



## COUNCIL SUMMONS

To Members of the Metropolitan Borough Council

Dear Councillor

You are requested to attend a Meeting of the Sefton Metropolitan Borough Council to be held on **Thursday 18th January, 2024 at 6.30 pm at the Town Hall, Bootle** to transact the business set out on the agenda overleaf.

Yours faithfully,

A handwritten signature in black ink, appearing to be "D. Campbell", written over a light grey dotted background.

Chief Executive

Town Hall,  
Southport

Wednesday 10 January 2024

Please contact Debbie Campbell, Democratic Services Manager  
on 0151 934 2254 or e-mail [debbie.campbell@sefton.gov.uk](mailto:debbie.campbell@sefton.gov.uk)

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**

## **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 Previous Meeting**

(Pages 5 - 16)

Minutes of the meeting held on 16 November 2023

## **4. Mayor's Communications**

### **Public Session**

## **5. Leader of the Council**

In accordance with the provisions in Paragraph 4 of Chapter 5 in the Council Constitution, the Council is requested to appoint a Leader of the Council for the remainder of a period of four years until the Adjourned Annual Council Meeting in May 2027, or until such time as the term of office expires.

## **6. Matters Raised by the Public**

To deal with matters raised by members of the public resident within the Borough, of which notice has been given in accordance with the procedures relating to public questions, motions or petitions set out in Paragraph 36 to 47 of the Council and Committee Procedure Rules in Chapter 4 of the Council Constitution.

(Details of any further petitions notified or questions submitted by members of the public will be circulated at the meeting).

## **Council Business Session**

### **7. Questions Raised by Members of the Council**

To receive and consider questions to Cabinet Members, Chairs of Committees or Spokespersons for any of the Joint Authorities upon any matter within their portfolio/area of responsibility, of which notice has been given by Members of the Council in accordance with Paragraph 49 to 51 of the Council and Committee Procedure Rules, set out in Chapter 4 of the Council Constitution.

### **8. Provision of Council Housing at Buckley Hill Lane, Netherton**

(Pages 17 - 28)

Report of the Assistant Director of Place (Economic Growth and Housing)

### **9. Financial Procedure Rules**

(Pages 29 - 100)

Report of the Executive Director of Corporate Resources and Customer Services

### **10. Pay Policy 1.4.2024- 31.3.2025**

(Pages 101 - 124)

Report of the Executive Director of Corporate Resources and Customer Services

### **11. Council Tax Reduction Scheme and Council Tax Base for 2024/25 and Review of Council Tax Premiums for Long-Term Empty Properties**

(Pages 125 - 190)

Report of the Executive Director of Corporate Resources and Customer Services

### **12. Financial Management 2023/24 to 2026/27 - Revenue and Capital Budget Update 2023/24 – Additional Estimates**

(Pages 191 - 194)

Report of the Executive Director of Corporate Resources and Customer Services

### **13. Programme of Meetings – 2024/25 Municipal Year**

(Pages 195 - 218)

Report of the Chief Legal and Democratic Officer

### **14. Membership of Committees 2023/24**

To consider any changes to the membership of any Committees etc.

15. **Motion submitted by Councillor Prendergast - Removal of Temporary Cycle Lanes** (Pages 219 - 220)  
Copy attached
16. **Motion submitted by Councillor Carlin - Support for Calling a Ceasefire in Palestine and Israel** (Pages 221 - 222)  
Copy attached
17. **Motion submitted by Councillor Byrom - Merseyside Fire and Rescue Authority** (Pages 223 - 224)  
Copy attached
18. **Motion submitted by Councillor Lloyd-Johnson - An Alcohol Strategy for the UK** (Pages 225 - 226)  
Copy attached
19. **Motion submitted by Councillor Pugh - Public Response Standards** (Pages 227 - 228)  
Copy attached



**THIS SET OF MINUTES IS NOT SUBJECT TO "CALL-IN"**

## COUNCIL

### MEETING HELD AT THE TOWN HALL, SOUTHPORT ON THURSDAY 16TH NOVEMBER, 2023

**PRESENT:**                   The Mayor (Councillor June Burns) in the Chair  
                                  The Deputy Mayor (Councillor Carragher) Vice Chair

Councillors Atkinson, Bradshaw, Brodie - Browne, Brough, Danny Burns, Cluskey, Corcoran, Cummins, D'Albuquerque, Desmond, Dodd, Dowd, Doyle, Evans, Fairclough, Grace, Hansen, Hardman, Hardy, Harrison, Hart, Harvey, Howard, Keith, John Joseph Kelly, Lappin, Christine Maher, Ian Maher, McGinnity, McKee, Moncur, Morris, Murphy, Myers, O'Brien, Catie Page, Christopher Page, Prendergast, Pugh, Richards, Riley, Robinson, Roche, Roscoe, Shaw, Spring, Thomas, Lynne Thompson, Tweed, Veidman, Waterfield, Sir Ron Watson and Wilson

#### **58.    APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Byrom, Carlin, Halsall, John Kelly, Sonya Kelly, Killen, Lloyd-Johnson, Lunn-Bates, Spencer, Anne Thompson and Webster.

#### **59.    DECLARATIONS OF INTEREST**

In accordance with Paragraph 9 of the Council's Code of Conduct, the following declarations of personal interest were made and the Members concerned remained in the room during the consideration of the item:

<b>Member</b>	<b>Minute No.</b>	<b>Nature of Interest</b>
Councillor Brough	Minute No. 73 – Motion Submitted by Councillor Brough - Southport Pier Maintenance	He is a representative on Southport Pier Trust – stayed in the room, took part in the consideration of the item and voted thereon
Councillor Dodd	Minute No. 73 – Motion Submitted by Councillor Brough -	He is a representative on Southport Pier Trust – stayed in the room but took no part in the consideration of the item and did

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	Southport Pier Maintenance	not vote thereon
Councillor Waterfield	Minute No. 73 – Motion Submitted by Councillor Brough - Southport Pier Maintenance	She is a representative on Southport Pier Trust – stayed in the room but took no part in the consideration of the item and did not vote thereon

## 60. MINUTES OF PREVIOUS MEETINGS

RESOLVED:

That the Minutes of the Ordinary meeting held on 14 September 2023 and the Extra-Ordinary Council meeting held on 19 October 2023 be approved as a correct record.

## 61. MAYOR'S COMMUNICATIONS

### White Ribbon Campaign

The Mayor highlighted a cause that was important to her. White Ribbon Day was a campaign held every year on 25 November aimed at raising awareness about ending violence against women and girls. It was an excellent opportunity to unite to stand up against all forms of violence, abuse and harassment towards women and girls. She encouraged all Members to take the White Ribbon pledge of '*I promise to never use, excuse or remain silent about men's violence against women*'.

To show support for the campaign the Mayor asked everyone present to participate by standing and holding up a picture of a White Ribbon, whilst the Communications Officer took a group photograph.

### Remembrance Sunday

The Mayor thanked her fellow Members who attended the various Remembrance Sunday Services across the Borough as her representatives. She reflected that the day was hugely important for veterans and communities in Sefton and all the services were well attended, despite the weather!

### Mayor of Sefton's Gala Charity Ball 2024

Tickets would soon be on sale soon for the Mayor's Gala Charity Ball which would be on Saturday, 6 April 2024, at Formby Hall. Tickets were priced at £50.00 which included a welcome drink, three course meal and entertainment. It was an important event as the money raised went towards supporting local charities and organisations who did so much for

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local communities. The Mayor encouraged her fellow Members present to purchase a ticket and attend this wonderful event.

## Visit to Mons

The Mayor had undertaken a twinning visit to Mons from 5 to 8 October 2023, to discuss plans in preparation for the 60<sup>th</sup> anniversary of twinning arrangements between Sefton and Mons, in 2025.

## Mock Council

Pupils at Norwood Primary School, Southport, had visited Southport Town Hall on 6 November 2023, to take part in a mock Council debate on the subject of homework provision, which the children and the Mayor had thoroughly enjoyed.

## Anti Bullying Launch, Anglican Cathedral

The Mayor had attended an Anti-Bullying Launch event at Liverpool Anglican Cathedral on Monday 13 November 2023, with participating children telling a story about bullying, in sign language. The Mayor had found the experience to be very moving.

## **62. MATTERS RAISED BY THE PUBLIC**

The Council considered a schedule setting out the written questions submitted by:

1.	Mr. Jeffrey Holloway to Councillor Hardy (Cabinet Member – Communities and Housing)
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together with responses given.

The member of the public who had submitted the question was in attendance at the Council meeting and a supplementary question was responded to by the Cabinet Member - Communities and Housing.

**RESOLVED:**

That the question and response, as set out in the schedule, be noted.

## **63. QUESTIONS RAISED BY MEMBERS OF THE COUNCIL**

The Council considered a schedule setting out the written questions submitted by:

1.	Councillor Pugh to the Cabinet Member for Children's Social Care (Councillor Doyle)
2.	Councillor Prendergast to the Deputy Leader of the Council and the

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	Cabinet Member for Locality Services (Councillor Fairclough)
3.	Councillor Prendergast to the Cabinet Member for Communities and Housing (Councillor Hardy)
4.	Councillor Prendergast to the Cabinet Member for Communities and Housing (Councillor Hardy)
5.	Councillor Prendergast to the Leader of the Council (Councillor Ian Maher)
6.	Councillor Sir Ron Watson to the Cabinet Member for Regulatory, Compliance and Corporate Services (Councillor Lappin)
7.	Councillor Prendergast to the Cabinet Member for Regulatory, Compliance and Corporate Services (Councillor Lappin)
8.	Councillor Pugh to the Cabinet Member for Regulatory, Compliance and Corporate Services (Councillor Lappin)
9.	Councillor Pugh to the Cabinet Member for Regeneration and Skills (Councillor Atkinson)
10.	Councillor Pugh to the Cabinet Member for Communities and Housing (Councillor Hardy)
11.	Councillor Sir Ron Watson to the Cabinet Member for Regeneration and Skills (Councillor Atkinson)

together with responses given. Supplementary questions to questions 2, 4, 6, 10 and 11 were responded to by the Deputy Leader of the Council and the Cabinet Member for Locality Services; and the Cabinet Members for Communities and Housing; Regeneration and Skills; and Regulatory, Compliance and Corporate Services.

## **64. DRAFT LICENSING POLICY 2023**

Further to Minute No. 18 of the Licensing and Regulatory Committee of 6 November 2023, the Council considered the report of the Assistant Director Place (Highways and Public Protection) that sought approval of the final draft revised Statement of Licensing Policy.

The following annexes were attached to the report:

- Annex 1 – Responses received to consultation exercise.
- Annex 2 – Final draft revised Statement of Licensing Policy
- Annex 3 – List of revisions to the 2023 draft policy

RESOLVED:

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That the revised Statement of Licensing Policy, attached at Annex 2 of the report, be approved.

## **65. CHESHIRE & MERSEYSIDE HEALTH AND CARE PARTNERSHIP**

The Council considered the report of the Assistant Director of Corporate Resources and Customer Services (Strategic Support) that sought authority for the Council to become a member of the new statutory Integrated Care Partnership for Cheshire and Merseyside (to be known as the Cheshire & Merseyside Health and Care Partnership), and to agree its terms of reference.

Draft Terms of Reference for the Cheshire & Merseyside Health and Care Partnership were attached to the report.

RESOLVED: That

- (1) the Council agrees to become a member of the Cheshire & Merseyside Health and Care Partnership;
- (2) the terms of reference of the Cheshire & Merseyside Health and Care Partnership, set out in the Appendix, be adopted;
- (3) the Cabinet Member – Health and Wellbeing be nominated to be the Council's representative on the Cheshire & Merseyside Health and Care Partnership;
- (4) delegated authority be given to the Chief Executive to nominate such officers to the Cheshire & Merseyside Health and Care Partnership as considered appropriate; and
- (5) delegated authority be given to the Chief Legal and Democratic Officer & Monitoring Officer to make such amendments to the Constitution as are necessary as a result of this decision.

## **66. ELECTED MEMBER DEVELOPMENT – MANDATORY COURSES FOR ALL COUNCILLORS**

The Council considered the report of the Executive Director of Corporate Resources and Customer Services that sought formal approval in respect of the courses designated as mandatory for elected Members, as detailed in paragraph 1.0 of the report, and for Climate Change training to be added as a mandatory course, as detailed in paragraph 2.0 of the report.

RESOLVED:

That

- (1) the elected Member mandatory course completion requirements, as detailed in paragraph 1.0 of the report, be approved; and

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- (2) Climate Change training be designated as mandatory for elected Members, with a completion requirement of every four years, per Councillor Term of Office.

## **67. FINANCIAL MANAGEMENT 2023/24 TO 2026/27 - REVENUE AND CAPITAL BUDGET UPDATE 2023/24 – ADDITIONAL ESTIMATES**

Further to Minute No. 77 (11) of the Cabinet meeting of 2 November 2023, the Council considered the report of the Executive Director of Corporate Resources and Customer Services that set out a supplementary estimate for approval in the Council's Capital Programme following a recommendation by the Cabinet.

RESOLVED:

That a supplementary capital estimate of £0.012m for the works at Foul Lane, Southport, funded by capital receipts, be approved.

## **68. TREASURY MANAGEMENT POSITION TO SEPTEMBER 2023**

Further to Minute No. 78 of the Cabinet meeting of 2 November 2023, the Council considered the report of the Executive Director of Corporate Resources and Customer Services that provided a review of the Treasury Management activities undertaken to 30 September 2023. The report was the mid-year report to the Cabinet and the Council, as well as the second report of the on-going quarterly monitoring provided to the Audit and Governance Committee, whose role it was to carry out scrutiny of treasury management policies and practices.

RESOLVED:

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

## **69. MEMBERS' ALLOWANCE SCHEME 2023/24 TO 2026/27**

Further to Minute No. 6 of the Independent Remuneration Panel of 30 June 2023, the Council considered the report of the Chief Legal and Democratic Officer advising of the decision of the Independent Remuneration Panel in recommending a Members' Allowance Scheme for the period 2023/24 to 2026/27; and seeking a decision of Council on the recommendations.

Appendix A to the report set out a table of Members' Allowances for 2023/24, showing an increase of 6.01%.

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Following a debate on the matter, the Chief Legal and Democratic Officer officiated a vote and the Mayor declared that the **recommendations within the report were agreed** by 41 votes to 5 with 8 abstentions and it was:

RESOLVED: That

- (1) an increase in Members' allowances for 2023/24, be linked to the local government pay settlement;
- (2) spinal column point 25 be used to calculate the increase in Members' allowances thereby increasing such allowances by 6.01%;
- (3) annual adjustments continue to be made in line with the local government pay settlement up to and including the 2026/27 municipal year;
- (4) the Special Responsibility Allowances paid to Chairs of committees be continued in their current form;
- (5) the calculation of the payment of Special Responsibility Allowances to Party Group Leaders be continued in their current form;
- (6) as soon as practicably possible, the scheme of Members Allowances for Sefton be published on the Council's website and in the Metro newspaper circulating in Sefton;
- (7) the Constitution be amended to include the agreed Scheme of Allowances for 2023/24; and
- (8) the Independent Remuneration Panel be thanked for their deliberations on this matter.

## **70. MEMBERSHIP OF COMMITTEES 2023/24**

The Mayor reported that Temporary Superintendent Paul Holden would be replacing Superintendent Dawn McNally as the representative from Merseyside Police on the membership of the Health and Wellbeing Board.

No other changes to the memberships of Committees were made.

