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Sefton Council 

MEETING: CABINET
DATE: Thursday 9th March, 2023
TIME: 10.00 am
VENUE: Committee Room, Town Hall, Bootle

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: Steve Pearce
Interim Democratic Services Manager
Telephone: 0151 934 2068
E-mail: steve.pearce@sefton.gov.uk

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 9 February 2023		(Pages 5 - 12)
* 4	Emergency Temporary Accommodation Project Report of the Assistant Director of People (Communities)	All Wards	(Pages 13 - 24)
* 5	Extension of Park and Ride Bus Contract Report of the Assistant Director of Place (Highways and Public Protection)	All Wards	(Pages 25 - 28)

* 6	Parking and Environmental Enforcement Contract Report of the Assistant Director of Place (Highways and Public Protection)	All Wards	(Pages 29 - 32)
* 7	Provision of Liquid Fuels Report of the Executive Director of Corporate Resources and Customer Services	All Wards	(Pages 33 - 38)
* 8	Proposed Insurance Procurement Report of the Executive Director of Corporate Resources and Customer Services	All Wards	(Pages 39 - 44)
* 9	Corporate Health and Safety Annual Report Report of the Executive Director of Corporate Resources and Customer Services	All Wards	(Pages 45 - 68)
* 10	Financial Management 2022/23 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2022/23 – March Update Report of the Executive Director of Corporate Resources and Customer Services	All Wards	(Pages 69 - 90)
11	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 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.

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| * 12 | Land at Foul Lane, Southport - Exempt Appendices

Report of the Executive Director of Corporate Resources and Customer Services | Norwood | (Pages 91 - 96) |
| 13 | Public Session

The Cabinet meeting will now move back into open session to consider the following agenda item. | | |
| * 14 | Land at Foul Lane, Southport

Report of the Executive Director of Corporate Resources and Customer Services | Norwood | (Pages 97 - 104) |

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 22 FEBRUARY 2023. MINUTE NOS 123 TO 128 ARE NOT SUBJECT TO CALL- IN.

CABINET

MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL, SOUTHPORT ON THURSDAY 9TH FEBRUARY, 2023

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

ALSO PRESENT: Councillor Sir Ron Watson

119. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Veidman.

120. DECLARATIONS OF INTEREST

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

121. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 2 February 2023 be confirmed as a correct record.

122. COVID MEMORIAL

The Cabinet considered the report of the Executive Director - People which provided details of the ongoing consideration by the UK Commission on Covid Commemoration on how the UK will commemorate the lives lost through the Covid pandemic both nationally and locally and set out a proposed process for consultation following the release of further guidance by government following the submission of recommendations from the UK Commission on Covid Commemoration.

Decision Made: That

- (1) the timeline for the expected receipt of national guidance on Covid commemoration be noted; and
- (2) the process for consultation and implementation outlined in paragraph 2 of the report be approved.

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Reasons for the Decision:

To inform Cabinet of the expected guidance to be received from the government and to approve a process for consultation and implementation in due course.

Alternative Options Considered and Rejected:

No alternatives have been considered.

123. ASSET MANAGEMENT STRATEGY AND ASSET DISPOSAL POLICY 2023/24

Further to Minute No. 39 of the meeting of the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services held on 7 February 2023, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services advising that the Asset Management Strategy and Asset Disposal Policy set out the vision and aspirations for the effective management of the Council's corporate asset portfolio and the role it plays in supporting and shaping the Council's agenda for the 2030 vision. Aside from its staff the Council's next biggest resource is its land and property and consequently it is vital that this resource is managed and used effectively and efficiently to ensure that the Council derives maximum benefit from its assets in support of its strategic aims and priorities.

The Asset Management Strategy and Asset Disposal Policy were set out as appendices to the report and will provide a framework for the planning, prioritisation, management and funding of the Council's asset base.

Decision Made:

That the Council be recommended to approve:

- (1) the updated Asset Management Strategy; and
- (2) the updated Asset Disposal Policy.

Reasons for the Decision:

The Asset Management Strategy and Asset Disposal Policy are key documents for Sefton Council which sets out key parameters in respect of the delivery of an efficient and effective property portfolio.

Alternative Options Considered and Rejected:

None.

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124. PRUDENTIAL INDICATORS 2023/24

Further to Minute No. 40 of the meeting of the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services held on 7 February 2023, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which explained that the CIPFA Prudential Code for Capital Finance in Local Authorities was introduced following the Local Government Act 2003; and detailed measures / limits / parameters (Prudential Indicators) that were required to be set each financial year; and that the approval of these limits would provide a benchmark to measure actual performance against, to help ensure that the Council complied with relevant legislation, was acting prudently and that its capital expenditure proposals were affordable.

Decision Made:

That Council be recommended to:

- (1) approve that the Prudential Indicators, as detailed in the report, are set as the basis for compliance with The Prudential Code for Capital Finance in Local Authorities;
- (2) note that the relevant Prudential Indicators will be revised as required and that any changes will be brought to Cabinet and then to Council for approval;
- (3) note that the estimates of capital expenditure may change as grant allocations are received; and
- (4) approve that authority is delegated to the Executive Director for Corporate Resources and Customer Services in conjunction with the Cabinet Member – Regulatory, Compliance and Corporate Services to manage the Authorised Limit and Operational Boundary for external debt as detailed in Section 5 of the report.

Reasons for the Decisions:

To enable the Council to effectively manage its Capital Financing activities and comply with the CIPFA Prudential Code for Capital Finance in Local Authorities. The prudential indicators for the forthcoming and following years must be set before the beginning of the forthcoming year.

Alternative Options Considered and Rejected:

None.

125. TREASURY MANAGEMENT POLICY AND STRATEGY 2023/24

Further to Minute No. 41 of the meeting of the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services held on 7

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February 2023, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that set out the following proposed policy and strategy documents:

- a) Treasury Management Policy (Annex A);
- b) Treasury Management Strategy (Annex B); and
- c) Minimum Revenue Provision Policy Statement (Annex C)

Decision Made:

That Council be recommended to approve the:

- (1) Treasury Management Policy Document for 2023/24;
- (2) Treasury Management Strategy Document for 2023/24; and
- (3) Minimum Revenue Provision Policy Statement 2023/24

Reasons for the Decisions:

The Council has adopted CIPFA's Code of Practice on Treasury Management in the Public Services. The Code requires that the Council sets a policy and strategy for the effective operation of the Council's Treasury Management function during the financial year. This will ensure that cash flow is adequately planned, surplus monies are invested commensurate with the Council's risk appetite whilst providing adequate portfolio liquidity, and that the borrowing needs of the Council are properly managed to ensure that the Council can meet its capital spending obligations.

Alternative Options Considered and Rejected:

None.

126. CAPITAL STRATEGY 2023/24 TO 2027/28

Further to Minute No. 42 of the meeting of the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services held on 7 February 2023, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that sets out the long-term context in which capital expenditure, borrowing and investment decisions are made and considers the impact of these decisions on the priorities within the Council's Core Purpose and the promises made in the 2030 Vision for Sefton.

At the heart of the Capital Strategy is the Council's core objective to continue deliver financial sustainability. As such a flexible capital investment programme is more important than ever as a method to stimulate and enable economic growth and strategic investment, ensuring best use of existing assets and of generating future income streams to pay for and deliver day to day services.

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Decision Made:

That the Council be recommended to approve the Capital Strategy as set out in Appendix A of the report.

Reasons for the Recommendation(s):

The Capital Strategy is a key policy document for Sefton Council and follows guidance issued in the Prudential Code for Capital Finance in Local Authorities (2021 Edition).

Local authorities are required by regulation to have regard to the Prudential Code when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003.

Alternative Options Considered and Rejected

None.

127. ROBUSTNESS OF THE 2023/24 BUDGET ESTIMATES AND THE ADEQUACY OF RESERVES – LOCAL GOVERNMENT ACT 2003 - SECTION 25

Further to Minute No. 43 of the meeting of the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services held on 7 February 2023, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which advised that to comply with statute, the Chief Financial Officer was required to report to Council prior to the approval of the budget and the setting of the Council Tax, to give assurance that the budget was robust and that there were adequate reserves and balances.

Decision Made: That:

- (1) it be noted that the Local Government Act 2003, (Section 25 as amended) requires the Chief Financial Officer to report formally the issues of an opinion as to the robustness of the estimates made and the tax setting calculations; and the adequacy of the proposed financial reserves; and
- (2) the Council be recommended to have regard to the matters raised in this report during the final stages of determining the budget for 2023/24.

Reasons for the Decisions:

The Local Government Act 2003, (Section 25 as amended) requires the Chief Financial Officer to report formally on the issues contained within this report.

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Alternative Options Considered and Rejected:

None.

128. REVENUE AND CAPITAL BUDGET PLAN 2023/24 – 2025/26 AND COUNCIL TAX 2023/24

Further to Minute No. 44 of the meeting of the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services held on 7 February 2023, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that provided:

- An assessment of the Council's current financial position and approach to the 2023/24 Budget Plan and preparation for the additional two-year budget period 2024/25 to 2025/26;
- An update on the Government's announcement of resources that are available to the Council for 2023/24 and 2024/25;
- The Council's current financial position and the assumptions built into the Medium-Term Financial Plan;
- The proposed Budget for 2023/24; and,
- The proposed Capital Programme for 2023/24.

The report also sets out the financial strategy of the Council and the national and local financial context within which it is operating, and it indicated that the Council has a statutory requirement to remain financially sustainable and to balance its budget every year.

Members of the Cabinet expressed concern that neither the Autumn Statement or the Local Government Finance Settlement 2023/24 had mentioned the Public Health Grant and therefore no information was available on the national totals or individual allocations.

The Executive Director of Corporate Resources and Customer Services reported that the Overview and Scrutiny Committee – Regulatory, Compliance and Corporate Services had not made any proposed amendments to the proposals set out in the report.

Decision Made:

The Council be recommended to:

- (1) note the update of the Medium-Term Financial Plan for the period 2023/24 to 2025/26;
- (2) approve the Budget Plan for 2023/24, including the Revenue Budget, allocation of specific grants (Section 13), and Capital

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Programme (Appendix D), and authorise officers to undertake the necessary actions to implement the recommendation; and

- (3) Note the Schools' Forum decisions on the Dedicated Schools Grant and Individual School Budgets (Section 12).

Reasons for the Decision:

The recommendations in the report provide the basis on which the Budget Plan will be balanced for the financial year 2023/24 and will ensure that the Council's statutory obligations are met. In addition, it begins the planning for the financial strategy for the following two years to give the Council sufficient time to identify specific proposals to deliver financial sustainability over that period.

Alternative Options Considered and Rejected:

The Council is legally required to set a balanced budget each year and this report has taken due consideration of all financial issues in its development.

No additional options are available for inclusion.

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Report to:	Cabinet	Date of Meeting:	March 2023
Subject:	Emergency Temporary Accommodation Project		
Report of:	Assistant Director of People (Communities)	Wards Affected:	Borough-wide
Portfolio:	Communities and Housing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

Three properties were originally allocated to, and part of, the Asset disposal Programme (Phase 1) as presented to Cabinet in January 2020. It was agreed that due to Sefton allocation and cost of temporary accommodation solutions that the properties be removed from the Disposal Programme and alternative uses be identified with the focus on the potential for housing (temporary or longer term), subject to evaluation of a robust business case. Where other alternative options are identified, business cases would be developed, evaluated, and presented for member decision.

Two properties are most suited to use as temporary accommodation. In total the Council expects these two buildings to be configured into the following, as temporary accommodation units:

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

Across both sites this would deliver 8 x1-bed units and 5 x2-bed units.

This paper provides an outline strategy for delivering a robust business case and the associated high-level costs. This is the first phase of reviewing the properties for development and, subject to approval, further exercises will commence during the next 6 months.

Recommendations:

That Cabinet:

- (i) Approve the progression of a robust business case for this invest to save proposal and for officers to develop the implPage 13 plan, subject to the completion of

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surveys.

- (ii) Approve 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
- (iii) Note 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: (including any Risk Implications)

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 will 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 Housing and Communities (the

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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.

What will it cost and how will it be financed?

(A) Revenue Costs

The current cost of providing this nightly accommodation is funded through the Homeless Prevention Grant provided by DLUHC. For 2021/22 this grant totalled £536,488 and was fully utilised across the Housing Options and Strategic Housing service areas to prevent and relieve rough sleeping and homelessness. The grant allocation for 2022/23 is for the same amount. The current level of spending is unsustainable and has risen by roughly 20% year on year since 2019/20.

The net revenue costs of the preferred option of converting the 2 buildings to 13 self-contained units are anticipated to be £47,500 per annum. There is an estimated saving of up to £227,760 per annum from no longer needing to buy in this accommodation from other operators. Therefore, this results in a net revenue saving – after taking into account the running costs of the new units - of up to £180,260 per annum which could be reinvested back into the service.

(B) Capital Costs

Consultants have carried out a cost estimate exercise itemising build costs which total £951,443 across both sites. Including £92,676 for fees, disbursements etc and £86,494 for risk and contingency (10%).

Capital funding for the project is undetermined. This is an invest to save model and could be funded through grant funding, borrowing or a combination of the two.

External funding will be sought for the capital costs in the first instance. Potential options being explored are to source match funding from agencies such as Homes England and the Department for Levelling Up, Housing and Communities, subject to Council approval.

In the absence of this funding, or the need to provide match funding, the Council will need to borrow. This is estimated to cost £64k per annum assuming a repayment term of 25 years at an interest rate of 4.45%. This would be met from any saving generated by the proposal. If this scenario came to pass, the preferred option would still be cheaper and a more sustainable long

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term option than the current position. This could be contained within the current funding received for the service from DLUHC and would allow further investment in front line support.

In the event that the direct Homeless Prevention Grant revenue funding is not received from DLUHC in future, the Council would still need to deliver the service, and would need to find the revenue funding within its core budget. Therefore, the preferred option still represents the best long term option.

Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out below, subject to evaluation of a robust business case:

Resource Implications (Financial, IT, Staffing and Assets): Property and Facilities Management will work alongside the Housing Options and Strategic Housing services to oversee the work to complete.	
Legal Implications: The Chief Legal and Democratic Services Officer will complete legal documentation required for the project.	
Equality Implications: No negative equality impacts have been identified at this stage. The project is to increase the amount of accommodation available in the Borough and should have a positive impact on people with a variety of protected characteristics who are affected by homelessness.	
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	N
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 refurbishment of the vacant sites as well as long-term carbon emissions from each new unit of accommodation created.	
However, to mitigate some of the impact we will make it a condition of the refurbishment that the developer must install a low carbon heating system at the property. The refurbishment will also be required to go through the planning system which will also help to minimise the carbon impact of the building by applying the nationally required environmental standards.	

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Contribution to the Council's Core Purpose:

Protect the most vulnerable: This project will provide emergency temporary accommodation to families that have been evicted from their properties.
Facilitate confident and resilient communities: The associated savings of the proposal will provide much needed resources to services to prevent homelessness from happening in the first place and help households to remain in their property rather than facing eviction.
Commission, broker and provide core services: Progressing the proposal will increase the Councils temporary accommodation portfolio making discharging statutory duties to homeless Relief cases more efficient.
Place – leadership and influencer: Increasing homeless prevention activity from cost savings generated will reduce the associated 'system wide' costs associated with legally evicting households.
Drivers of change and reform: Increasing homeless prevention activity from cost savings generated will mean fewer evictions and lessen the need for temporary accommodation in the long term. It will also
Facilitate sustainable economic prosperity: Preventing evictions will mean that households are better managing their budget and their accommodation is affordable leading to increased household economic prosperity.
Greater income for social investment: Revenue savings can be reallocated to Prevention activity.
Cleaner Greener: The properties are currently in a dilapidated state. Delivering this project will bring them back into use and make the properties a positive asset in the community.

What consultations have taken place on the proposals and when?

(A) Internal Consultations include:

The Executive Director of Corporate Resources and Customer Services (FD.7150/23) and the Chief Legal and Democratic Officer (LD.5350/23.) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable at this stage. Consultation will take place if the project proceeds.

