

CABINET

MEETING HELD AT THE COMMITTEE ROOM, TOWN HALL, BOOTLE ON THURSDAY 9TH MARCH, 2023

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

129. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Hardy and Veidman.

130. DECLARATIONS OF INTEREST

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

131. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 9 February 2023 be confirmed as a correct record.

132. EMERGENCY TEMPORARY ACCOMMODATION PROJECT

Further to Minute No 99 of the meeting held on 9 January 2020, the Cabinet considered the report of the Assistant Director of People (Communities) which provided an outline strategy for delivering a robust business case for the use of two properties for use as temporary accommodation and the associated high-level costs.

The report indicated that two properties are most suited for use as temporary accommodation, and that they can be configured into the following temporary accommodation units:

- Site 1 - 6 self-contained flats
- Site 2 - 7 self-contained flats

Across both sites this would deliver 8 x 1-bed units and 5 x 2-bed units.

This is the first phase of reviewing the properties for development and, subject to approval, further exercises will commence during the next six months.

Decision Made: That

- (1) approval be given to the progression of a robust business case for this invest to save proposal and for officers to develop the implementation plan, subject to the completion of surveys;
- (2) approval be given to the development of the financial plan which will include financing the project through one, or a mix, of the following capital funding options:
 - a) Grant funding
 - b) Borrowing; and
- (3) it be noted that progress updates will be provided to Cabinet in Summer 2023.

Reasons for the Recommendations:

- (i) The project will reduce significant revenue costs in order to use those funds upstream on homeless prevention activities. Increases in homeless prevention will improve outcomes for households in Sefton by preventing evictions and homelessness.
- (ii) Increasing the portfolio of emergency temporary accommodation reduces the need to use nightly rate accommodation (e.g., hotels) which is subject to market demand. At times of high demand for this type of accommodation in Sefton, homeless households may need to be placed out of borough and at higher cost.
- (iii) Both properties are currently out of use and the condition is poor and in need of development.

Alternative Options Considered and Rejected:

1. Sell the assets on the open market.

Independent valuations (February 2022) of the sites reported that the following capital receipts could be achieved, were the properties to be sold for the conversion of the properties to residential uses:

Site 1 £110,000

Site 2 £225,000

Risk: The impact is threefold.

Firstly, there would be the loss of potential accommodation for the most vulnerable in the community as the properties would likely be developed privately and yield unaffordable rents or sold on for profit.

Secondly, with the current cost of living increases it is highly likely that more households would have difficulty covering their accommodation

costs leading to more evictions and increased homelessness. If savings on temporary accommodation are not realised, less prevention activity will be delivered.

Finally, temporary accommodation (e.g., hotels or other nightly rate accommodation) is currently funded through grants from the Department for Levelling Up, Housing and Communities (the Homelessness Prevention Grant). If this grant was to reduce in future years, the cost of providing temporary accommodation to statutory homeless households would fall on the local authority.

2. Purchase similar sized accommodation across Sefton to use as temporary accommodation.

Properties on the open market (December 2022) of similar size and location to the units in this proposal are priced at between £100,000-£130,000 per unit. Based on purchasing 13 units the cost of this option could range between £1.3m-£1.69m.

Risk: The above figure is solely based on purchase price alone and many of the properties will need additional refurbishment work carried out to bring them up to standard. Acquiring this volume of properties could take much longer.

133. EXTENSION OF PARK AND RIDE BUS CONTRACT

The Cabinet considered the report of the Assistant Director of Place (Highways and Public Protection) which sought approval for a six-month extension to the contract for the provision of the bus service for the Park and Ride operation in Southport and authority to procure a new contract for the operation of the Park and Ride bus service from the expiry date of the extended contract.

Decision Made: That

- (1) the Assistant Director of Place (Highways and Public Protection) be authorised to enter into a six-month extension to the contract for the provision of the bus service for the Park and Ride operation in Southport;
- (2) the Assistant Director of Place (Highways and Public Protection) be authorised to commence the procurement of a new contract to operate the Park and Ride bus service from the expiry date of the above extended contract; and
- (3) the Assistant Director of Place (Highways and Public Protection) be authorised in consultation with the Cabinet Member Regulatory, Compliance and Corporate Services, to award a contract for a period of five years to the highest scoring Tenderer in the above procurement process.

Reasons for the Decision:

To ensure continued provision of the service until the tender exercise can be completed and to secure a new contract once that exercise is completed.

Alternative Options Considered and Rejected:

Consideration was given to not extending the contract. This was rejected as this is not considered to be the best value option for the Council, for the reasons set out in the report.