## **71. MOTION SUBMITTED BY COUNCILLOR PUGH - CANCELLATION OF HS2**

It was moved by Councillor Pugh, seconded by Councillor Brodie-Browne:

Cancellation of HS2

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Following the cancellation of northernmost sections of HS2 this council views with concern the prospects for rail investment in the north and our sub region.

An amended version of the Motion was moved by Councillor Pugh, seconded by Councillor Brodie-Browne and unanimously

RESOLVED:

## Cancellation of HS2

Following the cancellation of northernmost sections of HS2 this council views with concern the prospects for rail investment in the north and our sub region.

And

(a) recognises that a reallocation of resources to northern rail infrastructure is intended

(b) seeks clear and unequivocal confirmation from the government that the Burscough Curves restoration and similar schemes will be eligible for the receipt of such resource re-allocation and prioritised, and an explanation of the steps necessary to achieve it.

## **72. MOTION SUBMITTED BY COUNCILLOR PUGH - CAPITAL BUDGET**

It was moved by Councillor Pugh, seconded by Councillor Lynne Thompson:

### Capital Budget

This Council has reviewed the report below on the Capital Budget and notes the recent variances and pressures within it.

- Financial Management 2023/24 to 2026/27 - Revenue and Capital Budget Update 2023/24 – Additional Estimates.

Following a debate on the **Motion** the Chief Legal and Democratic Officer officiated a vote and the Mayor declared that the **Motion was carried** by 12 votes to 0 with 41 abstentions and it was:

RESOLVED:

### Capital Budget

This Council has reviewed the report below on the Capital Budget and notes the recent variances and pressures within it.



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- Financial Management 2023/24 to 2026/27 - Revenue and Capital Budget Update 2023/24 – Additional Estimates.

## **73. MOTION SUBMITTED BY COUNCILLOR BROUGH - SOUTHPORT PIER MAINTENANCE**

It was moved by Councillor Brough, seconded by Councillor Prendergast:

### Southport Pier Maintenance

The recent report undertaken and published by the Council's nominated Consultants Thomasons included a section (page 5 of the Steelwork Inspection Report) that referred to an earlier consultative report on the condition of Southport Pier in 2017.

At that time the consultants identified remedial works required to be undertaken to the structure - that were costed and estimated at £8.8 m.

Quoting from the current report.

*Quote – “At this time it was decided to adopt a ‘Maintenance Painting’ solution at a cost of £1.5, while continuing to maintain and repair defects as they materialised”.*

The current condition of the Pier clearly demonstrates that the ‘solution’ has failed.

Before the Council embarks upon a campaign to seek funding of more than £13m to repair and refurbish the Southport's Pier can it be agreed by this chamber, that a realistic and budgeted provision for maintenance of the Pier is included in the Council's ongoing budgetary provisions and forward plan.

The adoption of an approved and costed maintenance provision would demonstrate Sefton Council's commitment to the Pier's refurbishment and its protection. It would also give comfort and confidence to external funders who will be concerned that without a formal commitment to ongoing maintenance of the structure, it's condition may again deteriorate to the point of closure and thereby discourage their appetite to contribute to the restoration project.

NOM:

*Sefton Council recognises the need for a properly costed maintenance budget for the Southport Pier - and that the provision is formerly adopted into Sefton's ongoing budgetary provision.*

An **amendment** was moved by Councillor Atkinson, seconded by Councillor Corcoran that the Motion be revised as follows:

### Southport Pier Maintenance

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The recent report undertaken and published by the independent Consultants Thomasons included a section (page 5 of the Steelwork Inspection Report) that referred to an earlier consultative report on the condition of Southport Pier in 2017. At that time the consultants identified remedial works required to be undertaken to the structure - that were costed and estimated at £8.8 m.

The current condition of the Pier clearly demonstrates that the poor workmanship carried out in 2002 left the Council with an inherently flawed structure. Government cuts to Sefton Council budget profoundly impacted on the council's ability to invest in assets and services.

Quoting from the current report.

*Quote – “At this time it was decided to adopt a ‘Maintenance Painting’ solution at a cost of £1.5, while continuing to maintain and repair defects as they materialised”.*

The current condition of the Pier clearly demonstrates failures are systemic from the 2002 refurbishment.

The Council has embarked upon a campaign to seek funding of more than £13m to repair and refurbish the Southport's Pier can it be agreed by this chamber, that a realistic and budgeted provision for maintenance of the Pier is required by Government while the Council remains committed to its annual subsidy and that the subsidy remains included in the Council's ongoing budgetary provisions and forward plan.

The adoption of an approved and costed maintenance provision would demonstrate Government's commitment to the Pier's refurbishment and its protection.

It would also give comfort and confidence to external funders who will be concerned that without a formal commitment to ongoing maintenance of the structure, its condition may again deteriorate to the point of closure and thereby discourage their appetite to contribute to the restoration project.

NOM:

- 1) Sefton Council recognises the need for a properly costed maintenance budget for the Southport Pier and will ensure it be built into the future tender for structural engineers and the main contractor to produce a full maintenance plan.
- 2) Will write to the Secretary of State for levelling up requesting a firm commitment to cover both capital and maintenance costs.
- 3) The Secretary of State be asked to be made aware of the challenges faced by this Council and that he respond to comments from the independent Honorary Secretary of the National Pier Society and

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Principal Academic in Tourism Management who confirmed unsustainable financial pressure on Sefton and other councils who are custodians of Piers is a theme being seen on a national level.

Following a debate on the **Amendment** the Chief Legal and Democratic Officer officiated a vote and the Mayor declared that the **Amendment was carried unanimously**.

On being put as the **Substantive Motion** it was **carried unanimously** and it was:

RESOLVED:

## Southport Pier Maintenance

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and thereby discourage their appetite to contribute to the restoration project.

NOM:

- 1) Sefton Council recognises the need for a properly costed maintenance budget for the Southport Pier and will ensure it be built into the future tender for structural engineers and the main contractor to produce a full maintenance plan.
- 2) Will write to the Secretary of State for levelling up requesting a firm commitment to cover both capital and maintenance costs.
- 3) The Secretary of State be asked to be made aware of the challenges faced by this Council and that he respond to comments from the independent Honorary Secretary of the National Pier Society and Principal Academic in Tourism Management who confirmed unsustainable financial pressure on Sefton and other councils who are custodians of Piers is a theme being seen on a national level.

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<b>Report to:</b>	Council	<b>Date of Meeting:</b>	Thursday 18 January 2024
<b>Subject:</b>	Provision of Council Housing at Buckley Hill Lane, Netherton		
<b>Report of:</b>	Assistant Director of Place (Economic Growth and Housing)	<b>Wards Affected:</b>	St. Oswald;
<b>Portfolio:</b>	Cabinet Member - Communities and Housing		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

A Council Housing Business Plan was approved at Cabinet in April 2023 which will see the delivery of around 50 new homes over the next 5 years. This report recommends the funding into the capital programme for the acquisition of 18 homes (apartments) for social rent to be acquired from Sandway Homes at Buckley Hill Lane, Netherton.

## Recommendation(s):

### Council is asked to:

- (1) Approve a Supplementary Capital Estimate of £2,222,783 for the acquisition of new council housing at Buckley Hill Lane, Netherton to be funded through affordable housing capital receipts, historic right to buy sharing agreement receipts and Homes England grant funding as recommended by Cabinet following the meeting on 2<sup>nd</sup> November 2023.
- (2) Approve the net rental income from the scheme, including that received during the initial payback period to be reserved and reinvested into the Council Housing Programme.

## Reasons for the Recommendation(s):

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: (including any Risk Implications)

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

Cabinet has 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, however this could limit the

# Agenda Item 8

opportunity to provide new social housing aimed to meet identified housing need in Netherton and does not align with the strategic case for council housing delivery. Further, 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 is not recommended as financial viability appraisal has been undertaken justifying the need for grant funding to deliver social rent homes and funding is available through the AHP to deliver affordable housing in the way in which the Council proposes. Seeking to achieve grant funding would mean the Council's capital resources are 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 was approved at Cabinet in January 2021. Whilst this option would still deliver council housing in line with strategic priorities, market changes which affect Sandway Homes have 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 offers 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 demonstrates strong need for smaller 1 and 2-bedroom properties.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

Revenue costs will be required for the ongoing and long-term housing management and maintenance of the properties once they are in Council ownership. The cost of this service will be off set against the rental income that the Council will receive from letting of the properties. An assumption of costs has been made based on the recent procurement exercise to appoint a Housing Management Agent and benchmarking with the social housing sector.

No borrowing has been assumed in the delivery of the scheme due to the existing capital finance available within the Council to support the delivery of social housing, however the appraisal is modelled to generate payback of the capital investment. It is recommended that this payback and any future net rental income beyond the payback period is reserved and reinvested into the Council Housing Programme to reflect year on year fluctuations and also develop and enable the provision of future council housing delivery across Sefton. There is therefore no impact on the bottom-line budget.

### **(B) Capital Costs**

Capital costs equate to £2,222,783. The final capital cost required will be subject to a grant offer from Homes England.

Sufficient finance is available to support the acquisition through S106 commuted sum monies for the provision of affordable housing and Historic Right to Buy Sharing Agreement receipts following the Councils stock transfer to One Vision Housing.

## Implications of the Proposals:

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

Financial resources are required to fund the acquisition of properties from Sandway Homes as a capital cost. Revenue resources are required to fund the housing management and maintenance service that the Council will offer to its tenants through an appointed Housing Management Agent, the cost of which will be fully funded by rental income received for the properties.

Specialist external advice is required to support in a number of areas to enable the operational activity in delivering council housing including legal and project management of the acquisition. The procurement and financing of external support was approved at Cabinet in January 2021.

There will be an asset implication resulting from the acquisition of properties, although the management and maintenance of which will be managed by a Registered Provider.

### **Legal Implications:**

A local authority may hold up to 199 homes outside of a Housing Revenue Account under a Government direction subject to writing to the Secretary of State for Housing Communities and Local Government to apply to hold specific homes outside of an HRA.

Sefton Council have registered as a Registered Provider of Social Housing with the Regulator of Social Housing based on the intention to provide social housing as is required under Section 114 of the Housing and Regeneration Act. The Council will be subject to regulatory and legislative requirements and compliance through its new landlord duties.

There would be a requirement to provide tenancy agreements for each property determined by the Housing Act 1985, Housing Act 1996, and Localism Act 2011. Standard tenancy agreements would need to be developed with the support of expert legal advice. Such agreements could then be utilised for any future council housing properties considered.

Section 27 of the Housing Act 1985 allows local authorities to enter into management agreements in relation to their housing stock. Under this Section 27, local authorities which are registered providers of social housing are required to seek the approval to these agreements from the Regulator of Social Housing. A Management Agent has been appointed following a competitive and fully compliant procurement process. Regulator approval is pending.

The Council would need to enter into a new supply contract with Homes England to agree to the terms and conditions attached to any grant offer and ensure compliance with the AHP.

### **Equality Implications:**

An Equality Impact Assessment has been undertaken and no negative impacts have

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been identified. The EIA found that the provision of council housing and subsequent landlord service will have a positive impact on the protected characteristics of age and disability. The EIA will be reviewed and updated at the relevant review point and as work continues with the operational requirements to enable the Council to provide council housing.

**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

Although building of new homes will have a negative impact on the Climate Change Emergency as a result of the construction and build process. Sandway Homes have included mitigation measures within their design for the development and will be undertaking the development in a manner compliant with Planning policy EQ7 Energy efficient and low carbon design.

Measures introduced at Buckley Hill Lane to reduce the carbon footprint through construction include:

- Electric vehicle charging points to each dwelling and to the apartment block
- Energy efficient design with high thermal efficiency values to reduce heat loss, high efficiency boilers and heating systems
- Sustainable design and landscaping throughout the site with ‘green streets’
- Surface water drainage integrated into landscape features to encourage wildlife

The properties that will be constructed will conform to the latest Building Regulations which will ensure that they will have a higher energy efficiency rating than the average equivalent property in Sefton.

**Contribution to the Council’s Core Purpose:**

Protect the most vulnerable: New council housing at Buckley Hill Lane will provide secure, quality homes to those most in housing need. Homes will be let at social rent level which offers the most affordable route to social housing. Homes will be developed to high energy efficiency standards which will help to reduce energy bills for tenants.

Facilitate confident and resilient communities: Provision of new council housing will provide additional housing choice to local communities in Sefton. Homes will be offered through Council tenancies enabling stability for households and families in housing need creating sustainable, confident, and resilient communities. A new housing management and maintenance service will be in place for tenants of any new council owned homes and will support tenants and communities through this service. Provision of shared ownership homes will provide an added housing offer and alternative route to home ownership at Buckley Hill Lane.

Commission, broker and provide core services: Provision of new council housing will become a core service. A housing management and maintenance service will be in



place, and the Council will work with its appointed management agent to deliver this for new Council tenants. Homes will be let through the existing allocations scheme, Property Pool Plus which is already in place as a core service.

Place – leadership and influencer: Not applicable.

Drivers of change and reform: Delivery of new council housing will offer homes at social rent adding to the existing provision of social housing in Sefton and providing an alternative social housing offer to those in housing need.

Facilitate sustainable economic prosperity: Development of Buckley Hill Lane and other sites within Sandway Homes' Phase 1 programme will generate direct and indirect employment and training opportunities supporting economic prosperity. Supply chains such as contractors, suppliers, technical and professional services will be supported throughout the development process.

Greater income for social investment: Not applicable.

Cleaner Greener: Newly developed council housing will provide high quality homes and be energy efficient with low carbon design measures. Design of the homes has been developed by Sandway Homes to be compliant with Planning policy and Building Regulations.

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD 7390/23) and the Chief Legal and Democratic Officer (FD 5590/23) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

Not applicable

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### Appendices:

There are no appendices to this report.

### Background Papers:

Cabinet (07/01/2021) – Item 79 – Provision of Council Housing Buckley Hill Lane, Netherton

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Cabinet (26/05/2022) – Item 11 – Provision of Council Housing at Buckley Hill Lane, Netherton

Cabinet (06/04/2023) – Item 154 – Council Housing Business Plan

## 1. Introduction/Background

- 1.1 In January 2021, Cabinet considered a report seeking approval for the Council to re-enter the social housing market through the provision of council housing for rent and set out the direction of travel to achieve this.
- 1.2 Since the January 2021 Cabinet resolution, a considerable amount of work has been undertaken to bring forward the recommendations, including establishing a new Council Housing Programme Business Plan which was approved at Cabinet in April 2023 and bringing forward the acquisition of homes at Buckley Hill Lane.
- 1.3 Discussion and negotiation has been underway with Sandway Homes in respect of the acquisition of properties at Buckley Hill Lane. A revision to the proposed mix previously agreed by Cabinet is presented within this report to acquire 18 apartments to deliver as social rent homes. A timeline is provided as follows:
  - December 2021 – Cabinet agreed the strategic case for Sefton Council re-entering the social housing market through the provision of council housing for rent and as the start of its future housing stock from Sandway Homes. Cabinet gave authority to negotiate terms to acquire 1 apartment block at Buckley Hill Lane, comprising 9 apartments (6 x 1-bed and 3 x 2-bed).
  - May 2022 – Cabinet considered a Business Case and approved the acquisition of 4 houses to be provided as Shared Ownership homes, in addition to the 9 apartments previously approved with the proposed acquisition being in line with the Planning Policy compliant affordable housing requirement.
  - April 2023 – Council Housing Business Plan approved by Cabinet confirming negotiations were underway to acquire both apartment blocks (18 apartments, a mix of 1 and 2-bedrooms), an increase in the total number of affordable homes on the site and in place of the planning policy requirement of 13 homes.
  - November 2023 (current position) – Negotiations have progressed with the proposal presented to acquire both apartment blocks on the site comprising of 18 apartments which will see 9 x 1-bed and 9 x 2-bed apartments provided. With the affordable housing requirement removed by Planning Committee, the Council can seek to apply for grant funding from Homes England through the AHP to help fund the acquisition.