Implementation Date for the Decision

Following the expiry of the "call-in" period for Page 17; of the Cabinet Meeting

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Contact Officer:	Allan Glennon
Telephone Number:	07891398420
Email Address:	Allan.glennon@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

Outline Strategy for Delivery

1. Introduction

- 1.1 Due to increasing numbers of households at risk of homelessness approaching the local authority for assistance, the cost of providing nightly paid emergency temporary accommodation has increased significantly over the past 4 years from £17,000 in 2018/19 to over £250,000 in 2021/22.
- 1.2 Historically homeless people in a 'priority need' group could access temporary accommodation at the Council's homeless unit or local commissioned resources, for example, hostels. This was sufficient to meet the need up to 2018/19.
- 1.3 The Council's Homeless Unit has 11 self-contained flats that are consistently occupied. Consequently, accommodation is then sourced from the private sector, which includes B&B providers or other paid nightly accommodation providers. These provisions are subject to market demand which affects costs and availability. For example, during holiday periods the demand for hotel accommodation increases, along with the price per night, making it more difficult to find vacancies.
- 1.4 The Council aims to limit the amount of time that families spend in B&B so sources accommodation with cooking facilities when available, however, often this will be of higher in cost. Single person households, not in a priority need category, can access accommodation through commissioned providers (hostels).
- 1.5 The Council has 2 properties, currently out of use, that have been identified suitable for conversion to residential accommodation. Converting the properties in this way would give the Council an additional 13 residential units to house homeless families or other vulnerable groups, subject to evaluation of the business case.

2. Current Position

- 2.1 The overall condition and appearance of the properties is poor, and they need total refurbishment or redevelopment. Some sites may have a detrimental effect on the local community area because of the outward looking state of the buildings.
- 2.2 The properties have been valued independently, based on current market value (February 2022) for the continuing purpose of their current use as office space. These valuations are:

Site 1	£110,000
Site 2	£125,000
Total	£235,000

- 2.3 The valuers stated that if the properties were placed on the open market, it is likely that a higher figure (February 2022) could be achieved for the conversion of site 1 to residential uses. They considered that minimum figures of the following could be achieved for the properties:

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Site 1	£110,000
Site 2	£225,000
Total	£335,000

3. Indicative Costs

3.1 Estimated capital costs for the redevelopment of the properties are below. These are detailed costs based on a standard of finish. They also include replacing whole items, such as windows, for new. Where replacements are not needed costs could be lower.

Element	Cost Assessment
Construction work total, Site 1	£351,351
Construction work total, Site 2	£420,922
Overall Construction Works	<u>£722,273</u>
Design Team Fees	£92,676
Overall Construction Works plus fees	<u>£864,949</u>
Risk and contingency at 10%	£86,494
Total	<u>£951,443</u>

3.2 The cost of inflation has not been factored into the above costs. This will be considered in more detail as part of the development of the detailed business case.

3.3 Surveys would need to be completed prior to putting together a programme for completion. The cost of surveys is included in the design team fees above and total £20,642. This will include:

- Structural/building £5,270
- Electrical £3,513
- Asbestos £1,756
- Dry rot £1,756
- Damp £878
- Drainage £1,317
- Fire safety £4,392
- Gas £878
- Party wall £878

3.4 Estimated Revenue costs for the delivery of the proposal are below. These are based on the 5-year average from 2017/18-2021/22. A sinking fund of £13,000 per year has been included to account for the potential refurbishment of the units after 10 years. More detailed costs will be added to a robust business case. This will include specific staffing and/or management costs. Additional Revenue costs will be funded through the Homelessness Prevention Grant (DLUHC).

	£
Premises Related Expenditure	42,545
Supplies and Services	4,136

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Third Party Payments	10,636
Depreciation and Impairment Losses	7,091
Sinking Fund	13,000
Staff/Management	15,000
Income	(44,909)
Grand Total	47,500

3.5 Additional staff (or a management agency) will be required to support the day-to-day operations of the converted properties. £15,000 has been included which is based on the current provision of a 0.2 full time equivalent role that supports the Council's current 11 units.

3.6 These cost estimates will be subject to further due diligence as part of the development of a robust business case which will be reported back to Cabinet in due course.

4. Cost Benefit Analysis

4.1 At the time of writing the Council was providing nightly paid accommodation to 55 households. These households have the following housing requirements:

3+ bedroom need	6
2 bedroom need	13
1 bedroom need	36

4.2 Accommodation for eligible homeless households of similar make up to the proposed properties in this project average at approximately £60 per night in the private sector.

4.3 The Council recovers the local housing allowance (LHA) rate of Housing Benefit, or the Housing element in universal credit, to offset the cost of temporary accommodation. On a rate of £60pn this brings the cost down by about 20% (e.g. 1 bed need, LHA rate of £92.05pw or £12 per day). This is shown as 'income' in the table above (3.4).

4.4 Once implemented the project would deliver 13 units for use as temporary accommodation negating the need to use hotels. This would reduce the need for hotels by 13 at £60 per night or £284,700 per year, less 20% recovery of costs through Housing Benefit, resulting in £227,760 reduction in this expenditure.

	£ per annum
Net cost of 13 hotel units at £60 per night	(227,760)
Revenue costs	47,500
Potential Revenue Savings	(180,260)

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- 4.5 This calculation is based on 100% occupancy levels, however the units could be filled twice over with the current number of households accessing nightly rate temporary accommodation. Savings are sensitive to occupancy levels staying high.
- 4.6 The current cost of providing this nightly accommodation is funded through the Homeless Prevention Grant provided by DLUHC. For 2021/22 this grant totalled £536,488 and was fully utilised across the Housing Options and Strategic Housing service areas to prevent and relieve rough sleeping and homelessness. The grant allocation for 2022/23 is for the same amount. The current level of spending is unsustainable and has risen by roughly 20% year on year since 2019/20. Without alternative mitigating options or increases in grant funding for 2023/24 the cost of providing temporary accommodation will continue to rise.
- 4.7 This is an invest to save proposal however applications for capital grant funding will be explored in the first instance.
- 4.8 In the absence of capital grant funding, or the need for the Council to provide match funding, then the Council would need to borrow. This is estimated to cost £64k per annum assuming a repayment term of 25 years at an interest rate of 4.45%. This would be met from any saving generated by the proposal. If this scenario came to pass, the preferred option would still be cheaper and a more sustainable long term option than the current position. This could be contained within the current funding received for the service from DLUHC and would allow further investment in front line support.
- 4.9 In the event that the direct Homeless Prevention Grant revenue funding is not received from DLUHC in future, the Council would still need to deliver the service, and would need to find the revenue funding within its core budget. Therefore, the preferred option still represents the best long-term option.
- 4.10 A high-level estimate based on the current market value of similar accommodation in the areas that, once completed, the apartments could have a residual value of around £100,000 each (£1.3m in total).

5. Linked Schemes

- 5.1 Children's Services are considering a similar project to meet their needs.
- 5.2 Other schemes linked to this project include the Council's temporary accommodation unit and the Dispersed Family Accommodation Project. The Council is also looking to procure properties from the social sector for lease at close to LHA rate to use as temporary accommodation.
- 5.3 There is potential for the Council's temporary accommodation unit to undergo some redevelopment to better make use of the space. This could include adding adjoining doors between flats so that larger families can be accommodated there.
- 5.4 The Dispersed Family Accommodation Project is delivered by Riverside Housing and offers tenancies and additional support to help manage their tenancy to homeless families. This programme could prove a valuable exit strategy for families that have accessed emergency temporary accommodation, such as that provided by this project.

6 Timescales

6.1 Subject to Cabinet approval it is anticipated that the build will take between 7-9 months to complete. However, prior to beginning the works Planning approval will need to be sought.

6.2 The statutory period for the determination of a planning application of this type is eight weeks.

7 Funding

7.1 This is an invest to save proposal, however funding for the project is undetermined. Potential options being explored are to source funding from agencies such as Homes England and DLUHC. However, there would likely need to be capital match funding provided by the local authority should any bids to these agencies be successful.

7.2 Homes England operate capital funding programmes, specifically aimed at increasing affordable housing. A programme to provide accommodation for vulnerable housing groups is open to applications and this project may meet the necessary eligibility for the programme. This programme, if the bid was successful, would part fund the project.

8 Options Summaries

8.1 Option 1 – Sell the properties on the open market. This could yield a capital receipt in the region of £335,000.

8.2 Option 2 (preferred option) – Redevelop the properties for use as emergency temporary accommodation at an estimated capital cost of £951,000. Properties would be brought back into use and utilised as accommodation for homeless households. This would lessen the requirement of using hotels as temporary accommodation, consequently saving £180,000 expenditure per year that could be reinvested into services. Should the requirement for emergency temporary accommodation decrease in future, it is estimated that the 13 units could be sold for approximately £0.1m each or £1.3m in total.

9 Project Development Actions

9.1 Set out below are the key actions and timescales to develop a robust business case for the project.

Task	Action	Timeframe
1	Officers conduct enquiries to potential capital funding available through DLUHC, Homes England or both.	March 2023
2	Agree project board membership.	April 2023
3	Complete a robust business case with detailed capital and revenue costs	June 2023

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4	Agree implementation plan showing key deliverables and major control points of the project. This will include details of the resource requirements and associated costs.	June 2023
5	Provide a progress update to Cabinet.	July 2023

Agenda Item 5

Report to:	Cabinet	Date of Meeting:	9 March 2023
Subject:	Extension of Park and Ride Bus Contract		
Report of:	Assistant Director of Place (Highways and Public Protection)	Wards Affected:	Dukes, Cambridge
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes.
Exempt / Confidential Report:	No		

Summary:

To seek 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 operation of the Park and Ride bus service from the expiry date of the extended contract.

Recommendation:

That Cabinet:

1. Authorise the Assistant Director of Place (Highways and Public Protection), 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. Authorise the Assistant Director of Place (Highways and Public Protection), to commence procurement of a new contract to operate the Park and Ride bus service from the expiry date of the above extended contract.
3. Authorise the Assistant Director of Place (Highways and Public Protection), 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 Recommendation(s):

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.

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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.

What will it cost and how will it be financed?

(A) Revenue Costs

The cost of the contract will be met from the existing budget within the service.

(B) Capital Costs

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

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): There are no Financial, IT, staffing, or asset resource implications other than the cost of the contract extension which will be met from the existing budget within the service.	
Legal Implications: Procurement Regulatory Framework and Contract Procedure Rules	
Equality Implications: There are no equality implications.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	Y
Have a neutral impact	N
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
Extension of the contract will ensure on-going provision of the out of town-centre Park and Ride provision and will maintain the reduction of congestion and consequently maintain the reduction of emissions in the town centre.	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Provision of a Park and Ride facility provides an accessible alternative to busy town centre parking and helps to reduce congestion, contributing to how safe and happy residents and visitors feel when living in or visiting Southport.
Facilitate confident and resilient communities: Provision of a Park and Ride facility helps to reduce congestion within the town centre, supporting an environment in which people feel safer and more confident to go out or use facilities.
Commission, broker and provide core services: Provision of a Park and Ride facility

provides an alternative to vehicles entering the town centre, helps to reduce congestion and assists delivery of the Council's statutory duty to take steps to maintain traffic movements, prevent road traffic collisions and assist road users.

Place – leadership and influencer: Provision of a Park and Ride facility provides an alternative to vehicles entering the town centre, helps to reduce congestion, and also enables users to visit both the town centre and the seafront area more readily.

Drivers of change and reform: Provision of a Park and Ride facility provides an accessible alternative to busy town centre parking and encourages people to use public transport into the town centre.

Facilitate sustainable economic prosperity: Provision of a Park and Ride facility helps to reduce congestion, assists in maintaining traffic movements, helps to maintain safe access within the town centre, and enables users to visit both the town centre and the seafront area more readily.

Greater income for social investment: Consideration will be given to maximising added social value from the delivery of the newly procured contract.

Cleaner Greener: Maintaining the option of an out of town-centre Park and Ride facility helps to reduce congestion and will contribute to maintaining a cleaner, greener Sefton

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7139/23.) and the Chief Legal and Democratic Officer (LD.5339/23.) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

With the current service provider

Implementation Date for the Decision

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

Contact Officer:	Dave Marrin
Telephone Number:	Tel: 0151 934 4295
Email Address:	dave.marrin@sefton.gov.uk

Appendices:

There are no appendices to this report

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Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The contract for the provision of a Park & Ride Bus Service in Southport is due to terminate on the 31st July 2023 and officers in Highways & Public Protection have been discussing the process for retendering the contract with the Council's Procurement Service.
- 1.2 In accordance with the Council's Contract Procedure Rules, officers have regularly monitored contract performance and are satisfied that the contractor has performed well throughout the period of contract.
- 1.3 Procurement Services have indicated that there is an opportunity to extend the contract for a period of up to six months, and the current Contractor has indicated a willingness to continue to deliver the contract in line with the current contract terms. This would provide the Council with improved price certainty for the delivery of the current service, at a time of rapidly increasing costs, and thereby assist effective budget management over the next 12 months.
- 1.4 Extending the Contract would also allow Officers and the Cabinet Member to further consider the design of the service, prior to committing to a longer-term contract, and enable re-alignment of the new contract commencement date, outside the peak visitor season.
- 1.5 Officers are satisfied that extending the Contract for 6 months would continue to offer best value to the Council over this period, when considering the combination of cost, quality and efficiency that the contract, current contractor, and proposed approach provides.
- 1.6 It therefore proposed to extend the current contract for a period of six months from 1st August 2023.
- 1.7 Over this time period, A Public Contract Regulations compliant procurement process will be carried out in order to secure a replacement contract from the extended termination date for a period of five years. The evaluation criteria to be agreed with the Cabinet Member Regulatory, Compliance and Corporate Services.

Agenda Item 6

Report to:	Cabinet	Date of Meeting:	9 March 2023
Subject:	Parking and Environmental Enforcement Contract		
Report of:	Assistant Director of Place (Highways and Public Protection)	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To seek Cabinet 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

Recommendation(s):

That Cabinet:

- (1) Approves the tender process to procure the provision of a parking and environmental enforcement service as outlined in the report.
- (2) Authorises the contract period of 5 years from 1st October 2023
- (3) Authorise the Assistant Director of Place (Highways and Public Protection), 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.

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Reasons for the Recommendation(s): To ensure continued provision of a statutory service.

Alternative Options Considered and Rejected: No other options have been considered

What will it cost and how will it be financed?

(A) Revenue Costs

It is not anticipated that the current approved budget provision in respect of the cost of delivering the service or the associated income will require adjustment following this process.

A variety of Lots offering different levels of service will be advertised to ensure that the cost of the service remains within or below the budget envelope.

(B) Capital Costs

There are no Capital Costs

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): There will be no additional Financial, IT, staffing, or asset resource implications to be met from the existing budget within the service.	
Legal Implications: The size of the contract is such that it requires an OJEU compliant procurement process to be adhered to.	
Equality Implications: There are no equality implications	
Climate Emergency Implications: The recommendations within this report will	
Have a positive impact	Y
Have a neutral impact	N
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
Tendering of the contract will ensure on-going parking enforcement to reduce congestion and consequently reduce emissions	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Continued environmental and parking enforcement will contribute towards how safe and happy residents and visitors feel when living or visiting an area. Parking enforcement helps ensure that designated parking spaces for disabled people are not used by people who are not eligible to use them and helps ensure safe access along highways is maintained.
Facilitate confident and resilient communities: Effective enforcement will make people feel safer and more confident to go out or use facilities within the community
Commission, broker and provide core services: Sefton Council has a statutory duty to take steps to maintain traffic movements, prevent road traffic collisions and assist road users. The service also enforces littering offences and the Public Space Protection Order relating to Dog Control
Place – leadership and influencer: Effective enforcement of environmental and parking offences help to maintain acceptable standards within our neighbourhoods and towns. The Civil Enforcement Officers employed through the contract also fulfil an ambassadorial role which helps to promote the borough and make people feel welcome.
Drivers of change and reform: The approach adopted through this contract, providing a combined environmental and parking enforcement service, within which enforcement officers also fulfil an ambassadorial role for the borough, is not typical and is so designed to increase the efficiency and flexibility of resource deployment.
Facilitate sustainable economic prosperity: On going enforcement contributes towards maintaining access for all and improving the local environmental quality of the Borough, both of which are key elements in facilitation economic prosperity.
Greater income for social investment: Enforcement of parking offences, helps to ensure a high level of compliance with payment of parking fees, which in turn supports the delivery of Council services. The procurement process will consider added social value that can be secured through the delivery of the contract.
Cleaner Greener: Continued parking and environmental enforcement will contribute to maintaining a cleaner, greener Sefton.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7138/23) and the Chief Legal and Democratic Officer (LD.5338/23) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

None

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Implementation Date for the Decision

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

Contact Officer:	Dave Marrin
Telephone Number:	0151 934 4295
Email Address:	dave.marrin@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 It is proposed that the process to be followed will be an open competition through the North West Opportunities portal ‘The Chest’.
- 1.2 An Invitation To Tender (ITT) document will be created and issued to all providers who express an interest. A number of assessment criteria will be developed in order to determine Contractors’ ability to deliver a contract of this nature.
- 1.3 The tender will be for the provision of a service to include parking and environmental enforcement, cash collection and car park management services to run from 1st October 2023 until 30th September 2028.
- 1.4 Tenders will subsequently be invited and assessed using a ‘cost/quality’ methodology on the basis of 40% cost, 50% quality and 10% Social Value
- 1.5 It is suggested that delegated authority be granted to the Assistant Director of Place (Highways and Public Protection), in consultation with Cabinet Member Regulatory, Compliance and Corporate Services, to award a contract to the highest scoring Tenderer resulting from the procurement.
- 1.6 The Council will work to incorporate social value into the procurement process, in accordance with its Social Value Policy. In the case of this procurement process, it will be proposed for example that signature of Sefton Council’s Caring Business Charter will be a pass / fail criterion for bidders. The Caring Business Charter is an agreement from partner organisations to provide employment, training, work experience, mentoring and other related opportunities for care experienced young people across Sefton, with more than 50 organisations signed up to the Charter to date. Wider social value opportunities will be sought from bidders and identified by the service area leading the procurement process, in alignment with the Council’s vision, values and core purpose.

