	2.123	-0.049
In House Operational Services	0.585	0.559	-0.026
Total Programme	7.516	7.535	0.019

Capital Programme Forecast Outturn 2022/23

- 7.6 The current forecast of expenditure against the budget profile to the end of 2022/23 and the profile of budgets for future years is shown in the table below:

Service Area	Full Year Budget 2022/23	Forecast Out-turn	Variance to Budget	Full Year Budget 2023/24	Full Year Budget 2024/25
	£m	£m	£m	£m	£m
Adult Social Care	6.217	6.217	-	1.774	1.610
Children's Social Care	0.450	0.450	-	0.100	-
Communities	2.188	2.188	-	0.290	-
Corporate Resources	6.145	6.120	-0.025	0.819	
Economic Growth & Housing	9.386	9.507	0.121	2.795	0.075
Education Excellence	4.271	4.212	-0.059	3.457	0.007
Highways & Public Protection	9.165	9.165	-	4.934	3.663
In House Operational Services	4.954	4.954	-	1.893	1.326
Total Programme	42.777	42.814	0.037	16.062	6.680

A full list of the capital programme by capital scheme is at **appendix A**.

- 7.7 The current 2022/23 budgeted spend is £42.777m with a budgeted spend to July of £7.516m. The full year budget includes exceptional items such as £2.033m for vehicle replacement, £4.439m for Green Homes and Sustainable Warmth schemes, £8.427m for Growth and Strategic Investment projects, previously approved amounts for essential repairs and maintenance (£1.183m) and a significant scheme to upgrade to LED Street Lighting (£3.887m).
- 7.8 Typically, on an annual basis the capital programme spends in the region of £25m. Given this typical annual level of spend it is likely that reprofiling of spend into 2023/24 will occur as the year progresses.
- 7.9 An overspend on the Economic Growth and Housing budget has been forecast in relation to the Cambridge Road Redevelopment project. A change control has been submitted and accepted by the Liverpool City Region Combined Authority (LCRCA) to secure additional grant funding for the project alongside identified match funding from the Council. Approval to increase the project budget will be sought on a future report to Cabinet once legal paperwork has been finalised for the additional grant.

Disabled Facilities Grants

- 7.10 Expenditure on Disabled Facilities Grants has been increasing steadily since 2021/22 and will continue to do so with development of the Adult Social Care online Portal, development of extended warranties and revised means testing for applicants. The Council's core programme for Disabled Facilities Grants in 2022/23 will therefore be £2.000m, an increase on the target of £1.474m set in 2021/22's capital programme. This will be fully funded from the block allocation of the Better Care Fund – Disabled Facilities Grant.
- 7.11 Cabinet is therefore requested to recommend to Council the approval of a supplementary capital estimate for the core DFG programme of £2.000m in 2022/23.
- 7.12 As mentioned in paragraph 2.2, the Cabinet Member for Adult Social Care has, under delegated authority, approved revised budgets up to a value of £1m for the Wider Social Care Programme and Community Equipment Stores funded from the Better Care Fund – Disabled Facilities Grant (DFG). A full list of approved Adults and Children's Social Care schemes can be found at Appendix A.

Updates to Highways Funding

- 7.13 Several updates to funding allocations for the Highways Capital Programme have been received since the initial block allocations were approved by Cabinet and Council in March and then further revised in June. The following updates are now presented for consideration and approval:
- 7.13.1 The LCRCA has provided revenue funding of £1.064m from the City Region Sustainable Transport Settlement (CRSTS) to support the delivery of the capital programme. This is to fund posts or support from the framework partner in the development and management of projects during the 5 years of the settlement. The details of how the funding will be expended to support the programme are

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being determined. Cabinet is requested to recommend to Council the approval of a supplementary revenue estimate of £1.064m.

- 7.13.2 The LCRCA previously approved an Outline Business Cases for both the Maritime Corridor and Southport Eastern access schemes and have invited the Council to develop both projects to Full Business Case (FBC). They have asked that the detailed design of both projects is undertaken prior to the FBC's being submitted. Consequently, they have provided funding from their pipeline development fund to enable the design and other necessary work to progress. Cabinet is requested approve a supplementary capital estimate of £0.759m for the additional funding.
- 7.13.3 The Council has secured funding from a number of developers via the Section 106 process. This will help support a number of specific Highways capital projects. The most significant contribution will be towards the modification works to the junction of the A59 and Kenyon's Lane in Maghull. Cabinet is requested approve a supplementary capital estimate of £0.577m for the additional external developer contributions to capital schemes.
- 7.13.4 A specific allocation of funding from the CRSTS has been identified for the funding of projects on the Key Route Network. The Grant Funding agreement, which will cover the entire 5-year programme, has yet to be received. The indicative allocation is £0.468m identified for spend in 2022-23 (note: this updates the estimate of £0.400m shown in paragraph 2.3). This is likely to be funding for works programmed for Marine Drive, with a contribution to the A59 cycleway and Kenyon's Lane project. Cabinet is requested approve a supplementary capital estimate for the additional funding.
- 7.13.5 An allocation of funding has been confirmed from Tranche 3 of the Active travel Fund for £1.620m. This is to fund improvements to the A59 and the implementation of school streets proposals. The expectation is that the schemes will be committed in 2022/23, but not expended until 2023/24. Cabinet is requested to recommend to Council the approval of a supplementary capital estimate for the additional funding.
- 7.13.6 As mentioned in paragraph 2.4, authority has been delegated to Cabinet Member – Regulatory, Compliance and Corporate Services to assign funding to individual capital schemes up to £1m for the Highways block allocations reported above. The list of schemes for 2022/23 has been fully developed and will be presented to Cabinet Member for approval. A full list of the approved capital schemes will be presented on future reports to Cabinet.
- 7.13.7 It is also proposed to allocate an amount of the CRSTS funding to the Council's regular Highways Capital Maintenance budget for carriageway resurfacing and treatments. As this amount exceeds the delegated limits for Cabinet Member approval, Cabinet is requested to recommend to Council the approval of a fully funded supplementary capital estimate of £4.789m for inclusion in the capital programme.

The Strand

- 7.14 The Strand Repurposing Programme is designed to drive the economic, social and physical regeneration of Bootle Town Centre and to catalyse wider regeneration of the whole of Bootle. The programme is planned to be delivered in Phases to enable the Strand to continue to operate throughout the works to refurbish and repurpose the centre.
- 7.15 The first Phase is to finalise the Canalside development, which started last year with funding from the CA and from the Council, as well as bringing more diverse uses to some areas of underused space. It is also to progress the collaborative work that has been started with Health partners in South Sefton, via the Integrated Care Partnership Board, to progress the more detailed designs for an Integrated Health and Social Care Hub to be located in the Re-purposed Strand, which will significantly improve health and wellbeing outcomes for local people and address health inequalities.
- 7.16 The first Phase is critical to start to drive up footfall and economic growth in the town centre and in this way to lift land and property values, which aims to de-risk the remaining Re-purposing programme for private sector investment.
- 7.17 While delivery strategy for the projects is finalised, and while feedback is awaited on the Levelling Up Funding bid submitted in July 2022, funding is proposed for allocation to ensure continued progression of design and planning work, aiming for a scheduled start of construction in mid-2023.
- 7.18 Council funding in the amount of £0.680m is proposed from the Economic Recovery fund to enable the Council to progress with this work without delay. A separate report was presented to Cabinet in July to request that Cabinet recommend to Council the approval of a supplementary capital estimate of £0.680m for the capital works required, funded from the Economic Recovery Earmarked Reserve.

Crosby Lakeside Adventure Centre

- 7.19 The Crosby Lakeside Adventure Centre (CLAC) hospitality refurbishment project is transforming the hospitality facilities at the CLAC to make them fit for purpose for this key coastal gateway and to make the hospitality operations financially sustainable into the future, which they have not been previously.
- 7.20 The project has been wholly funded by The Combined Authority (CA) but was disrupted in November 2021 by the failure of the contractor, causing many months delay and requiring re-procurement of works. The CA agreed to provide further funding to cover the estimated additional costs arising because of the contractor failure, especially construction inflation in terms of labour and materials.
- 7.21 The main hospitality facilities are close to completion, but the Bunkbarn element (a new residential unit for schools and community use) has seen further cost increases primarily as a result of construction inflation. These costs exceed the additional funding provided by the CA. Council funding in the amount of £0.171m is

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proposed from the Economic Recovery Fund to cover this budget shortfall and ensure delivery and completion of the project.

- 7.22 A separate report was presented to Cabinet in July to request that Cabinet recommend to Council the approval a supplementary capital estimate of £0.171m for the capital works required, funded from the Economic Recovery Earmarked Reserve.

Summerhill Primary – Proposal for Expansion

- 7.23 Following an extensive public consultation process for Sefton's Local Plan in 2017 it was agreed by Sefton Council that contributions would be sought from the housing developers of the site at Land East of Maghull to expand Summerhill Primary School to provide additional school places in the Maghull area. This is to meet the increased demand from families who move into the area and means that the school would expand from one-form entry to a two-form entry school.
- 7.24 The initial proposal for the project is a two phased approach. Phase 1 is to construct the seven-classroom block and Phase 2 to modify the existing school area. Phase 1 is planned to complete in July 2024, this will allow places to become available from September 2024 and some of the classrooms/functions to be moved into the new block and release the areas for Phase 2 work.
- 7.25 A separate report has been presented to Cabinet in September further detailing the proposals and to recommend to Council that a supplementary capital estimate be approved for Phase 1 of the scheme for £3.782m fully funded from Section 106 contributions.

Southport Town Deal – Marine Lake Events Centre

- 7.26 Following the successful submission of Southport's Town Investment Plan, under the government's Town Deal funding programme, Southport has been allocated £37.5m for a range of projects. All project funding allocations through the Town Deal have been developed with the agreement and support of the Town Deal Board and in line with the Town Deal Programme Heads of Terms.
- 7.27 The Marine Lake Events Centre (MLEC) incorporating The Light Fantastic has been allocated £33.3m from the fund and is acting as the anchor project to the overall Town Deal, given the importance of the project and of the offer to the town's economy. A business case was presented to Cabinet in July outlining the proposal for the full cost of the project – a £73m capital build funded by the Town Deal (£33.3m), £20m grant funding from the Liverpool City Region Combined Authority and the remaining £19.7m to be met by the Council.
- 7.28 £1.6m and £2.3m of pre-development funding, from the Town Deal and the Liverpool City Region Combined Authority respectively, has already been included within the Capital Programme as approved by Council in September 2021.
- 7.29 A separate report was presented to Cabinet in September 2022 to provide an update on the operator procurement process, current costs and funding position of the project. Cabinet was requested to recommend to Council to approve a

Supplementary Capital Estimate of £69.1m for the remaining funding required for the capital build for the MLEC: £31.7m from the Town Deal; £17.7m from the Liverpool City Region Combined Authority; and £19.7m to be funded by the Council. The total value of the capital scheme following approval will therefore be £73m.