### ***Strategic Case***

- 1.4 The Business Case presented to Cabinet in 2022 set out a detailed strategic case for the delivery of council housing and specifically the acquisition of new homes at Buckley Hill Lane. Affordable housing need is still strong across Sefton and whilst evidence suggests that there is an adequate supply of general needs rented housing across the South of the borough (Bootle/Netherton), there remains need

for smaller 1 and 2-bedroom homes which are being provided at Buckley Hill Lane.

- 1.5 Demand for the Council's Housing Options service remains very high with homeless presentations increasing over the last 2-years and an increased need and demand for temporary accommodation.
- 1.6 Property Pool Plus is the Choice Based Lettings Scheme in place in Sefton allows households seeking affordable housing to rent to register and apply for housing. Data from Quarter 1 2023-24 shows that there are currently 3,517 households registered for rented affordable housing in Sefton, 63% have an assessed housing need and nearly half (46%) require a 1-bedroom home to meet their housing need. Of the properties advertised to let there are, on average 162 bids made per property. Data also demonstrates strong demand for adapted properties with 208 households requiring an adapted property compared to 31 adapted properties being advertised to let.
- 1.8 The delivery of council housing presents an opportunity to intervene to meet housing need and demand as this grows and changes, including the opportunity to relieve homelessness pressures. The 18 apartments at Buckley Hill Lane will be a mix of 1 and 2-bedroom homes with those on the ground floor being built to Building Regulations M4(2) standard meaning that they are accessible and adaptable.

## **2. Buckley Hill Lane Development**

### ***Financial Position***

- 2.1 In working to bring forward council housing at Buckley Hill Lane, a full financial viability appraisal has been undertaken, with the support of a specialist consultant. The appraisal is based on a key set of assumptions to determine the viability of delivering the 18 apartments for social rent of which independent valuation has been obtained and purchase price agreed with Sandway Homes ensuring that value for money is achieved and a purchase price is not being agreed above open market value.
- 2.2 Total scheme costs are £2,222,783. The appraisal shows that the acquisition would generate a positive return with the assumption of £60,000 per apartment Homes England grant funding. The appraisal is run over a 40-year period which is typical for a social housing development given the lifecycle of housing with some housing providers now appraising over much longer periods.
- 2.3 Officers have been in dialogue with Homes England about the availability of grant funding to support the delivery of council housing at Buckley Hill Lane and funding remains available through Continuous Market Engagement (CME) route i.e. on a scheme by scheme basis which is the intended route for any bid made by the Council. The programme requires a start on site by 30 September 2025 and completion by March 2026, which is in line with Sandway's programme for the site and achievable. An application for Investment Partner status will be made and is to be achieved prior to the payment of any grant.

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- 2.4 Since the introduction of the AHP in 2021, Homes England have announced some key changes to the programme. Relevant to the acquisition at Buckley Hill Lane is the February 2023 update which introduced social rent-specific grant rates in all parts of the country meaning that higher grant rates can be achieved for housing organisations delivering social rent homes. Prior to this update, providers wanting to deliver homes for social rent could only do so at grant levels mirroring that of affordable rent, a more expensive rent which typically requires less grant.
- 2.5 Approval of any grant funding will require the Council to enter into a new supply contract with Homes England and ensure compliance with the contractual framework, including the Capital Funding Guide and recovery determination. A review of compliance may take place though Compliance Audit post completion and handover of the homes and so it is important to prepare and plan for this throughout the bidding process and grant drawdown process.
- 2.6 Ringfenced capital resources are available internally to fund the purchase of homes from Sandway Homes arising from s106 commuted sum monies for the provision of affordable housing of which £379,500.50 is available and proposed to be committed and the historic Right to Buy Sharing Agreement following the Council's stock transfer of which £763,282.50 to be committed assuming that the Council achieves the assumed £60,000 per apartment grant offer from Homes England.
- 2.7 In addition to the total scheme costs of £2,222,783, the Housing and Investment Service anticipate incurring estimated fees during 2023/24 of £18,561 which includes consultancy fees and external legal advice required to bring forward the acquisition. It is proposed to capitalise these fees for 2023/24 committing Right to Buy Sharing Agreement receipts to cover the cost.
- 2.8 The Affordable and Supported Housing Supplementary Planning Document (SPD) was adopted on 25<sup>th</sup> May 2023 to inform decisions on land use planning in Sefton and sets out the exceptional circumstances that may justify off-site affordable housing provision and financial contributions in lieu of on-site provision. Future affordable housing contributions secured through the planning process will enable a future capital funding opportunity to support the Council Housing Programme.
- 2.9 As noted in section 4, there is a risk that grant funding is not achieved. This would leave the Council with the option of choosing not to progress with the acquisition in which case an alternative Registered Provider (housing association) would likely be sought.
- 2.10 However, given the strategic case and positive benefits that the delivery of council housing will bring as outlined in previous reports and the approved Council Housing Business Plan, the Council could choose to bridge the funding gap with the use of capital receipts. Payback is currently generated in year 17 and cash flow positive from year 1 with surplus net rental income paid back to reinvest in the Council Housing Programme.
- 2.11 To mitigate the risk, officers have been in dialogue with Homes England from an early point and consultants will support with the development and submission of a grant funding bid.

## ***Sensitivity Analysis***

- 2.12 Sensitivity analysis has been undertaken to understand the impact that the following sensitivities will have on the financial position, particularly given the initial small number of homes proposed as the Council Housing Programme progress. The main sensitivity areas are as follows:
- Void (Empty Properties) – Given the small number of properties proposed, one empty property can have an impact on the financial position. As such, an increase in empty properties has been tested.
  - Bad Debts – A reasonable assumption has been included within the Business Case, however an increased level of bad debt has been tested given the likely pressures that communities and households are facing due to the cost of living crisis in paying households build and rent.
  - Inflation – Inflation has been assumed at 2% within the appraisal as this reflects the Government’s target to bring inflation back down to this level. Inflation has however been fluctuating over the past 12-18 months with levels of 11.1% (CPI) reached in October 2022. Whilst inflation has continued to fall, sensitivity has been tested to determine the position if inflation were to remain at 6.7% as reported in the 12 months to August 2023.

## **3. Update on the Operational Requirements**

### ***Housing Management Agent***

- 3.1 Further to the January 2021 Cabinet resolution, a housing management agent has now been appointed. The Council has appointed a Registered Provider through competitive and fully compliant procurement process. Contracts have not yet been entered into as the Council awaits approval from the Regulator under Section 27 of the Housing Act 1985 to enter into a management agreement.
- 3.2 Work is underway to develop related operational requirements including, the development of policies relating to the management and maintenance of socially rented housing, tenancy agreements for the letting of homes and future Governance arrangements. Operational requirements will be developed prior to the onboarding of properties at Buckley Hill Lane and will be subject to a future report to Cabinet as was recommended at the May 2022 meeting.

### ***Regulatory Requirements***

- 3.3 Registered Providers of Social Housing in England are regulated by the Regulator of Social Housing (RSH) and Sefton Council are registered as a Registered Provider of Social Housing based on the intention to provide council housing.
- 3.4 The Social Housing (Regulation) Bill received Royal Assent on 20<sup>th</sup> July 2023 bringing forward some of the biggest reforms to social housing, and in particular the regulation of social housing in decades. Largely a result of the tragic events at Grenfell Tower which saw serious issues on the safety and quality of social housing identified as well as the way in which social housing tenants are treated by their landlords. Subsequent proposals were introduced within the 2018 social

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housing green paper and 2020 social housing white paper, many of which have now been brought forward with the introduction of the Act.

- 3.5 Many of the provisions are not yet in force and are subject to further regulations made by the Secretary of State, however, it is anticipated that most aspects of the Act will take effect on 1<sup>st</sup> April 2024 when the proposed new consumer standards come into place following consultation by the Regulator of Social Housing (RSH).
- 3.6 The law brings forward some ground-breaking changes, including:
- Strengthening the RSH to carry out regular inspections of the largest social housing providers and the power to issue unlimited fines to social landlords.
  - Enhancing the RSH's role in regulating the consumer standards.
  - Additional Housing Ombudsman powers to publish best practice guidance to landlords following investigations into tenant complaints.
  - Powers to set strict time limits for social landlords to address hazards such as damp and mould.
  - New qualification requirements for social housing managers.
  - Introducing stronger economic powers to follow inappropriate money transactions outside of the sector.
- 3.7 New proposals for consumer regulation will see the RSH regulating in a pro-active way with greater enforcement powers for those housing providers that are not complying with the standards. As a social housing provider, the Council will need to ensure that tenants are receiving a service that meet the standards and that the Council is complying with the standards. This forms part of the housing management agent contract and the ability to hold the service provider to account. As referenced at paragraph 3.2, Governance arrangements will be developed with regulatory compliance a key feature.

## 4. Risk

- 4.1 The key risks are detailed in the table below with the Right to Buy risk further expanded.

Key Risks	
Risk	Mitigation
1. Insufficient Funding – Homes England grant funding does not support the scheme.	Dialogue with Homes England in advance of grant funding bid. Appointed consultants supporting preparation and submission of bid. Robust financial viability appraisal demonstrating financial position.
2. Right to Buy – Council housing sold through Right to Buy.	Calculating discount eligibility through the Right to Buy requires calculating the cost floor and accounting for the cost of constructing, acquiring, repairing, or maintaining the property within the last 15 years meaning a Right to Buy sale is less likely within the first 15 years.

<p>3. Economic Uncertainty – Acquisition price changes due to continued increase in construction, material, and inflation costs.</p>	<p>Fixed purchase price to be agreed with Sandway Homes as soon as practicably possible. Negotiation to include discussions around market uncertainty and potential inflated costs. Robust Financial Viability Appraisal undertaken to determine offer to Sandway Homes. Contingency modelled.</p>
--	--

## ***Right to Buy Risk***

- 4.2 Cabinet is particularly asked to note that the direct delivery model will mean that there will be a risk that properties can be bought under the Right to Buy (RTB). However, some protection against this provided by the 'Cost Floor Rule':

*A special limit on the amount of discount may apply if the property is newly built or acquired, or where there have been improvements, repairs or maintenance work on the property. This is known as the 'cost floor rule'.*

*If a total of £5,000 or more has been spent in the 10 years (15 years for properties built or acquired by the landlord on or after 2 April 2012) before the right to buy application, the discount must not reduce the sale price below the amount that has been spent.*

*Ongoing repairs and maintenance work to existing properties (as opposed to work on recently acquired dwellings) can only be counted if the cost of the work exceeds £5,500.*

- 4.3 The 'cost floor rule' will mitigate the risk that properties will be lost to RTB but not completely remove it. Should a property be lost to RTB the Council will automatically retain 25% of the receipt with the remaining 75% paid to central government. However, under changes introduced by government in April 2021 to the RTB pooling arrangements local authorities can apply to retain a greater proportion of receipts for reinvestment into affordable housing delivery.
- 4.4 In April 2012, the government raised the maximum cash cap on RTB discounts to £75,000 and confirmed that receipts generated by additional sales resulting from the discount increases (against a baseline of sales forecast before the increases) would be used to fund replacement stock on a one-for-one basis nationally. At the same time, the government offered to enter into an agreement with any local authorities that wished to retain their own receipts from additional RTB sales so that they could reinvest them in new affordable housing themselves.
- 4.5 To retain their "additional receipts", local authorities must enter into an agreement with the Secretary of State under section 11(6) of the Local Government Act 2003 (as substituted by section 174 of the Localism Act 2011). Under this agreement, authorities can retain receipts arising from additional RTB sales provided the authority spends a sufficient level of those receipts on replacement social housing within a 5-year period.

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4.6 Additional restrictions apply to acquisition of properties; however, all local authorities are free to use any retained receipts to acquire up to 20 replacement properties each year.

4.7 It is difficult to anticipate the level of RTB interest that there will be in the new stock, however, the 'cost floor rule' is likely to be a significant disincentive to potential purchasers.

## **5. Conclusion**

5.1 Following detailed financial viability appraisal and discussion and negotiation with Sandway Homes, delivery of the Council's first homes at Buckley Hill Lane can be achieved in financial terms and will meet the Council's strategic priorities by providing new, quality, safe and secure homes to households in housing need.

5.2 A revised acquisition mix is presented to acquire 18 apartments. The mix of homes will meet housing need and deliver the most affordable rent offer being for social rent. Social rent-specific grant rates are now available in all parts of the country through Homes England's AHP and so the Council can now seek to achieve a higher level of grant that previously envisaged.



# Agenda Item 9

<b>Report to:</b>	Audit and Governance Committee  Council	<b>Date of Meeting:</b>	Wednesday 13 December 2023  Thursday 18 January 2024
<b>Subject:</b>	Financial Procedure Rules		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

## Summary:

This report seeks approval for revisions to the Financial Procedure Rules.

## Recommendation(s):

(1) That the Audit and Governance Committee:

- (a) Consider and approve the revision to the Financial Procedure Rules set out in Appendix 1 to this report.
- (b) Refer the duly amended Financial Procedure Rules to Council for approval.

(2) That Council approve the amended Financial Procedure Rules as set out in Appendix 1 to this report

## Reasons for the Recommendation(s):

To enable the Council to adopt the recommended revisions to Financial Procedure Rules.

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

As part of the annual review of the Council's Constitution, the Council's Financial Procedure Rules (FPR) have been the subject of review. This has resulted in a number of proposed revisions, which are now presented for consideration by Audit & Governance Committee and referral to Council for their consideration and approval.

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No alternative options have been considered as the review of the Financial Procedure Rules is a requirement of the Constitution.

## What will it cost and how will it be financed?

### (A) Revenue Costs

There are no additional revenue costs arising directly from this report.

### (B) Capital Costs

There are no additional capital costs arising directly from this report.

## Implications of the Proposals:

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

There are no additional resource implications associated with this report. Existing staffing resources will be involved in financial management and will be required to comply with the FPRs.

### Legal Implications:

Production of this report has been considered in line with Section 151 of the Local Government Act 1972, Section 114 of the Local Government Finance Act 1988, the Local Government and Housing Act 1989 and the Local Government Act 2003 together with other relevant legislation as detailed within the Financial Procedure Rules.

### Equality Implications:

There are no equality implications.

**Impact on Children and Young People:** No

### Climate Emergency Implications:

The recommendations within this report will

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

## **Contribution to the Council's Core Purpose:**

Effective management of the Council's financial affairs supports each theme of the Council's Core Purpose.

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

## **What consultations have taken place on the proposals and when?**

### **(A) Internal Consultations**

The review of the Financial Procedure Rules has been led by the Finance Service and has involved consultation with officers from financial management, internal audit and senior officers within the Council. The final document as included within this report has also been the subject of review and initial approval by the Council's Monitoring Officer, prior to presentation to Members.

The Executive Director of Corporate Resources and Customer Services (FD 7433/233) and the Chief Legal and Democratic Officer (LD 5533/23) have been consulted and any comments have been incorporated into the report.

### **(B) External Consultations**

Not Applicable

## **Implementation Date for the Decision**

Immediately following the Committee / Council meeting.

# Agenda Item 9

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## **Appendices:**

The following appendices are attached to this report:

Appendix 1 – Revised Financial Procedure Rules

## **Background Papers:**

There are no background papers available for inspection.

