

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 15 NOVEMBER 2023. MINUTES NOD. 77 (11), 83 (2) AND (6) ARE NOT SUBJECT TO "CALL-IN".

CABINET

MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL, SOUTHPORT ON THURSDAY 2ND NOVEMBER, 2023

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

ALSO PRESENT: Councillor Sir Ron Watson CBE

72. APOLOGIES FOR ABSENCE

No apologies for absence were received.

73. DECLARATIONS OF INTEREST

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

74. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 5 October 2023 be confirmed as a correct record.

75. APPOINTMENT TO LIVERPOOL WOMEN'S HOSPITAL NHS FOUNDATION TRUST COUNCIL OF GOVERNORS

The Cabinet considered the report of the Chief Legal and Democratic Officer seeking the appointment of an elected Member as a Governor of the Liverpool Women's Hospital NHS Foundation Trust Council of Governors, following the resignation of Councillor Thomas from that position.

Decision Made:

That Councillor Nina Killen be appointed as the Sefton Council representative to the Liverpool Women's Hospital NHS Foundation Trust Council of Governors, with immediate effect, until 30 September 2026.

Reasons for Decision:

The Cabinet has delegated powers set out in Chapter 5, Paragraph 40 of the Constitution to appoint the Council's representatives to serve on Outside Bodies.

Alternative Options Considered and Rejected:

None.

76. EXECUTIVE/SCRUTINY PROTOCOL

Further to Minute No. 69 of the meeting held on 3 December 2020, the Cabinet considered the report of the Chief Legal and Democratic Officer presenting the views of the four Overview and Scrutiny Committees seeking formal approval of changes to the Executive/Scrutiny Protocol.

Appendix A to the report set out the amended Executive/Scrutiny Protocol if the recommendations were approved by the Cabinet. Tracked changes highlighted in red show the proposed changes to paragraphs 6.13, 8 and 8.3.

Decisions Made:

That changes to the Executive/Scrutiny Protocol be approved in relation to:

- (1) Executive Directors and Assistant Directors, whose responsibilities fall within the remit of Overview and Scrutiny Committees, being requested to seek the views of the Committees on all strategies and plans prior to submission to Cabinet and Council; and that if it is not possible, due to time constraints, to submit the final strategy or plan for consideration, then an outline or synopsis be submitted to the Committees to allow an oversight of the proposals to be considered and commented upon; and Section 6 of the Protocol relating to pre-scrutiny be amended accordingly; and
- (2) reference being made to informal meetings of Overview and Scrutiny Committees to review topics in Section 8 of the Protocol.

Reasons for Decisions:

To comply with decisions of the four Overview and Scrutiny Committees.

Alternative Options Considered and Rejected:

No alternative options had been considered because a decision was required by the Cabinet.

77. FINANCIAL MANAGEMENT 2023/24 TO 2026/27 - REVENUE AND CAPITAL BUDGET UPDATE 2023/24 – NOVEMBER UPDATE

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

- 1) The current position relating to the 2023/24 revenue budget.
- 2) The current forecast on Council Tax and Business Rates collection for 2023/24.
- 3) The monitoring position of the Council's capital programme to the end of September 2023 relating to:
 - 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.
- 4) The latest asset disposals, prudential indicator, performance and risk management information for 2023/24.

The following appendices were attached to the report:

Appendix A – Capital Programme 2023/24 to 2025/26

Appendix B – Performance Information 2023/24 – Quarter 2

Appendix C – Corporate Risk Register – October 2023

Decisions Made:

That

Revenue Budget

- (1) the current position relating to the 2023/24 revenue budget be noted;
- (2) the actions being taken to refine forecasts and identify mitigating efficiencies to ensure each service achieves a balanced position be noted;
- (3) the Remedial Action Plan actions to offset the budget pressures being faced in 2023/24 be approved;
- (4) the release of £1.000m from the Business Rates Income Reserve be approved;
- (5) the release of £1.000m from the Transforming Sefton Reserve be approved;
- (6) the release of £0.945m from the Redundancy Reserve be approved;

- (7) the financial risks associated with the delivery of the 2023/24 revenue budget be recognised and the fact that the forecast outturn position will continue to be reviewed, and remedial actions put in place, to ensure that a balanced forecast outturn position and financial sustainability can be achieved, be acknowledged;
- (8) a Supplementary Revenue Estimate of £0.688m for the Ways to Work Programme for the period 1 October 2023/24 to 31 March 2024, fully funded by an allocation of the Strategic Investment Fund from the Liverpool City Region Combined Authority, be approved;