- 7.30 The finance arrangements for the Council's contribution of £19.7m to the MLEC will be agreed following consultation with the Council's Treasury Management advisors and reported to Cabinet through the quarterly Treasury Management reports and the final proposal will be included within the Budget Report.

Southport Pier Decking Project

- 7.31 Southport Pier is a grade II listed structure, the oldest cast iron pier in England and the second longest. The asset is a critical element to Southport's visitor economy along with the wider economy of the Borough.
- 7.32 The Pier decking needs to be replaced in its entirety due to its current condition. In May 2022 it was agreed to undertake phase 1 of deck replacement at a cost of £0.206m, met from the Pier contingency fund. However, since approval to commence phase 1 works there has been a slight increase in defective decking boards, therefore a further detailed deck condition survey has been undertaken recommending that a comprehensive decking replacement programme is now undertaken.
- 7.33 A sum of £3m is required to undertake the comprehensive replacement of the decking. A competitive process will be progressed to ensure best value in delivery of the project. The council has no existing budget for this; therefore, this will be added to the medium-term financial plan as a growth item, showing the annual repayment cost being £0.178m per year
- 7.34 A separate report has been presented to Cabinet in September further detailing the proposals and to recommend to Council that a supplementary capital estimate be approved for £3m funded by prudential borrowing.

Corporate Essential Maintenance

- 7.35 A programme of essential repair work is currently being undertaken at Dunes Splashworld. The repair works will allow the facility to re-open and thereby continue to generate income for the Council, as well as attracting visitors to the area and in turn stimulating the local economy.
- 7.36 The capital scheme at Dunes was previously funded by Council resources and supported in part by the prioritisation of resources (capital receipts) within the Council's essential maintenance programme pending the settlement of a claim against the original developer relating to a range of issues stemming from latent defects at the facility.
- 7.37 The legal claim has now been settled and will fully fund the cost of the capital project for the repair work thus releasing the previously committed resources from the Council's essential maintenance programme. These resources are now

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required to complete other essential works in the maintenance programme. Cabinet is therefore requested to recommend to Council a supplementary capital estimate of £0.188m for Corporate Essential Maintenance funded from capital receipts.

Programme Funding

7.38 The table below shows how the capital programme will be funding in 2022/23:

Source	£m
Grants	30.034
Prudential Borrowing	7.940
Capital Receipts	2.193
Contributions (incl. Section 106)	2.609
Total Programme Funding	42.777

7.39 The programme is reviewed on an ongoing basis to confirm the capital resources required to finance capital expenditure are in place, the future years programme is fully funded, and the level of prudential borrowing remains affordable.

7.40 The Executive Director Corporate Resources and Customer Services will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the Council.

APPENDIX A – Capital Programme 2022/22 to 2024/25

Capital Project	Budget		
	2022/23 £	2023/24 £	2024/25 £
Adult Social Care			
New Directions Programme	390,000	-	-
Digitising Social Care	455,000	-	-
Sefton Carers Centre	30,000	-	-
Core DFG Programme	132,351	-	-
Double to Single Handed Care Equipment	150,000	-	-
Community Equipment Provision	300,000	-	-
ICT Development & Transformation	928,556	-	-
Occupational Therapy Support	603,774	-	-
Care Home Improvements	987,559	-	-
Changing Places	92,507	-	-
Retail Model within Health and Wellbeing Hubs	450,000	-	-
Extra Care Housing	-	750,000	750,000
Short Term Assessment Unit	860,000	860,000	860,000
Technology Enabled Care	420,806	13,750	-
Community Equipment Stores	250,000	100,000	-
Programme Support	166,625	50,000	-
Children's Social Care			
Support for Fostering Placements	100,000	100,000	-
Community Equipment – Children's	250,000	-	-
Springbrook Refurbishment	100,000	-	-
Communities			
Dunes Splashworld – Essential Repairs	463,133	101,874	-
Dunes Splashworld – Health and Safety Works	270,000	-	-
Orrell Mount Sports Hub	1,198,667	-	-
Libraries - Centres of Excellence	90,000	188,019	-
Section 106 Funded Projects	166,432	-	-
Corporate Resources			
Council Wide Essential Maintenance	1,051,028	818,833	-
STCC Essential Maintenance	54,650	-	-
Victoria Baths Essential Works	76,960	-	-
Bootle & Southport Town Hall Retrofit Energy Saving	29,950	-	-
Green Homes Grant Sustainable Warmth Schemes	4,438,882	-	-
ICT Transformation	493,281	-	-
Economic Growth & Housing			
Strategic Acquisitions - Bootle	17,620	-	-
Cambridge Road Centre Development	53,930	-	-
Crosby Lakeside Development	1,544,913	-	-
Town Centre Commission Bootle Canal Side	240,263	-	-
Bootle Canal Side Business Plan	556,862	-	-
Southport Market Redevelopment	47,335	-	-
Strategic Acquisitions - Ainsdale	90,600	836,423	-

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	2022/23 £	2023/24 £	2024/25 £
Marine Lake Events Centre	3,175,637	-	-
Enterprise Arcade	660,000	834,000	-
Transformations De Southport	2,000,000	750,000	-
Strand Business Plan	40,000	375,000	75,000
Housing Investment	33,960	-	-
Brownfield Fund for Housing Development	537,790	-	-
Social Housing Allocations Scheme	65,000	-	-
Southport Pier	321,822	-	-
Education Excellence			
Schools Programme	3,538,629	3,457,299	7,055
Planned Maintenance	197,617	-	-
Special Educational Needs & Disabilities	535,143	-	-
Highways and Public Protection			
Transport Schemes	5,277,913	1,328,620	-
LED Street Lighting Upgrade	3,886,920	3,605,580	3,662,630
Locality Services			
Burials & Cremation Service – Vehicles & Equipment	47,713	-	-
Coastal Erosion and Flood Risk Management	1,504,248	1,656,926	1,306,000
Parks Schemes	110,426	102,989	-
Tree Planting Programme	134,505	19,769	19,769
Golf Driving Range Developments	290,268	-	-
Ainsdale Coastal Gateway	327,712	-	-
Crosby Marine Lake Improvements – Phase 1	30,339	-	-
Green Sefton – Plant & Machinery	131,152	-	-
Vehicle Replacement Programme	2,033,329	113,000	-
Wheeled Bins	345,000	-	-
TOTAL PROGRAMME	42,776,807	16,602,082	6,680,454

Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Southport Pier		
Report of:	Executive Director (Place)	Wards Affected:	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 Southport Pier decking following completed technical survey work, and the recommended necessary remedial actions required including the replacement of the full pier timber decking.

Recommendation(s):

Cabinet Recommendations

It is recommended that:

- (1) the content of the report be noted, and that the full pier decking be replaced
- (2) the Executive Director (Place), in consultation with the Cabinet Member for Regeneration and Skills, be authorised to exercise delegated authority to appoint a suitable contractor for the capital works and to appoint a range of consultancy services via a compliant framework to support the successful delivery of the project; and to ensure that the employer's agent retains responsibility for both the contract and the contract specification. and:

Cabinet recommends to Council:

- (3) to approve a £3m supplementary capital estimate to enable the scheme to be included within the Council's Capital Programme. This will be financed by prudential borrowing.
- (4) that the annual cost of this borrowing of £0.178m be noted and it be agreed that this is added as a growth item to the council's medium term financial plan and as such will be funded as part of the 2023/24 budget plan

Reasons for the Recommendation(s):

Southport Pier is a critical visitor attraction that holds significant importance to Sefton's economy and brand. It is also Grade-II listed structure. As part of the routine maintenance, it became apparent the pier decking was starting to fail in isolated areas, therefore several detailed inspections from timber experts have taken place. The

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recommendation is now to replace the entire decking after the 2022 summer season from October 2022 with most works taking place in the Winter. to ensure the Pier is fit for purpose, remains safe, and continues to be a critical historic asset for Sefton.

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

The other options have been considered and rejected:

1. Ongoing replacement – This would result in decking boards being replaced as part of the current yearly maintenance programme, as has been the case of the last 5 years. This has been rejected following the recent deck survey and the recommended requirement to replace the whole decking.
2. Full replacement over several years – This would result in the pier decking being replaced in phases over 10 to 15 years. This has been rejected due to the costs, the impact on the pier concession and wider economy and following the conclusions of the recent deck survey and the recommended requirement to replace the whole decking.
3. Do nothing – This has been rejected on Health and Safety grounds.

What will it cost and how will it be financed?

(A) Revenue Costs

As stated the cost of the borrowing for the scheme is estimated to be £0.178m per annum over 25 years . There is no existing budget provision for this at present, therefore this will have to be built in as a growth item within the councils medium term financial plan from 2023/24, with funding to be identified during the budget process. Due to the immediacy of the work this cannot wait until next March for decision

there will also be an impact on the Tourism revenue budget for the length of the works if the Pier is to be closed due to potential loss of rent from the pier concession. There is already an ongoing impact due to the pier road train (“the Train”) being suspended until the full timber deck is replaced.

(B) Capital Costs

On the 19 May 2022 Council approved a supplementary capital estimate of £206k for phase 1 of the pier deck replacement (bays 1-6, an area of 866 sqm, 9% of the total Pier).

As the Pier structure is largely a repetitive design with standard details, it was decided to apply an average m2 rate to the remaining structure therefore we used these rates to prepare a cost estimate for the remaining Pier bays 7-69, an area of 8,806 sqm. Given the timescale necessary to prepare contract documents, tender the work and complete this around the current period of high inflation, there is a risk that costs will increase. Therefore, the cost estimate includes an inflationary uplift to 2nd quarter 2023,

calculated using the most recent construction inflation indices in BCIS published in May 2022.