### **1. Financial Procedure Rules**

- 1.1 As part of the annual review of the Council's Constitution, the Council's Financial Procedure Rules have been the subject of review.
- 1.2 This review has included officers from the Finance Service, Internal Audit and Senior Officers within the Council. The final document as included within this report has also been the subject of review and initial approval by the Council's Monitoring Officer, prior to presentation to members.
- 1.3 As would be expected, large elements of the previous version of the Financial Procedure Rules remain as previously approved, however certain changes are proposed and are discussed below. These changes align with the Council's structure and the aims of the Financial Procedure Rules such that:
  - They provide the framework for managing the financial affairs of the Council;
  - They define the roles and responsibilities of members and officers;
  - They facilitate the effective operation of Council activity; and
  - They provide a framework for the delivery of an effective internal control environment.
- 1.4 Having reviewed the Financial Procedure Rules there are a number of key areas that are reflected in the updated schedule and the changes have been summarised within the following paragraphs.
- 1.5 Other minor changes have been made to the format and content of the Financial Procedure Rules to enhance user accessibility including additional section definitions and amendments to paragraph references.

## Commercial Activity (paragraph C.38 to C.40)

- 1.6 This section has been updated to clarify the management and reporting arrangements for wholly owned Council companies which will reflect best practice guidance within the sector.
- 1.7 This is an area in local government that is continually updated to reflect developments in the sector and to take on learning to ensure governance and management of such companies complies with best practice. As such Cabinet as the Council's executive and shareholder will be informed of this best practice guidance and any subsequent changes or developments in order that they can execute their role as shareholder effectively. Overview and Scrutiny management board will also receive this report. This will ensure that there is a fully transparent and up to date approach to governance and management within the Council.
- 1.8 Any loan arrangements between the Council and the companies will be in accordance with the requirement of the Financial Procedure Rules.
- 1.9 Any material variations to approved business plans will be escalated to Cabinet as shareholder at the earliest opportunity in accordance with the agreements between the Council and the Company.

## Loans to Third Parties and Acquisition of Third Party Interests (paragraph D.63)

- 1.10 Further to the changes to the Commercial Activity section of the FPRs as highlighted above, this section has been updated to state that for wholly owned Council companies, Cabinet as the Executive of the Council and the shareholder in wholly owned Council companies, make decisions in respect of approving business plans including any loan provision.

## Collection of Income (paragraph E.21)

- 1.11 This section of the FPRs has been updated to include the approval requirements for when a third party wishes to exit a Council income generating contract early.
- 1.12 Where these proposals are within the approved budget policy framework and have:
  - No detriment financially and reflects current income being received
  - That the annual sums are received at the same level and the timeline at least as what is being received under the contract; and
  - Any lump sum at the end of the contact period is based on current income levels and the timing is at least as currently set out within the existing agreement
- 1.13 Then this can be approved by the relevant Cabinet Member and the Cabinet Member - Regulatory, Compliance and Corporate Services and reported in line with the Council's established monitoring process. Any lump sums will be reserved and used to support the budget as originally set out.

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- 1.14 Where third parties wish to exit income generating contracts early and these cannot be contained within the existing budget policy framework, then these should be approved in line with the requirements for Supplementary Revenue Estimates as set out within the Financial Procedure Rules.



Sefton Metropolitan Borough Council

# Constitution

DECEMBER 2023

## CHAPTER 10 – FINANCIAL PROCEDURE RULES

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## SECTION A - INTRODUCTION TO THE FINANCIAL PROCEDURE RULES

- A.1 The Financial and Contract Procedure Rules provide the framework for managing the Council's financial affairs. They apply to every Member and Officer of the Council and anyone acting on its behalf, including School Governors operating under local delegation arrangements. All decision makers need to ensure that they are not only empowered under the Constitution to make every decision that they propose to make, but that they are also authorised under these Rules to incur the financial consequences of every decision that they make.
- A.2 The Rules identify the financial responsibilities of the full Council, Cabinet, Overview and Scrutiny Members, statutory officers and the Executive Directors and Assistant Directors. A written record shall be kept of all decisions taken under these Rules which are taken using delegated powers.
- A.3 All Members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is warranted, properly authorised, provides value for money and achieves best value and is in the interest of the Council's citizens.
- A.4 The Section 151 Officer is responsible for maintaining a regular review of the Financial Procedure Rules and submitting any additions or changes necessary to the full Council for approval. The Assistant Director Corporate Resources and Customer Services (Strategic Support) is responsible for maintaining a regular review of the Contract Procedure Rules and submitting any additions or changes necessary to the full Council for approval. The Section 151 Officer is also responsible for reporting, where appropriate, breaches of the Financial and Contract Procedure Rules to Audit and Governance Committee.
- A.5 Executive Directors and Assistant Directors are responsible for ensuring that all staff in their Services are aware of the existence and content of the Council's Financial and Contract Procedure Rules and other internal regulatory documents and that they comply with them, as required by the Council's Code of Conduct for Employees and this Constitution. Failure to comply with the Code of Conduct will be dealt with in accordance with the Council's Disciplinary Policy and Procedure. These documents will be located on the Sefton intranet for reference. Where staff do not have access to the intranet, Executive Directors and Assistant Directors must ensure that an adequate number of copies of the relevant policies are available for reference within their Services.
- A.6 The Section 151 Officer, is responsible for issuing advice and guidance to underpin the Financial and Contract Procedure Rules that Members,

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officers and others acting on behalf of the Council are required to follow.

- A.7 The Rules are not intended to cover every eventuality, but the spirit of the Rules must always be followed. Where there is any uncertainty in matters of interpretation, advice should be sought from the Section 151 Officer before decisions or actions are taken.

## SECTION B - FINANCIAL MANAGEMENT

### WHY THIS IS IMPORTANT

B.1 Financial Management covers all financial accountabilities in relation to the running of the Council, including the policy framework and budget. Members and Officers have a responsibility to abide by the highest standards of probity in dealing with financial issues, understanding their respective roles and responsibilities and other key financial accountabilities regarding financial management.

### WHAT IS COVERED IN THIS SECTION

B.2 The roles and responsibilities of:

- The full Council
- The Cabinet
- The committees delegated by Cabinet
- Statutory officers; and
- Executive Directors and Assistant Directors

B.3 Other financial accountabilities:

- Virement
- Supplementary estimates
- Section 106
- Treatment of year end balances
- Accounting policies
- Accounting records and returns
- The Annual Statement of Accounts

### THE FULL COUNCIL

B.4 The responsibilities of the full Council are set out in Chapter 4 of the Constitution. In respect of financial matters, this includes approving the Budget within which the Cabinet operates.

B.5 The Budget comprises the allocation of financial resources to different services and projects, proposed contingency funds, the Council Tax base and Council Tax rate, and decisions relating to the control of the Council's borrowing requirement, and the allocation and control of capital expenditure.

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## THE CABINET

- B.6 The Cabinet's responsibilities, in respect of financial matters include:
- a. developing and reviewing the Council's plans and policies
  - b. advising on budget setting
  - c. ensuring proper arrangements exist for the effective and efficient management of the Council's executive affairs
  - d. monitoring and auditing the lawful, proper and efficient conduct of the Council's financial affairs, including the extent to which budgets and financial policies are being met and any appropriate remedial action; and
  - e. ensuring officers exercising delegated powers on behalf of the Cabinet discharge their responsibilities efficiently and effectively.

## CABINET MEMBERS

- B.7 Individual Cabinet Members have specific decision-making powers which are set out in Chapter 5 of the Council's Constitution. Cabinet Members responsibilities in respect of financial matters include:
- a. the proper administration of the Council's services
  - b. ensuring adequate staffing, premises and other resources are in place to secure agreed standard and target outcomes within the scope of their portfolio
  - c. ensuring budget control and financial monitoring within the scope of their portfolio
  - d. making recommendations to the Cabinet in respect of strategic policy concerning matters within their portfolio.
- B.8 Cabinet Members must consult with relevant officers before exercising their delegated decision-making powers. In doing so, the individual Member must take account of legal and financial liabilities and risk management issues that may arise from the decision and that they have authority to incur the financial consequences of that decision.

## COMMITTEES

### OVERVIEW AND SCRUTINY COMMITTEES

- B.9 Overview and Scrutiny Committees are responsible for discharging the Council's functions under Section 9F to 9FU of the Local Government Act 2000, including:
- a. scrutinising Cabinet decisions before or after they have been implemented; and
  - b. establishing task and finish reviews as they see fit.

## AUDIT AND GOVERNANCE COMMITTEE

- B.10 The Audit and Governance Committee has right of access to all of the information necessary to effectively discharge its responsibilities and can consult directly with internal and external auditors.
- B.11 The committee responsibilities are detailed in Chapter 7 of the Constitution.

## STATUTORY OFFICERS

### CHIEF OFFICERS

- B.12 Chief Officers are the Chief Executive, Executive Directors or any Assistant Directors to whom there has been specific delegation in writing by the Council or the Chief Executive.
- B.13 In accordance with the management structure of the Council, Chief Officers will be referred to as follows:
  - a. Chief Executive (Head of Paid Service)
  - b. Executive Directors
  - c. Assistant Directors
- B.14 The Chief Executive is the Head of the Council's Paid Service. The responsibilities of the Chief Executive include:
  - a. leading and directing the strategic management of the Council
  - b. ensuring the effective pursuit and achievement of the Council's objectives
  - c. ensuring the Council's activities are carried out with maximum effectiveness and efficiency.
- B.15 The Chief Executive must report to and provide information for full Council, the Cabinet, the Overview and Scrutiny Committees and other committees.

### MONITORING OFFICER

- B.16 The Council's Monitoring Officer pursuant to Section 5 and 5A of the Local Government and Housing Act 1989 (as amended) is responsible for exercising the functions of that role. This includes reporting, in consultation with the Chief Executive and Section 151 Officer to the full Council (or to the Executive in relation to an Executive function), if they consider that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to a finding of maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been

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considered by Cabinet.

- B.17 The Monitoring Officer must ensure that Cabinet decisions and the reasons for them are made public. They must also ensure that Council Members are aware of decisions made by the Cabinet and of those made by officers who have delegated responsibility.
- B.18 The Monitoring Officer is responsible for advising all Members and officers about who has authority to take a particular decision.
- B.19 The Monitoring Officer is responsible for advising the Cabinet or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the Policy Framework.
- B.20 The Monitoring Officer (together with the Section 151 Officer) is responsible for advising the Cabinet or full Council about whether a decision is likely to be considered contrary to or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:
  - a. initiating a new policy which may have financial implications that cannot be contained within existing budgets
  - b. committing expenditure in future years that exceeds Medium Term Financial Plan assumptions
  - c. agreeing budget transfers that exceed approved virement limits
  - d. causing the total expenditure financed from Council tax, grants and corporately held reserves to increase, or to increase by more than a significant amount ("Significant" to be defined by the Section 151 Officer or their representative).
- B.21 The Monitoring Officer is responsible for maintaining an up-to-date Constitution.

## RESPONSIBLE FINANCIAL OFFICER (SECTION 151 OFFICER)

- B.22 The Section 151 Officer is the financial adviser to the Council, the Cabinet and officers and is the Council's 'responsible financial officer' under the Accounts and Audit Regulations. They are responsible for the proper administration of the Council's affairs as specified in, and undertaking the duties required by, Section 151 of the Local Government Act 1972, Section 114 of the Local Government Finance Act 1988, the Local Government and Housing Act 1989, the Local Government Act 2003 and all other relevant legislation.
- B.23 The Section 151 Officer is responsible generally, for discharging, on behalf of the Council, the responsibilities set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Statement on the Role of the Chief Financial Officer in Local Government, including:



- a. in conjunction with the Executive Directors and Assistant Directors, the proper administration of the Council's financial affairs
  - b. setting and monitoring compliance with financial management standards
  - c. advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
  - d. providing financial information
  - e. preparing the revenue budget and capital programme
  - f. treasury management.
- B.24 Section 114 of the Local Government Finance Act 1988 includes a requirement for the Section 151 Officer to report to the full Council, Cabinet and external auditor if the Council or one of its officers:
- a. has made, or is about to make, a decision which involves incurring unlawful expenditure
  - b. has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Council
  - c. is about to make an unlawful entry in the Council's accounts
- B.25 Section 114 of the 1988 Act also requires:
- a. the Section 151 Officer to nominate a properly qualified Member of staff to deputise should they be unable to perform the duties under section 114 personally. The designated deputy for this purpose is the Service Manager (Finance).
  - b. the Authority to provide the Section 151 Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114 of the Local Government Finance Act 1988.

## MONEY LAUNDERING REPORTING OFFICER

- B.26 The Section 151 Officer is appointed as the Council's Money Laundering Reporting Officer and will maintain and advise on Anti-Money Laundering procedures.
- B.27 They will be responsible for notifying the National Crime Agency (NCA) of any suspected cases of money laundering committed within the accounts of the Council as soon as possible and fulfil other duties as defined by legislation or regulation related to the post. Simultaneously, the Cabinet Member for Regulatory Compliance and Corporate Services will be kept informed of any notifications to NCA and of any issues arising from them.

## EXECUTIVE LEADERSHIP TEAM AND STRATEGIC LEADERSHIP BOARD

- B.28 The officer management arrangements for the Council are overseen by an Executive Leadership Team comprising the Chief Executive and Executive Directors including the Section 151 Officer. Each member of the Executive Leadership Team is accountable to the Chief Executive for ensuring that Council Services are managed in accordance with the objectives, plans, policies, programmes, budgets and processes of the Council.
- B.29 The Strategic Leadership Board includes the Executive Leadership Team and all of the Executive Directors and Assistant Directors. The Strategic Leadership Board is responsible for ensuring that the Council's Services are managed in accordance with the Council's strategic objectives and within the agreed policy and budget framework.

## EXECUTIVE DIRECTORS AND ASSISTANT DIRECTORS

- B.30 Powers are delegated to Executive Directors and Assistant Directors, who will establish, operate and keep under review Schemes of Financial Delegation, to cascade powers and responsibilities to Service Managers and other subordinate officers. Every such sub-delegation will be recorded in writing within a Scheme of Financial Delegation. The sub-delegation of functions shall not in any way diminish the overall responsibility and accountability of the delegator. Executive Directors, Assistant Directors and their managers should provide leadership, act with integrity, be open and transparent as possible, regarding financial performance and risks.
- B.31 Executive Directors and Assistant Directors are responsible for and accountable for the financial management arrangements within their service area. They shall manage the development of budget policy options with a detailed assessment of financial implications within the budget process and resource framework agreed by the Council.
- B.32 Executive Directors and Assistant Directors will establish, operate and annually review Schemes of Financial Delegation, in consultation with the Section 151 Officer, to ensure that:
- a. the day to day financial management of services within their directorate is carried out in a secure, efficient and effective manner, and in accordance with the Financial Procedure Rules and associated relevant guidance.
  - b. expenditure is contained within the service's overall approved budget and that individual budget heads are not overspent, by

monitoring the budget and taking appropriate and timely corrective action where significant variances are forecast and if necessary, seeking specific in year approval for the transfer of resources between budgets.

- c. regular reports in an approved format are made to Cabinet on projected expenditure against budget and performance against service outcome targets.
- d. prior approval is sought at the appropriate level for new proposals that create financial commitments in future years, change existing policies, initiate new policies or materially extend or reduce the Council's services.
- e. resources are only used for the purposes for which they were intended.
- f. compliance with the scheme of virement (as set out in the following section "MANAGING EXPENDITURE: SCHEME OF VIREMENT").
- g. risks are appropriately assessed, reviewed and managed.
- h. all members of staff are fully trained, aware of and comply with the requirements of Financial Procedure Rules, including the Contract Procedure Rules.
- i. all allegations of suspected fraud, corruption and financial irregularity are promptly reported to the Section 151 Officer and Chief Internal Auditor and that any local investigations are undertaken thoroughly, consistently and impartially.