Agenda Item 7

Report to:	Cabinet	Date of Meeting:	9 March 2023
Subject:	Provision of Liquid Fuels		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To agree the approach for the procurement of Liquid Fuels with effect from 22nd November 2023.

Recommendation(s):

- i) That Cabinet approve that Sefton Council sources supply of Liquid Fuels via the new Yorkshire Purchasing Organisation (YPO) Liquid Fuels supply framework to be established with effect from 22/11/2023, for a maximum period of 4 years to 21/11/2027. The contract will be for 2 years with options for 2 x 1-year extensions.
- ii) That Cabinet delegate authority to the Assistant Director Corporate Resources & Customer Services (Strategic Support) 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 Recommendation(s):

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.

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

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 6 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.

What will it cost and how will it be financed?

(A) Revenue Costs

An analysis of current data suggests that the expenditure on Liquid Fuels across 2022 is approximately £965,300.00 per annum. This is funded through existing supplies and services budgets with the relevant service areas.

(B) Capital Costs

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
Legal Implications:	
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 proposed procurement recognises the Council's commitment to delivering the Climate Change Action Plan.	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: NA
Facilitate confident and resilient communities: NA
Commission, broker and provide core services: The proposed procurement recognises that the Council will seek to source value for money through frameworks that will provide the opportunity of greater buying power.
Place – leadership and influencer: NA
Drivers of change and reform: NA
Facilitate sustainable economic prosperity: NA
Greater income for social investment: NA
Cleaner Greener The proposed procurement recognises the Council's commitment to work with others to maintain Sefton's natural beauty and ensure that its many assets provide a contribution to Sefton's economy, people's wellbeing and the achievement of the 2030 Vision.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7095/23) and the Chief Legal and Democratic Officer (LD.5295/23) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

NA

Implementation Date for the Decision

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

Contact Officer:	Jan McMahon
Telephone Number:	Tel: 0151 934 4431
Email Address:	jan.mcmahon@sefton.gov.uk

Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

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1. Background

- 1.1 The Council has historically sourced its Heating and Automotive Liquid Fuel requirements via an external supply framework. The prime reason for this is that although the Council's expenditure on Liquid Fuels is not an insignificant amount of money in itself, within the Liquid Fuel market the Council's usage volumes and related expenditure represent an extremely small percentage of the market. Should the Council endeavour to procure Liquid Fuels via its own supply contract it would simply be unable to attract the competitive pricing that would be available via an external supply framework that offers a significantly larger collaborative usage volume to the marketplace than Sefton can alone. Cost efficiencies that the Council currently benefits from would be lost, should the Council not to continue to procure these products via an external framework.
- 1.2 The Council is an Associate Member of Yorkshire Purchasing Organisation (YPO). YPO supplies products and services to a wide range of customers including schools, local authorities, charities, emergency services, public sector and other businesses such as nurseries and care homes. YPO is 100% publicly owned, by 13 local authorities, which means the profits made are returned to their public-sector customers. As an associate member, the Council benefits from an annual dividend based upon the Council's degree of usage of the range of available YPO frameworks. When procurement officers last tested the marketplace, the YPO Liquid Fuels supply framework proved to be a competitive supply route when compared with other options. The Council's incumbent supply arrangements were therefore established via the current YPO Liquid Fuels supply framework.
- 1.3 In 2017 Cabinet gave approval for the supply of Liquid Fuels to be established via a YPO Liquid Fuels supply framework for the specific 2 year period 1/10/2017 to 30/9/2019. Approval was then given again in 2019 to commit to the YPO Framework for a 4 year period to 2023.
- 1.4 The existing YPO supply framework is due to expire on 21/11/2023 and over the course of this year, YPO will undertake a procurement exercise to renew their framework with effect from 22/11/2023. That will then provide a supply route for a maximum period of 4 years to 2027, with YPO re-competing the collaborative requirements amongst their framework providers after the initial 2 year period.
- 1.5 The Council needs to commit to the YPO Procurement exercise to secure Liquid Fuels supply from 22/11/2023 for a maximum period of 4 years.

The YPO Procurement exercise will follow a process compliant with the 2015 Public Contract Regulations (2022 Amendment).

The basis of evaluation will be MEAT (Most Economically Advantageous Tender) taking into consideration a percentage balance between Cost and Quality.

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Agenda Item 8

Report to:	Cabinet	Date of Meeting:	9 March 2023
Subject:	Proposed Insurance Procurement		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The Council has a contract for insurance in place which was awarded in September 2018 on a three-year term, plus options to extend for two one-year periods. The existing insurance contract expires on the 28 September 2023. The contract exceeds the new UK Public Procurement Threshold, having an annual cost of £1,145,488. in 2022/23.

In accordance with Contract Procedure Rules, this report seeks Cabinet approval for the proposed arrangements so as to ensure the continued provision of effective insurance and to secure the most advantageous position for the Council.

It is recommended that the Council should undertake a procurement exercise, through the Yorkshire Purchasing Organisation (YPO) Dynamic Purchasing System Framework Agreement for Insurance Placement DPS - 978, for a new contract, to be effective from 29 September 2023 for three years with two one-year extensions.

Recommendation(s):

Cabinet is recommended to:

(1) Approve that the Council undertakes a procurement exercise for a new insurance contract, effective from 29 September 2023 onwards, using the YPO Dynamic Purchasing System Framework Agreement for Insurance Placement DPS - 978 for three years with two one-year extensions.

(2) Delegate authority to the Executive Director of Corporate Resources and Customer Services 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

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Reasons for the Recommendation(s):

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: (including any Risk Implications)

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 no viable alternative options available or considered.

What will it cost and how will it be financed?

(A) Revenue Costs - 2022/23 premiums (including claims handling fees) amounted to £1,145,488. The cost is contained within the overall insurance budget. Should premiums increase then there will be less resources available to fund the costs relating to the Council's self-insured risks or further provision will be required from within the medium-term financial plan.

(B) Capital Costs - There are no capital costs arising from the report.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
The costs associated with the insurance programme for 2022/23 are £1,145,488. The tender will be undertaken by the Audit and Risk Team with support from the Procurement Team.	
Legal Implications:	
If the Council extended the existing insurance arrangements in breach of the Contract Procedure Rules, the Council could potentially be exposed to legal challenge.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N

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The Author has undertaken the Climate Emergency training for report authors	Y
<p>The report has a neutral impact as there are no direct climate change implications from selecting new insurers. As part of the tender the Council would explore the climate change implications from each insurer and report the outcome once the tender has been completed.</p>	

Contribution to the Council's Core Purpose:

The provision of adequate and cost-effective insurance arrangements supports the delivery of the activities of the Council and protects the Council from major financial loss arising from claims.

Protect the most vulnerable: Neutral impact
Facilitate confident and resilient communities: Neutral impact
Commission, broker and provide core services: Neutral impact
Place – leadership and influencer: Neutral impact
Drivers of change and reform: Neutral impact
Facilitate sustainable economic prosperity: Neutral impact
Greater income for social investment: Neutral impact
Cleaner Greener: Neutral impact

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD7087/23.) and the Chief Legal and Democratic Officer (LD 5287/23) have been consulted and any comments have been incorporated into the report

(B) External Consultations

None

Implementation Date for the Decision

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

Contact Officer:	David Eden
Telephone Number:	0151 934 4053
Email Address:	david.eden@sefton.gov.uk

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Appendices:

There are no appendices attached to this report:

Background Papers:

There are no background papers available for inspection

1. Introduction

- 1.1 The Council has an insurance programme with a panel of public sector focused insurance companies to provide catastrophic cover on known risks through a number of policies for example buildings/ contents, public liability, and employers liability cover. The insurance programme enables the Council to mitigate the catastrophic risks by “transferring” the risk with some caveats to a third party in exchange for a premium with some retention of the risk through the excess we have on each policy.
- 1.2 The last procurement exercise for the Council’s insurance programme was undertaken in 2018, resulting in a contract being awarded on a three-year term with an option to extend for two periods of one year. The insurance programme has been extended to the five-year maximum using the Chief Officer’s Report, in compliance with the Council’s Contract Procurement Rules, to 28 September 2023.
- 1.3 To ensure that the Council complies with the Contract Procedure Rules and ensure continuity of the Council’s insurance arrangements, a Cabinet decision is required as to whether to proceed on a new procurement exercise for the Council’s insurance programme which will be on a three-year Long-Term Agreement (LTA) with two one-year extensions.
- 1.4 The annual cost for the contract, contained within the Insurance budget, was £1,145,488– so exceeding the UK Procurement Threshold.

2. Market Appraisal

- 2.1 The Council receives comprehensive market advice and guidance from its brokers, Marsh, who took over from AON, in 2020.
- 2.2 The previous update to the Cabinet in July 2017 indicated that there had been a number of new entrants into the local authority insurance sector and that whilst councils were initially reluctant to place cover with new insurers it was expected that there would be increased competition over time as the market settled down with the new insurers leading to a positive impact on premium. The report also indicated that there would be headwind with the proposed change in the Claims Discount Rate and the likely impact of this will be premium increases for casualty and motor claims.
- 2.3 The 2017 report also noted that the introduction of a Crown Commercial Services (CCS) Framework Agreement for Insurance Services means that the subsequent

procurement exercise can be completed in a shorter timeframe, whilst allowing the Council to access a large number of pre-vetted of insurers (so providing assurance regarding the performance of new insurers) and so offering the most advantageous procurement opportunity to the Council.

- 2.4 The current assessment of the insurance market is quite different from 2017. The insurance market has changed significantly as a result of the impact of Covid-19 and then recovery. During the global recovery from Covid-19 supply chain issues have arisen and more recently events in Ukraine leading to unexpectedly high inflation which is having a marked effect on the costs of for example material damage cover. The current Insurance Market is described as “hard” with insurers having reduced appetite for risks particularly poorly maintained or perceived high risks with premiums rising to reflect the increased cost of claims and insurers general poor profitability. Insurers are in some cases not providing cover where they think the risk is unappetizing and/ or is outside their risk appetite which as discussed above is reduced from pre-Covid-19.
- 2.5 During the past two years councils have seen significant cost pressure in the Council’s liability insurance premiums whilst more recently material damage cover has seen increased costs as a result of the spike in inflation this year which has impacted on building costs leading to claim costs increasing.
- 2.6 In addition, the Government launched a new insurance vehicle in April 2020, the Risk Protection Arrangement (RPA), aimed at Local Authority Maintained Schools, which had been previously aimed at Academy Schools only. The RPA was priced significantly lower than the current insurance cover the Council could obtain for schools and was designed to further increase competition in the schools’ sector. Unfortunately, the existing insurers in the local authority sector stated that whilst they were supportive of more competition felt that the cover provided under the RPA did not full indemnify the risks that are presented by schools in particular from the Council’s education responsibility perspective. This led to a position that if schools left the local authority insurance programme that although there would be a reduction in the premium for material damage cover there would not be a reduction in the liability premium. Historically the Council has recharged to the individual Sefton School the relevant proportion of the insurance premiums from the Council Insurance Programme.
- 2.7 The current position with the insurance market is that the current “hard” market is believed to have peaked at the moment although that might change if other unexpected events occur in the future. To be successful in tendering in this market the Council has to demonstrate that it is managing all of its assets in line with statutory requirements as well as good practice and has embedded effective risk management practices in place at all levels of the organisation.
- 2.8 During the past three years the council has focused on improving risk management across the Council both in terms of operational risk management in its many forms such as health and safety, inspection regimes, learning from claims as well as improving corporate risk management to help improve the achievement of the Council’s Strategic Objectives. We have worked closely with all of the insurers taking advantage of the risk improvement services they offer to help shape the Council’s insurance risk management approach. This should help

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to influence the insurers perception of the Council's risk management approach and how embedded it is across the organisation

3. Options available

3.1 There are potentially three options available:

3.2 Extend the existing insurance arrangements for at least a year but the Council's Contract Procedure Rules, are clear that we cannot extend this arrangement in these circumstances. Therefore, the action is not considered to be a viable option for consideration by the Council.

3.3 Allow the existing insurance arrangements to lapse and to self-insure from 28 September 2023. This would expose the Council to potential catastrophic losses and to pay the costs of any, and all claims. This would be outside of the Council's current risk appetite and the costs of this approach are not considered as part of the Council's Medium Term Financial Plan therefore this option is also not considered to be a viable option

3.3 Undertake a tender exercise utilising the YPO Dynamic Purchasing System Framework Agreement for Insurance Services Placement, the rationale for the framework discussed below, with Procurement Team assistance using the CHEST and working closely with the Council's Insurance Broker.

4. Preferred Option

4.1 Although the insurance market remains challenging the preferred option is to conduct another tender exercise similar to that undertaken in 2018 via the CCS Framework, but this time utilising the YPO Dynamic Purchasing System Framework Agreement for Insurance Placement DPS – 978. The YPO Framework will enable the Council to access a large number of pre-vetted insurers (so giving an independent view of the performance of new entrants to the market. The preferred arrangement for the tender would be for a three year (LTA) with the possibility of two one-year optional extensions.

4.2 There will be consultation with the Council's schools for their commitment to the tender and should they indicate that they will stay within the arrangements the school would be obliged to stay for the next period of insurance term unless they transfer to academy status.

4.3 The proposed framework route has been changed from the 2018 procurement exercise conducted via CCS as the YPO framework has since been introduced which includes the same public sector insurers as the previous framework. However, there are financial savings to be obtained as Sefton Council, being an Associate Member of YPO, benefits from an annual rebate / dividend back from YPO dependent upon the volume of spend via their frameworks as well as not paying a management fee to YPO for the placement of the insurance programme work which we did with the previous CCS framework.

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Report to:	Cabinet	Date of Meeting:	9 March 2023
Subject:	Corporate Health and Safety Annual Report		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The report provides Cabinet with assurance on the progress made to implement the Council's Health and Safety policy during 2021/22.

Recommendation(s):

Cabinet to note the progress on implementing the Council's Corporate Health and Safety Policy during 2021/22.

Reasons for the Recommendation(s):

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: (including any Risk Implications)

None.

What will it cost and how will it be financed?

(A) Revenue Costs - There are no revenue costs arising from this report outside the existing approved budget.

(B) Capital Costs- There are no capital costs arising from the report.

Implications of the Proposals:

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

There are no resource implications associated with the report.

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Legal Implications:	
There are no legal implications associated with the report.	
Equality Implications:	
There are no equality implications.	
Climate Emergency Implications:	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
The report has a neutral impact as it provides a summary of health and safety activity across the Council that has already taken place. There have been no incidents that have been reported that could have detrimentally affected the climate.	

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Positive
Facilitate confident and resilient communities: Positive
Commission, broker and provide core services: Positive
Place – leadership and influencer: Positive
Drivers of change and reform: Positive
Facilitate sustainable economic prosperity: Positive
Greater income for social investment: Positive
Cleaner Greener; Positive

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7110/23.) and the Chief Legal and Democratic Officer (LD.5310/23) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

None

Implementation Date for the Decision

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

Contact Officer:	David Eden
Telephone Number:	0151 934 4053
Email Address:	david.eden@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

- Annual Health and Safety report

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 The Council in accordance with its responsibilities to manage health and safety, approved a Council-wide Corporate Health and Safety Policy in April 2019. The policy sets out the Council’s approach to health and safety, the responsibilities for key staff for managing the system and the arrangements within the Council for monitoring health and safety.
- 1.2 A key objective from the Policy is to clarify and strengthen governance arrangements for health and safety across the Council.
- 1.3 The Policy outlines that the Cabinet has strategic responsibility for employee related health and safety in the Council and that the Audit and Governance committee's responsibilities are to consider the Council's arrangements for health and safety, receive regular assurances and assessments on the effectiveness of these arrangements.
- 1.4 The Policy also states that the Corporate Health and Safety Team is responsible for providing an annual report on Health and Safety to Cabinet on behalf of the Executive Director of Corporate Resources and Customer Services. This report is designed to meet this requirement.
- 1.5 Currently the Audit and Governance Committee receives an update on health and safety performance on a quarterly basis which includes the following information:
 - Progress on health and safety actions due to be undertaken during the quarter.
 - Updates on health and safety performance including accidents and incidents.
 - Any emerging legal or health safety related issues.
 - Proposed activity in the next quarter.