Allowances have been included for preliminary items based on the current contract, however, assumptions have been made around being able to complete the work in a single contract

It has been estimated that the full works will cost circa £3m, this is the sum that the Council would need to support. Based on a 25-year annuity loan from the Public Works Loan Board at 3.3% this would result in an annual repayment sum of £0.178m. Any borrowing/ funding solution will be in accordance with the Council's Treasury Management Strategy and associated policies and the advice of the Council's Treasury Management advisors.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):		
Internal resources from the Tourism service will be required to oversee the project along with colleagues from other areas such as legal, procurement and asset management.		
External resources will be procured to undertake project management, cost consultancy, Employers Agent, and Principal Designer.		
Legal Implications:		
Details of any legal implications are contained within the report.		
Equality Implications:		
Protected Characteristic	Evidence/Adverse Impact	Actions
Age	Dukes Ward and Sefton have a larger number of over 60's than the UK average. The new works will allow continued access to the Pier once complete and will have no adverse impact	N/A
Disability	Approximately 9% residents aged 65 and over received some form of long-term care from Sefton's Adult Social Care during the 2020/21 financial year. It is not expected that the works will have any adverse impact	If sections of the Pier do remain open level access will be always provided.
Faith/religion	No adverse impact	N/A
Gender (pregnancy/maternity)	No adverse impact	N/A

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Gender reassignment	No adverse impact	N/A
Race	No adverse impact	N/A
Sexual Orientation	No adverse impact	N/A
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 replacement of the Pier decking will require large amounts of Ekki timber, and this will be sustainability sourced. A social value element will also be attached to the main contract award with a focus on the climate emergency.</p>		

Contribution to the Council's Core Purpose:

Protect the most vulnerable: The replacement decking will ensure safe access and use for all residents and visitors.
Facilitate confident and resilient communities: Southport Pier is a critical attraction for both visitors and residents who use the asset regularly for enjoyment and exercise.
Commission, broker and provide core services: N/A
Place – leadership and influencer: The Pier is a critical visitor economy asset that attracts tens of thousands of visitors to Southport every year. Replacing the pier decking will ensure the Pier continues to help the economy recover from Covid-19 while the investment will give further confidence to potential developers/investors.
Drivers of change and reform: Providing a long-term sustainable future for a Grade II listed structure.
Facilitate sustainable economic prosperity: The Pier is a major visitor economy asset that attracts tens of thousands of visitors and forms part of the critical mass of attractions that generates substantial spend in the economy
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.6897/22) and the Chief Legal and Democratic Officer (LD.5097/22) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Several meetings have taken place with the Pier concession to ensure that any disruption is kept to a minimum and the impact on the business understood. Engagement will continue throughout the project development and delivery process.

Meetings have also taken place with the Chair of The Pier Trust, followed up by further correspondence with a focus on the existing plaques on the pier decking. An offer to attend a full Pier Trust meeting has also been made.

Implementation Date for the Decision

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

Contact Officer:	Mark Catherall
Telephone Number:	Tel: 0151 934 2315
Email Address:	mark.catherall@sefton.gov.uk

Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Background

- 1.1 Southport Pier is a Grade-II listed structure, the oldest cast iron pier in England and the second longest. The asset is a critical element to Southport’s visitor economy, along with the wider economy of the Borough.
- 1.2 The Pier underwent a major refurbishment / rebuild in 2000, at a cost of £2m. This job was overseen wholly by private consultants (Harbour & General / Datrys). The works consisted of the Cast iron columns being removed above the pile caps, stripped & blasted off-site and put back to receive brand new and timber steel deck.
- 1.3 Soon after completion, defects appeared including widespread paint failures & corrosion, reasons for defects stemmed from a basic lack of quality control during the contract, poor detailing of steelwork connections (unpainted packers, slotted holes, water traps, on-site mistakes caused by column sections getting mixed up)
- 1.4 The Council won an adjudication receiving compensation for the works, although the contractors subsequently went into liquidation.

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- 1.5 As part of the regular monitoring of the Pier, various condition and structural surveys were commissioned. In 2015 one of the surveys identified the need to undertake priority steelworks involving a paint system and corrosion repair. These works totalled £1.1m and were completed in 2018, these costs were met from the Coastal Communities Fund. The repairs and re-painting have addressed the failure of the original paint system.
- 1.6 In 2017 a timber deck survey was commissioned and undertaken by Exova (TRADA). The report identified that about 1% of the deck boards may have needed replacement, but reasonable to assume remaining life was 5-10 years with ongoing regular maintenance.

2. Pier Decking

- 2.1 It is proposed that the Pier decking now needs to be replaced in its entirety due to its current condition. Some decking is rotting from within, meaning it is only detected when a timber piece snap. This causes a health and safety risk. As previously, a specialist timber expert was commissioned to devise a programme of works and the specification of timber for bays 1-6.
- 2.2 In May 2022 it was agreed to undertake phase 1 of the deck replacement at a cost of £206k, met from the Pier contingency fund. Phase 1 will see the replacement of bays 1-6 (Phase 1) - the Pier consists of 68 bays with works on site and due for completion in October 2022, and the Pier will remain open while these works take place.
- 2.3 However, since approval to commence phase 1 works there has been a slight increase in defective decking boards, therefore Exova (TRADA) were commissioned to undertake a further detailed deck condition survey.
- 2.5 The 2022 Exova (TRADA) report has identified that about 6% of the deck boards need to be replaced. Much of the decay is hidden within the cross section of the boards; therefore, it is not possible to identify which boards are decayed from a visual assessment alone. Variation in the durability of ekki and the 22 years' of service life as of June 2022 is consistent with some boards reaching the end of their service life before the 30 years. Overall, it is recommended that comprehensive decking replacement programme is undertaken.
- 2.6 For illustrative purposes, the image below demonstrates the different specification of the new timber to the current timber (single plank on top). It can be seen that the new boards are considerably thicker and better quality.



- 2.7 The current pier concession (which included the Train was instructed by the Council on 1st July to cease the Train with immediate effect due its impact on the current decking.
- 2.8 Further mitigation measures have been put in place for the summer season that include a daily inspection regime, ongoing reactive works with 2 contractors on site undertaking repairs, and additional signage. Initial focus has been on the stretch of Pier utilised for Southport Air Show.
- 2.9 The mitigation measures have also been supported by weekly governance meetings involving several Sefton officers, including officers from Health and Safety to ensure ongoing visibility and certainty, with a focus on health and safety for all Pier users as well as on the impacts on the concessionaire. With regards to the Air Show circa 1,000 people were present on a stretch of the Pier each day with seats, with a much larger number then using the Pier to exit the event. At the time of writing, we have had no reports of injuries or deck boards breaking during the event.

3. Cost

- 3.1 It has been estimated that the full works will cost circa £2m. In November 2021, the Council received bids from four contractors who were invited to tender to replace the decking on Pier bays 1-6, an area of 866 sqm (9% of the total Pier). The contract was awarded in June 2022 and included an addendum to the successful bidder's price to reflect price inflation as the tender validity period had expired.
- 3.2 As the Pier structure is largely a repetitive design with standard details, it was decided to apply an average m2 rate to the remaining structure therefore we used these rates to prepare a cost estimate for the remaining Pier bays 7-69, an area of

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8,806 sqm. Given the timescale necessary to prepare contract documents, tender the work and complete this together with the current period of high inflation, there is a risk that costs will increase. Therefore, the cost estimate includes an inflationary uplift to 2nd quarter 2023, calculated using the most recent construction inflation indices in BCIS published in May 2022.

- 3.3 Allowances have been included for fees and preliminary items based on the current contract, however, assumptions have been made around being able to complete the work in a single contract of circa 12 months and with restricted public access.
- 3.4 Including the fee and preliminary items and given inflation risks, a sum of £3m is required to undertake the comprehensive replacement of the decking. A competitive process will be progressed to ensure best value in delivery of the project. The council has no existing budget for this , therefore this will be added to the medium term financial plan as a growth item , showing the annual repayment cost being £0.178m per year

4. Resource

- 4.1 Due to the nature of the Grade-II listed structure and specialist advice required in relation to the timber, it is recommended that external resource is procured via a fully compliant framework to undertake several services including project management, cost consultancy, employer's agent, and principal designer.
- 4.2 The Tourism service area will be responsible for managing the necessary contracts and have oversight of the work supported by colleagues from asset management, legal and building services.
- 4.3 This approach, using proven external service providers with strong capacity and capability, has been adopted for The Marine Lake Events Centre and other projects in Sefton's capital programme, and to date has delivered positive results regarding project management, quality and cost control.

Agenda Item 11

Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Appointment to Sefton New Directions Limited Board		
Report of:	Chief Legal and Democratic Officer	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

The report seeks to appoint a further elected Member to serve on the Sefton New Directions Limited Board.

Recommendation:

That the Cabinet appoint a final representative to serve on the Sefton New Directions Limited Board and that the term of office expire on 25 May, 2023.

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.

To comply with a decision of Cabinet that the appointment be made at this meeting of the Cabinet.

Alternative Options Considered and Rejected:

None

What will it cost and how will it be financed?

(A) Revenue Costs

None arising from this report. Remuneration for the Sefton New Directions Limited Board members is funded by the Board.

(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:

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Financial	
Legal Paragraph 40 of Chapter 5 in the Constitution gives the Cabinet delegated powers to make appointments to Outside Bodies, appropriate.	
Human Resources	
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"/>
Climate Emergency Implications:	
The recommendations within this report will	
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

Contribution to the Council's Core Purpose:

Protect the most vulnerable: The appointment of Council representatives will ensure that the interests of residents of Sefton are taken into account.
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 will ensure that the interests of residents of Sefton are taken into account

What consultations have taken place on the proposals and when?

The Executive Director of Corporate Resources and Customer Services (FD:6887/22) has been consulted and notes the report indicates no new direct financial implications for the Council.

The Chief Legal and Democratic Officer (FD:5087/22) has been consulted and comments have been incorporated into the report

The Labour Group has been consulted as to which elected Member they wish to appoint.

Implementation Date for the Decision

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

Contact Officer: Paul Fraser

Tel: 0151 934 2068

Email: paul.fraser@sefton.gov.uk

Background Papers:

There are no background papers available for inspection

1. Introduction/Background

1.1 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.

2. Sefton New Directions Limited Board

2.1 The Council is entitled to appoint 5 representatives to serve on the Sefton New Directions Limited Board.

2.2 At its meeting held on 26 May 2022 the Cabinet appointed Councillor Cummins, Cabinet Member – Adult Social Care as the Shareholder representative, Councillor John Joseph Kelly and an officer nominee to serve on the Board. The terms of office will expire on 25 May 2023.