**B.33** Schemes of Financial Delegation will set out all financial responsibilities and approval limits as delegated by the Executive Directors and Assistant Directors to Service Managers, and any sub-delegations within services. Authorised Officers are those officers given specific delegated authority by their Executive Directors and Assistant Director as documented in that service's Scheme of Financial Delegation. The financial limits specified in the Scheme of Financial Delegation will be used to control access to financial systems and on-line transaction approvals. The Section 151 Officer will provide advice and prescribed format to Executive Directors and Assistant Directors to facilitate the completion of the Schemes of Financial Delegation. The Section 151 Officer to review and approve all Schemes of Financial Delegation on an annual basis.

## MANAGING EXPENDITURE

### SCHEME OF VIREMENT

- B.34** A virement constitutes the movement of existing approved budgets from one area to another and is not an increase in overall budgets through the addition of new monies.
- B.35** The Scheme of Virement is intended to enable the Cabinet, Executive Leadership Team and Strategic Leadership Board and their staff to

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manage budgets with a degree of flexibility within the overall policy framework determined by the full Council, and therefore to optimise the use of resources.

- B.36 The full Council is responsible for agreeing limits for virement of expenditure between budget headings.
- B.37 Executive Directors and Assistant Directors are responsible for agreeing in-year virements within delegated limits; in consultation with the Section 151 Officer where required and ensuring that written records of any changes are maintained.
- B.38 Key controls for the scheme of virement are:
- a. it is administered by the Section 151 Officer within guidelines set by the full Council. Any departure from this scheme requires the approval of the full Council.
  - b. the overall budget is agreed by the Cabinet and approved by the full Council. Executive Directors, Assistant Directors and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. Income received cannot be used to defray expenditure.
  - c. for the purposes of this scheme, a budget head is considered to be a division of service as identified in the approved Budget Report, or, as a minimum, at an equivalent level to the standard service subdivision as defined by CIPFA's Service Expenditure Analysis
  - d. virement does not create additional overall budget liability
  - e. no virements are permitted from ring fenced budgets
- B.39 Some revenue virements are essentially of an administrative nature, for example, implementation of restructuring and reorganisation proposals that have already received the appropriate level of officer and Member approval; routine changes to the structure of the chart of accounts or changes to notional accounting budgets which are required for reporting purposes but which do not impact on the Councils cash expenditure. Where the virement is of an administrative nature, Member approval is not required and approval limits will be based on the Scheme of Financial Delegation. Administrative virements that exceed these limits will be approved by the Section 151 Officer.
- B.40 Executive Directors and Assistant Directors are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should aim to avoid supporting recurring expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Executive Directors and Assistant Directors must plan to fund such commitments from within their own budgets.

- B.41 Where transfers are a single transaction they must be affected as such and must not be undertaken as two or more smaller transactions.  
Approval limits for virements are as follows:

## REVENUE AND CAPITAL VIREMENTS

### VIREMENT WITHIN A PORTFOLIO

Virement Amount (within portfolio)	Approval Level
Up to and including £100,000	The relevant Executive Director or Assistant Director
In excess of £100,000 up to and £250,000	The relevant Executive Director or Assistant Director in consultation with the Cabinet Member and the Section 151 Officer
In excess of £250,000 up to and including £1,000,000	The relevant Cabinet Member in consultation with Cabinet Member for Regulatory, Compliance and Corporate Service (or the Leader of the Council if the matter concerns the Cabinet Member Regulatory, Compliance and Corporate Services)
Over £1,000,000 (where virement is within budget framework)	Cabinet
Over £1,000,000 (where virement is outside budget framework)	Council

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## VIREMENT BETWEEN PORTFOLIOS

Virement Amount (between portfolios)	Approval Level
Up to and including £250,000	The relevant Executive Director or Assistant Director in consultation with the Cabinet Members and the Section 151 Officer
In excess of £250,000 up to and including £1,000,000	The relevant Cabinet Members in consultation with Cabinet Member for Regulatory, Compliance and Corporate Service (or the Leader of the Council if the matter concerns the Cabinet Member Regulatory, Compliance and Corporate Services Portfolio).
Over £1,000,000 (where virement is within budget framework)	Cabinet

## SUPPLEMENTARY REVENUE ESTIMATES

- B.42 Where services wish to undertake an activity not originally identified in the budget or incur additional revenue expenditure on an existing activity where this is fully funded (for example through additional specific grant allocations), approval must be sought for a supplementary revenue estimate in accordance with the following table. The Section 151 Officer must be consulted to establish that any additional grant funding identified can be legitimately linked to the expenditure in question and the net impact of the proposal must be neutral on the Councils overall budget.
- B.43 Approval limits for fully funded supplementary revenue estimates are as follows:

Supplementary Estimate Amount	Approval Level
Up to and including £100,000	The relevant Executive Director or Assistant Director
In excess of £100,000 up to and including £250,000	The relevant Executive Director or Assistant Director in consultation with the Cabinet Member and the Section 151 Officer
In excess of £250,000 up to and including £500,000	The relevant Cabinet Member in consultation with Cabinet Member for Regulatory, Compliance and Corporate Service (or the Leader of the Council if the matter concerns the Cabinet Member Regulatory, Compliance and Corporate Services) and the Section 151 Officer
In excess of £500,000 up to and including £1,000,000	Cabinet
Over £1,000,000	Council

- B.44 During the financial year, all earmarked reserves and contingencies will be reviewed at least once. In the event that funding can be released the approval limits for the utilisation of this funding for either a supplementary revenue or capital estimate are as follows:

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Supplementary Estimate Amount	Approval Level	
	From Earmarked Reserves	From Contingencies
Up to and including £250,000	Section 151 Officer	Section 151 Officer
In excess of £250,000 up to and including £500,000	Section 151 Officer in consultation with the Chief Executive	Section 151 Officer in consultation with the Chief Executive
In excess of £500,000 up to and including £1,000,000	Cabinet	Section 151 Officer in consultation with the Cabinet Member for Regulatory Compliance and Corporate Services
Over £1,000,000	Council with recommendation from Cabinet	Cabinet

B.45 Supplementary revenue estimates which are to be funded wholly or in part from general reserves or general purpose funding (i.e. Council Tax or non-ring fenced grant) must be approved by Council regardless of value.

## SUPPLEMENTARY CAPITAL ESTIMATES

B.46 Council approves the inclusion of capital block grant allocations within the capital programme. The respective Cabinet Members in conjunction with the Council's Section 151 Officer have delegated authority to allocate capital grants to capital projects to be included within the capital programme up to a level of £1m per individual scheme. Schemes above this threshold will require approval by Council.



- B.47 Supplementary capital estimates which are fully funded from external resources (e.g. specific grant; developer’s contributions) must be approved in accordance with following table.
- B.48 Capital budget increases funded wholly or in part from additional Council resources such as capital reserves, borrowing and capital receipts, regardless of value, must be approved by Council. Council approval is also required where there are significant revenue implications for future year’s budgets.
- B.49 Approval limits for supplementary capital estimates are as follows:

Supplementary Estimate Amount	Approval Level
Up to and including £100,000	Section 151 Officer in consultation with the Chief Executive
In excess of £100,000 up to and including £250,000	Section 151 Officer in consultation with Cabinet Member for Regulatory Compliance and Corporate Services
In excess of £250,000 up to and £1,000,000	Cabinet
Over £1,000,000	Council with recommendation from  Cabinet

## SECTION 106

- B.50 Full delegation with respect of the allocation of Neighbourhoods Section 106 balances is given to the Assistant Director of People (Communities).

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- B.51 The Assistant Director of People (Communities) will ensure that any expenditure commitments are in accordance with each individual agreement and the associated legislative requirements. The Assistant Director of People (Communities) will make arrangements for adequate records to be kept to meet the reporting requirements of the Annual Infrastructure Funding Statement.
- B.52 Approval limits will be set by the Assistant Director of People (Communities) and agreed with the Section 151 Officer and will be recorded within the Schemes of Financial Delegation for the service area.
- B.53 Reporting will be in accordance with the Council's normal and established monthly monitoring process.

## TREATMENT OF YEAR END BALANCES

- B.54 The full Council is responsible for agreeing procedures for carrying forward under- and overspendings on budget headings.
- B.55 A budget heading is considered to be a division of service as identified in the approved Budget Report, or, at an equivalent level to the standard service subdivision as defined by CIPFA's Service Expenditure Analysis.
- B.56 Any revenue underspending at the year-end may be carried forward, subject to the agreement of the Cabinet. The Section 151 Officer will identify and make recommendations about the carry forward of underspends to Cabinet as part of the budget monitoring reporting process. All carry forward proposals must be supported by an appropriate business case demonstrating that the underspend was planned and that the resources carried forward will be earmarked for a specific and appropriate purpose. Executive Directors and Assistant Directors should include provisional indications of likely carry forward requests as part of their in year budget and performance monitoring. Before approval is sought for a carry forward, Executive Directors and Assistant Directors should ensure that there are no unfunded overspends within their service. It is extremely unlikely that proposed carry forwards will be approved if there are unfunded overspends elsewhere within the service.
- B.57 Capital block provisions are allocations within which the full cost value of approved schemes must be contained. Any uncommitted sum at the year-end may be carried forward subject to consideration by Cabinet. Any uncommitted sum which is not justified on this basis will be returned to Council balances. Equally, any overspending will be carried forward as the first call on the following year's provision.

## ACCOUNTING POLICIES

- B.58 The Section 151 Officer is responsible for selecting appropriate accounting policies; exercising oversight of financial and accounting records and systems; and preparing and publishing reports containing statements on the overall finances of the Council including the annual statement of accounts.
- B.59 The key controls for accounting policies are:
- a. systems of internal control are in place to ensure that financial transactions are lawful
  - b. suitable accounting policies are selected and applied consistently
  - c. accurate and complete accounting records are maintained
  - d. financial statements are prepared which present fairly the financial position of the Council and its expenditure and income
- B.60 The Section 151 Officer is responsible for:
- a. selecting suitable accounting policies and ensuring that they are applied consistently
  - b. exercising supervision over financial and accounting records and systems
  - c. preparing and publishing reports containing the statements on the overall finances of the Council including the Council's Annual Report and Accounts
- B.61 Executive Directors and Assistant Directors are responsible for ensuring that all staff within their directorates receive any relevant financial training which has been approved by the Section 151 Officer, and that they are aware of and adhere to the accounting policies, procedures and guidelines set by down by the Section 151 Officer.

## ACCOUNTING RECORDS AND RETURNS

- B.62 The Section 151 Officer is responsible for determining and approving the accounting procedures and records for the Council.
- B.63 All accounts and accounting records will be compiled by the Section 151 Officer or under his/her direction. The form and content of records maintained in other directorates will be approved by the Section 151 Officer.
- B.64 The key controls for accounting policies are:
- a. calculation, checking and recording of sums due to or from the Council will be separated as completely as possible from their collection or payment

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- b. officers responsible for examining and checking cash transaction accounts will not process any of these transactions themselves
- c. reconciliation procedures are carried out to ensure transactions are correctly recorded
- d. procedures are in place to enable accounting records to be reconstituted in the event of systems failure
- e. prime documents are retained in accordance with legislative and other requirements.

## THE ANNUAL STATEMENT OF ACCOUNTS

- B.65 The Section 151 Officer is responsible for ensuring that the annual statement of accounts is prepared in accordance with the Code of Practice on Local Council Accounting in the United Kingdom (CIPFA/LASAAC) and signing them in accordance with the Accounts and Audit Regulation 2015. Approval of the statutory accounts has been delegated by Council to the Audit and Governance Committee.

## SECTION C - FINANCIAL PLANNING

### WHY THIS IS IMPORTANT

- C.1 Financial planning is the development of effective systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. Preparing a policy framework, comprehensive budgets and robust business and performance plans are the key elements to achieving this. By regular monitoring, the Council can ensure that legal requirements and other relevant government guidelines are met and that variances and spending pressures are identified and dealt with promptly.
- C.2 The full Council is responsible for agreeing the Council's Budget, which will be proposed by the Cabinet. In terms of financial planning, the key elements are:
- a. the Medium Term Financial Plan – sets out:
    - what the Council wants to achieve in the short and medium term
    - how services will change in the light of priorities, performance, resources, workforce planning needs and consideration of risks
    - investment required to deliver change
    - how much services will cost in overall terms and to service users
  - b. the Budget – this is the financial expression of the Council's Business Plan. It sets out the allocation of resources to services and projects, the level of contingency funding, the Council Tax base and Council Tax rate, borrowing limits and capital financing requirements.
  - c. the Capital Programme – Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Council, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.
  - d. the Capital Strategy and Treasury Management Strategy – which sets out the arrangements for the management of the Council's borrowing, lending, cash flows and investments
  - e. specific Strategies which have a financial implication

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## WHAT IS COVERED IN THIS SECTION

- C.3 The following aspects of Financial Planning are covered in this section:
- Policy Framework
  - Budget Plan
  - Revenue Budget Monitoring and Control of Revenue Expenditure
  - Monitoring and Control
  - Contingent Liabilities
  - Determination, Monitoring and Control of Affordable Borrowing
  - Resource Allocation
  - Capital Expenditure
  - Capital Monitoring, Approvals and Amendments to the Capital Programme
  - Capital Receipts
  - Leasing and Rental Agreements
  - Commercial Activity
  - Maintenance of Reserves
  - Reporting

## POLICY FRAMEWORK

- C.4 The full Council is required by law, to agree a Policy Framework. The Policy Framework is comprised of the plans and strategies as set out in Chapter 4 of the Constitution.
- C.5 The full Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the Policy Framework.
- C.6 The full Council is responsible for setting the level at which the Cabinet may reallocate budget funds from one service to another. The Cabinet is responsible for taking in-year decisions on resources and priorities in order to deliver the Policy Framework within the financial limits set by the Council.

## BUDGET PLAN

- C.7 Each year the Section 151 Officer is responsible for preparing a budget plan for the Council including an approved revenue budget, capital programme, treasury management strategy (new capital strategy) and reserves strategy detailing the financial and service scenario and the policy and expenditure changes required to respond to this scenario.
- C.8 Executive Directors and Assistant Directors will support this process by assessing and advising on the service scenario and policy and

expenditure options for revenue and capital, in their area of responsibility, in a form determined by the Section 151 Officer.

- C.9 The Cabinet, advised by the Section 151 Officer, Executive Directors and Assistant Directors, will develop a budget package including financing options, policy and expenditure options and capital programme. This will be subject to scrutiny by the Overview and Scrutiny Committee before the Cabinet finalises its recommendations to Council. The final Budget policy and Council Tax will be determined by Council.

## REVENUE BUDGET MONITORING AND CONTROL REVENUE EXPENDITURE

- C.10 Revenue expenditure is broadly defined as any expenditure incurred on the day to day running of the Council. Examples of revenue expenditure include salaries, energy costs, and consumable supplies and materials.