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2. Annual Report

- 2.1 The Annual Report for Health and Safety is designed to provide assurance to Cabinet of the continued progress to implement health and safety effectively across the Council. The progress update will assist Cabinet meet its strategic responsibility for employee health and safety.
- 2.2 Providing an annual report to Cabinet on health and safety will assist in the achievement of the health and safety objective, including in the Corporate Health and Safety Policy, of improving governance.
- 2.3 The Annual Health and Safety Report is attached at Appendix 1 and includes updates on:
- Covid-19
 - The organisational arrangements for Health and Safety
 - Consultation and communication
 - Liaison during the year with regulatory authorities
 - Details of the reported accidents and incidents during the financial year
 - Training
 - Risk Assessments
 - Sefton Schools
 - Objectives, KPIs and Priorities for 2021/2022
 - Priorities and challenges 2022/23
- 2.4 The key highlights from the report include:
- 2.5 The Council continues to focus on improving the health and safety management system and support by reviewing existing arrangements and improving governance.
- 2.6 The Corporate Health and Safety Team consisted of two health and safety advisers, with an additional temporary adviser on a six-month fixed term contract joining late August 2021. The team support nearly 8000 staff across schools and service areas, plus agency workers, contractors, and volunteers. Additional support is provided to commercial clients from educational settings.
- 2.7 The team deliver a range of services across all Council and school premises, land, and activities. These services can be divided into three main areas: policy and communication, operational reactive response, and active monitoring.
- 2.8 Information, guidance, and support regarding the risk of the transmission of COVID-19 and impacts on staff has been significant, as services adjust to varying national restrictions.
- 2.9 Consultation arrangements are working well, with the Corporate Health and Safety Committee playing a key role in conjunction with the Departmental Health and Safety Committees.
- 2.10 The health and safety position within Sefton Council has demonstrated encouraging progress during the financial year. The Council's accident reporting

culture is improving and showing signs of increased proportionate investigation and implementation of suitable controls. The on-line incident reporting system continues to be well utilised.

- 2.11 The Schools Service Level Agreement has been reviewed as well as the inspection and audit processes revitalised. Desktop audits remained in place due to uncertainty of Covid-19 rates, however, there has been an increase in site visits and inspections.
- 2.12 Health and safety objectives and key performance indicators are continually reviewed. Progress against the objectives has been impacted by the requirement to respond to the on-going COVID-19 pandemic. This will be managed by the continual review and reshaping of the service delivery to assist the Council to meet its obligations and to provide managers and staff with the relevant support.
- 2.13 Progress has been made on providing risk assessment training to all managers who have responsibility for completing risk assessments.
- 2.14 The Corporate Health and Safety team are continuing to develop the training needs analysis. This will assist managers in the identification and status of statutory and mandatory training requirements.
- 2.15 The growth of the Corporate Health and Safety Team will increase the advice, guidance, monitoring, and support available for managers and staff across the Council, improving the appropriateness and effectiveness of the health and safety management system.
- 2.16 The impact of Covid-19 on the work of the Health and Safety Team was significant at the outset of the year and has steadily declined during the current year.

3. Progress Since April 2022 on Health and Safety

- 3.1 The focus for 2022/2023 has been on:
 - Supporting service areas to commit to the objectives and develop and improvement plan to highlight progress, lessons learnt and health, safety, and wellbeing achievements.
 - A programme of training and campaigns to support leadership and management, and influence safety culture change.
 - The review and updating of the Corporate Health, Safety and Wellbeing policy and testing of the emergency arrangements across Council settings.
- 3.2 Resource continues to be a challenge to ensure that there is appropriate and effective support across the Council, Sefton schools (where the Council are the employer) and for schools who have paid for the Council to act as the 'competent person under the Management of Health and Safety at Work Regulations 1999. A Single Point of Contact i.e., Health, Safety and Wellbeing Coordinator is being appointed across each service area. They are not advisers who are competent but will assist with communication and support.
- 3.3 Standards, template forms and table-top talks are being created and uploaded to the intranet to ensure there is a robust consistent management system available

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for implementation by Directors and Service Managers, with ongoing support from the Corporate Health and Safety team.

- 3.4 Progress on the completion and review of risk assessments has continued throughout the year, for both general workplace hazards and the transmission of COVID-19. The team are working with Assistant Directors and Service Managers to develop a culture of hazard identification at the earliest opportunity rather than following any change, implementation of planned, suitable internal risk control measures with supporting procedures, consultation, management and staff and training, and effective monitoring of workplaces, activities, and behaviours.
- 3.5 Training forms a key element for rolling out requirements, influencing behaviours and maintaining management and staff competencies. Work continues on the completion of the training needs analysis to highlight the legal i.e., statutory as well as mandatory training requirements. This includes induction and subjects relating to workplace hazards. The Corporate Health and Safety Team are working with the Workforce Learning and Development Team to review existing health and safety training provision, identify gaps and propose or provide solutions.
- 3.6 Service areas and Sefton Schools are actively supported to report, undertake proportionate investigations, close out agreed actions and monitor incidents. It is recognised that incident data currently includes pupils and members of the public which can influence the outcome of the analysis. The current reporting systems are under review to provide greater clarity between staff, pupils and members of the public in the statistics that are produced to aid more effective analysis.
- 3.7 Types of incidents such as near misses and hazardous events, and effects including poor mental health, muscular skeletal disorders, and injury from acts of violence are increasingly included in reports. Audits ensuring workstation equipment and security arrangements are planned and recommendations will be shared via the Health and Safety Committees and Departmental Management Team Meetings.

Corporate Health and Safety Annual Report

1st April 2021 – 31st March 2022

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1. Introduction

- 1.1 For legal and moral purposes, Sefton Council is required to actively manage and monitor health and safety. The primary legal constraints arise out of the Health and Safety at Work etc. Act 1974 and the Management of Health and Safety at Work Regulations 1999. This report provides an overview of the Council's health and safety performance from 1 April 2021 to 31 March 2022. Attention is drawn to key issues that have arisen during this period and highlights ongoing priorities to be addressed.
- 1.2 The priorities for the year 2021/2022 include:
 - Embedding risk assessment across Council departments,
 - Clarifying and strengthening governance arrangements,
 - Improving health and safety risk management by targeting effective training.
- 1.3 Throughout the report the term 'Health and Safety' is used and should be read within the context of occupational health, safety, and wellbeing issues for which Sefton Council (the Council) has responsibility under both statute and common law.
- 1.4 The Council's Health and Safety Policy was revised during the 2018/2019 financial year and will be presented again to the Corporate Health and Safety Committee and Strategic Leadership Board (SLB) for consultation before being approved by Cabinet in late 2022/23.

2. Executive Summary

- 2.1 The Council continues to focus on improving the health and safety management system and support by reviewing existing arrangements and improving governance.
- 2.2 The Corporate Health and Safety Team consisted of two health and safety advisers, with an additional temporary adviser on a six-month fixed term contract joining late August 2021. The team support nearly 8000 staff across schools and service areas, plus agency workers, contractors, and volunteers. Additional support is provided to commercial clients from educational settings.
- 2.3 The team deliver a range of services across all Council and school premises, land, and activities. These services can be divided into three main areas: policy and communication, operational reactive response, and active monitoring.
- 2.4 Information, guidance, and support regarding the risk of the transmission of COVID-19 and impacts on staff has been significant, as services adjust to varying national restrictions.
- 2.5 Consultation arrangements are working well, with the Corporate Health and Safety Committee playing a key role in conjunction with the Departmental Health and Safety Committees.
- 2.6 The health and safety position within Sefton Council has demonstrated encouraging progress during the financial year. The Council's accident reporting culture is improving and showing signs of increased proportionate investigation and implementation of suitable controls. The on-line incident reporting system continues to be well utilised.

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- 2.7 The Schools Service Level Agreement has been reviewed as well as the inspection and audit processes revitalised. Desktop audits remained in place due to uncertainty of Covid-19 rates, however, there has been an increase in site visits and inspections.
- 2.8 Health and safety objectives and key performance indicators are continually reviewed. Progress against the objectives has been impacted by the requirement to respond to the on-going COVID-19 pandemic. This will be managed by the continual review and reshaping of the service delivery to assist the Council to meet its obligations and to provide managers and staff with the relevant support.
- 2.9 Progress has been made on providing risk assessment training to all managers who have responsibility for completing risk assessments.
- 2.10 The Corporate Health and Safety team are continuing to develop the training needs analysis. This will assist managers in the identification and status of statutory and mandatory training requirements.
- 2.11 The growth of the Corporate Health and Safety Team will increase the advice, guidance, monitoring, and support available for managers and staff across the Council, improving the appropriateness and effectiveness of the health and safety management system.
- 2.12 The impact of Covid-19 on the work of the Health and Safety Team was significant at the outset of the year and has steadily declined during the current year.

3. COVID–19 Pandemic

- 3.1 The Corporate Health and Safety Team were actively involved during the pandemic from the outset playing a strategic and operational role providing support, guidance and assistance to Schools, Senior Management and Service Team colleagues. The team worked closely with Public Health colleagues to ensure that advice provided to operational team was given in line with Government guidance.
- 3.2 Protecting staff has been key to our approach although guidance from the Government changed frequently as the pandemic progressed, clear communication has been key in sharing the latest position. Support and guidance on the how to work safely for example on developing risk assessments has been provided at pace to the Service teams as well as joint working across the Council with Senior Managers including Public Health. The focus during the year has gradually altered to returning safely back to the office and workplace providing guidance and support
- 3.3 The pandemic has had two impacts. Firstly, in reinforcing the importance of an effective health and safety structure in the Council in preventing injury and harm to employees, contractors, and the public. In addition, the response to the pandemic has impacted on the delivery of planned health and safety improvements during the financial year although the impact has steadily reduced during the financial year.

4. Organising for Health and Safety

- 4.1 The Council has a Corporate Health and Safety department within Corporate Resources and Customer Services who provide health and safety advice to Members, Officers, school governors, headteachers, partner organisations and contractors. To provide additional support during the Covid-19 pandemic further

temporary resources have been recruited. The team is based within Risk and Audit which is part of the wider Finance team.

- 4.2 The Corporate Health and Safety Team liaise with other services and teams within the Council regarding Corporate Personnel, Occupational Health, Workforce Learning and Development, Insurance, Emergency Planning, and Public Health.

5. Consultation and Communication

- 5.1 Employers have a duty to consult with their employees and representatives on health and safety matters. The process for consultation with Trade Unions and staff in Sefton is direct and through the Health and Safety Committee structure, as outlined in the Corporate Health and Safety Policy.
- 5.2 The overarching Corporate Health and Safety Committee meets quarterly and is chaired by the Executive Director of Corporate Resources and Customer Services with the various Sub-Committees meeting at least bi-annually. The table below shows the Health and Safety Committee and its Sub-Committee meetings held during the 2021/2022 financial year.

Committees	Dates
Corporate Health and Safety Committee	16/06/2021, 17/09/2021, 10/12/2021, 23/03/2022
Sub-committees:	
Adults / Children Social Care	25/05/2021, 08/10/2021, 21/03/2022
Communities	Monthly – last Friday of each month.
Corporate Resources / Public Health	26/05/2021, 25/08/2021, 29/11/2021, 16/02/2022
Locality Services / Highways and Public Protection	09/06/2021, 31/08/2021. Committee split December 2021
Economic Growth and Housing	14/06/2021, 26/08/2021. Committee merged December 2021
In-house Operational Services (Formerly Locality Services)	New committee from December 2021 – 17/03/2022
Economic Growth and Housing / Highways and Public Protection	New committee from December 2021 – 09/12/2021, 09/03/2022

- 5.3 There was a restructure in late 2021/22 of the Committee structures with:
- Economic Growth and Housing and Highways and Public Protection merged due to similar health and safety arrangements.
 - In-house Operational Services (Formerly Locality Services) was established as a stand-alone sub-committee.
- 5.4 Regular meetings are held with Education Excellence and the STJCC (School Teachers Joint Consultation Council) and involve staff, Head Teachers, and Trade Unions.

6. Liaison with Regulatory Bodies

- 6.1 The Council has routinely liaised with the Health and Safety Executive (HSE) during the financial year on the reporting of RIDDOR related incidents and COVID-19 spot checks. The HSE continue to monitor the Council's COVID-19 arrangements.

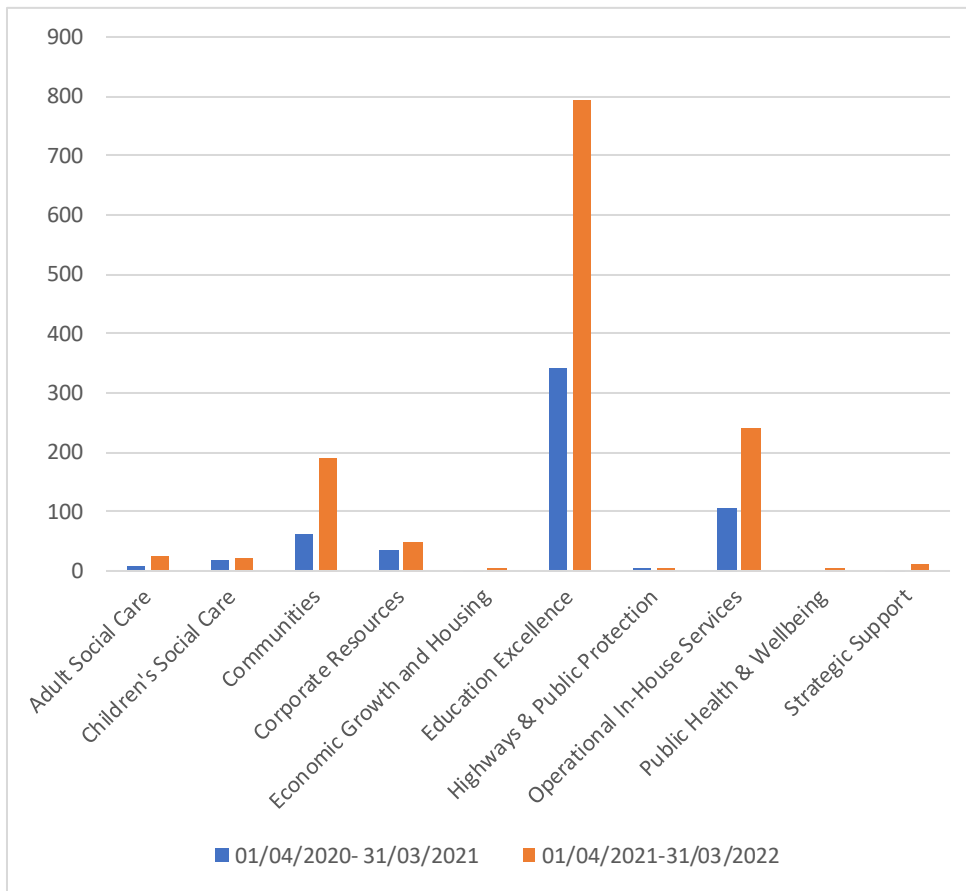
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7. Accidents and Incidents

7.1 The Corporate Health and Safety Team continue to manage the Council’s on-line incident reporting system which is used by all service areas.

7.2 The aim of reporting is to ensure suitable proportionate investigation leading to the implementation of effective controls and monitoring to prevent re-occurrence. High levels of reporting could demonstrate a positive reporting culture or a high risk.

7.3 **Graph 1** below shows the accidents and incidents reported between 1st April 2021 – 31st March 2022. It also shows the accidents and incidents from the previous financial year (1st April 2020 – 31st March 2021).