2.3 It was noted by Cabinet that there were 2 Labour vacancies to be nominated at a later date.

2.4 At its meeting held on 28 July 2022 the Cabinet appointed (Minute No. 29) Councillor Liz Dowd as a representative to fill one of the two vacancies on the Board.

2.5 The Cabinet also agreed that the final vacancy be filled at the next meeting of the Cabinet. Cabinet is requested to appoint a final representative to serve on the Sefton New Directions Limited Board and that the term of office expire on 25 May, 2023.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Marine Lake Events Centre		
Report of:	Executive Director (Place)	Wards Affected:	Cambridge & Dukes
Portfolio:	Cabinet Member Regeneration & Skills		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	The report is not confidential but appendix 2 is NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The Public Interest Test has been applied and favours the information being treated as exempt.		

Summary:

The report provides an update on the progression of the operator procurement process, along with the ongoing contractor procurement process following previous approval of the procurement routes. The report also includes an update on current costs and funding position and therefore the required contribution from the Council of up to £19.7m. The cost of this, to be funded via borrowing, has been included in this report together with the indicative annual income from the operator, to enable early visibility of potential Medium-Term Financial Plan implications for the Council.

Recommendation(s): Cabinet is asked to

- (1) Authorise the entering into of an Agreement for Lease for the operation and management of the Southport Marine Lake Events Centre with SMG (UK) Limited trading as ASM Global, based upon the principles agreed within the Heads of Terms, as set out in the report.
- (2) Cabinet Member for Regulatory, Compliance and Corporate Services be authorised to agree the final terms to that Agreement for Lease
- (3) Note the update on the build contractor procurement along with the targeted social value outcomes.
- (4) Note the key project risks identified within this report, including future financial implications.

Cabinet Recommends to Council:

- (5) To approve a Supplementary Capital Estimate of £69.1m to be funded by: £31.7m from the Town Deal; £17.7m from the Liverpool City Region Combined Authority; and £19.7m to be funded by the Council.
- (6) Note that, in addition to the £69.1m identified above, £1.6m and £2.3m of pre-

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development funding, from the Town Deal and the Liverpool City Region Combined Authority respectively, has already been included within the Capital Programme as approved by Council in September 2021. Therefore, the total capital scheme for the MLEC is £73m and this is the total value of the scheme which will be included within the Capital Programme.

(7) Note that the finance arrangements for the Council's contribution of £19.7m to the MLEC will be agreed following consultation with the Council's Treasury Management advisors and reported to Cabinet through the quarterly Treasury Management reports and the final proposal will be included within the Budget Report.

(8) The completion and signing of Grant Funding Agreement of £17.7m from the Liverpool City Region Combined Authority be delegated to Chief Executive and the Executive Director of Corporate Resources and Customer Services, in consultation with the Executive Director (Place), the Cabinet Member for Regeneration and Skills and Cabinet Member for Regulatory, Compliance and Corporate Services, should it be formally approved by the Liverpool City Region Combined Authority.

(9) The Grant Funding Agreement of £33.3m from the Southport Town Deal, following Full Business Case approval, be delegated to Chief Executive and the Executive Director of Corporate Resources and Customer Services, in consultation with the Executive Director (Place), the Cabinet Member for Regeneration and Skills and Cabinet Member for Regulatory, Compliance and Corporate Services; should it be formally approved by Government.

Reasons for the Recommendation(s):

Cabinet has previously approved to progress with a new Marine Lake Events Centre in Southport as part of the successful Southport Town Deal.

Following the submission of the business case and conclusion of the operator procurement there is a need to ensure there is a long-term commitment from the proposed tenant to provide confidence in the delivery of the scheme.

To progress and finalise the contractor procurement grant funding agreements from The Liverpool City Region Combined Authority and Town Deal will need to be agreed along with the additional Council funding of £19.7m.

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

The Outline Business Case presented to Cabinet on 24th June 2021 considered several alternative options ranging from do minimum, to refurbishment, to major redevelopment. The preferred option was major redevelopment with the other options being rejected as they did not meet the project aims and objectives.

The preferred way forward identified at the Outline Business Case stage was subject to further review in early 2022 focused on the re-examination of the scheme given capital affordability constraints alongside a review of the funding strategy. This review led to the

confirmation of the preferred way forward scheme as set out at the Outline Business Case stage.

The Business case presented to Cabinet on 28th July 2022 presented the shortlisted intervention options examined including the Outline Business Case preferred option requiring £73m of funding and a reduced scheme requiring £61.8m capital investment.

These two intervention options were considered against a revised reference case that considers that the STCC did not re-open after COVID-19 and has been mothballed by the Council. Therefore, the Do Minimum option, examined as part of the Outline Business Case, was no longer considered.

The preferred option from the Outline Business Case scored the highest in the Full Business Case also and therefore the circa £73m major redevelopment remains the preferred option.

What will it cost and how will it be financed?

The Business Case has been developed by external firms with significant sector experience (IPW and Gardiner & Theobald). The Business Case is the source of all estimates in respect of capital costs, and revenue income and expenditure forecasts in relation to the future operation of the centre. The Operator procurement has now concluded giving a greater understanding on the rental income that can be achieved. A full operator tender evaluation report is contained in Appendix 2

This has then been further reviewed by Turley, another independent company with expertise of this industry and market, who have verified that the assumptions made are robust and can be relied upon.

(A) Revenue Costs

As reported to the Cabinet meeting of 28th July 2022, the business case for the ongoing operation of the centre has been developed by IPW who are an internationally renowned company specialising in event centre operations. These income and expenditure estimates have subsequently been reviewed by Turley who have advised that they are robust and can be relied upon for decision making. It is considered by these industry experts that the estimates contained within the business case for annual profit and loss are prudent based on the completion of the tender process for an operator and can be relied upon for decision making.

In terms of the revenue costs of this proposal the first element to be considered is in relation to the cost of the gap funding on the project to the Council- based on sourcing funding of £19.7m it is currently expected that this would cost the Council approximately £0.9m per year over 40 years. As stated in the following section, at present within the national economy there is great volatility in interest rates and accurately forecasting what rates will be when the Council needs to source its funding is uncertain however this is the most update to date information that is available at this time.

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It was previously reported to members that the financial model being developed by the Council was based upon securing an operator who will pay the Council an agreed annual sum to run the centre for 25 years in addition to a share of the profits from the venue. As reported in the body of this report these negotiations have now concluded and a preferred operator has been identified.

Based on the business case provided it is forecast that from year 3 (maturity) the Council will have a residual subsidy to be built into the medium term financial plan of approximately £0.4m per year. This will be higher in years 1 and 2 of operations as would be expected with the Councils net contributions expected to be £0.7m and £0.6m respectively.

As the lease agreement will have both a fixed and variable element according to the business case with the fixed element being inflation linked. If a loss materialises in any given year this is picked up by the operator, though the Council will not receive any variable income though will still receive the fixed rent.

One of the key risks to the Council over the term of the agreement is if the operator chooses not to continue within the centre and wishes the lease agreement to terminate or if the operator fails to continue as a going concern. Through the procurement process the Council has been keen to ensure that a parent company guarantee be secured in order that in that scenario set out the Council's position would be protected. Following completion of the process, this guarantee has been offered and thus the fixed annual sum due to the Council over the course of the lease term will be guaranteed. Legal advice has been received on this and the appropriate credit checks on both the operator and the parent company have been completed to the satisfaction of the Council. If the operator cannot continue to operate the centre due to exceptional circumstances, a number of options would be open to the Council such as procurement of another operator. This would not impact on the guaranteed income.

Whilst the business case is considered robust and prudent by the Council's advisors, it will inevitably be the subject of change as the project develops. Any such material changes or variations will be identified and will be reported through the rigorous Council programme management and governance arrangements to Cabinet and where appropriate Council.

(B) Capital Costs

From the agreed business case the proposal is for a £73m capital build – this estimate reflects a cost estimate based on RIBA stage 2 work and has not changed since the last Cabinet meeting. In terms of funding, £33.3m is available to the Council from the Southport Town Deal (for the Marine Lake Events Centre and the Light Fantastic, which is also incorporated into this business case) and £20m from The Liverpool City Region Combined Authority (CA). This is subject to final agreement in October, although £2.5m (for clarity the £2.5m is included in the £73m cost estimate) from the £20m has already been approved for RIBA Stage 2 and 3 works by the CA. Discussions are ongoing to seek additional gap funding from other public sources such as Arts Council England, however it is prudent to assume that the funding gap will now be £19.7m on the overall capital cost of the centre, and this is the sum that the Council at present would need to support.

For illustrative purposes, based on a 40-year annuity loan of £19.7m from the Public Works Loan Board at 3.37%, this would result in an annual repayment sum of £0.90m. The agreed borrowing / funding solution will be in accordance with the Council's Treasury Management Strategy and associated policies and the advice of the Council's Treasury Management advisors. It should be noted that at the current time there is extreme volatility in the national economy that is seeing progressive interest rates rises and these are expected to continue. The current estimate is based on the information that is available to the Council at this time , however this will need to be continually updated. On a loan of £19.7m as set out, each 1% increase in interest rates equates to £0.15m additional annual repayments costs.

In considering the capital cost within this report, as has been reported extensively nationally, the most significant cost risk is in relation to inflation. Based on advice from the Councils' professional advisors, within the current cost estimate is contractor price inflation with 8.1% (£3.74m) built into the cost estimate and a further 5.1% (£2.78m) through to construction. This is based on industry metrics (Bank of England), but this will need updating as the work continues on the revisions to the cost estimate and funding sources. In addition, provision has also been made for inflation that will have materialised from recent global events of 4% (£2.18m). These assumptions have been built into the current business case. Consideration and management of these issues which are outside the Council's control is critical as if there are cost increases above this level, this will be reported for Cabinet consideration through the ongoing robust project reporting and scrutiny. The Council would need to consider options available to it to address any funding shortfall that may arise. The potential impact of this is reflected within the sensitivity analysis of the business case.

It is anticipated that the Town Deal and CA grant funding is drawn down first, resulting the Council requiring to source its funding in 2024/25 and / or 2025/26.

Implications of the Proposals:

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

Internal resources continue be utilised for the project from the Tourism service area who are overseeing the delivery team along with support from other areas within the Council. Any additional resource requirements will be identified as delivery strategy for the project is finalised.

Legal Implications:

Details of any legal implications are contained within the report.