Capital Programme

- (9) the spending profiles across financial years for the approved capital programme, as set out at paragraph 8.1 of the report, be noted;
- (10) a supplementary capital estimate of £0.280m for the Local Authority Treescapes Fund funded by grant from the Forestry Commission, as set out at paragraphs 8.3 – 8.6 of the report, be approved;
- (11) **the Council be recommended to approve** a supplementary capital estimate of £0.012m for the works at Foul Lane funded by capital receipts, as set out at paragraphs 8.7 – 8.8 of the report;
- (12) the latest capital expenditure position as at 30 September 2023 of £14.521m, as set out at paragraph 8.10 of the report; and that the latest full year forecast is £60.206m, as set out at paragraph 8.12 of the report, be noted;
- (13) the programme outputs and progress to September 2023, as set out at paragraphs 8.13 – 8.30 of the report, be noted;
- (14) the fact that capital resources will be managed by the Executive Director of Corporate Resources and Customer Services to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council, as set out at paragraphs 8.31-8.33 of the report, be noted;

Asset Management Strategy and Asset Disposals

- (15) the latest position relating to asset disposals under the Asset Management Strategy, be noted;

Prudential Indicators

- (16) the forecasts for the Prudential Indicators relating to capital expenditure and financing as at 30 September 2023, be noted;

Performance

- (17) the latest position relating to key performance measures be noted;
and

Risk Management

- (18) the latest position relating to key risk management areas be noted.

Reasons for the Decisions:

To ensure the Cabinet was informed of the current position in relation to the 2023/24 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 2023/24 and agreed allocations for future years.

To progress any changes that were 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 in order that they could be applied to capital schemes in the delivery of the Council's overall capital strategy.

To ensure the Cabinet was informed of prudential indicators, key performance information and key risk management areas.

Alternative Options Considered and Rejected:

Not Applicable.

78. TREASURY MANAGEMENT POSITION TO SEPTEMBER 2023

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services providing Members with a review of the Treasury Management activities undertaken to 30 September 2023. The report was the mid-year report to the Cabinet and Council, as well as the second report of the ongoing quarterly monitoring provided to the Audit and Governance Committee whose role it was to carry out scrutiny of treasury management policies and practices.

Decision Made:

That the Treasury Management update to 30 September 2023 be noted, together with the review of the effects of decisions taken in pursuit of the Treasury Management Strategy, and consideration of the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities.

Reasons for Decision:

To ensure that Members were fully appraised of the treasury activity undertaken to 30 September 2023 and to meet the reporting requirements set out in Sefton's Treasury Management Practices and those recommended by the CIPFA code.

Alternative Options Considered and Rejected:

Not Applicable.

79. EXCLUSION OF PRESS AND PUBLIC

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

Decision Made:

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

80. PROVISION OF COUNCIL HOUSING AT BUCKLEY HILL LANE NETHERTON - EXEMPT APPENDIX

The Cabinet considered exempt information provided by the Assistant Director of Place (Economic Growth and Housing) in relation to the Provision of Council Housing at Buckley Hill Lane Netherton (Minute No. 83 below refers).

Decision Made:

That the exempt information be considered as part of the report in relation to the Provision of Council Housing at Buckley Hill Lane Netherton (Minute No. 83 below refers).

Reasons for the Decision:

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

Alternative Options Considered and Rejected:

None.

81. LAND AT LUNT, SEFTON - EXEMPT APPENDIX

The Cabinet considered exempt information provided by the Executive Director of Corporate Resources and Customer Services in relation to Land at Lunt, Sefton (Minute No. 84 below refers).

Decision Made:

That the exempt information be considered as part of the report in relation to Land at Lunt, Sefton (Minute No. 84 below refers).

Reasons for the Decision:

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

Alternative Options Considered and Rejected:

None.

82. RE-ADMITTANCE OF THE PUBLIC

Decision Made:

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

83. PROVISION OF COUNCIL HOUSING AT BUCKLEY HILL LANE NETHERTON

Further to Minute No. 11 of 26 May 2022, the Cabinet considered the report of the Assistant Director of Place (Economic Growth and Housing) providing an update on the acquisition of properties at Buckley Hill Lane for use as Council Housing. The report sought approval to a revised proposal to acquire 18 homes (apartments) for social rent.

The following appendices were attached to the report:

- Appendix 1 – Exempt Appendix Updated Business Case: Provision of Council Housing at Buckley Hill Lane, Netherton
- Appendix 2 – Equality Impact Assessment: Provision of Council Housing

Decisions Made:

That

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- (1) the updated Business Case for the acquisition of 18 homes for social rent from Sandway Homes at the Buckley Hill Lane development in Netherton be agreed;
- (2) **the Council be recommended** to approve and financially support the proposal as a capital scheme committing the use of Section 106 affordable housing receipts and Historic Right to Buy receipts to fund the purchase;
- (3) the Assistant Director of Place (Economic Growth and Housing) be authorised, in consultation with the Cabinet Member - Communities and Housing and the Cabinet Member - Regulatory Compliance and Corporate Services, to negotiate and agree the financial terms with Sandway Homes as identified within Appendix 1 of the report, and formally submit an offer to acquire the homes;
- (4) the Assistant Director of Place (Economic Growth and Housing) be authorised, in consultation with the Cabinet Member - Communities and Housing and the Cabinet Member - Regulatory Compliance and Corporate Resources, to enter into a contract with Homes England subject to the Council receiving a grant offer through the Affordable Homes Programme 2021-26;
- (5) the Assistant Director of Place (Economic Growth and Housing) be authorised to negotiate the contract terms and finalise all associated legal documentation for the purchase and acquisition;
- (6) **the Council be recommended** to approve a Supplementary Capital Estimate of £2,222,783 funded as fully detailed in the updated Business Case at Appendix 1 of the report through s106 affordable housing capital receipts, historic right to buy sharing agreement receipts and Homes England grant funding; and
- (7) the intention to seek Council approval for the net rental income from the scheme, including that received during the initial payback period, is reserved and reinvested into the Council Housing Programme, be noted.

Reasons for Decisions:

To progress with the delivery of council housing at Buckley Hill Lane through the acquisition of 18 apartments for social rent.

Alternative Options Considered and Rejected:

Option 1 – Do Nothing, choose not to provide council housing.

The Cabinet had already approved the acquisition of properties at Buckley Hill Lane for use as Council Housing in January 2021, and May 2022. However, the Council could choose not to provide council housing at Buckley Hill Lane. This could limit the opportunity to provide new social

housing aimed to meet identified housing need in Netherpton and did not align with the strategic case for Council housing delivery. Furthermore, this option would remove the complimentary offer of additional social housing provision thereby relying on housing associations to meet housing need.

Option 2 – Acquire 18 apartments for social rent without grant funding.

The Council could proceed with approval for the acquisition of homes at Buckley Hill Lane choosing not to apply to Homes England for grant funding through the Affordable Homes Programme (AHP) and instead fund solely from its own financial resources. This option was not recommended as the updated financial case presented at Appendix 1 of the report justified the need for grant funding to deliver social rent homes and funding was available through the AHP to deliver affordable housing in the way in which the Council proposed. Seeking to achieve grant funding would mean the Council's capital resources were available to deliver future Council Housing Programme opportunities.

Option 3 – Acquire 9 apartments for social rent.

A further option would be not to acquire 18 apartments and instead acquire 9 apartments for social rent, as approved by the Cabinet in January 2021. Whilst this option would still deliver council housing in line with strategic priorities, market changes which affected Sandway Homes had seen a reduced demand for apartment sale properties and as such, the remaining 9 apartments could be sold to a housing association. The Council acquiring all 18 apartments offered benefits that it would be the sole provider of affordable housing on the site, especially with the apartment blocks being in close proximity to one another. Housing waiting list data from Property Pool Plus demonstrated strong need for smaller 1 and 2-bedroom properties.

84. LAND AT LUNT, SEFTON

The Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services on the principal terms and conditions that had been agreed for the freehold disposal of approximately 193 acres (78 hectares) of land at Lunt Village, Thornton, Sefton.

The following appendices were attached to the report:

- Appendix 1 - Site Plan
- Appendix 2 - Financial Details - exempt

Concerns were raised regarding the Heads of Terms for the sale of the land and possible future use.

Decisions Made:

That

- (1) approval be granted to dispose of approximately 193 acres (78 hectares) of land at Lunt Village, Thornton on the terms and conditions detailed within the report, and that should it be necessary, delegated authority be granted to the Executive Director of Corporate Resources and Customer Services, in consultation with the Cabinet Member - Regulatory, Compliance and Corporate Services, to amend the said terms and conditions;
- (2) the Chief Legal and Democratic Officer be authorised to complete the necessary legal documentation; and
- (3) approval be granted to deduct 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.

Reasons for the Decisions:

- (i) The disposal would generate a capital receipt that could support the delivery of economic development and regeneration projects, which formed part of the Growth and Strategic Investment Programme.
- (ii) Incidental costs of disposal such as Consultant's fees and valuation reports could be deducted from a capital receipt in accordance with Local Authority Capital accounting Regulations.
- (iii) The proposed purchaser intended to enhance biodiversity of the area, contribute to increasing the ability of the area to capture carbon from new woodland planting and wetland creation and to work alongside other not-for-profit, charity and statutory landowners and occupiers, potentially through a form of joint management agreement, to develop a more extensive forest park in the area.
- (iv) It was proposed that the Council would retain an ongoing involvement in the development, delivery and future management of the more extensive forest park.

Alternative Options Considered and Rejected:

The Council could retain the land in its ownership and market the property to let for agricultural use. However, this would not generate a capital receipt to fund the Growth and Strategic Investment Programme. The sale of the Grange land was included in Phase 1 of the Asset Maximisation proposals.

The Council could retain the land for carbon capture or open space amenity. However, responsibility for managing the land would also stay with the Council. There was currently no staff or budget for the management of this land and provision would need to be considered to avoid a negative impact on existing land management budgets (regardless of which portfolio assumed responsibility).