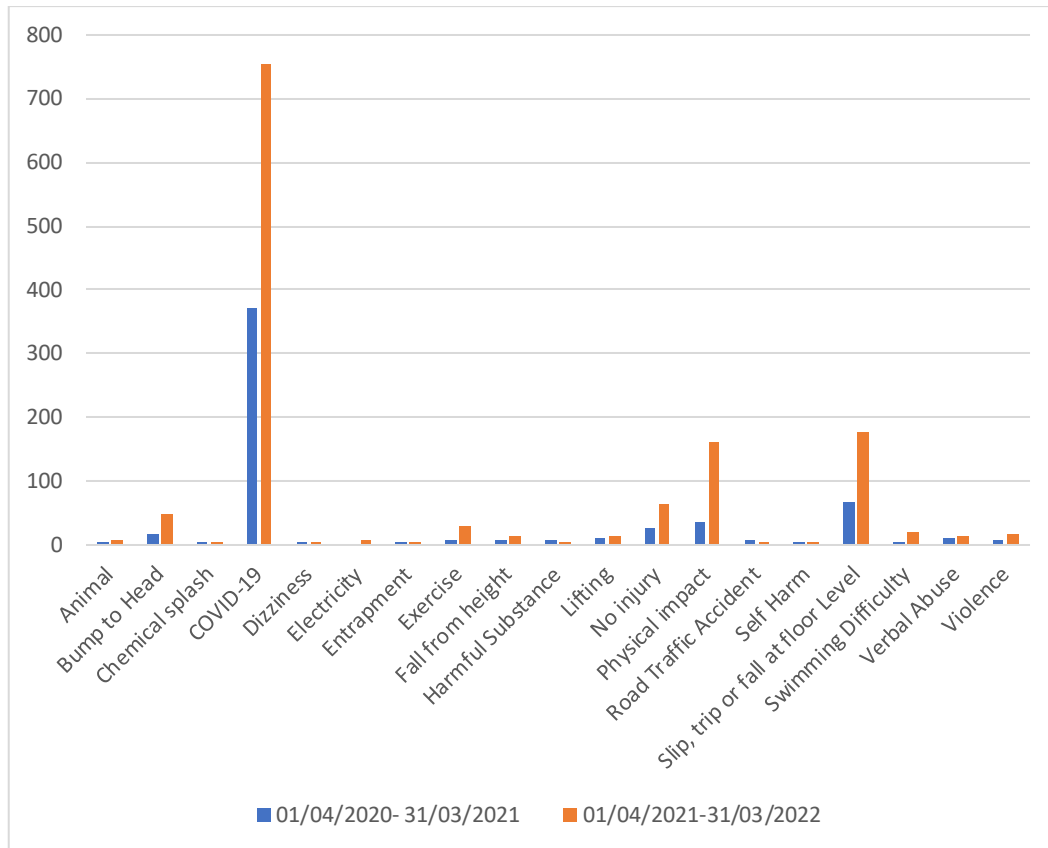
Graph 1 – Accidents and Incidents Reported Across All Service Areas
01/04/2020 -31/03/2021 and 01/04/2021 – 31/03/2022

7.4 Analysis of the reports raised highlights areas services areas that are now fully operational albeit with restrictions during the pandemic, including Communities, Education Excellence and Operational In-house Services.

7.5 Information affecting Adult Social Care and Children’s Social Care staff health and safety is provided during meetings and therefore not captured formally. Support is being provided to Service Managers to encourage accident and incident reporting, proportionate investigation, and prevention of reoccurrence where possible.

7.6 **Graph 2** below provides an overview of the causes of accidents and incidents raised and highlights the increase in COVID-19 cases across the Council service

and educational settings. A comparison of results with the previous 12 months is clearly identified.



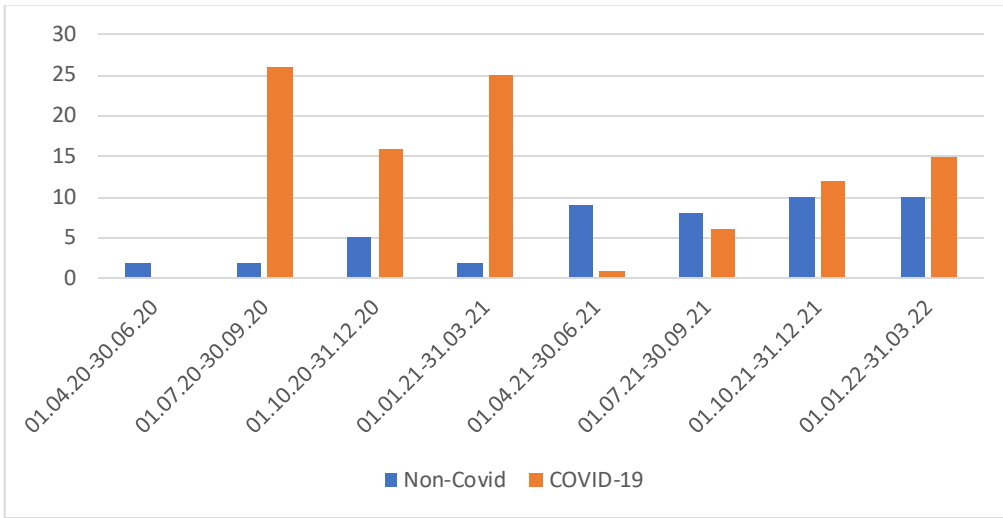
Graph 2: Causes of Accidents and Incidents Reported
01/04/20 – 31/03/21, 01/04/21 – 31/03/22

- 7.7 Managers were asked during the financial year to report all COVID-19 cases, whether or not they are due to workplace transmission. This has assisted in the assessment and review of the health of staff and others and service delivery.
- 7.8 Slips, trips, falls and physical impact accident reports are consistent with the reopening of service areas. Analysis suggests that figures were lower due to restrictions and limited operations throughout the pandemic.
- 7.9 Education Excellence and Communities record the highest number of accident and incident reports. This could be due to the number of staff and interactions with children and the public. It is recognised that data including members of the public (and pupils) will unduly influence the data provided. The recording system and process is under review to ensure clarity of staff and public statistics to aid effective analysis.
- 7.10 Data shows that the slips, trips, falls and physical impact accidents commonly arise from pupils during playtime sessions rather than Council employees.
- 7.11 Service Areas are appointing Health, Safety and Well-being Coordinators to act as single point of contact on health, safety and well-being matters and a key link between the Service Area Departmental Management Team, their respective Health and Safety Committee and the Corporate Health and Safety Team. They will be supporting initiatives to drive reporting, investigation and sharing of lessons

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learnt within their Service Areas, with the aim of improving the culture and performance.

7.12 The Corporate Health and Safety Team continue to monitor the RIDDOR accidents reported by Managers to ensure they are correctly reported to the Health and Safety Executive (HSE) and investigated with appropriate interventions implemented to prevent re-occurrence where possible. **Graph 3** below details the number of accidents and incidents reported under Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) for the period from 1st April 2021 to 31st March 2022. This is to highlight the current upward trend in RIDDOR reports, mostly due to the pandemic.



Graph 3 – RIDDOR Reports - Comparisons by Quarter, Highlighting COVID-19 and other reports 01/04/2020 – 31/03/2022

7.13 **Graph 4** highlights the causes for non-COVID RIDDOR reports, to assist in the analysis of reports raised.



Graph 3 – RIDDOR Reports
Non-COVID causes of accident and incidents report raised under RIDDOR
01/04/2020 – 31/03/2022

7.14 Certain types of are reported to the Health and Safety Executive under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 include:

- Deaths and injuries caused by workplace accidents:
 - Specified Injuries to workers,
 - Injuries to workers which result in their incapacitation for more than 7 days, whether they remain away from work or attend work but are unable to carry out their 'normal' working for over 7 days,
 - Injuries to non-workers i.e., the public, which result in them being taken directly to hospital for treatment,
- Occupational diseases,
- Carcinogens mutagens and biological agents (including COVID-19),
- Dangerous occurrences, or
- Gas incidents.

7.15 The table below provides a breakdown of the RIDDOR reports raised in the past two financial years for 1 April 2020 to 31 March 2021 and 1 April 2021 to 31 March 2022 highlighted in 7.12 – 7.13.

Table 1 – Causes of RIDDOR reports for the financial years 2020/21 and 2021/22

RIDDOR Reports - Causes	1st April 2020 - 31st March 2021		1st April 2021 - 31st March 2022	
Reported as injury or ill-health				
Contact with animal.	None	0	Collision with own pet, on walk.	1
COVID-19.	Evidence of workplace transmission.	67	Evidence of workplace transmission.	34
Electrical accident.	None	0	Resulting in burn.	1
Fall from height.	Children.	3		4
Physical impact.	Contact with another person, or object e.g., during play or sport	2		12
Road traffic incident.	Resulting in harm to a person.	2	None	0
Slip, trip, fall at floor level.		3		14
Verbal abuse / physical attack.	None	0	x2 Resulting in fractures.	3
Reported as Dangerous Occurrence				
Falling object.	None	0	Heavy metal door fall. No injuries.	1
Road traffic incident.	Property damage - to building.	1	None	0

7.16 During the pandemic, there has been a requirement to report to the HSE certain instances of COVID-19. The reporting requirements relating to cases of, or deaths from COVID-19 under RIDDOR (until end of March 2022) apply only to occupational exposure, that is, because of a person's work:

- An accident or incident at work has, or could have, led to the release, or escape of coronavirus (SARS-CoV-2). This must be reported as a dangerous occurrence,
- A person at work (a worker) has been diagnosed as having COVID-19 attributed to an occupational exposure to coronavirus. This must be reported as a case of disease,

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- A worker dies because of occupational exposure to coronavirus. This must be reported as a work-related death due to exposure to a biological agent. The council are required to maintain its normal records for instances where the case may not strictly fall into these categories.

- 7.17 Areas during 2021/22 that were significantly affected by workplace transmission of COVID-19 were Education Excellence, Communities and Operational In-house Services, where front line staff continued to support Council services to vulnerable families and individuals. Managers and Head Teachers continue to review Central Government, national and local Public Health and health and safety guidance, risk assessments, the suitability of control measures and monitoring arrangements.
- 7.18 Other RIDDOR reports have mostly been due to fractures from slips and falls. A number are for minor injuries resulting in staff being away from work or unable to carry out normal working for over seven days.
- 7.19 The health and safety advisers continue to raise awareness of the benefits of reporting via the Departmental Health and Safety Committees.

8. Training

- 8.1 Workforce Learning and Development continue to offer a health and safety programme of health and safety courses. E-learning has increased due to the pandemic and restrictions placed on attending classrooms for adult learning. The Health and Safety e-learning course is included in the suite of Sefton Councils suite of mandatory training and must be completed annually by all Council employees.
- 8.2 There is a new Council corporate induction programme in place. There is a legal requirement to provide a health and safety induction to anyone who works for or with Sefton Council. This includes employees at all levels, agency workers, contractors and consultants, and volunteers. This is achieved through the New Starter induction checklist and the completion of the mandatory health and safety e-learning training which was introduced in 2021/22 for all staff.
- 8.3 During 2021/22 902 employees were registered to complete the mandatory e-learning Health and Safety training of which 672 completed it, 22 are in process and 208 had not started the training. The Workforce Training Team have also launched the following e-learning courses which are role specific and the current numbers of staff that have completed the training is detailed in the table below. The performance will be discussed at the Corporate Health and Safety Committees during 2022/23.

Table 2 – Details of role specific training and the numbers of staff that have completed the training during 2021/22

Role specific e- learning	Nos. of staff completing training during 2021/22
Asbestos Awareness	4
Control Of Substances Hazardous to Health	24
Fire Safety at Work	71
Food Safety and Hygiene Level 2 in Catering	162
Manual Handling at Work	1
Manual Handling at Work 2021	59
Workplace Risk Assessment	53

Workstation and Display Screen Equipment	181
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- 8.4 The training needs analysis being developed by the Corporate Health and Safety team will assist managers in the identification and status of statutory and mandatory training requirements. The training must be aligned to the risks identified within health and safety risk assessments and overall risk registers. It must be embedded into the Councils induction and training programme for staff and managers at all levels.
- 8.5 The one-day Educational Visits Coordinator (EVC) courses planned for 2021/2022 continue to be held on-line. The course covers aspects of the law related to educational visits, risk assessments of visits and the administrative requirements associated with off-site educational activities. The course is aimed at new and existing EVCs in schools and will enable them to plan and manage their school's educational visits and off-site activities in line with National Guidance, this in turn will help them fulfil their health and safety responsibilities.

9. Risk Assessment

- 9.1 Considerable support is being provided to Council Service and Schools Teams and this remains challenging for all involved with the monitoring, review and updating of risk assessments as service delivery increases.
- 9.2 Responsibilities remain with Directors, Heads of Service, Service Managers, School Governors, Head Teachers, and School Leadership Teams to ensure robust risk management and emergency arrangements are in place. This includes driving the completion of risk assessments, highlighting hazards, appropriate internal controls (engineering controls to policy and arrangements to affect behaviours), consultation and communication with those affected, monitoring of suitability and sufficiency of arrangements and people response.
- 9.3 The Corporate Health and Safety Team are developing supporting tools using the intranet for Council Service Teams and Sefton Education On-line for schools. Template forms, examples and guides are available. SharePoint pages facilitate the sharing of risk assessments between the Corporate Health and Safety Team and Trade Unions.

10. Sefton Schools

- 10.1 During this financial year, the Schools Service Level Agreement for health and safety and the inspection regime, which forms part of the service, was reviewed. A revised methodology was introduced to provide a risk-based audit regime that aims to provide assurance to the school's governing bodies as well as the Council that the schools had an effective health and safety system in place.
- 10.2 The Schools Service Level Agreement has been reviewed as well as the inspection and audit processes revitalised. Desktop audits remained in place due to uncertainty of Covid-19 rates, however, there has been an increase in site visits and inspections.

11. Objectives, KPIs and Priorities 2021/2022

- 11.1 The Health and Safety Executive in their guidance titled HSG65 provides a framework of activity that should be in place to manage health, safety, and

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wellbeing effectively. One of the areas that should be included within an organisation’s health, safety and wellbeing framework is the defining of performance measures for health, safety, and wellbeing. There are not prescribed, or generic performance indicators included although there is some guidance on assessing how risk are being controlled and if as an organisation it is achieving its health, safety and wellbeing aims.

11.2 There are three Health and Safety objectives included in the Corporate Health and Safety Policy which was approved by Cabinet in April 2020:

- Embedding risk assessments across the Council’s functions and service area,
- Clarify and strengthen the governance arrangement for health and safety,
- Improve competence of all staff to improve risk management by targeting effective health and safety training.

11.3 The 2022-2023 health and safety objectives, based on the HSG 65 model, have been aligned to the Council’s 2030 Vision and values are detailed in the table below. The Key Performance Indicators have been developed and tracked to reflect the key current risks within the health, safety and wellbeing framework, the current operating environment in the Council and the delivery of key objectives. Refer to Appendix 1 for further detail.

Table 3 The alignment of the Council’s Health and Safety Objectives to the HSG65 model

HSG 65	Policy (Pledge)	Council Health and Safety Objectives
Legal Compliance	We are committed to ensuring risks are identified and appropriate arrangements are in place.	Clarify and strengthen governance arrangements.
		Examine, monitor, and maintain statutory and mandatory health, safety and wellbeing compliance across premises, property, and activities.
Leadership and Management	Safety, health, and wellbeing is incorporated in every leader’s role, planning and decision making.	Promote and develop safety, health, and wellbeing personal leadership skills across service areas.
		Support the continued evolution of appositive health, safety a wellbeing culture across Sefton Council.
		Develop and embed health, safety, and wellbeing performance indicators (KPIs) across service areas, monitoring the effectiveness of the policies, standards, and control measures.
Risk profiling	A safe place of work and safe ways of working are established - Risks to the physical and emotional health, safety and wellbeing of staff and others who may be affected are identified and appropriate arrangements are in place.	Embed suitable and sufficient risk assessments across the Council departments.
		Commit to occupational health monitoring, where applicable, to maintain and promote good health.
		Identify local service area risks and the required emergency response
		Maintain and evaluate accident and incident reports.
Staff Engagement	We actively engage with all staff and anyone who works at or with Sefton Council on health, safety, and wellbeing.	Support effective communication streams to ensure staff, agency workers and contractors are consulted (either directly or through their representatives) on issues relating to their health, safety,

HSG 65	Policy (Pledge)	Council Health and Safety Objectives
		and wellbeing.
Competent workforce	Training and instruction are provided to anyone working at Sefton Council to ensure they understand the health, safety, and wellbeing risks and that they can carry out their tasks safely.	Improve the health, safety, and wellbeing competence of all Council staff by targeting effective health, safety, and wellbeing training across the Council.