Equality Implications:

There is a commitment committed to creating an events and conferencing space which can be used by everyone and achieve world-class standards relating to inclusivity, accessibility, and wellbeing. Sexual orientation

The Design and Access Statement complied as part of the planning application provides an overview on the accessibility provisions to be included. A project-level

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assessment table has been completed for the project, this follows EqIA principles to help to provide assurance that the duty has been appropriately discharged (and the outcomes recorded) and is included as appendix 1.

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

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 the following objectives

- Energy demand will be reduced by using a high-performance building fabric specification with Air Source Heat Pumps and a roof mounted photovoltaics array.
- The proposals are for an all-electric building, designing out the use of fossil fuel to reduce carbon emissions and other pollutants.
- The building will be designed in line with the latest update to the Building Regulations Part L, which require significant improvements in performance compared to the previous version.
- The embodied carbon of the design has been reduced by optimising the structural grid, removing basements and using consistent façade lines to efficiently enclose the space.
- The inclusion of permeable paving and the inclusion of an attenuation tank will mitigate the risks of surface water flooding and enable filtration of the surface water runoff before it leaves the site.
- Water use will be reduced through the specification of water-efficient equipment.
- The proposals will promote the use of public transport (highly accessible town centre location), electric vehicles, cycling and walking. There are a number of public transport links located near the site and there will be 14 Electric Vehicle (EV) bays.
- The operational waste management strategy will provide appropriate facilities to encourage future operator and occupants to recycle.
- New habitats will be provided including a new bird raft adjacent to the northern most island within the lake.
- The scheme will facilitate a 10% biodiversity net gain on the site when considering the terrestrial proportion of the application site.

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.6903/22.....) and the Chief Legal and Democratic Officer (LD.5103/22.....) 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 16s in relation to The Events Centre and future uses, with more than 1,000 respondents.

Also, as part of the planning submission further consultation took place, during the series of online and in person events 186 forms of feedback have been received. In addition, a high number of informal discussions took place between the project team and attendees at the drop in events at Southport Market and also through the stakeholder engagement with other groups such as The Southport Civic Society and Southport Access For Everyone.

Consultation and engagement with local residents and stakeholders will continue throughout the design and subsequent construction process

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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:

- Appendix 1 – Project level EIA assessment
- Appendix 2 (Exempt) – Operator evaluation report

Background Papers:

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

- Cabinet meeting 1st April 2021, Southport Town Deal – Heads of Terms: - <https://modgov.sefton.gov.uk/documents/s102024/Southport%20Town%20Deal%20Heads%20of%20Terms.pdf>
- Cabinet Meeting 24th June 2021, Southport Theatre and Convention Centre - <https://modgov.sefton.gov.uk/documents/s103515/Southport%20Theatre%20Convention%20Centre.pdf>
- Cabinet Meeting 29th July 2021, Marine Lake Events Centre Pre-Development and Capital Funding Bids - <https://modgov.sefton.gov.uk/documents/s104462/Marine%20Lake%20Events%20Centre%20Pre-Development%20and%20Capital%20Funding%20bid%20submissions.pdf>
- Cabinet Meeting 28th July 2002 – Marine Lake Events Centre Final Business Case - https://modgov.sefton.gov.uk/documents/s111120/Marine%20Lake%20Event%20Centre_v2%20CLEAN%20005.pdf

1. Background

- 1.1 Following the successful submission of Southport’s Town Investment Plan, under the government’s Town Deal funding programme, Southport has been allocated £37.5m for a range of projects. All project funding allocations through the Town Deal have been developed with the agreement and support of the Town Deal Board and in line with the Town Deal Programme Heads of Terms.

- 1.2 The Marine Lake Events Centre incorporating The Light Fantastic has been allocated £33.3m from the fund and is acting as the anchor project to the overall Town Deal, given the importance of the project and of the offer to the town's economy.
- 1.3 This project comprises the demolition of the aging Southport Theatre and Convention Centre (STCC) complex, replacing it with a high quality, modern events centre, spectacular water and light show and greatly improved public realm. The vision is set out below.

Project vision

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

- 1.4 This project was initiated in February 2020, when the Council commissioned a 2-Stage Feasibility Study to consider the future options for the STCC. The Feasibility Study considered: the condition and historic operating performance of the STCC, market trends and demand parameters and it identified and assessed potential options for redevelopment. The options were progressed to RIBA Stage 0 & 1 and indicative capital costs established.
- 1.5 The Council subsequently commissioned the development of an Outline Business Case (OBC) to determine the preferred option for the future development of the STCC. The OBC process ran from July to October 2020 and included a significant engagement and a range of workshops with Council Officers (see workshop summary box).
- 1.6 The options appraisal at OBC stage considered a long list of ten potential options, including: Business As Usual, Do Minimum, full refurbishment, partial refurbishment, a range project options (with greater and lesser facilities) on the current site and redeveloping the facilities on an alternative site. These options were subject to a SWOT analysis and options filtering using a Red Amber Green (RAG) approach against the project objectives and critical success factors.
- 1.7 This exercise identified a short-list of project options that were subject to an economic assessment, these were: Business As Usual, Do Minimum and three project options (all new build options on the current site, varying in relation to the scale and mix of facilities proposed).
- 1.8 The outcome of the economic assessment was the identification of a Preferred Option.

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- 1.9 The Preferred Option (and OBC) formed the basis of the project that was agreed by the Council's Cabinet and informed the applications to potential funding partners (i.e., Towns Fund and LCRCA).
- 1.10 Further to the completion of the OBC and the submissions to funding partners, the project was further developed and refined, through a process of testing and optioneering.
- 1.11 The Council's Delivery Team undertook a headline alternative options review between December 2021 and March 2022 to consider opportunities to amend the Preferred Option to improve deliverability (considering capital costs and availability of funding) whilst seeking to achieve the project objectives.
- 1.12 This process led to some amendments to the Preferred Option developed to improve deliverability and confirmed that the alternative lower cost scheme options did not fully deliver the desired project outcomes.
- 1.13 The preferred option was presented and agreed to Cabinet on the 28th of July 2002 as part of the final business case submission.
- 1.14 The Preferred Option is the development of a full-scale events centre including 1,200 seated/1,500 seated and standing theatre and conference auditorium, 1,500sqm exhibition hall break-out facility for up to 800 people, and high-quality restaurant and Water & Light Show.

2. Operator Procurement

- 2.1 In July 2021 Cabinet agreed to use of the Competitive Dialogue procedure to procure an operator for the MLEC site for an experienced and qualified partner to operate the MLEC. The aim was to secure a long-term operating partner (minimum term of 25 years, with a preferred (and maximum) term of 40 years:
 - who contributes to the design process, venue fit-out and then the long-term operation of the facility
 - on a Fully Repairing and Insuring (FRI) lease basis if possible
 - for the main MLEC facility
- 2.2 As decided through the dialogue process, the appointment will be a single party to operate the MLEC and the associated restaurant, car park and concessions within the public realm. The procurement exercise consisted of a single stage competition, with a non-scoring interim submission, using Competitive Dialogue procedure, to select an operator. Following an initial Selection Questionnaire Stage, the Council invited four bidders to participate in dialogue.

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- 2.3 The Dialogue stage commenced on the 21st of March 2022. Throughout the dialogue process, the Council's bid team has discussed bidder's operational, financial, commercial, legal and technical proposals in detail and bidders have shared their emerging proposals at regular intervals.
- 2.4 During this process two bidders withdrew, due to internal resourcing issues, which were impacting their ability to participate fully in the process and/ or their ability to drive the necessary commercial returns to achieve the Council's objectives.
- 2.5 A final dialogue session was held with each remaining bidder on week commencing 27th June 2022. Following this session, there was confidence that a solution was being offered that would meet its needs and objectives as set out above, and therefore subsequently issued the call for Final Tenders on 1st July 2022.
- 2.6 Final Tender bids were received from the two remaining bidders on Friday 8th July 2022
- 2.7 Bidders were required to submit their tender in four volumes: operational, financial & commercial, legal & technical, and Variant. Bidders were required to submit a series of method statements, marked up documents and financial plans outlining their proposals in relation to their:
- Operation of the MLEC facilities
 - Anticipated programme and business plan for the MLEC facilities
 - Guaranteed and variable financial returns to the Council
 - Acceptance of the facilities being provided as part of the development
 - Acceptance of the Council's legal and commercial Heads of Terms.

Evaluation Criteria

Criteria	Weighting	Sub-criteria	Sub-Weighting
Vol 1. Operational Proposals	35%	Approach to operational success	10%
		Approach to pre-opening & input into design	5%
		Approach to programming	10%
		Approach to social value	5%
		Approach to restaurant management	2.5%
		Approach to car park management	2.5%
Vol 2. Financial & Commercial Proposals	40%	Financial Offer – MLEC	20%
		Financial Offer – restaurant	2.5%
		Financial Offer – car park	2.5%
		Term of contract	5%
		Strength & deliverability of business plan	10%
Vol 3. Legal & Technical	25%	Amendments to Agreement for Lease	7.5%
		Amendments to Lease	7.5%
		Amendments to SRs	5%
		Amendments to Facilities Description	5%
	100%		100%

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- 2.8 Final tenders have been assessed by IPW... and DLA the Councils external legal support, then moderated with Council officers according to the evaluation criteria detailed above and the scoring criteria shared with bidders in the Invitation to Submit Final Tenders (ITSFT) document
- 2.9 Based on the evaluation scores, ASM Global were awarded the highest overall score and are recommended as the preferred bidder. ASM Global operate 325 venues across five continents. Each year more than 164 million people attend thousands of events at their facilities. Within the UK they operate 12 venues ranging from a 600-capacity seaside theatre in Whitley Bay to the 40,000 sqm exhibition centre of Olympia London. 9 are managed on behalf of Councils which gives understanding of priorities of Council owned venues. In addition, in recent weeks, ASM venues have won 3 awards – Best UK Venue over 20,000 sqm, Best UK Conference Venue and winner of Hull & East Yorkshire People In Business Award. As part of the operator procurement process due diligence has been carried in the form of financial assessments.
- 2.10 The agreed business case estimated the number of yearly events and attendees, the ASM submission was broadly aligned to the business case, *with c430 events and over 180,000 visitors (note this does not include visitors to the water and light show)*
- 2.11 There is still a significant amount of work required: including:
- Developing the detailed Agreement for Lease and Lease contracts for a 25-year Full Repairing and Insuring Lease (FRI), the heads of terms have already been agreed as part of the procurement process. This includes a fixed rental payment along with a variable rent (profit share) for the venue, car park and hospitality.
 - Council delivering the building as per the Facilities Description appended to the Agreement for Lease
 - Exploring and achieving any bidder identified changes to the Facilities Description with the Design Team & G&T.