134. PARKING AND ENVIRONMENTAL ENFORCEMENT CONTRACT

The Cabinet considered the report of the Assistant Director of Place (Highways and Public Protection) which sought approval to invite tenders through the appropriate procurement route for the provision of a parking and environmental enforcement, cash collection and car park management service.

Decision Made: That

- (1) approval be given to the tender process to procure the provision of a parking and environmental enforcement service as outlined in the report;
- (2) the contract be for period of five years from 1 October 2023; and
- (3) the Assistant Director of Place (Highways and Public Protection) be authorised in consultation with the Cabinet Member Regulatory, Compliance and Corporate Services, to award a contract to the highest scoring Tenderer in the above procurement process.

Reasons for the Decision:

To ensure continued provision of a statutory service.

Alternative Options Considered and Rejected:

No other options have been considered.

135. PROVISION OF LIQUID FUELS

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which sought approval to the proposed approach for the procurement of Liquid Fuels with effect from 22 November 2023.

Decision Made: That

- (1) approval be given to Sefton Council sourcing the supply of Liquid Fuels via the new Yorkshire Purchasing Organisation (YPO) Liquid Fuels supply framework to be established with effect from 22 November 2023, for a maximum period of four years to 21 November 2027. The contract will be for two years with options for two one-year extensions.
- (2) the Assistant Director Corporate Resources and Customer Services (Strategic Support) be authorised in consultation with the Cabinet Member Regulatory, Compliance and Corporate Services to approve and implement the resulting supply arrangements to ensure uninterrupted service.

Reasons for the Decision:

The Council must procure quantities of liquid fuels to operate its daily business. Under the Council's Contract Procedure Rules, the level of expenditure involved (approximately £965,300.00 per annum) requires that Pre-Procurement Approval is sought from Cabinet.

It is considered that the Council can best be assured of value for money, in terms of price and security of supply, by continued procurement through an external framework contract that is able to offer considerably more collaborative usage volume to the market than Sefton Council alone can offer.

Alternative Options Considered and Rejected:

The Council could decide not to continue procuring Liquid Fuels through an external framework and instead undertake its own procurement process. This process would need to be a procurement process compliant with the Public Contract Regulations and would take approximately six months to complete.

The significant risk in that, and the reason this option has not been recommended, is that it is considered that the separate procurement of lower volumes of fuel (i.e., Sefton Council procuring fuel alone) is certain to result in much higher unit prices, potentially greater fluctuation in price, and potentially less reliable supply, than if the Council pools its requirement with a significantly wider user group.

136. PROPOSED INSURANCE PROCUREMENT

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which sought approval for a procurement exercise to be undertaken for a new Insurance Contract, to ensure the continued provision of effective insurance and to secure the most advantageous position for the Council.

Decision Made: That

- (1) approval be given to a procurement exercise been undertaken for a new insurance contract, to be effective from 29 September 2023 onwards, using the YPO Dynamic Purchasing System Framework Agreement for Insurance Placement DPS - 978 to enable a new contract to be implemented for three years with two one-year extensions; and
- (2) the Executive Director of Corporate Resources and Customer Services be authorised in consultation with the Cabinet Member, Regulatory, Compliance and Corporate Services to award the contract (and any subsequent extension) to the highest scoring bidder from the procurement exercise to be undertaken in 2023/2024.

Reasons for the Decision:

The Council should tender the insurance programme to ensure that the Council obtains value for money in accordance with the Contract Procurement Rules. Use of the YPO Dynamic Purchasing System Framework Agreement DPS – 978 for Insurance Placement beyond September 2023 also offers the opportunity to access a large number of pre-vetted insurers, including any new entrants to the market.

Alternative Options Considered and Rejected:

Renewing with the existing insurance programme insurers would be in breach of the Council's Contract Procedure Rules and would open the Council to challenge.

Council could self-insure and not insure through third parties. All claims including catastrophic claims would need to be paid for by the Council which the current financial budget is not designed to respond to. Insurance is designed to provide catastrophic cover for low likelihood but high financial impact. There are therefore not viable.

137. CORPORATE HEALTH AND SAFETY ANNUAL REPORT

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which provided details of the progress made to implement the Council's Health and Safety policy during 2021/22.

Decision Made:

That the progress made on implementing the Council's Corporate Health and Safety Policy during 2021/22 be noted.

Reasons for the Decision:

The annual report provides assurance to the Cabinet, which has strategic responsibility for employee health and safety, that there is continued progress to implement and enhance an effective health and safety system across the Council.

Alternative Options Considered and Rejected:

None.