11.4 To meet the objectives, and despite the impact of the pandemic, progress has been achieved in the following areas:

- Provision of updates / briefings in a variety of mediums to support communication. In addition, presentations to departmental committees to support sharing of information, trends, legal and policy updates, and feedback.
- Support on operational recovery from COVID-19, with regular briefing papers and updates for managers and staff. Support to re-introduction of school trips, Council meetings, activities and event, development, and review of risk assessments.
- Corporate and sub-committee annual programme, with standard core agenda and formal reports and papers.
- Programme created for the design and development of corporate health, safety, and wellbeing arrangements.
- Development of arrangements (policies, minimum standards, and guidance), management tool kits and downloadable information on the intranet, working with subject matter experts, for the implementation of effective planning, organisation, control, monitoring and review of the preventive and protective measures that come from risk assessment.
- Development of intranet and downloadable briefings to inform of statutory and mandatory requirements for occupational health (physical and emotional) monitoring, reasonable adjustments and Council led initiatives / interventions. Intranet and downloadable briefings signpost where staff may experience physical or emotional health issues - whilst at work, arising from work activities or impacting (i.e., not work related) on work activities.
- Collaborate working with other service areas and departments to deliver a programme of staff engagement campaigns. The aim is to maintain and improve the health, safety, and wellbeing of staff.
- Sampling review of risk assessments completed by Managers to confirm availability, suitability, and sufficiency.
- Provision, support, and monitoring of a robust accident, incident and near miss (adverse events) reporting process, investigation, and corrective action plans.
- Investigation support where there is non-compliance and sharing of lessons learnt.
- Provision of data, updates, trend analysis for all reports and highlight RIDDOR reporting causes and corrective actions within service areas.
- Support the communication of data, trend analysis and lessons learnt through H&S committees, staff forums and Risk and Audit reports.
- Review and development of the auditing model and generation of a new audit plan. Programme includes - Premises (Incl. schools), vehicles, plant and equipment, activities / operations.
- Delivery of desk top audits (services and schools), supported by verification onsite inspections when COVID rates permitted.

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12. Priorities and Challenges for 2022/2023

- 12.1 The focus for 2022/2023 will be on:
- Supporting service areas to commit to the objectives and develop and improvement plan to highlight progress, lessons learnt and health, safety, and wellbeing achievements.
 - A programme of training and campaigns to support leadership and management, and influence safety culture change.
 - The review and updating of the Corporate Health, Safety and Wellbeing policy and testing of the emergency arrangements across Council settings.
- 12.2 Resource continues to be a challenge to ensure that there is appropriate and effective support across the Council, Sefton schools (where the Council are the employer) and for schools who have paid for the Council to act as the 'competent person under the Management of Health and Safety at Work Regulations 1999. A Single Point of Contact i.e., Health, Safety and Wellbeing Coordinator is being appointed across each service area. They are not advisers who are competent but will assist with communication and support.
- 12.3 Standards, template forms and table-top talks are being created and uploaded to the intranet to ensure there is a robust consistent management system available for implementation by Directors and Service Managers, with ongoing support from the Corporate Health and Safety team.
- 12.4 Progress on the completion and review of risk assessments has continued throughout the year, for both general workplace hazards and the transmission of COVID-19. The team are working with Assistant Directors and Service Managers to develop a culture of hazard identification at the earliest opportunity rather than following any change, implementation of planned, suitable internal risk control measures with supporting procedures, consultation, management and staff and training, and effective monitoring of workplaces, activities, and behaviours.
- 12.5 Training forms a key element for rolling out requirements, influencing behaviours and maintaining management and staff competencies. Work continues on the completion of the training needs analysis to highlight the legal i.e., statutory as well as mandatory training requirements. This includes induction and subjects relating to workplace hazards. The Corporate Health and Safety Team are working with the Workforce Learning and Development Team to review existing health and safety training provision, identify gaps and propose or provide solutions.
- 12.6 Service areas and Sefton Schools are actively supported to report, undertake proportionate investigations, close out agreed actions and monitor incidents. It is recognised that incident data currently includes pupils and members of the public which can influence the outcome of the analysis. The current reporting systems are under review to provide greater clarity between staff, pupils and members of the public in the statistics that are produced to aid more effective analysis.
- 12.7 Types of incidents such as near misses and hazardous events, and effects including poor mental health, muscular skeletal disorders, and injury from acts of violence are increasingly included in reports. Audits ensuring workstation equipment and security arrangements are planned and recommendations will be

shared via the Health and Safety Committees and Departmental Management Team Meetings.

Appendix 1: Health and Safety Performance against Key Objectives

Ref.	HSG 65	Policy (Pledge)	Council Objectives	Objective Key Performance Indicators (All Council)	Corp H&S Team OBJ KPIs Actions
OBJ-1	Legal Compliance	We are committed to ensuring risks are identified and appropriate arrangements are in place.	Clarify and strengthen governance arrangements.	Review, update and obtain approval of Corporate Health, Safety and Wellbeing Policy in accordance with the review timetable.	Review, update and obtain approval of Corporate Health, Safety and Wellbeing Policy in accordance with the review timetable.
			Examine, monitor, and maintain statutory and mandatory health and safety compliance across premises, property, and activities.	Provide and review programmes and evidence of monitoring of actions to completion.	Programme for the design and development of Corporate Health, Safety and Wellbeing arrangements Maintain and deliver audit programme and provide feedback. Programme to include - Premises (Incl. schools), vehicles, plant and equipment, activities / operations. Support investigations where there is non-compliance and share lessons learnt.
OBJ-2	Leadership and Management	Safety, health, and wellbeing is incorporated in every leader's role, planning and decision making.	Promote and develop safety, health, and wellbeing personal leadership skills across service areas.	Annual report to be accepted by the Corporate Health and Safety Committee and provided to Cabinet on health and safety performance across the Council.	Design of and seek approval of a health and safety report to Cabinet to ensure that members can discharge their strategic responsibilities for health and safety including building management. Annual Committee programme. Ensure that Corporate Health and Safety Committee occurs on a quarterly basis to ensure that key activity is undertaken. Ensure that Health, Safety and Wellbeing Sub-Committees are held on a six-monthly basis. Ensure there is a standard core agenda used for all internal health and safety committees within Sefton. Ensure that there are formal reports provided to the Corporate Health and Safety Committee on a regular basis.
			Support the continued evolution of positive health, safety and wellbeing culture across Sefton Council.	Engage with programmes to improve perceptions of risk and behaviours.	Create a programme of training and campaigns to support leadership and management, and influence safety culture change.
			Develop and embed health and safety performance indicators	Through Departmental Management Team (DMT) meetings, monitor health	Support DMTs to deliver KPIs and update improvement plans.

Ref.	HSG 65	Policy (Pledge)	Council Objectives	Objective Key Performance Indicators (All Council)	Corp H&S Team OBJ KPIs Actions
			(KPIs) across service areas, monitoring the effectiveness of the policies, standards, and control measures.	and safety performance and update the improvement plan for the service areas. Provide updates at health and safety committees, sharing good practice and lessons learnt.	Attend at least one DMT for each service area to appreciate challenges and to provide support leadership teams.
OBJ-3	Risk Profiling	A safe place of work and safe ways of working are established - Risks to the physical and emotional health, safety and wellbeing of staff and others who may be affected are identified and appropriate arrangements are in place.	Embed suitable and sufficient risk assessments across the Council departments.	Promote the implementation of effective preventive and protective measures and engage in a programme of monitoring and review.	Develop and communicate arrangements (policies and guidance) for the implementation of effective planning, organisation, control, monitoring and review of the preventive and protective measures that come from risk assessment.
				Ensure the availability of documented risk assessments and share findings with staff.	Undertake sampling review of risk assessments completed by Managers to confirm availability, suitability, and sufficiency.
			Commit to occupational health monitoring, where applicable, to maintain and promote good health.	Identify and refer staff where occupational health monitoring is a statutory requirement, in response to health and wellbeing need and support initiatives to promote good health and safety behaviours.	Inform where there are statutory and mandatory requirements for occupational health (physical and emotional) monitoring, reasonable adjustments and Council led initiatives / interventions. Signpost where staff may experience health issues - whilst at work, arising from work activities or impacting (i.e., not work related) on work activities.
			Identify local service area risks and the required emergency response.	Provide where required, communicate, and engage with testing of emergency arrangements (plans).	Develop, review and test emergency arrangements across Council settings.
			Maintain and evaluate accident and incident reports.	Promote reporting of all accidents, incidents and near misses (adverse events), supporting proportionate investigation of these adverse events and implementation of corrective actions to prevent reoccurrence.	Provide, support, and monitor robust accident, incident and near miss (adverse events) reporting, investigation and corrective action plans.
				Review accidents, incidents, and work-related health conditions, including those reported under RIDDOR.	Provide data, updates, trend analysis for all reports and highlight RIDDOR reporting causes and corrective actions within service areas.
				Share 'lessons learnt' from findings of investigations reports, and service area vulnerabilities identified during monitoring, audit, and review	Support the communication of data, trend analysis and lessons learnt through H&S committees, staff forums and Risk and Audit reports.

Ref.	HSG 65	Policy (Pledge)	Council Objectives	Objective Key Performance Indicators (All Council)	Corp H&S Team OBJ KPIs Actions
				processes (SLB, DMT, etc)	
OBJ-4	Staff Engagement	We actively engage with all staff and anyone who works at or with Sefton Council on health, safety, and wellbeing.	Support effective communication streams to ensure staff, agency workers and contractors are consulted (either directly or through their representatives) on issues relating to their health and safety.	Provide informal (discussion, feedback) and formal opportunities (staff performance reviews, 1 to 1s, agenda item at every team meeting, DMT, SLB).	Audit meetings to ensure effective engagement is in place.
				Appropriate levels and forms of information, instruction, supervision, and training are provided to enable staff to work in a safe and healthy manner.	Audit arrangements ensure effective information, instruction, supervision, and training is in place. Provide quarterly updates / briefings in a variety of mediums to support communication.
				Promote collaborative working and staff engagement with health, safety and wellbeing campaigns and initiatives.	Provide presentations to departmental committees to support sharing of information, trends, legal and policy updates, and feedback. Working collaboratively with other service areas and departments, deliver a programme of staff engagement campaigns, working to maintain and improve the health, safety and wellbeing of staff.
OBJ-5	Competent Workforce	Training and instruction is provided to anyone working at Sefton Council to ensure they understand the health and safety risks and that they can carry out their tasks safely.	Improve the health and safety competence of all Council staff by targeting effective health and safety training across the Council.	Embed a programme of training from induction to specialist hazard management training into service areas, for new starters, or where staff change roles. This is to include changes in any health and safety responsibilities.	Develop the health, safety, and wellbeing aspects of the training needs analysis.
				Key staff / 'responsible persons' undertake appropriate training to enable them to carry out their role.	Provide progress reports to the Health and Safety Committees and forums.
					Identify and communicate training requirements, including frequency of refresher training and monitor for completion.

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Report to:	Cabinet	Date of Meeting:	Thursday 9 March 2023
Subject:	Financial Management 2022/23 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2022/23 - March Update		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Leader of the Council		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform **Cabinet** of:

- 1) The current 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 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.

Recommendation(s):

Cabinet is recommended to:

Revenue Budget

- 1) Note the current position relating to the 2022/23 revenue budget.
- 2) Note the actions being taken to offset the budget pressures being faced in 2022/23.
- 3) 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.
- 4) 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.

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Capital Programme

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

Council Tax Support Fund

- 8) Note 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.
- 9) Approve 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) Approve 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) Approve 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 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 £2.239m is currently forecast and that further mitigating actions will be required to ensure the Council returns to a balanced forecast outturn position-if these actions are not available within the approved budget, existing reserves and balances maybe used.

(B) Capital Costs

The Council’s capital budget in 2022/23 is £44.849m. As at the end of January 2023 expenditure of £26.898m has been incurred and a full year outturn of £43.493m is currently forecast.

Implications of the Proposals:

<p>Resource Implications (Financial, IT, Staffing and Assets): Currently an overspend position of £2.239m is forecast for 2022/23. Therefore, further mitigating actions will be required to ensure the Council returns to a balanced forecast outturn 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 or financial contributions will need to be identified and approved by members.</p>									
<p>Legal Implications: None</p>									
<p>Equality Implications: There are no equality implications.</p>									
<p>Climate Emergency Implications:</p> <p>The recommendations within this report will</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Have a positive impact</td> <td style="padding: 2px; text-align: center;">N</td> </tr> <tr> <td style="padding: 2px;">Have a neutral impact</td> <td style="padding: 2px; text-align: center;">Y</td> </tr> <tr> <td style="padding: 2px;">Have a negative impact</td> <td style="padding: 2px; text-align: center;">N</td> </tr> <tr> <td style="padding: 2px;">The Author has undertaken the Climate Emergency training for report authors</td> <td style="padding: 2px; text-align: center;">N</td> </tr> </table> <p>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.</p>		Have a positive impact	N	Have a neutral impact	Y	Have a negative impact	N	The Author has undertaken the Climate Emergency training for report authors	N
Have a positive impact	N								
Have a neutral impact	Y								
Have a negative impact	N								
The Author has undertaken the Climate Emergency training for report authors	N								

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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>
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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>
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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

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 7166/23)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 5366/23).

(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.

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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 those pressures continued across a number of service areas, that an overspend in the region of £2.2m was forecast. The report to September's Cabinet outlined that pressures had increased further, primarily as a result of the impact of the initial offer for the local government pay award and further pressure within Children's Social Care. A further remedial action plan was presented in the report and approved by Council. This took the total value of pressure that had been met in year to in excess of £20m.
- 1.4 This report includes the latest Council budget monitoring report as at January 2023 and thereby updates the revenue forecast outturn position for all services, including the pressures previously identified in the previous reports. The December position has informed next year's budget setting process in terms of financial issues that will continue into the next year and need to be addressed.
- 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 7.3 to 7.11 review progress of the capital programme. Finally, paragraphs 7.12 to 7.14 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 January 2023**

- 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 that were unforeseen at the time of setting the budget. 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. The report to September's Cabinet outlined that pressures had increased further, primarily as a result of the impact of the initial offer for the local government pay award and Children's Social Care. A forecast overspend of £7.743m was reported. A further remedial action plan was approved to meet these estimated costs during 2022/23. At this point the total value of these remedial plans is in excess of £20m for the year. However, it was acknowledged that pressures might increase further, particularly relating to assumptions around high-cost accommodation charges and the cost of agency staffing within Children's Social Care which required further financial modelling in order that a further accurate figure could be provided. It was also outlined that if these pressures materialised additional remedial actions would need to be implemented to ensure a balanced forecast outturn position, potentially including the adoption of financial principles used in previous years.
- 2.4 Since September's monitoring, there has been a worsening of the position relating to Adult Social Care and Children's Social Care but a reduction in forecast energy costs as well as savings across a number of other service areas. As at the end of January 2023, the forecast outturn shows a net overspend of **£2.239m**. 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. Proposed actions to meet this forecast overspend are outlined in paragraphs 2.8 to 2.11.
- 2.5 The table below highlights the variations across services that make up the £2.239m forecast overspend:

	Budget	Forecast Outturn	Variance	Variance to December
	£m	£m	£m	
Services				
Strategic Management	4.038	4.049	0.011	0.006
Adult Social Care	102.929	103.967	1.038	-0.362
Children's Social Care	52.876	71.604	18.728	0.828
Communities	18.611	17.463	-1.148	-0.182
Corporate Resources	5.673	4.940	-0.733	-0.106
Economic Growth & Housing	6.811	6.751	-0.060	0.100
Education Excellence	11.643	13.311	1.668	0.065
Health & Wellbeing	19.374	18.111	-1.263	-0.540
Highways & Public Protection	11.508	11.134	-0.374	0.018
Operational In-House Services	17.008	17.566	0.558	-0.021
Energy Costs	0.000	2.100	2.100	0.000
Additional Pay Award Provision	0.000	4.100	4.100	0.000

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Total Service Net Expenditure	250.471	275.096	24.625	-0.194
Council Wide Budgets	-5.604	-8.488	-1.641	-0.489
Levies	35.222	35.222	0.000	0.000
General Government Grants	(72.356)	(72.901)	-0.545	-0.545
Remedial Action Plan - June	0.000	-12.500	-12.500	0.000
Remedial Action Plan – September	0.000	-7.700	-7.700	0.000
Total Net Expenditure	207.733	209.972		
<u>Forecast Year-End Deficit</u>			<u>2.239</u>	<u>-1.228</u>

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

- **Adult Social Care** – Previous forecasts have assumed that the Adult Social Care budget will break-even during 2022/23. However, it was reported in December that there are some significant financial pressures arising due to increases in numbers of clients in nursing and residential as well as overspends in Supported Living and Day Care. Additional pressures including agency and consultancy costs are also being seen. It is currently forecast that there will be a net overspend of £1.038m, a reduction of £0.362m, mainly due to increases in forecast income. Further work is continuing to be undertaken to refine the forecasts, including around client numbers and associated income levels, as well as the achievement of savings from the Demand Management programme.
- **Children’s Social Care** – The current forecast for the service shows a potential overspend of £18.728m, an increase in the figure reported to Cabinet in February of £0.828m.