3.0 Contractor Procurement

- 3.1 Cabinet have agreed to procure a suitable contractor for the capital works via a fully compliant framework, Procure Partnerships North West (PPNW).
- 3.2 A project initiation form was issued to contractors on the framework, six completed forms were received. A small shortlisting exercise has taken place resulting in four very strong contractors remaining.
- 3.3 Invitation to tender will be issued week commencing the 5th September and run for 8 weeks with the final appointment to take place in December 2022.
- 3.4 Social value is a key aim of the contractor procurement. Sefton's social value impact can be categorized in terms of four key areas:

- Our supply chain and the goods and services we buy
- Our environmental impact
- Our organisational development
- Our support for our local communities

3.5 On the PPNW framework all contractors are mandated to deliver a minimum of 10% of the contract value in Social Value add. The framework uses the National TOMs (Themes, Outcomes and Measures) to calculate the contractors social value commitments and set targets agreeable to Sefton.

3.6 Sefton would be in full control over the target outcomes set collaboratively with the Contractor to ensure what is delivered is a benefit to Sefton's agenda and the needs of the immediate locality. The framework monitors and tracks the progress as the project moves through pre-con and construction to ensure the 12% is achieved including evidence and monthly updates.

3.7 In addition to signing up to Sefton Council's Caring Business Charter and working with Sefton@work the following are examples of some social value measures on the framework:

- No. of care leavers hired on the project
- Southport College and local School engagement
- Environment, regular litter picks partnered with the Contractor
- Encouraging car shares / use of public transport
- Promoting spending within the local community
- Supporting mental health of workforce
- Support older, disabled, and vulnerable with community networks
- Hiring of ex-offenders
- Initiatives to engage the community in health or wellbeing initiatives
- Savings in Co2 emissions and NT44: policy to achieve net zero carbon by 2050

4.0 Grant Funding

4.1 Following on from Cabinet approval the Business Case and supporting information has been submitted to Government, it is hoped that this will be approved within 12 weeks to allow funding release from the Town Deal in December

4.2 Conversations have continued with the CA with regards to extra funding, to date this has not been successful due to the SIF fund being fully committed. The CA are a key funding partner and have further committed to continue to work with the Council to secure sources of funding if they become available later. The Council will therefore have to fund the remaining gap of £19.7m and discussions will be held with the Council's Treasury Management Advisor as to the most appropriate basis to source this funding with any approval being in accordance with the Councils Treasury Management Strategy and Financial Procedure Rules

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- 4.3 The SIF ask of £17.7m (excluding the £2.3m predevelopment funds) will go to the CA External Investment Panel on 22nd September and CA Board approval on 14th October
- 4.4 After having further discussions with Arts Council England after an unsuccessful bid of funding, a new Expression of Interest has been submitted for Round 3 of The Cultural Development Fund, full bids will be invited from the 19th of September.

5. Risk

5.1 The business case submitted to Government contains a full risk assessment of the project with a number of worst-case scenarios linked to both construction and operator phase, and the business case sets out a number of mitigation requirements. This has been, and will continue to be, developed further with the preferred operating partner Inflation has risen and continues to rise since the last Cabinet report that has and continues to put pressure on the project. The current cost plan reflects the latest inflation forecast from G&T.

5.2 The agreed business case identified the following categories of financial risk or opportunity relating to the project:

- Increase in project development costs
 - Increase (or reduction) in PWLB loan interest rates
 - Additional grant funding secured from third parties (e.g., Arts Council England)
- Variable rental performance – higher or lower than anticipated

5.3 Therefore, the following sensitivity analysis has been undertaken:

- Increase in Project Costs from £73m (+ 5%, +10% and +15%)
- Increase in PWLB rates of 0.5%, 1% and 1.5%
- Decrease in PWLB rates of 0.5%, 1% and 1.5%
- Decrease income – 10% and 20%
- Council only receives fixed rent from the operator (no variable rent)
- Increase income – 10% and 20%
- Combine two of the above factors (reasonable worst case) – increase of 10% in capital costs and increase of 1% in PWLB interest rates
- Combine three of the above factors (extreme worst case) – increase in project costs of 24% (standard building Optimism Bias), increase of 1.5% in PWLB interest rates and fixed rental only from an operator

5.4 As widely reported there remains a high risk with inflation, mitigation measures have been built into the business case. However, the risk remains that continued high inflation could increase borrowing costs and add further pressure on the

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overall construction costs. There is also a risk if inflation does not come under control before the opening of the venue further pressure will be applied on the operators costs.

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MEETING THE PUBLIC SECTOR EQUALITY DUTY

INTRODUCTION TO THE NOTE

This note outlines the role of the Public Sector Equality Duty (PSED) within the Towns Fund and provides some material to support its discharge.

INTRODUCTION TO THE PUBLIC SECTOR EQUALITY DUTY AND PROTECTED CHARACTERISTICS

The Equality Act 2010¹ set out measures to protect people from discrimination. The 'axes' on which this is defined and measured cover the nine protected characteristics:

- **Age**
- **Disability**
- **Gender reassignment**
- **Marriage and civil partnership** (note, this is a protected characteristic only in regard to eliminating discrimination)
- **Pregnancy and maternity**
- **Race**
- **Region or belief**
- **Sex**
- **Sexual orientation**

The Equality Act also sets the PSED, requiring public bodies (as defined in the Act, but for the purposes of the Towns Fund, covering all local authorities) to consider how their policies or decisions affect people who are protected under the Equality Act.

The standard set is to ensure local authorities 'have due regard' to the need to '*eliminate discrimination ... advance quality of opportunity, and ... foster good relations between different people*'. As such, it is a positive or affirmative duty, in that equality should be promoted, as opposed to a 'do not harm' duty to not worsen a situation. To support this, positive discrimination is possible.

Additionally, in 2014 Government introduced a requirement for government departments to explicitly consider the family perspective in decision making – the 'Family Test'². Whilst the Family Test only applies to government departments and not local authorities, Towns may choose to consider alongside the protected characteristics.

¹ <https://www.gov.uk/guidance/equality-act-2010-guidance>

² Government has published guidance on the Family Test. Although this is not required from local authorities, the same considerations are often part of local authority decision making and policy targeting. It is not a statutory requirement, but there is an expectation that government departments will undertake it where it is relevant and proportionate to do so. Although Government Departments are expected to document the Family Test, they are not obliged to publish them.

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DISCHARGING THE PUBLIC SECTOR EQUALITY DUTY

PSED is discharged in different manners, depending on whether a specific project/programme is being assessed or it is a wider programme/strategy.

- For a specific project or programme (such as a local plan, development proposal that might require planning permission or is a particular thing in a particular place) the PSED is normally demonstrated and discharged through an equalities impact assessment (EqIA). There is no mandatory or statutory requirement to complete an EqIA, nor for a record to be kept of how equalities considerations have been taken into account. However, both are considered good practice and provide a trail for audit, challenge and defence.
- For a programme, strategy or something that covers a wider area (even nation-wide) or wider array of projects it would be more usual to wrap the PSED into a regulatory impact assessment (RIA), considered alongside other strategic considerations. (It should be noted that government RIA guidance³ does talk about the impact on places, businesses and people but does not refer explicitly to protected characteristics, and as such does not fulfil the PSED.)

Towns Fund bids are likely to comprise a range of projects and may cover a substantial geographic area. They therefore 'fall between' an EqIA and an RIA, and it is suggested that both these scales/types of assessment are required.

To support Towns in discharging the PSED, a set of two inter-related templates are provided which together provide a simple framework for considering impact on the protected characteristics as well as the Family Test (if chosen to include in the assessment):

- a project-level assessment template; and
- a programme-level assessment template.

The templates reflect the principles of EqIA and RIA and provide an integrated method for assessment and recording. Notwithstanding the templates, local authorities are responsible for the proportionality and robustness of their assessment, and may need to go beyond the templates to reflect local circumstances and/or to undertake a more detailed assessment of projects of a higher intensity or complexity.

As well as simply discharging the PSED for its own sake, assessing how projects and the wider programme impact on different groups of people is a valuable exercise in making sure that the Towns Fund investment benefits all and is as successful as possible. Following the assessment, there may be a need for further actions, including changing aspects of the projects or even re-prioritising projects. The TFDP have developed a Project Re-Prioritisation Tool for Stage 2 of the Towns Fund, which nudges you to ensure you have considered relevant PSED implications on your projects during project confirmation stage. You can download that tool and watch a tutorial for how to use it by clicking this link:

<https://townsfund.org.uk/resources-collection/project-re-prioritisation-tool>.

³ <https://www.gov.uk/government/collections/impact-assessments-guidance-for-government-departments>

TERMS & CONDITIONS



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PROJECT-LEVEL ASSESSMENT – MARINE LAKE EVENTS CENTRE & THE LIGHT FANTASTIC

The project-level assessment table has been completed for the project, as provided below. This follows EqIA principles to help to provide assurance that the duty has been appropriately discharged (and the outcomes recorded). The table is intended for submission as part of the business case, as well as included in the summary document.