## MONITORING AND CONTROL

- C.11 The Section 151 Officer is responsible for providing appropriate financial information to enable budgets to be monitored effectively. They must monitor and control expenditure against budget allocations at a corporate level and report to the Cabinet on the overall position on a regular basis.
- C.12 It is the responsibility of Executive Directors and Assistant Directors to control income and expenditure within their area and to monitor performance, taking account of financial information and guidance provided by the Section 151 Officer. They must report on variances within their own areas. They must also take any action necessary to avoid exceeding their budget allocation and alert the Section 151 Officer to any potential overspending or under-achievement of income budgets in a timely manner.
- C.13 The Section 151 Officer is responsible for the following:
- a. Establishing an appropriate framework of budgetary management and control which ensures that:
    - budget management is exercised within annual budget allocations unless the full Council agrees otherwise
    - timely information on receipts and payments is made available, which is sufficiently detailed to enable officers to fulfil their budgetary responsibilities

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- expenditure is committed only against an approved budget head
  - all officers responsible for committing expenditure comply with relevant guidance, and the Financial and Contract Procedure Rules
  - each cost centre has a single named manager, determined by the relevant Executive Director and Assistant Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure
  - significant variances from approved budgets are investigated and reported by budget managers regularly
- b. Administering the Council's scheme of virement
  - c. Submitting reports to the Cabinet and to the full Council, in consultation with the relevant Executive Director or Assistant Director, where they are unable to balance expenditure and resources within existing approved budgets under their control
  - d. Preparing and submitting reports on the Council's projected income and expenditure compared with the budget on a regular basis.

C.14 Executive Directors and Assistant Directors are responsible for the following:

- a. Maintaining budgetary control within their Services and ensuring that all income and expenditure is properly recorded and accounted for
- b. Ensuring that an accountable budget manager is identified for each item of income and expenditure under their control. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.
- c. Ensuring that spending remains within the service's overall approved budget, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate and timely corrective action where significant variations from the approved budget are forecast.
- d. Ensuring that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and is operating effectively
- e. Preparing and submitting to the Cabinet regular reports on the service's projected expenditure compared with its budget, in consultation with the Section 151 Officer
- f. Ensuring prior approval by the full Council or Cabinet (as appropriate) for new proposals, of whatever amount, that:
  - create financial commitments in future years
  - change existing policies, initiate new policies or cease existing policies or materially extend or reduce the Council's services.
- g. Ensuring compliance with the scheme of virement
- h. Agreeing with the appropriate Executive Director or Assistant Director any budget proposal, (including a virement proposal) which impacts their respective service areas, after having



consulted with the Section 151 Officer and the Cabinet Member Regulatory and Compliance and Corporate Resources

- i. Ensuring Schemes of Financial Delegation are maintained for all within their area of responsibility
- j. Ensuring best value is obtained.

## CONTINGENT LIABILITIES

C.15 Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events which are not wholly within the control of the Council.

C.16 The S151 Officer is responsible for:

- a. reviewing at least annually in consultation with Executive Directors and Assistant Directors the existing contingent liabilities and ensuring that a balance sheet provision is made where necessary, in accordance with CIPFA guidance.
- b. taking steps wherever possible, in consultation with the Chief Executive, Executive Directors and Assistant Directors, to minimise the risk of contingent liabilities.

C.17 The Chief Executive, Executive Directors and Assistant Directors are responsible for:

- a. setting up procedures and processes to minimise the risk of creating contingent liabilities
- b. reviewing at least annually their service areas for contingent liabilities
- c. informing the Section 151 Officer of any new contingent liabilities and of any changes in the circumstances of existing contingent liabilities.

C.18 These regulations may be modified by any Delegation Scheme which the Council may approve from time to time.

## DETERMINATION, MONITORING AND CONTROL OF AFFORDABLE BORROWING

C.19 Under the Local Government Act 2003 the Council is required by regulation to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities. The key objectives of the Prudential Code are to ensure that within a clear framework, the capital investment plans

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of local authorities are affordable, prudent and sustainable. A further objective is to ensure that treasury management supports prudence, affordability and sustainability. The Code explicitly states that authorities must not borrow to invest primarily for a financial return.

C.20 The Council is responsible for approving prior to the commencement of the financial year the prudential indicators for the forthcoming financial year and subsequent financial years as required by the Code. The indicators required as a minimum are:

- a. Estimates of capital expenditure
- b. Estimate of capital financing requirement (underlying need to borrow for a capital purpose)
- c. Authorised limit for external debt
- d. Operational boundary for external debt
- e. Estimate of gross debt to CFR
- f. Estimated Liability benchmark
- g. Estimates of the ratio of financing costs to net revenue stream
- h. Estimate of net income from commercial and service investments to net revenue stream

After the year end actual values are to be calculated for:

- a. Capital expenditure
- b. Capital financing requirement
- c. External debt
- d. Liability benchmark
- e. Ratio of financing costs to net revenue stream
- f. Ratio of net income from commercial and service investments to net revenue stream

C.21 The Section 151 Officer is responsible for:

- a. establishing procedures to both monitor performance against all forward looking prudential indicators and for ensuring that net external borrowing does not exceed the capital financing requirement.
- b. reporting to Council any significant deviations from expectations.
- c. ensuring that regular monitoring is undertaken in year against the key measures of affordability and sustainability, by reviewing estimates of financing costs to revenue and the capital financing requirement.
- d. reporting to Council, setting out management action, where there is significant variation in the estimates used to calculate these prudential indicators, for example caused by major overruns of expenditure on projects or not achieving in-year capital receipts.

## RESOURCE ALLOCATION

- C.22 The Section 151 Officer is responsible for developing and maintaining a resource allocation process that ensures due consideration of the Council's Policy Framework.
- C.23 The Section 151 Officer is responsible for:
- a. advising on methods available for the funding of resources, such as grants from central government and borrowing requirements
  - b. assisting in the allocation of resources to budget managers
- C.24 Executive Directors and Assistant Directors are responsible for:
- a. working within budget limits and to utilise resources allocated, and further allocate resources, in the most efficient, effective and economic way
  - b. identifying opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery

## CAPITAL EXPENDITURE

- C.25 Capital expenditure is broadly defined as expenditure on the acquisition of a tangible asset, or expenditure which enhances (rather than merely maintains), the value of an existing asset and/or extends the useful life of an asset and increasing usability, provided that the asset yields benefits to the Council and the services it provides is for a period of more than one year. Sefton's de minimis level for new assets is currently £10,000. This limit can be varied at the discretion of the Section 151 Officer.

## CAPITAL MONITORING, APPROVALS AND AMENDMENTS TO THE CAPITAL PROGRAMME

- C.26 The Section 151 Officer is responsible for preparing and submitting reports to Cabinet on the Council's projected capital expenditure and resources compared with the budget on a regular basis, as well as an annual outturn report after the close of the financial year.
- C.27 The Section 151 Officer is responsible for establishing procedures to monitor and report on performance compared to the prudential indicators set by the Council.

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- C.28 The Section 151 Officer in conjunction with the Chief Executive is responsible for:
- a. Setting up procedures under which capital expenditure proposals are evaluated and appraised to ensure that value for money is being achieved, are consistent with service and are achievable
  - b. Compiling a capital programme for approval by Council
  - c. Setting up procedures for corporate monitoring of external sources of capital funding
  - d. Ensuring that expenditure treated as capital expenditure by the Council is in accordance with the best accounting practice
- C.29 Executive Directors and Assistant Directors are responsible for:
- a. liaising with the Section 151 Officer ensuring that estimated final costs of schemes in the approved capital programme are included within the reports to Cabinet of the overall capital programme position
  - b. reporting to the Section 151 Officer circumstances when it is considered that additional Council capital resources will be required to implement a project that has previously been given approval to spend, where such additional resources cannot be identified from within the portfolio programme concerned
  - c. reporting to the Section 151 Officer on any proposed variations to the capital programme during a financial year
  - d. seeking authority for a capital scheme which is not in the capital programme agreed by Council or changes to capital programme
- C.30 Any 'in year' approval sought for capital schemes, must be supported by a completed, detailed Business Case template, in a format approved by the Section 151 Officer, prior to submission through the appropriate decision-making route.

## CAPITAL RECEIPTS

- C.31 The Section 151 Officer must be informed of all proposed sales of land and buildings so that the effect on financial and property management can be assessed.
- C.32 On the advice of the Section 151 Officer, the Council will determine how capital receipts will be applied when setting the annual revenue and capital budget.

## LEASING AND RENTAL AGREEMENTS

- C.33 Leasing or renting agreements must not be entered into unless the service has established that they do not constitute a charge against the Council's prudential borrowing limits. The Section 151 Officer is responsible for issuing any financial procedures /guidance in relation to Leases and Lease agreements including, but not limited to, those leases and lease arrangements relating to schools, commercial and general leasing activity. Leases, including land or property, of less than 20 years can be agreed by the Section 151 Officer via a Chief Officers Report. Leases, including land and property, of 20 years or more will require Cabinet Member approval in addition to the Section 151 Officer.
- C.34 Leases relating to land or property following the approval process can only be signed by the Monitoring Officer or his/her authorised deputies, or persons specifically authorised by the Service Scheme of Financial Delegation, may sign such agreements. The Chief Executive, Executive Directors and Assistant Directors are responsible for ensuring all procedures / guidance issued by the Executive Director of Corporate Resources and Customer Services in regard to Leases and Lease arrangements are complied with.

## COMMERCIAL ACTIVITY

- C.35 The Council holds a selection of assets that support the Council's Core Purpose and operate on a more commercial basis than other elements of the Council's General Fund. These include the Council's wholly owned companies – Sandway Homes Limited, Sefton Hospitality Operations Limited and Sefton New Directions Limited – together with Bootle Strand Shopping Centre.
- C.36 For such defined assets, detailed business plans outlining forecast income and expenditure over a determined period are produced for approval by Cabinet. Business plans should be reviewed and refreshed annually and presented to Cabinet for approval. Where the business plans require budgetary approval – including revenue or capital expenditure– this is approved in line with the requirements of the Financial Procedure Rules.
- C.37 In order to support the management of these assets, appropriate governance via officer boards – for Council assets – or shareholder meetings – for Council companies – will be established to provide strategic direction, monitor progress against the delivery of Council objectives, monitor the delivery of the business plan and record any decisions required to be taken in respect of the delivery of the business plan. The approval of these business plans will include provision that all financial (capital and

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- revenue) and operational decisions will be delegated to the officer boards or shareholder meetings (as appropriate) with Cabinet informed of any material variations in accordance with the Council's normal reporting processes and the governance arrangements between the Council and Company as appropriate.
- C.38 The approach to the management of wholly owned companies will reflect best practice guidance within the sector. This is an area in local government that is continually updated to reflect developments in the sector and to take on learning to ensure governance and management of such companies complies with best practice. As such Cabinet as the Council's executive and shareholder will be informed of this best practice guidance and any subsequent changes or developments in order that they can execute their role as shareholder effectively. Overview and Scrutiny management board will also receive this report. This will ensure that there is a fully transparent and up to date approach to governance and management within the Council.
- C.39 Any loan arrangements between the Council and the specific Company will be in accordance with the requirement of the Financial Procedure Rules.
- C.40 For Council assets, officer boards will review monitoring reports on financial and operational performance on a monthly basis and will escalate any material variations to Cabinet as part of the Council's normal monthly budget monitoring process or via standalone reports where appropriate. For Council owned companies, any material variations will be escalated from shareholder meetings to Cabinet as shareholder at the earliest opportunity in accordance with the agreements between the Council and the Company.
- C.41 Where there are requirements for additional financial resources in year for additional activity not included within the approved business plans – such as additional revenue or capital expenditure – approval should be sought in line with the requirements of the Financial Procedure Rules for supplementary revenue or capital estimates. The write-off of any assets or unrecoverable bad debts associated with these commercial assets should be approved as outlined under the Asset Disposal / Write-Off section of the Financial Procedure Rules.
- C.42 Business plans should be reviewed and refreshed annually and presented to Cabinet for approval each Autumn to allow for the financial implications to be included within the budget each Spring. Annual reports on financial and operational performance should also be presented to Overview and Scrutiny Committee.
- C.43 Cabinet will continue to have executive leadership of commercial assets and will monitor performance through the approval and monitoring of business plans, ensuring that capital expenditure is in accordance with the Councils Treasury Management Strategy and Prudential Indicators. Performance will be reported on a quarterly basis.

## MAINTENANCE OF RESERVES

- C.44 It is the responsibility of the Section 151 Officer to advise the Cabinet and/or the full Council on prudent levels of reserves for the Council.
- C.45 The key controls are:
- a. Professional standards as set out in the Code of Practice on Local Authority Accounting in the United Kingdom: and agreed accounting policies
  - b. Clear agreement of the purpose for which reserves are held and the type of expenditure which they may be used to fund
  - c. Clear processes for the authorisation of Appropriations (transfers between accounts to and from reserves)
- C.46 The Section 151 Officer is responsible for advising the Cabinet and/or the full Council on prudent levels of reserves for the Council, having due regard to any advice that may be offered by the Council's external auditor and other professional bodies (e.g. CIPFA) in this matter.
- C.47 Executive Directors and Assistant Directors are responsible for ensuring that resources are used only for the purposes for which they were intended.

## REPORTING

- C.48 Executive Directors and Assistant Directors are responsible for preparing reports on overall financial and non-financial performance for their Services and for submitting these to the Cabinet, and the Overview and Scrutiny Committee after consulting the Section 151 Officer in accordance with procedures agreed from time to time. These reports must include specific reference to the implementation of policy changes and new developments agreed as part of the budget setting process and other specific requirements as notified in the reporting guidance. Executive Directors and Assistant Directors will also be required to support the Section 151 Officer in reporting on the progress and forecast of all capital expenditure and income against the approved programme.
- C.49 Any reports are to include specific reference to Service performance against the expected non-financial outcomes in the form of key performance targets. Executive Directors and Assistant Directors are expected to achieve value for money in the delivery of services and the reports should demonstrate how this has been achieved together with an analysis of how key policy and expenditure proposals have been

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implemented.

C.50 The key reporting stages are:

- a. Approval of the Business Case, which will be in a form prescribed by the Section 151 Officer before it can be included in the Capital Programme
- b. Monthly reviews of revenue and capital expenditure produced by the Section 151 Officer in consultation with Executive Directors and Assistant Directors
- c. Final outturn reports for both revenue and capital expenditure, including full post-implementation review, on all major capital schemes completed during the year.

C.51 In addition, the reports will be specifically required to give details in respect of the following:

- a. Potential overspends and proposed remedial action, including any impact on balances and future year's budgets which may need to be factored in to future financial scenario planning
- b. Amendments to approved budgets (virements, supplementary capital estimates etc.) where Member approval is required.



## SECTION D - RISK MANAGEMENT AND CONTROL OF RESOURCES

### WHY THIS IS IMPORTANT

D.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Council. This should include the proactive participation of all those associated with planning and delivering services.

### WHAT IS COVERED IN THIS SECTION

D.2 The following aspects of Risk Management and Control of Resources are covered in this section:

- Risk Management and Insurance
- Operational Risk
- Business Continuity
- Internal Controls
- Audit Requirements (Internal and External)
- Preventing Fraud and Corruption
- Assets (Property, Inventory, Stocks, Cash, Disposal / Write Off and Intellectual Property)
- Treasury Management
- Banking
- Investments and Borrowing
- Loans to Third Parties and Acquisition of Third Party Interests
- Trust Funds and Funds Held for Third Parties
- Staffing (Salaries and Wages, Early Retirement/Severance, Travelling and Subsistence, Code of Conduct, Third Party Funds and Retention of Records)

### RISK MANAGEMENT AND INSURANCE

D.3 The Cabinet is responsible for advising Council on an appropriate risk management policy statement and strategy, and for reviewing the effectiveness of risk management. The Audit and Governance Committee is responsible for monitoring the effectiveness of the risk management policy. The Cabinet is also responsible for ensuring that proper insurance exists where appropriate.