This increase since last month has been mainly driven by an increase in the forecast cost of independent residential provision of £0.713m – this is mainly as a result of a net increase of four new placements with some new placements being at a higher cost.

The service continues to see rising demand and further investigatory work is ongoing with partner agencies with the aim of addressing this. Overall, the overspend is made up of the following key areas:-

- Due to a significant number of vacancies within the service, especially with regard to Social Workers, the expenditure on agency staff has been £6.5m over the staffing budget. Within this £3.5m relates to managed teams as well as the costs of employing additional social workers to manage the additional casework brought about by the rising demand for services.
- At the start of the financial year as inflation took hold in the UK, unbudgeted for inflation on accommodation costs has resulted in an overspend of £1.2m; and,

- Since the July report a number of additional complex and high-cost placements have had to be entered into which have led to an overspend on this budget of £8.3m. Since the budget was set in March there has been an increase in Independent Residential Placements from 69 to 79. 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 substantial amounts per week.

Members will be familiar from previous reports that the service are working through options to address each of these issues. The introduction of the social worker academy with an annual cohort of 30 staff and the proposal to bring to the Council 25 international social workers will reduce the reliance on expensive agency workers and proposals around supporting children and development of in-house accommodation will support future budget planning and control in respect of accommodation costs. In addition, a fundamental review of the service's budget is being undertaken and from this a remedial plan is anticipated to be completed next month.

- **Education Excellence** – The current forecast shows a potential net overspend of £1.668m, with an overspend of £1.833m relating to Home to School Transport forecast. 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, particularly from September.
- **Operational In-House Services** The current forecast shows a potential overspend of £0.558m. 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. As reported in previous months, the Council has received updated information from the Council's framework providers on the fees being paid, as well as the potential benefit from the energy price cap for organisations. It is estimated that the net impact will be £2.100m. This will continue to be closely monitored as more information becomes available, including impact of the energy price cap. It should be noted that energy 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 1 November 2022, trade unions accepted the offer from the National Employers for local government services body 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. 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.

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From the above it can be seen that additional pressures of about £24.6m 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. Although many of the causes of pressures on children services are being seen nationally, there are many which are Sefton specific e.g., increases in numbers of Looked After Children and increases in accommodation and agency costs), however the energy and pay award pressures of £6.2m 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.

It can be seen from the Cabinet reports presented each month that the forecast overspend position on Children's Social Care has increased each month. The information provided in this report is based on the latest information provided by the service, however in light of the month on month increase this year there is a significant risk that this position will worsen further in the remaining three months of the year. Work has been done within the service to ensure that the decision-making controls are robust and effective to support financial control around agency expenditure and accommodation costs and it is essential that these are maintained and continually reviewed due to the unprecedented position that the service and the council is in. Work is being undertaken by the service to determine if further financial pressure is anticipated and this will be reflected in the next monitoring exercise that takes place.

Proposed Remedial Actions

- 2.7 As reported in the last three months, given there is still a forecast deficit it is proposed to undertake a number of remedial actions, including the adoption of financial principles used in previous years, to enable a balanced forecast outturn position to ensure its financial sustainability. The implemented actions are:

Recruitment Freeze

- 2.8 The Council has introduced a recruitment freeze until the end of the financial year. This will apply to all services across the Council with the exception of Adult Social Care, Children's Social Care, Cleansing, Early Help and Special Educational Needs and Disability. Savings from non-recruitment of current vacant posts are now built into the forecast outturn position. Savings from the non-recruitment to posts as they become vacant across the remainder of the year will be built into future forecasts.

No Further Overspend in any Service

- 2.9 All services must manage their budgets to ensure that their forecast outturn position does not worsen from that currently reported.

No Further Growth Items or Additionality

- 2.10 All services to pause any requests for growth or additionality, even if it could be funded from current forecast underspends or further underspends compared to the current forecast position. This will ensure that any further underspends can be used to contribute to mitigating the Council's overall financial position. This doesn't

apply to expenditure that can be fully met from external funding received by the Council.

Non-Essential Expenditure

2.11 A full review is currently being undertaken of all budgets across the Council to identify any areas of non-essential spend that could be stopped. This includes reviewing progress on spending in all areas to identify options for where additional expenditure commitments could be paused. This will identify further underspends that can be used to contribute to mitigating the Council's overall financial position. These options / areas of non-essential expenditure identified to date include:

- Agile / Hybrid Working – the Council set aside resources to fund changes to office accommodation for the move towards Agile / Hybrid working. As the works are nearly complete it is anticipated that some of these resources can be credited back to the revenue budget – current estimate is that £0.300m can be released.
- New Burdens funding – the Council has received new burdens funding relating to activity it has been asked to undertake on the Government's behalf. Whilst some has been required to fund additional costs incurred, some is effectively to fund activity undertaken by existing staff. Therefore, £0.100m is available to offset the existing forecast outturn position.
- Energy Reductions – given the additional pressures relating to energy costs the Council is reviewing various measures to reduce its energy consumption.

Summary 2022/23

2.12 After the implementation of the previously agreed remedial actions, an overspend of **£2.239m** is currently forecast. The proposed actions in paragraphs 2.8 to 2.11 will continue to be fully evaluated and at this stage their financial impact is anticipated to meet a proportion of the current forecast overspend, with a balance estimated at up to £1.8m remaining to be funded. However, this represents the current position that has been forecast to the year end- in the event that further pressure is experienced, particularly in respect of Children's Social Care, further remedial action or off-setting measures will be required. As a result of using the options previously approved in June and September, there is no flexibility left for the use of general balances in year- as a result this and any further pressure, will need to be met from within the existing Council budget and delivery monitored carefully and reported to Cabinet.

2.13 Should there still be a residual overspend at year end, this will need to be funded by earmarked reserves or general balances and as part of the budget process for 2023/24 the Council will need increase these back to the previous level taking into account the risks faced by the Council and the assessment of their adequacy as described in the S151 Officer's Robustness report. As stated, further work will be carried out on the remedial plan and a detailed position will be reported in the next cycle.

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

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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 Revenue Budget was presented for approval by Budget Council on 2 March 2023, which included an updated Medium-Term Financial Plan (MTFP) for 2024/25 and 2025/26. Budget proposals have been developed for implementation from April 2023 in order that the Council maintains financial sustainability.

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 January 2023 is a surplus of -£3.189m. 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 (-£0.381m).
 - Exemptions and Discounts (including a forecasting adjustment) being lower than estimated (-£1.620m).
 - A reduction in the amount set aside for Bad Debts (-£0.671m)
- 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 £2.045m was declared on the 17 January 2023 of which Sefton's share is £1.716m (83.9%). This is the amount that will be recovered from

the Collection Fund in 2023/24. Any additional surplus or deficit will be distributed in 2024/25 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 January 2023 is a surplus of -£12.866m 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 (-£0.600m).
 - 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 (-£5.100m).
 - Adjustments relating to prior years (+£0.736m)
 - Adjustments to the Appeals Provision relating to the current and prior years (-£3.958m).
 - Adjustments to the Bad Debt Provision relating to the current and prior years (-£3.853m).
- 5.3 When taking into account the lower Section 31 grants due on the additional reliefs, a net surplus of £9.173m 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 surplus of £12.836m was declared in January 2023. Sefton's share of this is £12.708m. This is the amount that will be distributed from the Collection Fund in 2023/24. Any additional surplus or deficit will be distributed in 2024/25 and future years.

6. **High Needs Budget**

- 6.1 Cabinet and Council have agreed to receive quarterly reports from the Executive Director of Children's Social Care and Education and the Assistant Director of Children's Services (Education) with 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.

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- 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 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 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 continued increases in the number of children requesting Education Health and Care Plans (EHCP's) and SEND placements in December 2022, the current forecast overspend will be at least £5.6m, despite the creation of additional in-house places at Sefton schools from September. Between April and December, there was an increase of 52 children placed at Sefton specialist schools / SEND resource units and 319 additional EHCPs (total now 2,584 with 325 in progress). The number of requests for EHCP assessments in 2022 was 726, compared to 602 in 2021 and 412 in 2020.
- 6.5 The approved pay awards for 2022/23 were also significantly higher than used for the new SEND Funding Model that the Council supported in 2022/23. Initial calculations show that the new pay awards have added at least an additional £0.900m cost pressure across specialist SEND placements and although no additional funding has been allocated to schools in the 2022/23 funding formula to reflect this increase it is something that has been raised by schools as a significant costs pressure facing providers going forward. As part of the Chancellor's Autumn Statement announcement in November 2022 Sefton will receive an increase to its High Needs DSG for 2023/24 of £1.8m through a new Supplementary Grant allocation, this funding is to be used to support the higher cost prices and pay awards providers that have arisen during 2022/23 that were not anticipated in the Government's original DSG settlement.
- 6.6 The approved NJC pay award for 2022/23 has also increased cost pressures on non-specialist 1:1 provision in all primary and secondary schools in Sefton. Any additional pay uplift costs should be met from the increase to the High Needs budget from the above Supplementary Grant funding in 2023/24 as schools are only required to make a fixed contribution per qualifying pupil.
- 6.7 The accumulative deficit position on the High Needs budget is estimated to be in the region of £18.1m based on the current SEND numbers but these continue to increase.
- 6.8 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. In addition, discussions as part of the Council's participation in the Delivering Better Value Programme will be assessed as to their impact on the

forecast deficit position. An update will be provided to Cabinet as a separate report in April 2023.

- 6.9 In August the Council responded 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. The Government has now announced that the statutory override will continue for another three years to March 2026.
- 6.10 Due to the substantial increase in the High Needs deficit over the last two financial years, the level of the deficit is now a real risk to the financial sustainability of the Council. As stated, the government has announced that the statutory override will continue for a further three years and whilst the participation in the Deliver Better Value Programme will allow the Council to access additional expertise and source best practice in relation to High Needs budget management, similar increases in future years are not sustainable. As previously reported, central government has always stated that these deficits should not be met from a council's General Fund and the extension of the statutory override continues that principle however the risk remains, and indeed is increasing, in that a solution to meeting this deficit is required. There is no indication that central government will fund these deficits and the Council's general balances are not sufficient to meet this either. The Council has always supported the statutory override alongside the demand for sufficient government funding for the high needs block of the DSG that is based on data and demand. This continues to be the case, but in the event that central government decide in 2026 that this is wider than a DSG issue this would present a substantial risk to financial sustainability within the Council.
- 6.11 This issue has also been highlighted in the budget report for 2023/24 considered by Budget Council on 2 March 2023. A further detailed report will be presented to Cabinet in April 2023.

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	£44.849m
2023/24	£51.362m
2024/25	£48.816m

- 7.2 The updates listed below have been made to the Capital Programme budget since the previous budget reported to Cabinet in February:

- **Adult Social Care:**

- ICT Development & Transformation - £0.077m has been phased to 2023/24 for future development of the Liquid Logic system.
- Technology Enabled Care - £0.200m has been phased to 2023/24 due to the planned expansion of the TEC equipment offer to Sefton residents being

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delayed as part of the ELMS system development in 2023/24 and a review of service requirements.

- £0.077m has been added to the programme under delegated authority for a new project for Community Based Falls Prevention fully funded by grant from NHS England.
- **Communities:**
 - £0.080m has been phased to 2023/24 for installation of new shelving at Crosby Library that will now take place in May.
- **Economic Growth & Housing:**
 - £2.014m has been phased to 2023/24 for the Marine Lake Events Centre due to an extension to the stage 3 design period of the project to allow further detailed design work to be carried out, and to complete further work on the planning submission and environmental conditions. The overall completion date and total cost of the project remains unchanged.
 - £0.116m for the final phase of the Southport Pier Project has been moved to 2023/24. This project is now on hold pending completion of the pier decking replacement project.
- **Operational In-House Services –**
 - £0.020m has been added to the programme under delegated authority for a new project to implement flood resilience measures in Maghull fully funded by grant from the Environment Agency.

Budget Monitoring Position to January 2023

7.3 The current position of expenditure against the budget profile to the end of January 2023 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. The budget to date in the table below reflects the profiles of each individual scheme.

Service Area	Budget to Jan-23	Actual Expenditure to Jan-23	Variance to Jan-23
	£m	£m	£m
Adult Social Care	2.998	2.727	-0.271
Children's Social Care	0.202	0.195	-0.007
Communities	0.633	0.696	0.063
Corporate Resources	4.581	4.720	0.139
Economic Growth & Housing	5.760	6.034	0.274
Education Excellence	2.819	2.902	0.083
Highways & Public Protection	8.690	8.708	0.018
Operational In-House Services	0.932	0.917	-0.015
Total Programme	26.615	26.898	0.283

Capital Programme Forecast Outturn 2022/23

- 7.4 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	4.647	4.416	-0.232	4.428	1.610
Children's Social Care	0.450	0.472	0.022	0.100	-
Communities	1.159	1.165	0.006	0.548	-
Corporate Resources	7.440	6.897	-0.543	1.548	-
Economic Growth & Housing	8.301	8.427	0.126	24.547	38.429
Education Excellence	3.962	3.784	-0.178	8.322	3.789
Highways & Public Protection	16.989	16.432	-0.557	6.241	3.663
Operational In-House Services	1.900	1.900	-	5.628	1.325
Total Programme	44.849	43.493	-1.356	51.362	48.816

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

- 7.5 The current total programme budgeted spend for 2022/23 is £44.849m with a budgeted spend to January of £26.615m. The full year budget includes exceptional items such as £6.299m for Green Homes and Sustainable Warmth schemes, £7.458m for Growth and Strategic Investment projects, previously approved amounts for essential repairs and maintenance (£1.164m) and a significant scheme to upgrade to LED Street Lighting (£3.887m).
- 7.6 The current perception is that the above projects could be fully delivered in 2022/23 and budget managers have confirmed the current forecast out-turn position shown above. In a typical year however, 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.
- 7.7 Significant variances have been forecast against the Corporate Resources and Highways & Public Protection budgets. Further narrative on these forecast underspends is provided below.

Corporate Resources

- 7.8 A shortfall in expenditure against the profiled spend for Sustainable Warmth projects has been forecast. The underspend is entirely related to Home Upgrade Grants (HUG) that can only be spent on properties that are without gas central heating, have low income and a low EPC rating.
- 7.9 There is a £6.651m programme to deliver Sustainable Warmth Schemes over 2021/22 and 2022/23 and of this £5.651m relates to the Green Homes Grant Local Authority Delivery (LAD). 100% of LAD funding will be spent by year end and will result in 332 properties being supported.

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7.10 £1m relates to HUG and the target is to support 72 properties and to date 21 are complete with 19 works in progress. There are 32 homes to complete with a value of £0.5m and extensive targeting is still being undertaken to identify suitable homes as the eligibility means that expenditure can only be incurred on those with no central heating and low income and low EPC rating. The Combined Authority has been granted an extension to the HUG programme to September 2023 and pending an acceptance of a change request to be submitted to the Department for Energy Security & Net Zero in March 2023, the funding will be rolled forward into next financial year to enable more local properties to receive funding.

Highways & Public Protection

7.11 Due to a refusal of planning permission, schemes to deliver improvements on the Transpennine Trail, the development of a cycle path and access improvements across Crosby Coastal Park, and complementary environmental improvements will no longer proceed as planned in 2022/23.

Programme Funding

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

Source	£m
Grants	34.912
Prudential Borrowing	5.703
Capital Receipts	1.655
Contributions (incl. Section 106)	2.580
Total Programme Funding	44.849

7.13 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.

7.14 The Executive Director of 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.

8. Council Tax Support Fund

8.1 Alongside the provisional Local Government Finance Settlement announced on 19 December 2022, the Government announced £100m of additional funding for local authorities to support the most vulnerable households in England.

8.2 In the guidance issued by the Government, it expects local authorities to use the majority of their funding allocations to reduce bills for current working age and pension age Local Council Tax Support (LCTS) claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with council tax bills.

8.3 Sefton's provisional allocation for 2023/24 is £648,881.

- 8.4 In line with the Government guidance, the Council will auto-award £25 to all LCTS claimants to reduce their 2023/24 Council Tax Demand (or up to a claimants Council Tax liability if less). It is estimated that there are approximately 18,000 claimants who would receive support, which would cost up to £450,000.
- 8.5 For any remaining funding it is proposed that the Council amends its existing discretionary “Council Tax Reduction in Liability” Policy for 2023/24 to include the following:
- To allocate £25 to any new claimants who become eligible for LCTS during 2023/24.
 - To make additional awards above the initial £25 for those vulnerable households who require additional support to meet their Council Tax liability for 2023/24.