Name of project:	Marine Lake Events Centre & The Light Fantastic
Project objectives: (describe the project's aim as it relates to protected characteristics)	<p>The overall 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. This will also result in:</p> <ul style="list-style-type: none"> Improved community well-being benefits Improved access to a range of cultural activities/ benefits for both residents and visitors

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
<p>Baseline situation (describe only where different to the national average, or where otherwise relevant)</p> <p style="background-color: #e0e0e0; padding: 2px;">Page 256</p>	<p>Dukes Ward* (main ward covering the project area) to be compared against Sefton as a Borough / Liverpool City Region and England.</p> <p>31% of the population in Dukes Ward is aged 65 and over compared to 24% in Sefton, 19% cross the Liverpool City Region and 18% in England.</p> <p>6% of the population in Dukes Ward is aged 85 and over, compared to 3% in the Borough and 2% in the Liverpool City Region and England</p> <p>The project is also heavily aimed at visitors from a regional/national catchment area that will fall within the national average.</p>	<p>Dukes Ward* (main ward covering the project area) to be compared against Sefton as a Borough / Liverpool City Region and England.</p> <p>Approximately 9% residents aged 65 and over received some form of long-term care from Sefton's Adult Social Care during the 2020/21 financial year.</p> <p>In January 2021, 812 residents were claiming PIP, a rate of 103 per 1000 residents (aged 16+). This is compared to 101.1 per 1000 in Sefton, 111.1 per 1000 in LCR, 83.4 per 1000 in the NW and 61.8 per 100 in England</p> <p>During the 2011 Census, 9% of residents were in either bad or very bad health (Sefton average was 7%). 28% had their activities limited a little or a lot by their health (Sefton average was 23%)</p> <p>The project is also heavily aimed at visitors from a regional/national catchment area that will fall within the national average.</p>	N/A	N/A	<p>Dukes Ward* (main ward covering the project area) to be compared against Sefton as a Borough and England.</p> <p>The general fertility rate of 53.8 in Dukes ward is significantly lower than the Sefton (60.1) and England (60.6) rates.</p> <p>The project is also heavily aimed at visitors from a regional/national catchment area that will fall within the national average.</p>

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
<p>Assessment text (summary of how the proposed project affects the protected characteristic)</p>	<p>The MLEC will be a space which can be used by everyone and achieve world-class standards relating to inclusivity, accessibility, and wellbeing.</p> <p>The site is set between the Promenade, adjacent to Bold Street, and the Lower Promenade facing directly onto Marine Lake. The site is located within a 3.9m level change between the Lower Promenade and main entrance on the southeast corner of the site. There are challenges with the topography and terrain.</p> <ul style="list-style-type: none"> • The inclusion of lift access to all public areas will ensure access to all levels of the development. • Drop-off points are provided outside of the main entrance and to the east of the site adjacent to the car park on the Promenade level. Suitably design set-down points for taxis and community transport vehicles • All accessible parking bay provision will be located within a 50m distance of all entrances • All doors will have an opening force not exceeding 30N or will be power operated 	<p>The MLEC will be a space which can be used by everyone and achieve world-class standards relating to inclusivity, accessibility, and wellbeing.</p> <p>The site is set between the Promenade, adjacent to Bold Street, and the Lower Promenade facing directly onto Marine Lake. The site is located within a 3.9m level change between the Lower Promenade and main entrance on the southeast corner of the site. There are challenges with the topography and terrain.</p> <ul style="list-style-type: none"> • The inclusion of lift access to all public areas will ensure • Drop-off points are provided outside of the main entrance and to the east of the site adjacent to the car park on the Promenade level. Suitably design set-down points for taxis and community transport vehicles • All accessible parking bay provision will be located within a 50m distance of all entrances • There is provision of 12 permanent wheelchair spaces, 6 at Lower Promenade and 6 at Promenade level (1% of the capacity). • A further 12 accessible removable seats have been identified on the back row of the upper terrace to achieve 2% of the total capacity which will be capable of accommodating ambulant disabled users as an example. • counters will incorporate a lowered section to enable a seated or standing user to communicate easily with 	N/A	N/A	<p>The MLEC will be a space which can be used by everyone and achieve world-class standards relating to inclusivity, accessibility, and wellbeing.</p> <p>The site is set between the Promenade, adjacent to Bold Street, and the Lower Promenade facing directly onto Marine Lake. The site is located within a 3.9m level change between the Lower Promenade and main entrance on the southeast corner of the site. There are challenges with the topography and terrain.</p> <ul style="list-style-type: none"> • The inclusion of lift access to all public areas will ensure • Drop-off points are provided outside of the main entrance and to the east of the site adjacent to the car park on the Promenade level. Suitably design set-down points for taxis and community transport vehicles • In total, 2 quiet rooms with storage for sensory elements such as fidget toys and blankets will be provided within the control room area • There will also be a number of dedicated baby change facilities.

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
		<p>staff and the provision of fixed hearing enhancement system</p> <ul style="list-style-type: none"> A secure enclosed space for storing and charging mobility aids such as mobility scooters will be provided. In total, 2 quiet rooms with storage for sensory elements such as fidget toys and blankets will be provided within the control room area. A Changing Places toilet (CPTs) will be included within the scheme. 			
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE	+VE / M / -VE	+VE / M / -VE	+VE / M / -VE	+VE / M / -VE
Page 258	<p>Positive</p> <p>The design of the MLEC with several inclusions will ensure the events centre can be visited and enjoyed by all ages, lifts, level access and appropriate drop of locations will ensure the elderly population will be able to visit and enjoy the cultural offers.</p> <p>The appointed operator has also confirmed that it has adopted the UN SDGs and identified 3 areas where we can make a meaningful difference:</p> <ol style="list-style-type: none"> Community Environmental Sustainability Diversity & Inclusion 	<p>Positive</p> <p>An initial consultation meeting was held with Southport Access for Everyone (SAFE) on 21 April 2022, where they provided constructive feedback on the proposals as part of the design process. The consultation with SAFE will continue as the design process develops</p> <p>The appointed operator has also confirmed that it has adopted the UN SDGs and identified 3 areas where we can make a meaningful difference:</p> <ol style="list-style-type: none"> Community Environmental Sustainability Diversity & Inclusion 	N/A	N/A	<p>Positive</p> <p>The design of the MLEC with several inclusions will ensure the events centre can be visited and enjoyed by all. Lifts, level access and appropriate drop of locations will ensure those who are pregnant or with young babies will be able to visit and enjoy the cultural offers.</p> <p>The appointed operator has also confirmed that it has adopted the UN SDGs and identified 3 areas where we can make a meaningful difference:</p> <ol style="list-style-type: none"> Community Environmental Sustainability Diversity & Inclusion
If the effect is negative or mixed:					
Is the effect significant? <i>(add an explanation)</i>	N	N	YN	Y / N	N
	The MLEC will be an exemplar project ensuring it is full inclusive and a leader with regards to design access.	The MLEC will be an exemplar project ensuring it is full inclusive and a leader with regards to design access.	N/A	N/A	The MLEC will be an exemplar project ensuring it is full inclusive and a leader with regards to design access.
What embedded mitigation does the project contain?	Mitigation will be embedded as part of the design process and continuing consultation with Sefton Partnership for Older Citizens (SPOC). Sefton will also work in partnership with the future operator to ensure all outcomes are achieved.	Mitigation will be embedded as part of the design process and continuing consultation with Southport Access for Everyone. Sefton will also work in partnership with the future operator to ensure all outcomes are achieved.	N/A	NA	Mitigation will be embedded as part of the design process and continuing consultation with Southport Access for Everyone. Sefton will also work in partnership with the future operator to ensure all outcomes are achieved.

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
What residual significant effects remain?	None	None	N/A	N/A	None
Is there an in-combination effect across multiple protected characteristics (across both Part 1 and Part 2 of the assessment table)? <i>(e.g. the proposed project has minor effects across several protected characteristics which, when considered together, have a more significant impact)</i>	No, the main effects are not significant in combination in and of themselves. The effects are positive for protected characteristics and will help support and encourage wider transformational change				
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	None required	None Required	N/A	N/A	None Required

Consideration	Protected Characteristics (Part 2)				
	Race	Religion or belief	Sex	Sexual orientation	'Family Test' (if used)
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	N/A	N/A	N/A	N/A	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	The detailed design has been developed to ensure that the project (which will impact upon the public, internal and external staff) is not discriminatory, provides equality of opportunity and fosters good relations between groups with protected characteristics. These have been taken into consideration as part of the detailed design process and in accordance with the councils Equality and diversity policy. No negative effects have been identified through the development of the business cases but the impact of the project against groups with protected characteristics will be re-assessed as the detailed design is developed, the project progresses, and the operator is in place.	The detailed design has been developed to ensure that the project (which will impact upon the public, internal and external staff) is not discriminatory, provides equality of opportunity and fosters good relations between groups with protected characteristics. These have been taken into consideration as part of the detailed design process and in accordance with the councils Equality and diversity policy. No negative effects have been identified through the development of the business cases but the impact of the project against groups with protected characteristics will be re-assessed as the detailed design is developed, the project progresses, and the operator is in place.	The detailed design has been developed to ensure that the project (which will impact upon the public, internal and external staff) is not discriminatory, provides equality of opportunity and fosters good relations between groups with protected characteristics. These have been taken into consideration as part of the detailed design process and in accordance with the councils Equality and diversity policy. No negative effects have been identified through the development of the business cases but the impact of the project against groups with protected characteristics will be re-assessed as the detailed design is developed, the project progresses, and the operator is in place.	The detailed design has been developed to ensure that the project (which will impact upon the public, internal and external staff) is not discriminatory, provides equality of opportunity and fosters good relations between groups with protected characteristics. These have been taken into consideration as part of the detailed design process and in accordance with the councils Equality and diversity policy. No negative effects have been identified through the development of the business cases but the impact of the project against groups with protected characteristics will be re-assessed as the detailed design is developed, the project progresses, and the operator is in place.	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE N/A	+VE / M / -VE N/A	+VE / M / -VE N/A	+VE / M / -VE N/A	+VE / M / -VE

If the effect is negative or mixed:

Consideration	Protected Characteristics (Part 2)				
	Race	Religion or belief	Sex	Sexual orientation	'Family Test' (if used)
Is the effect significant? <i>(add an explanation)</i>	Y / N N/A	Y / N N/A	Y / N N/A	Y / N N/A	Y / N
What embedded mitigation does the project contain?	N/A	N/A	N/A	N/A	
What residual significant effects remain?	N/A	N/A	N/A	N/A	
Is there an in-combination effect across multiple protected characteristics (across both Part 1 and Part 2 of the assessment table)? <i>(e.g. the proposed project has minor effects across several protected characteristics which, when considered together, have a more significant impact)</i>	No				
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-provisioning of projects)</i>	N/A	N/A	N/A	N/A	

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Report to:	Cabinet	Date of Meeting:	1 September 2022
Subject:	Pendle Drive Litherland – Asset Disposal		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	St. Oswald;
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	Yes
Exempt / Confidential Report:	Appendices 1 and 2 to the report are NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The Public Interest Test has been applied and favours the information being treated as exempt		

Summary:

Cabinet in January 2020 approved the disposal of the first phase of surplus assets to generate capital receipts in support of the Growth and Strategic Investment and Framework for Change Programmes. Officers were provided with the authority to negotiate terms and conditions for each disposal in line with delegated authority set out in the Council’s Asset Disposal Policy.