D.4 The Section 151 Officer is responsible for preparing the Council's risk management policy statement and for promoting it throughout the Council.

## INSURANCE

- D.5 The Section 151 Officer will maintain and administer the Council's insurances. The Section 151 Officer is responsible for authorising the settlement or repudiation of insurance claims and associated costs acting on advice from the Council's Legal Services, insurers, and claim handlers.
- D.6 Executive Directors and Assistant Directors are responsible for informing the Section 151 Officer immediately of:
- a. any events which may result in an insurance claim against the Council
  - b. the terms of any indemnity which the Council is required to give prior to entering into any contracts etc.
  - c. any new risks which might require to be insured, together with any changed circumstances affecting existing risks. Consideration should be given to new projects, new ways of working, and changes in legislation requiring new ways of delivery etc., where the insurance impact is often overlooked
- D.7 No new insurances may be taken out without prior consultation with the Section 151 Officer.
- D.8 Executive Directors and Assistant Directors must ensure that there is co-operation with the Insurance Team in providing the correct documentation and that the correct retention of documents is observed.

## RISK MANAGEMENT

- D.9 The Council's approach to Risk Management is that it should be embedded throughout the organisation at both a strategic and an operational level, through integration into existing systems and processes.
- D.10 The Section 151 Officer develops the strategy and supporting framework on behalf of Executive Directors and Assistant Directors. The Audit and Governance Committee scrutinise the risk management process ensuring the Council's risks are managed effectively.
- D.11 Executive Directors and Assistant Directors are responsible for ensuring the Risk Management Strategy is implemented and that the full risk management cycle operates within their Service.

- D.12 The principles within the Corporate Risk Management Handbook consist of:
- a. identification of risks, both negative and positive, in relation to the objectives of the Council.
  - b. evaluation of risks scored for likelihood and impact, both gross (before any controls) and net (with existing controls)
  - c. treatment of the risk either by: treat, tolerate, transfer or terminate the activity.
  - d. actions and risks monitored and reviewed on a regular basis.
  - e. the Council's Corporate Risk Register will be developed and maintained by the Chief Internal Auditor in consultation with Executive Directors and Assistant Directors.
- D.13 There are three levels to the Risk Register. There should be a movement of risks both upwards and downwards throughout the levels and treatment addressed at the most appropriate level of the organisation.
- a. Corporate – those risks that impact on the organisation's overall objectives either because of their frequency of occurrence or the significance of the impact.
  - b. Service – those risks that impact on the service objectives.
  - c. Operational – minor risks that are managed within the service area that impact on the operational performance of the team. Where the risks increase they should move upwards into the service and potentially corporate risk register.

## OPERATIONAL RISK

- D.14 Executive Directors and Assistant Directors are responsible for ensuring risk management is carried out at both an operational and strategic level in accordance with the agreed guidance and procedures.
- D.15 Executive Directors and Assistant Directors will take account of, and address, corporate risks and inform the Chief Internal Auditor of any service risks that should be considered significant enough to rise to the corporate risk register level.
- D.16 Service and operational risk registers, and associated actions, should be reviewed on a regular basis (at least quarterly) as part of the performance management process.
- D.17 The Corporate Risk Register will be reported to Executive Directors and Assistant Directors / Strategic Leadership Board and to the Audit and Governance Committee on a quarterly basis.

## BUSINESS CONTINUITY

- D.18 The Civil Contingencies Act 2004 places a statutory requirement for Local Authorities to maintain plans for the continuation of services in the event of an emergency, so far as is reasonably practicable. Services are expected to have arrangements in place to ensure the effective identification, evaluation and management of business critical services.

## INTERNAL CONTROLS

- D.19 Internal Control refers to the systems devised by management to help ensure the Council's objectives are achieved in a manner that promotes economic, efficient and effective use of resources and that the Council's assets are safeguarded.
- D.20 The Section 151 Officer is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice.
- D.21 It is the responsibility of Executive Directors and Assistant Directors to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness.

## AUDIT REQUIREMENTS

### INTERNAL AUDIT

- D.22 The requirement for an internal audit function for local authorities is implied by section 151 of the Local Government Act 1972, which requires that authorities "make arrangements for the proper administration of their financial affairs". The Accounts and Audit Regulations 2015 more specifically require that a "relevant authority must ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensures that the financial and operational management of the authority is effective; and includes effective arrangements for the management of risk."
- D.23 The Public Sector Internal Audit Standards define internal auditing as "an independent, objective assurance and consulting activity designed

to add value and improve and organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

- D.24 The Council's Internal Audit Team delivers this function within the Council and provides assurance to the Section 151 Officer and the Audit and Governance Committee, with regard to the effectiveness of the Council's internal control environment.
- D.25 The Council must, on an annual basis, produce an Annual Governance statement. This statement must provide a description of the system of internal control within the Council, a description of any work undertaken to assess the effectiveness of the internal control framework, and any significant governance issues.
- D.26 To contribute to the production of the Annual Governance Statement, the Chief Internal Auditor is responsible for planning and delivering a programme of independent review of the Council's activities, the scope of the programme being based on the Council's objectives and an assessment of the risk which may affect the achievement of these objectives.
- D.27 The Chief Internal Auditor is also responsible for reporting to those charged with governance and currently satisfies this requirement by presenting an annual report to the Audit and Governance Committee, in which the activity of the internal audit service during the preceding financial year is summarised as to arrive at an opinion on the effectiveness of the Council's internal control. The annual internal audit plan is presented to Audit and Governance Committee for approval and a report summarising performance and key findings is presented to every Audit and Governance meeting.
- D.28 The Internal Audit Charter sets out that Audit staff will have, in accordance with the Accounts and Audit Regulations, and with strict accountability for confidentiality, and safeguarding records and information, full, free and unrestricted access to any and all of the Council's premises, personnel, assets and records. Rights of access to relevant external bodies will be set out in the contracts/ agreements.

## EXTERNAL AUDIT

- D.29 The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, as amended by section 5 of the Audit Commission Act 1998.
- D.30 The Local Audit and Accountability Act 2014 established new arrangements for the audit and accountability of relevant authorities. Under these new arrangements the Council has opted for its external

auditors to be appointed by the Public Sector Audit Appointments Limited (PSAA), an independent company established by the LGA for this purpose.

- D.31 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

## PREVENTING FRAUD AND CORRUPTION

- D.32 The Section 151 Officer is responsible for the development and maintenance of an anti-fraud and anti-corruption policy which should be presented to Cabinet for approval.
- D.33 The Council has an approved Anti-Fraud and Corruption Policy which places responsibility for preventing fraudulent activity with all Members, Managers and individual members of staff. Any matters which involve, or are thought to involve, any fraud or other significant irregularity involving Council assets or those of a third party fund, must be notified immediately to the Section 151 Officer and Chief Internal Auditor.
- D.34 The Monitoring Officer will, in consultation with Section 151 Officer and Chief Internal Auditor, decide whether any matter under investigation should be recommended for referral to the Police or the appropriate enforcement agency. The Council's External Auditor also has powers to independently investigate fraud and corruption.

## ASSETS

- D.35 In the context of these Rules, assets are defined as the resources, other than people, that the Council uses to deliver its service functions. Assets include buildings, land and infrastructure; furniture; equipment; plant; stores and "intellectual property" such as computer software, data and information of all kinds.
- D.36 Executive Directors and Assistant Directors are responsible for the care, control and proper and economical use of all assets used in connection with the operation and delivery of their Services. Proper records should be maintained for these assets, together with appropriate arrangements for their management and security. Information Assets should be recognised in line with the Council's guidance and recorded in the Information Asset Register.
- D.37 Executive Directors and Assistant Directors are responsible for ensuring that assets are used only for official purposes and that all appropriate

rights, licenses and insurances are obtained.

- D.38 Executive Directors and Assistant Directors are responsible for ensuring that all computer software used is properly licensed.
- D.39 Executive Directors and Assistant Directors are expected to have policies in place for:
  - a. the effective disposal of surplus assets
  - b. asset replacement programme
  - c. compilation of and regular review of Asset inventories
- D.40 The Service Manager – Property Services is responsible for ensuring there is a current Asset Management Strategy and Asset Disposal Policy in place.

## PROPERTY

- D.41 The Service Manager – Property Services is responsible for maintaining a “property terrier” recording all land and buildings owned by the Council. The delegated Monitoring Officer is responsible for the safe keeping and recording of all property deeds.
- D.42 The Council’s Asset Management Strategy sets out the vision, core values and objectives that form the context for the preparation of the Corporate Asset Management Plan and Service Asset Management Plans.
- D.43 All property acquisitions, lettings and disposals must be in accordance with the Council’s rules and procedures. Separate rules apply to specific processes, such as the use of capital receipts from property sales to pay for new schemes, and guidance should be sought from the Section 151 Officer where this arises.

## INVENTORIES

- D.44 Executive Directors and Assistant Directors must ensure that proper arrangements are made to maintain inventories of all valuable and transportable items, including vehicles, furniture, computer and other equipment (including software), visual aids, expensive tools and sports equipment.
- D.45 For ICT equipment, Executive Directors and Assistant Directors must ensure they, and staff within their service areas, adhere to the requirements of the ICT Acceptable Use Policy, the Starters, Movers and Leavers Policy and any associated guidance.
- D.46 The inventory must be updated for all acquisitions and disposals and checked at least annually. Items acquired under leasing arrangements

must be separately identified for disclosure in the published final accounts. The Section 151 Officer will provide guidance on the procedures to be followed.

## STOCKS

- D.47 Stock is defined as consumable items constantly required and held by a Service in order to fulfil its functions. Executive Directors and Assistant Directors are responsible for the control of stocks. They must ensure that stocks are appropriately secured and recorded, do not exceed reasonable requirements and that all significant stock is accounted for in the year end accounts. Stocks should be checked at least once a year, more frequently in the case of expensive items.

## CASH

- D.48 Cash held on any Council premises should be held securely, and should not exceed any sums for which the Council is insured. If retention of cash on site is unavoidable in exceptional circumstances, the Assistant Director is responsible for making appropriate security arrangements. All cash should be banked as quickly as possible.

## ASSET DISPOSAL/WRITE-OFF

- D.49 Executive Directors and Assistant Directors may authorise the disposals, of obsolete or surplus equipment / groups of items, materials, vehicles or stores up to a disposal value of £10,000 in consultation with the Section 151 Officer. For write offs of £10,000 and over per item or group of items, this should be reported jointly by the Section 151 Officer and the relevant Assistant Director to the Audit and Governance Committee for write-off action.
- D.50 Any write off which arises as a result of theft or fraud must be notified to the Chief Internal Auditor immediately.

## INTELLECTUAL PROPERTY

- D.51 The Chief Executive is responsible in conjunction with the Monitoring Officer for developing and disseminating best practice regarding the treatment of intellectual property.



- D.52 The Chief Executive, Executive Directors and Assistant Directors are responsible for:
- a. Ensuring that controls are in place to ensure that staff do not carry out private work in council time and that staff are aware that anything they create during the course of their employment, whether written or otherwise, belongs to the Council.
  - b. Complying with copyright, design and patent legislation and, in particular, to ensure that:
    - Only software legally acquired and installed by the authority is used on its computers,
    - Staff are aware of legislative provisions, and
    - In developing systems, due regard is given to the issue of intellectual property rights.

## TREASURY MANAGEMENT

- D.53 The Council has adopted CIPFA's Code of Practice for Treasury Management in Local Authorities.
- D.54 The full Council is responsible for approving the treasury management policy statement setting out the matters detailed in CIPFA's Code of Practice for Treasury Management in Local Authorities. The policy statement is proposed to the full Council by the Cabinet. The Section 151 Officer has delegated responsibility for implementing and monitoring the statement.
- D.55 All money in the hands of the Council is controlled by the Section 151 Officer as designated for the purposes of section 151 of the Local Government Act 1972, referred to in the code as the finance director.
- D.56 The Section 151 Officer is responsible for proposing to the Cabinet a treasury management strategy for the coming financial year at or before the start of each financial year. Full Council is responsible for approving the strategy.
- D.57 All Cabinet decisions on borrowing, investment or financing shall be delegated to the Section 151 Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.
- D.58 The Section 151 Officer is responsible for reporting to the Council no less than two times in each financial year on the activities of the treasury management operation and on the exercise of his or her delegated treasury management powers. One such report will comprises a mid-year review and an annual report on treasury management for presentation prior to the 30<sup>th</sup> June following each financial year end.

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## BANKING

- D.59 It is the responsibility of the Section 151 Officer to operate such bank accounts as are considered necessary. Opening or closing any bank account shall require the approval of the Section 151 Officer.
- D.60 Executive Directors and Assistant Directors are responsible for operating bank accounts opened with the approval of the Section 151 Officer in accordance with issued guidelines.

## INVESTMENTS AND BORROWINGS

- D.61 It is the responsibility of the Section 151 Officer to:
- a. ensure that all investments of money are made in the name of the Council or in the name of approved nominees
  - b. ensure that all securities that are the property are held in the name of the Council or its nominees (the Chief Legal and Democratic Officer is responsible for ensuring the title deeds of all property in the Council's ownership is held in safe custody)
  - c. effect all borrowings in the name of the Council
  - d. act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council

## LOANS TO THIRD PARTIES AND ACQUISITION OF THIRD PARTY INTERESTS

- D.62 Interests should not be acquired in companies, joint ventures or other enterprises without obtaining prior approval of the full Council, the Leader, Cabinet or the appropriate Cabinet Member as outlined below.
- a. The Section 151 Officer, Cabinet Member for Regulation and Compliance and relevant Cabinet Member(s) are jointly responsible for approving financial and asset loans made to third parties up to £50,000
  - b. The Cabinet is responsible for approving financial and asset loans between £50,000 and £1m
  - c. The Council is responsible for approving financial or asset loans above £1m
  - d. Loans transacted as part of Treasury Management activities are covered by the Treasury Management Policy and Strategy.
- D.63 For wholly owned council companies, Cabinet as the Executive of the Council and the shareholder in wholly owned Council companies, make

decisions in respect of approving business plans including any loan provision.

## TRUST FUNDS AND FUNDS HELD FOR THIRD PARTIES

D.64 It is the responsibility of the Section 151 Officer to:

- a. arrange for all trust funds to be held, wherever possible, in the name of the Council (e.g. 'Sefton Metropolitan Borough Council on behalf of.....'). All officers acting as trustees by virtue of their official position shall deposit securities, etc. relating to the trust with the Section 151 Officer, unless the deed otherwise provides.
- b. arrange where funds are held on behalf of third parties, for their secure administration, approved by the Section 151 Officer, and to maintain written records of all transactions
- c. ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust
- d. Approval of procedures for the management of Clients financial affairs, where the Council has been granted advocacy, Appointeeship and/or Deputyship
- e. The Executive Directors of Children's Social Care and Adult Social Care are responsible for ensuring procedures in relation to the management of Clients financial affairs are complied with.

## STAFFING

### SALARIES AND WAGES

- D.65 Executive Directors and Assistant Directors are responsible, in consultation with the Chief Personnel Officer, for providing accurate and appropriate information and instructions to the Transactional HR, Payroll & Pensions Services to enable the calculation and prompt payment of salaries, expenses and pensions, including details of appointments, promotions, regrading, resignations, dismissals, retirements and absences from duty. Human Resources will advise the Transactional HR, Payroll & Pensions Services of relevant changes in respect of employee's pensions. The Service Manager – Employee Support will make arrangements for payment to the appropriate bodies, of all statutory, including taxation, and other payroll deductions.
- D.66 Time sheets and other pay documents which are used to generate payment of salaries, wages or other employee-related expenses must be on official forms or via authorised electronic inputs. Executive Directors and Assistant Directors are responsible for ensuring that they are certified

by an authorised officer and that they are submitted to the Transactional HR, Payroll & Pensions Services in accordance with the specified timetable. This includes on-line input entered locally. The names and specimen signatures of authorised officers must be secured by Executive Directors and Assistant Directors and included in the service Scheme of Financial Delegation notified to the Section 151 Officer.