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

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which provided details 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; and
- 3) The monitoring position of the Council's capital programme to the end of January 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.

Decision Made:

Revenue Budget

- (1) the current position relating to the 2022/23 revenue budget be noted;
- (2) the actions being taken to offset the budget pressures being faced in 2022/23 be noted;
- (3) 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;
- (4) the current position relating to the High Needs budget be noted 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

- (5) the spending profiles across financial years for the approved capital programme (paragraph 7.1) be noted;
- (6) the latest capital expenditure position as at 31 January 2023 of £26.898m (paragraph 7.3); and the latest full year forecast of £43.493m (paragraph 7.4) be noted;
- (7) it be noted that 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 (paragraphs 7.12-7.14);

Council Tax Support Fund

- (8) the intention to auto-award up to £25 to all Local Council Tax Support scheme claimants against their Council Tax Liability for 2023/24 in line with Government guidelines be noted;
- (9) approval be given to the amendment of the “Council Tax Reduction in Liability” Policy for 2023/24 to make additional discretionary awards, as described in Paragraph 8.5, to utilise the Government funding allocated to the Council;

Business Rates – Implementation of Local Discount Schemes for Retail, Hospitality, Leisure in 2023/24

- (10) approval be given to the implementation of the Business Rates Local Discount Scheme for Retail, Hospitality and Leisure in 2023/24 in line with the guidelines issued by the Government;

Business Rates – Implementation of Supporting Small Business Relief Scheme from 2023/24

- (11) approval be given to the implementation of the Business Rates Supporting Small Business Relief Scheme for Retail, Hospitality and Leisure in 2023/24 in line with the guidelines issued by the Government.

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.

139. 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 had been published regarding the intention to consider the following matter in private for the reason set out below.

Decision Made:

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.

140. LAND AT FOUL LANE, SOUTHPORT - EXEMPT APPENDICES

The Cabinet considered exempt information provided by the Executive Director of Corporate Resources and Customer Services in relation to the Land at Foul Lane, Southport (Minute No. 141 below refers).

Decision Made:

That the exempt information be considered as part of the report in relation to the Land at Foul Lane, Southport (Minute No. 141 below refers).

Reasons for the Decision:

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

Alternative Options Considered and Rejected:

None.

141. PUBLIC SESSION

Decision Made:

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

142. LAND AT FOUL LANE, SOUTHPORT

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which sought approval to complete the disposal of land at Foul Lane (the former park and ride site) in Southport to Homes England. Following the disposal, the site will be developed out as part of a larger residential development proposal, dependent upon the award of detailed planning consent.

The report indicated that a comprehensive review of the Council's asset base is being undertaken in phases, with assets defined as either supporting operational activity, having heritage value, being required to support the growth programme or being available for disposal. Land at Foul Lane was identified as being available for disposal to facilitate a housing redevelopment scheme in line with the site's designation in the Local Plan. Foul Lane was therefore included in the Asset Maximisation: Phase 2 Disposals Programme presented and approved by Cabinet on 24 June 2021.

Homes England approached the Council in Autumn 2022 seeking to acquire the site at Foul Lane, Southport, as they had recently acquired the adjoining site known as Land at Crowland Street, which is also allocated for housing redevelopment in the Local Plan. Acquiring the site at Foul Lane will provide Homes England with single ownership of a site in excess of 63 acres, which will be subject to a detailed master plan and a planning application to deliver a policy compliant housing scheme.

Decision Made: That

- (1) the agreed Heads of Terms for the disposal of Land at Foul Lane, Southport, as detailed within Appendix 2 of the report be approved;
- (2) 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 the Capital Accounting Regulations be approved; and
- (3) the Chief Legal and Democratic Officer be authorised to complete the necessary legal formalities.

Reasons for the Decision:

This property transaction ensures delivery of new housing in line with the site's allocation in the Local Plan and allows the land at Foul Lane and

land at Crowland Street to be brought forward as single master plan and delivered over a number of phases.

Alternative Options Considered and Rejected:

(Option 1 – “*Do nothing*”: do not dispose of the site to Homes England. The Council would retain the former park and ride site.

Risk: the site would likely remain vacant and on the Council asset register. There would be ongoing holding costs liability and no capital receipt would be received.

Option 2 – “*Redevelop the Foul Lane site in isolation*”: the Council could look to secure outline planning consent and to dispose of the site on market to a housebuilder.

Risk: completion of land transaction would move into a later financial year and make delivery of a single, well-designed housing scheme difficult due to the need for combine sewers across sites and potential need for construction vehicular access to be provided to the Crowland Street site, which would cause disruption for residents.