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

- 9.1 In the Autumn Statement on 17 November 2023, the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality, and leisure properties worth around £2.1 billion in 2023/24. The 2023/24 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.
- 9.2 It is currently estimated that in the region of 1,150 Sefton business rate payers will qualify for relief under the scheme, which will be applied automatically to each eligible ratepayer’s bill without the need for an application. Total relief is estimated to amount to £7.8m in 2023/24 although this will depend on the impact of the impact of the 2023 revaluation of properties. Local authorities will be fully compensated for the loss of business rates income associated with granting the relief and the Government will also meet the associated administrative cost of implementing the scheme.
- 9.3 The latest detailed guidance on the Retail, Hospitality and Leisure Relief scheme was published on 21 December 2022. Cabinet is asked to approve the scheme, to be administered in line with the guidelines set by the Government.

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

- 10.1 In the Autumn Statement on 17 November 2023 the Chancellor announced that the 2023 Supporting Small Business (SSB) scheme will cap bill increases at £600 per year for any business losing eligibility for some or all Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation. SSB was first introduced at the 2017 revaluation to support ratepayers facing bill increases greater than the Transitional Relief caps due to loss of Small Business Rate Relief or Rural Rate Relief.
- 10.2 It is currently estimated that in the region of 116 Sefton business rate payers will qualify for relief under the Supporting Small Business Relief scheme. Total relief is

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estimated to amount to £0.250m in 2023/24. Local authorities will be fully compensated for the loss of business rates income associated with granting the Supporting Small Business Relief and the Government will also meet the associated administrative cost of implementing the scheme.

- 10.3 The detailed guidance on the Supporting Small Business Relief Scheme was published on 21 December 2022. Cabinet is asked to approve the scheme, to be administered in line with the guidelines set by the Government.

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

Capital Project	Budget		
	2022/23 £	2023/24 £	2024/25 £
Adult Social Care			
Digitising Social Care	50,000	405,000	-
Community Based Falls Equipment	77,000	-	-
Core DFG Programme	2,000,000	-	-
Occupational Therapy Support for DFGs	603,774	-	-
ICT Development & Transformation	458,529	470,027	-
Care Home Improvements	437,559	550,000	-
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
New Directions Programme	10,962	379,038	-
Technology Enabled Care	70,806	363,750	-
Sefton Carers Centre	30,000	-	-
Community Equipment Provision	300,000	-	-
Double to Single Handed Care Equipment	150,000	-	-
Community Equipment Stores	250,000	100,000	-
Programme Support	116,625	100,000	-
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	546,226	43,781	-
Dunes Splashworld – Health and Safety Works	270,000	-	-
Bootle Leisure Centre – Lift Replacement	38,000	-	-
Bootle Leisure Centre – Roof Replacement	-	209,000	-
Netherton Activity Centre – New Fencing	103,000	-	-
Libraries - Centres of Excellence	10,000	268,019	-
Section 106 Funded Projects	191,957	26,861	-
Corporate Resources			
Council Wide Essential Maintenance	580,344	1,547,897	-
STCC Essential Maintenance	32,219	-	-
Victoria Baths Essential Works	4,885	-	-
Bootle & Southport Town Hall Retrofit Energy Saving	29,950	-	-
Green Homes Grant Sustainable Warmth Schemes	6,299,479	-	-
ICT Transformation	493,281	-	-
Economic Growth & Housing			
Strategic Acquisitions - Bootle	17,620	-	-
Cambridge Road Centre Development	53,930	-	-
Crosby Lakeside Development	1,715,913	-	-
Town Centre Commission Bootle Canal Side	240,263	-	-

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	2022/23 £	2023/24 £	2024/25 £
Bootle Canal Side Business Plan	556,862	-	-
Southport Market Redevelopment	47,335	-	-
Strategic Acquisitions - Ainsdale	90,600	836,423	-
Marine Lake Events Centre	4,355,388	15,415,542	37,792,340
Enterprise Arcade	187,500	1,245,000	61,500
Transformations De Southport	153,000	1,847,000	500,000
Strand Business Plan	40,000	375,000	75,000
Strand Repurposing Project	-	680,000	-
Housing Investment	33,960	-	-
Brownfield Fund for Housing Development	537,790	1,032,281	-
Social Housing Allocations Scheme	65,000	-	-
Southport Pier	206,053	3,115,769	-
Education Excellence			
Schools Programme	3,120,581	5,584,202	3,789,135
Planned Maintenance	429,902	50,000	-
Special Educational Needs & Disabilities	411,607	2,688,090	-
Highways and Public Protection			
Accessibility	989,402	-	-
Healthy Lifestyles	790,000	-	-
Road Safety	120,000	-	-
A565 Route Management Strategy	1,571,027	778,014	-
A59 Route Management Strategy	250,000	589,000	-
Strategic Planning	1,510,634	-	-
Traffic Management & Parking	55,000	-	-
Highway Maintenance	5,600,454	-	-
Bridges & Structures	517,921	-	-
Drainage	337,340	-	-
Street Lighting Maintenance	327,400	-	-
LED Street Lighting Upgrade	3,886,920	3,605,580	3,662,630
Urban Traffic Control	902,830	-	-
Transport Growth Schemes	-	1,268,620	-
Completing Schemes / Retentions	130,000	-	-
Operational In-House Services			
Burials & Cremation Service – Vehicles & Equipment	47,713	-	-
Coastal Erosion and Flood Risk Management	744,453	2,416,721	1,306,000
Parks Schemes	193,149	160,919	-
Tree Planting Programme	134,505	19,769	19,769
Golf Driving Range Developments	9,988	280,280	-
Ainsdale Coastal Gateway	27,712	840,000	-
Crosby Marine Lake Improvements – Phase 1	30,339	-	-
Green Sefton – Plant & Machinery	-	131,152	-
Vehicle Replacement Programme	366,835	1,779,494	-
Wheeled Bins	345,000	-	-
TOTAL PROGRAMME	44,849,029	51,362,229	48,816,374

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:	Thursday 9 March 2023
Subject:	Disposal of land at Foul Lane, Southport		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	Norwood
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No, but Appendices 2 and 3 of the Report are NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended). The Public Interest Test has been applied and favours the information being treated as exempt.		

Summary:

This paper requests Cabinet 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.

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.

Recommendations:

That Cabinet:

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- (i) Approve the agreed Heads of Terms for the disposal of Land at Foul Lane, Southport, as detailed within Appendix 2 of this report;
- (ii) Approve 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 and
- (iii) Authorise the Chief Legal and Democratic Officer to complete the necessary legal formalities.

Reasons for the Recommendations:

- (i) 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: (including any Risk Implications)

- (i) 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.

- (ii) 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.

What will it cost and how will it be financed?

(A) Revenue Costs

Work streams to conclude the sale will be progressed by internal team resources. Given the public sector to public sector basis of the deal, each party is responsible for paying their own legal costs and surveyor's fees incurred in the transaction. The Combined Authority has funded works associated with progressing Phase II site investigations to assess ground stability and abnormal costs. This survey work has informed the viability of the emerging master plan for the site, specifically informing an enabling works specification to overcome issues regarding poor ground bearing capacity.

(B) Capital Costs

There are no capital costs associated with the land sale transaction.

Implications of the Proposals:

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

<p>Resource Implications (Financial, IT, Staffing and Assets): Property and Facilities Management to work alongside Corporate Legal Services to oversee the completion of the disposal.</p>									
<p>Legal Implications: The Chief Legal and Democratic Officer will complete the legal documentation for the disposal in accordance with Section 123 of the Local Government Act 1972 (as amended).</p>									
<p>Equality Implications: There are no equality implications.</p>									
<p>Climate Emergency Implications: The recommendations within this report will</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 80%;">Have a positive impact</td> <td style="width: 20%; text-align: center;">N</td> </tr> <tr> <td>Have a neutral impact</td> <td style="text-align: center;">N</td> </tr> <tr> <td>Have a negative impact</td> <td style="text-align: center;">Y</td> </tr> <tr> <td>The Author has undertaken the Climate Emergency training for report authors</td> <td style="text-align: center;">Y</td> </tr> </table> <p>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 redevelopment of the vacant site as well as the long-term carbon emissions from each new building / operation created.</p> <p>To mitigate and help offset carbon emissions, 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.</p>		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
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								

Contribution to the Council's Core Purpose:

<p>Protect the most vulnerable: not applicable.</p>
<p>Facilitate confident and resilient communities: The eventual property transaction will deliver new affordable housing in line with planning policy requirements, delivering a mix of housing types to the benefit of local communities..</p>
<p>Commission, broker and provide core services: the site disposal will support a number of Council service priorities including economic regeneration and the provision of housing (including affordable homes).</p>
<p>Place – leadership and influencer: not applicable.</p>
<p>Drivers of change and reform: disposal of the surplus site is in line with the Council's Corporate Strategy to deliver housing sites supporting the Council's Framework for Change Programme.</p>

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Facilitate sustainable economic prosperity: Homes England’s building contractor/ house builders will be required to use local labour in their supply chain during the construction works.

The construction works will deliver economic impacts including direct and indirect jobs.

Greater income for social investment: The disposal of the land will secure a capital receipt that will directly contribute to funding of the Council’s Growth Programme.

Cleaner Greener: New buildings provided as part of the scheme will utilise energy efficiency measures, potentially including EV charging points, air source heat pumps, PVs, and mechanical ventilation with heat recovery.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD7152/23) and the Chief Legal and Democratic Officer have been consulted (LD7152/23) and any comments have been incorporated into the report.

(B) External Consultations

Not applicable.

Implementation Date for the Decision

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

Contact Officer:	Dominic Ellis
Telephone Number:	0151 934 2751
Email Address:	dominic.ellis@sefton.gov.uk

Appendices:

Appendix 1 – Site Plan

Appendix 2 – Heads of Terms for disposal

Appendix 3 – Valuation Commentary

Background Papers:

There are no background papers available for inspection.

Disposal of Land at Foul Lane, Southport

1. Introduction

- 1.1 Land known as the former Park and Ride facility located off Foul Lane, Southport is a brownfield site comprising 8.7 acres (3.53 hectares), shown for identification purposes edged red on the plan attached at Appendix 1 of this report.
- 1.2 The redevelopment of the Foul Lane site was originally hindered by land title issues, specifically in relation to restrictive covenants and access constraints. The Council's registered title contained restrictive covenants for the benefit of the previous owners restricting the use of the site to Park and Ride only. The previous owners also owned the land to the rear, known as land at Crowland Street. A Local Plan requirement was that a single point of access was required from Foul Lane, which meant an access road crossing the Council's land was necessary to facilitate the development of the land at Crowland Street.
- 1.3 The Council and adjacent owners therefore negotiated terms whereby the Council grant an easement over its land enabling a highway crossing to be constructed (in a position to be mutually agreed) opening up the land at Crowland Street in return for a waiver of the overage rights over the Foul Lane site enabling that to be disposed of for residential purposes by the Council.
- 1.4 Homes England acquired the land at Crowland Street in March 2022 and thereafter approached the Council seeking terms to acquire the Council's interest in the land at Foul Lane, subject to the completion of intrusive site investigations and a valuation being completed. Acquiring the land at Foul Lane would allow Homes England to work up a larger housing development scheme to be brought forward for planning in 2023/24. The deal offered by Homes England is not conditional upon the award of planning consent.
- 1.5 The Council has allowed access for Contractors to undertake site investigations on the land for the highway crossing. The Combined Authority agreed to provide grant funding to the Council for predevelopment works on site, which have been completed. There are abnormal ground issues at the site due to composition of underlying strata, which contains peat and has extremely poor stability/ load bearing capacity.
- 1.6 The provisionally agreed Head so Terms for the disposal of the land at Foul Lane, Southport are shown in Appendix 2 of this report.

2. Planning Policy Context

- 2.1 The Foul Lane site is allocated in the Local Plan and forms a significant housing development opportunity capable of delivering in the region of 90 new homes.

3. Land Disposal Deal – Best Consideration

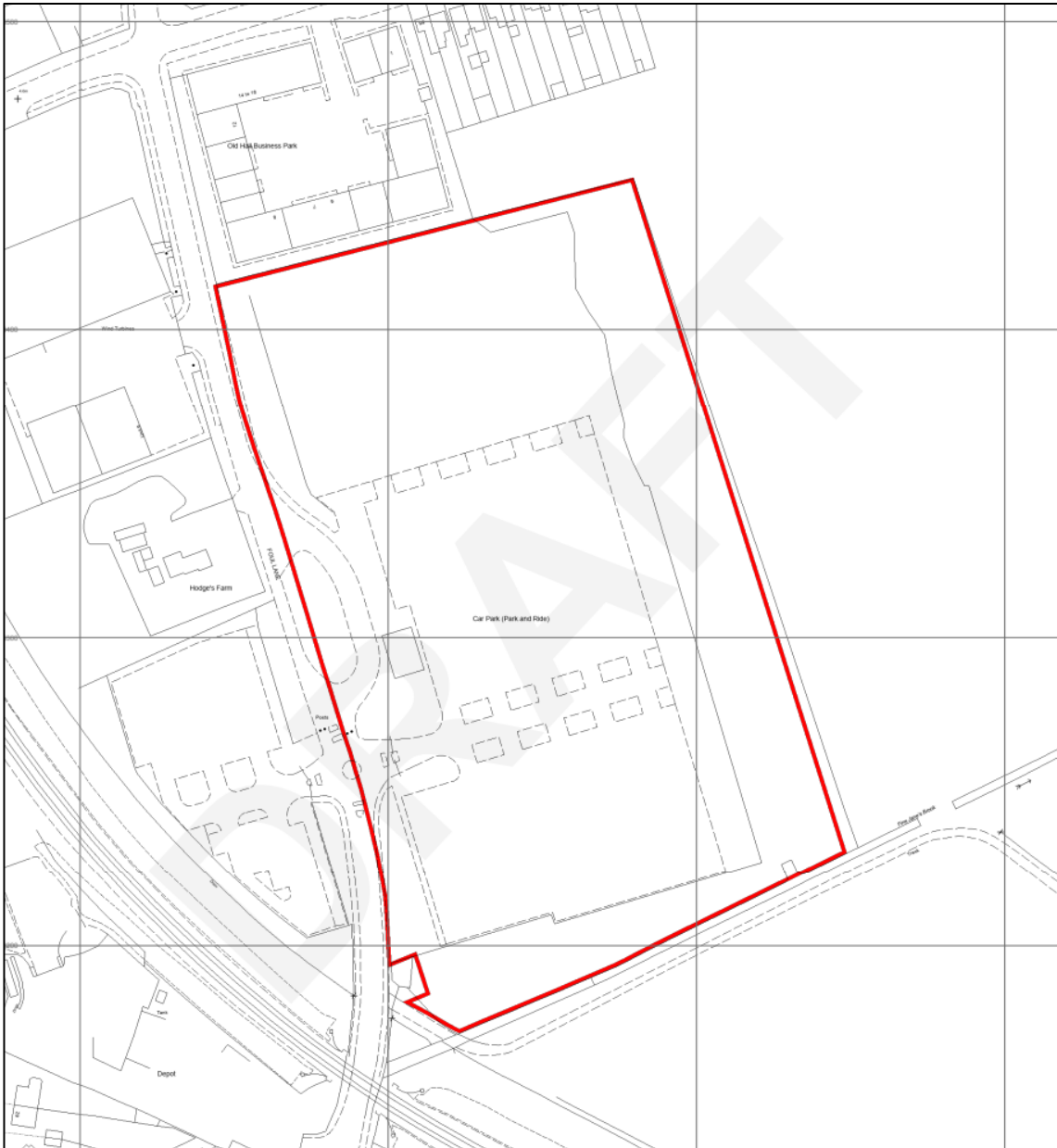
- 3.1 The Council is under an obligation to ensure that any offers for properties represent "best consideration" in accordance with Section 123 of the Local

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Government Act 1972 (as amended). The transfer of land at Foul Lane to Homes England satisfies best consideration requirements under Section 123 of the Local Government Act 1972. Specifically, the agreed disposal price is supported by an independent valuation, which takes into account the intrusive site investigations and subsequent enabling works required to redevelop the site.

- 3.2** The proposed approach also takes account the Council's agreed Asset Disposal Policy which enables sales by way of private treaty or negotiated disposal where there are compelling reasons to treat with a purchaser such as the nature of the sites and the identified parties' status as a special or unique purchaser.
- 3.3** The land price that Homes England will pay the Council for the land at Foul Lane, Southport is stated in the Valuation Summary shown in Appendix 3 of this report.

Appendix 1 – Site Plan



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