Brooklea House, Pendle House, and Pendle Drive are three unoccupied buildings located on the site known as Pendle Drive, Litherland (“Pendle Drive”). This site was in the first phase of the disposal programme. In 2019, the Council was approached by a retail operator to acquire part of the site. This represented an opportunistic disposal to provide a new food store, which is permissible under the processes approved within the Asset Disposal Policy. The remainder of the site would be redeveloped for housing, most likely via an informal tender exercise marketing it to interested Registered Providers and similar Companies.

The COVID19 pandemic led to discussions between the Council and retail operator stalling for a time. However, following recent contact the basis of a deal has been resurrected and principal Heads of Terms agreed. The purchaser has agreed to demolish the three unoccupied buildings with the cost of demolition to be deducted from the gross land price as set out in Appendix 1.

The Council will market the balance of the site to Registered Providers, so that a small affordable housing residential development scheme can be brought forward. This is not expected to generate a significant capital receipt.

Recommendations:

- (1) Approves the disposal of 2.40 acres of land at Pendle Drive Litherland at a gross

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purchase price as set out in the Heads of Terms in Appendix 1. The disposal to be subject to the purchaser demolishing the three unoccupied buildings and the receipt of satisfactory planning consent for a new food store. The final land price will be subject to deductions for the cost of the demolition works.

- (2) Approves the deduction of up to 4% of the eventual capital receipt to cover the professional fees and incidental costs of disposal as set out in Capital Accounting Regulations.
- (3) Authorises the Chief Legal and Democratic Officer to finalise a Licence Agreement to enable the purchaser to progress all technical due diligence and building surveys to support demolition works and to draw up the appropriate legal documentation to document the Transfer.
- (4) Authorises the marketing and disposal of the remainder of land in the Council's ownership to Registered Providers for residential development, with terms of the disposal to be delegated to the Cabinet Member for Regulatory Compliance and Corporate Services for approval.

Reasons for the Recommendations:

- (i) Disposal of the land will provide capital funding in support of the Growth and Strategic Investment Programme. The disposal will maximise the land receipt that the Council can secure for Pendle Drive. Alternative use value (residential) will not generate a capital receipt of a comparable level. The opportunity cost will be the loss of a capital receipt as currently projected in the disposal programme.
- (ii) Incidental costs of disposal such as Consultant's fees and valuation reports can be deducted from a capital receipt in accordance with Local Authority Capital accounting Regulations.
- (iii) The disposal of land adheres to two criteria: that each capital receipt forecasted represents financial "best consideration" and where the loss of other opportunities is quantifiable and does not undermine wider service delivery and economic development/ regeneration priorities.
- (iv) The agreed Heads of Terms require that the purchaser demolishes all buildings across the site, including Pendle House which is located on the retained land. This ensures that the Council has no capital expenditure ask to progress demolition work and is left with a de-risked opportunity.
- (v) The agreed disposal price, as set out in Appendix 1, meets best consideration requirements in accordance with Section 123 of the Local Government Act 1972 and complies with the approved processes within the Council's Asset Disposal Policy.

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

- (i) Dispose of site to Registered Provider: The Council can look to market all the Pendle Drive site to Registered Providers. The site has marginal financial

viability for residential use and this option is discounted as it secures only a nominal land receipt. The Council would likely have to commit capital up front to progress demolition works to de-risk the site. Redevelopment of part for a retail store is the only way to secure a significant capital receipt to the Council.

- (ii) Demolish buildings to reduce management liability and risk of antisocial behaviour on the site and retain land as an area of recreational amenity. This option is not favoured as there would be ongoing management and maintenance costs to the Council. The asset is in the disposals programme – its’ disposal has previously been approved for the very purpose of generating a land receipt to support the delivery of the Framework of Change programme.
- (iii) Dispose of site for residential development: a financial appraisal completed in 2019 estimated that the site would generate a land receipt of no more than £150,000 for redevelopment for this alternative use, given its location in a lower sales value area. The appraisal did not factor in any deductions for demolition or other site abnormal costs, so any land receipt for residential development would in reality only generate a nominal capital receipt, which would not comply with achieving Best Consideration, which is more expressly set out in Section 3 of this report.

What will it cost and how will it be financed?

(A) Revenue Costs

The purchaser has agreed to pay up to 1% of the net purchase price, which will cover the Council’s legal and professional fees for concluding sale contracts.

(B) Capital Costs

Under Local Authority Capital Accounting Regulations,’ the Council is entitled to use up to 4% of a capital receipt to meet the incidental costs of a disposal. In this case the costs of the valuation report and the fees for the appointment of a consultant to negotiate the terms for the disposal will be deducted from the eventual receipt.

Implications of the Proposals:

<p>Resource Implications (Financial, IT, Staffing and Assets): Property and Facilities Management will work alongside the Chief Legal and Democratic Officer to complete the disposal.</p>

<p>Legal Implications: The Chief Legal and Democratic Officer will complete the legal documentation for the disposal. The purchaser shall enter into a Licence agreement to progress intrusive site investigations and building demolition surveys.</p>
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<p>Equality Implications: There are no equality implications.</p>
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<p>Climate Emergency Implications:</p>

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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

The recommendations within this report will have a negative impact on the carbon footprint of the Borough. There are the direct emissions which result from the demolition of the buildings and the subsequent redevelopment of the vacant site for both retail and housing purposes as well as the long-term carbon emissions from each new building / operation created.

The development of the site with buildings will be required to go through the Planning and Building Regulations processes which will help to minimise their carbon impact by applying the nationally required environmental standards.

The purchaser has confirmed that its new build stores always look to achieve a BREEAM “Excellent” rating.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: Not applicable.
Facilitate confident and resilient communities: Redevelopment of the remaining area of the site for social housing will provide new affordable housing in the Borough, to help meet local need.
Commission, broker and provide core services: Not applicable.
Place – leadership and influencer: Not applicable.
Drivers of change and reform: Not applicable.
Facilitate sustainable economic prosperity: The disposal will maximise the return to the Council and the land receipt can be used to help facilitate the delivery of the wider Growth Programme and individual economic development projects. The purchaser has confirmed that the new store will generate up to 30 new jobs with potential to increase should the store perform successfully. The employment contracts will be a mix of full-time and part-time contracts and employees working in the store would benefit from a minimum hourly wage of £10.10 per hour from 1 st March, which is higher than the Government’s “National Living Wage”. The purchaser has confirmed that the new store will benefit from their surplus food donation programme, “Feed It Back” in partnership with Neighbourly.
Greater income for social investment: Not applicable, although the purchaser has confirmed that the new store form part of their surplus food donation programme, “Feed It Back”, in partnership with Neighbourly.
Cleaner Greener: The purchaser has confirmed that they purchase 100% of the electricity required for their operations from renewable sources to help support

decarbonisation of the UK power sector through the purchase of solar panels and electronic vehicle chargers. The Company's new build stores always look to achieve a BREEAM "Excellent" rating.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6896/22) and the Chief Legal and Democratic Officer (LD.5096/22) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

E-mails and meetings

Implementation Date for the Decision

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

Contact Officer:	Suzanne Rimmer
Telephone Number:	Tel: 07973 835109
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Appendices:

The following exempt Appendices are attached to this report:

1. Heads of Terms
2. Proposed store layout plan.

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 Pendle Drive is a brownfield site located in Litherland off Gorsey Lane (B5422). The site has a gross area of 3.58 acres and contains three vacant Council buildings: Pendle House, Pendle Drive HMU and the Brooklea Centre.
- 1.2 The Asset Maximisation Project requires that assets be identified as supporting operational activity, having heritage value, being required for economic growth purposes, or would be considered for disposal. Officers went through a process to assess options for Pendle Drive in line with the Asset Maximisation methodology, which led to Cabinet approving in January 2020 that Pendle Drive be identified as a surplus asset and included within the first phase of the Council's disposal programme.

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- 1.3 The prospective purchaser first approached the Council in 2019 and expressed an interest in acquiring part of the Pendle Drive site for a new food store development. Whilst discussions were paused due to the wider COVID-19 pandemic, in autumn 2021 Council officers re-engaged with the Company. Principal Heads of terms have now been agreed (see Appendix 1) which detail the key elements of the commercial transaction and to assist Solicitors in preparing sale contracts.

2. Planning Policy Context

- 2.1 Pendle Drive is identified as a brownfield site in the Local Plan and is allocated for housing redevelopment. The purchaser will be required to submit a planning application for their food store proposals. The Local Planning Authority has indicated that there are no significant planning policy obstacles and that change of use for a new food store on part of the site would be supported, pending the scheme demonstrating compliance with statutory highways, flood risk and other planning policy requirements.
- 2.2 A site layout plan for the proposed store is attached at Appendix 2.
- 2.3 The Local Plan site allocation highlights that redevelopment of Pendle Drive has the potential to contribute to the wider regeneration of the adjacent deprived area, which is in one of the most 20% deprived areas in the UK. The purchaser has confirmed that the new food store will generate up to 30 new jobs for local people with potential to increase should the store perform successfully – these will be a mixture of full-time and part-time contracts.

3. Best Consideration and Capital Receipt

- 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). As such, all work and subsequent negotiations and offers must be undertaken and considered in this context.
- 3.2 The principal Heads of Terms negotiated for the sale of Pendle Drive for retail purposes require the purchaser to demolish all buildings across the land earmarked for both the food store and the Council’s retained land. Demolition costs will be subject to surveys and contractor quotes, with the cost of these to be deducted from the land price. The exact amount of capital receipt is not finalised at present. The gross land receipt is set out in Appendix 1.
- 3.3 A formal RICS Red Book valuation report has been prepared by a Chartered Surveyor in accordance with the Asset Disposal Policy. This has examined comparable land sales to verify that the land value set out in Appendix 1 (less deductions for demolition costs) meets the Council’s best consideration requirements.
- 3.4 The Council’s Asset Disposal Policy allows for disposals by private treaty where this results in a better overall outcome. In this instance the sale will generate a significant capital receipt and will involve the demolition of an additional vacant building saving the Council in terms of maintenance repair security and insurance costs.

- 3.5 Under Local Authority Capital Accounting Regulations, the Council is entitled to use up to 4% of a capital receipt to meet the incidental costs of a disposal for both housing and non-housing land. These incidental costs can include administrative costs advertising and professional fees. In this particular disposal the Council has used a consultant to assist with the negotiation of Heads of Terms together with a Chartered Surveyor commissioned to undertake the valuation report. These costs will be deducted from the eventual capital receipt.

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