- D.67 The Chief Personnel Officer will implement national and local pay agreements as soon as possible after their notification from the appropriate body. Arrangements for funding such awards will be determined each year as part of the budgetary process.

## EARLY RETIREMENT/SEVERANCE

- D.68 Where Executive Directors and Assistant Directors wish to bring forward proposals under the Council's policies on severance and early retirement, they must be accompanied by a full cost and affordability assessment, in a form agreed by the Chief Executive, the Section 151 Officer and the Chief Personnel Officer. The Cabinet Member for Regulatory Compliance and Corporate Resources shall be consulted for proposals relating to Hay Grade 6 and above.
- D.69 The Chief Executive or Section 151 Officer must approve all requests up to £100,000 including pension strain. All requests in excess of £100,000 including pension strain must be approved by the Pay and Grading Committee.
- D.70 Executive Directors and Assistant Directors will generally be required to meet the costs of severance and early retirement from within their approved budget. Service efficiency applications may be subject to phasing over an agreed period. A corporate budget may also be established for staffing reductions linked to the Council's MTFP saving options and access to this budget will be subject to the agreement of the Chief Executive and the Section 151 Officer.

## TRAVELLING AND SUBSISTENCE

- D.71 The Section 151 Officer and the Chief Personnel Officer are responsible for issuing guidance on travelling and subsistence. Executive Directors and Assistant Directors are accountable for ensuring their teams follow the approved guidance on travelling and subsistence claims.
- D.72 Executive Directors and Assistant Directors are responsible for instructing the Chief Personnel Officer and for providing appropriate and accurate information to enable the prompt and accurate payment of travelling, subsistence and other expenses to authorised employees in

accordance with the terms of employment agreed by the Council.

- D.73 Executive Directors and Assistant Directors are responsible for ensuring that Council employees who use their cars for official business are properly insured to indemnify the Council against any loss and for ensuring that payments are only made in respect of journeys which are necessary and actually undertaken. Executive Directors and Assistant Directors should ensure that the most economical available means of transport is used, including pool cars, hire cars and car sharing.
- D.74 All claims for reimbursement must be made using appropriate official claim forms, always using electronic processing where available.
- D.75 Further guidance is available via the Intranet - Pay and Expenses.

## CODE OF CONDUCT

- D.76 The Code of Conduct for Employees applies to, and will be followed by all officers. It covers financial, personal and other interests, gifts hospitality and other favours, sponsorship – giving and receiving, use of financial resources, disclosure of information, relationship with others, and separation of duties during tendering, appointments, political neutrality, additional employment, intellectual property, equality and declarations.
- D.77 Where an outside organisation wishes to sponsor or is asked to sponsor a Council activity, whether by invitation, tender, negotiation or voluntarily, the basic conventions concerning acceptance of gifts and hospitality applies, as detailed in the Code of Conduct for Employees.
- D.78 Further guidance is available via the Intranet – Personnel Policies and Procedures.

## THIRD PARTY FUNDS

- D.79 A third party fund is defined as any fund financed other than by the Council, controlled wholly or partly by a member of the Council's staff in connection with the clients, establishments or activities of the Council such as School Funds, Amenity Funds or Criminal Injuries Compensation Payments for children in care. A register of third party funds will be maintained by the Corporate Finance team.
- D.80 Money or goods belonging to the Third Party Fund must be kept completely separate from other money or goods belonging to the Council. Similarly, completely separate records must be kept of the money or goods involved.

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- D.81 An independent auditor must be appointed who has suitable qualities though not necessarily professionally qualified, to audit the Third Party Fund on an annual basis. Annual Statements of Account and Audit Certificates must be formally presented to a Management Committee or other appropriate governing body of the Third Party fund.
- D.82 Executive Directors and Assistant Directors are responsible for ensuring that any Third Party Funds controlled by Council staff are:
- a. formally declared to Corporate Finance team as part of a register kept by the Service
  - b. maintained separately and correctly in accordance with these Financial Procedure Rules, and
  - c. subject to the same standards of stewardship and probity as Council funds
- D.83 The Returning Officer will be responsible for maintaining complete and accurate records and for reconciliation with regard to elections accounts.

## RETENTION OF RECORDS

- D.84 The Council, in common with other public and private organisations, has certain statutory obligations it has to meet for the retention of its records. It also has to fulfil the requirements of HM Revenue and Customs, other legislative requirements and the external auditors in respect of its financial records.
- D.85 All records held should have an appropriate retention period assigned to them, which meet the statutory obligations to retain financial records, but also takes into account legislative requirements such as the Limitation Act and General Data Protection Regulation; Freedom of Information requirements; and the business needs of the Service.
- D.86 The majority of financial records must be kept for six years from the end of the tax year to which they relate. Some records however, may need to be kept for longer periods e.g. if required to defend future insurance claims. It is possible others can be destroyed within shorter periods. Guidance on the appropriate retention period is given in the Council's Retention Policy and its Information Asset Register.

## SECTION E - FINANCIAL SYSTEMS AND PROCEDURES

### WHY THIS IS IMPORTANT

- E.1 Sound systems and procedures are essential to an effective framework of accountability and control.

### WHAT IS COVERED IN THIS SECTION

- E.2 The following aspects of Financial Systems and Procedures are covered in this section:

- Banking Services
- Banking Arrangements
- Income (Generating Income, Charging for Income, Collecting Income and Bad Debts)
- Ordering and Paying for Work, Goods and Services (General Principles, Payment of Invoices, Non-Invoice Payments, Credit Cards/Debit Cards/Purchase Cards, Imprest Accounts, Payment to Members and Financial Arrangements in an Emergency)
- Taxation
- Trading Accounts and Business Units

### BANKING SERVICES

- E.3 The Council will approve the terms under which banking services, including overdraft facilities, are provided.

### BANKING ARRANGEMENTS

- E.4 All bank accounts must be titled impersonally in the name of Sefton Metropolitan Borough Council.
- E.5 Subject to any directions given by the Council, all arrangements with the Council's bankers must be made solely through the Section 151 Officer. No bank accounts may be opened or arrangements made with any other bank except by agreement with the Section 151 Officer.
- E.6 Bank transfers from the General Fund and subsidiary accounts must be authorised by the Section 151 Officer, or those officers authorised to sign through the agreed Scheme of Financial Delegation or in accordance with the Treasury Management Policy and Strategy.

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- E.7 Cheques drawn must bear the mechanically impressed signature of the Section 151 Officer or be signed by the Section 151 Officer or other officer authorised to sign through the agreed Scheme of Financial Delegation.

## INCOME

### GENERATING INCOME

- E.8 The Section 151 Officer is responsible for developing and maintaining standards, procedures, systems and reports to facilitate the effective and efficient identification, collection, receipting, banking and recovery of income due to the Council in accordance with current relevant UK legislation.
- E.9 Executive Directors and Assistant Directors are responsible for ensuring that the appropriate legal authority for all income generating activities has been identified.

### CHARGING FOR INCOME

- E.10 Executive Directors and Assistant Directors, in consultation with the relevant Cabinet Member, shall determine on an annual basis the level of fees or charges payable in respect of any chargeable goods or services supplied, work undertaken or the loan or use of plant, equipment or machinery. These will be approved by Cabinet Member in advance of the start of the financial year.
- E.11 There may be circumstances where fees and charges require in year amendments – for example, during periods of economic uncertainty, where there are volatile rates of inflation and sector specific pressures. These in year changes will be approved by the relevant Cabinet Member.

### COLLECTION OF INCOME

- E.12 The Council operates a Sundry Debt Collection policy to secure invoiced sundry debt income for the provision of services. All debt owing to the Council must be collected promptly, effectively, efficiently and economically, while ensuring fair treatment of those that owe money, including consideration of any financial difficulties.
- E.13 Council officers must comply with guidelines issued by the Section 151 Officer, and those contained in the Corporate Debt Policy and Corporate Debt Procedures for the safe and efficient collection and recording of all money due to the Council.



- E.14 Executive Directors and Assistant Directors are responsible for ensuring that accounts for income due to the Council, including grant claims, reimbursements and third party contributions, are raised immediately and accurately in a form approved by the Section 151 Officer. These must include VAT where appropriate.
- E.15 The cost of collection should be taken into account when raising accounts. Executive Directors and Assistant Directors must ensure that the method of collection is the most cost effective relative to the value of the transaction.
- E.16 Executive Directors and Assistant Directors are responsible for ensuring that all income received is receipted, where required, recorded correctly against the appropriate budgets, and in the case of cash and cheques, banked with the minimum of delay. The frequency of banking should follow guidelines provided by the Section 151 Officer Services should avoid incurring disproportionate banking charges on relatively low value transactions, taking into account local security arrangements.
- E.17 Executive Directors and Assistant Directors are responsible for monitoring income collection and ensuring appropriate recovery action is taken. A summary of the position on the level of outstanding debt and collection issues should be included in quarterly financial updates and the final outturn report.
- E.18 The Section 151 Officer will monitor compliance with Executive Director and Assistant Director responsibilities regarding the collection of income and may, in circumstances where avoidable adverse cash flow has resulted, determine an appropriate interest charge against Service budgets.
- E.19 Credit notes must be authorised by appropriate officers nominated in the local Scheme of Financial Delegation.
- E.20 Any receipts, tickets or other documents used as receipts should be in a format agreed by the Section 151 Officer. All controlled stationery issued to a Assistant Director must be recorded in a register, which is held by a single officer within each Service.
- E.21 There may be circumstances where third parties wish to exit income generating contracts early in return for providing the Council with a lump sum. Where these proposals are within the approved budget policy framework and have:
- No detriment financially and reflects current income being received
  - That the annual sums are received at the same level and the timeline at least as what is being received under the contract; and

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- Any lump sum at the end of the contact period is based on current income levels and the timing is at least as currently set out within the existing agreement

Then this can be approved by the relevant Cabinet Member and the Cabinet Member - Regulatory, Compliance and Corporate Services and reported in line with the Council's established monitoring process. Any lump sums will be reserved and used to support the budget as originally set out.

- E.22 Where third parties wish to exit income generating contracts early and these cannot be contained within the existing budget policy framework, then these should be approved in line with the requirements for Supplementary Revenue Estimates as set out within the Financial Procedure Rules.

## BAD DEBTS

- E.23 The Section 151 Officer is responsible for producing and issuing guidance on bad debt. Executive Directors and Assistant Directors are responsible for ensuring their teams comply with this guidance and the Corporate Debt Policy and Procedures.
- E.24 All debts which are due to the Council will be subject to full recovery, collection and legal procedures as detailed in the Council Corporate Debt Policy and Procedures. However, not all debts may be collectable and therefore it will be appropriate, in certain circumstances, to classify debts as irrecoverable or "bad debts".
- E.25 Bad debts of up to £10,000 may be written off by Authorised Officers as contained in the Scheme of Financial Delegation in consultation with the Section 151 Officer and the Monitoring Officer. Bad debts of £10,000 and over should be reported jointly by the Section 151 Officer and the relevant Assistant Director to the Audit and Governance Committee for write-off action.
- E.26 Any write off which arises as a result of theft or fraud must be notified to the Chief Internal Auditor immediately.
- E.27 Executive Directors and Assistant Directors are responsible for ensuring that an adequate provision for bad debt is made in the Council's accounts at year end and that contributions to this provision are included in budgetary projections and outturn reports.

## ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

### GENERAL PRINCIPLES

- E.28 Executive Directors and Assistant Directors are responsible for providing all appropriate information and instructions to Transactional Services to allow for prompt and accurate payment for goods and services provided and for the analysis of expenditure.
- E.29 Except for purchases by purchase /credit /debit card, all purchases must be supported by an official requisition. All purchases must have regard to Contract and Financial Procedure Rules.
- E.30 All requisition and purchase orders must be authorised in accordance with the relevant service Scheme of Financial Delegation to ensure that funds are available to pay for the purchase.
- E.31 All official purchase orders must include, as a minimum, the order number, the price agreed with the supplier, description of the goods or services to be provided, the delivery address, the address where invoices must be received and a link to the standard terms and conditions for the goods and services to be provided.
- E.32 Executive Directors and Assistant Directors must ensure that there is adequate separation of duties in the raising and authorisation of requisitions, authorising of purchase orders, receipt of goods and authorisation of payments to transactional services.
- E.33 Executive Directors and Assistant Directors must ensure robust processes to continually maintain computer records and accesses, and Schemes of Financial Delegation so that electronic workflows associated with core financial systems are not compromised.
- E.34 All procurement, commissioning, contract administration or contract management must be carried out in accordance with the Council's Contract Procedure Rules
- E.35 Executive Directors and Assistant Directors must consult the Section 151 Officer on appropriate arrangements for purchases of goods and services which cannot be accommodated within standard ordering and payment processes.

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## PAYMENT OF INVOICES

- E.36 All invoices must be sent directly by the creditor to the address stated on the official purchase order to enable prompt payment.
- E.37 All invoices, as a minimum, must include the official purchase order number, the description of the goods or services provided, the quantity delivered, the delivery address, the date of the invoices and/ or date of delivery of the goods or services, the address and VAT registration number of the supplier and the price and VAT at the prevailing rate.
- E.38 Invoices received without a valid purchase order number may be returned to the creditor as unauthorised for payment.
- E.39 The Council's standard payment terms are 30 days from receipt of a correct invoice by BACS (Bankers Automated Clearing System). Alternative terms may not be negotiated or agreed with suppliers without the explicit approval of the Section 151 Officer. Executive Directors and Assistant Directors are responsible for notifying suppliers of these terms and for ensuring that they are observed by all those involved in the purchasing and payment processing.
- E.40 Payment will only be made for goods and services which have been formally receipted in accordance with receipting procedures set out by the Section 151 Officer.
- E.41 All procurement, commissioning, contract administration or contract management activity must be carried out in accordance with the Council's Contract Procedure Rules and any advice or guidance that may be issued from time to time by the Section 151 Officer regarding the efficient and effective use of the Council's core financial and e-procurement systems and processes. Invoices received for payment must comply with the Council's best practice processes.

## NON-INVOICE PAYMENTS

- E.42 Where Executive Directors and Assistant Directors wish to initiate a payment to a third party without a supporting invoice, an official request for payment must be submitted in a form approved by the Section 151 Officer.
- E.43 Any such requests must be authorised by an officer designated with an appropriate approval limit in the relevant service Scheme of Financial Delegation. They are responsible for ensuring that all payment details provided are accurate and that supporting records and documentation are available to substantiate the payment, including an official VAT receipt to

allow for the reclaim of any VAT element.

- E.44 Appropriately authorised requests for payment will be processed and paid by BACS. Cheques will only be used in exceptional cases and by prior agreement.
- E.45 Non-invoice payments should be requested on an exceptional basis only. Where payments of this type need to be made on regular basis Executive Directors and Assistant Directors must consider, in conjunction with the Section 151 Officer, other alternative options which may be more appropriate.
- E.46 Payments or reimbursements in respect of salaries and wages travelling expenses or other employment allowances must be processed through the Payroll system and not treated as a non-invoice payment.

## CREDIT CARDS, DEBIT CARDS AND PURCHASE CARDS

- E.47 The Section 151 Officer is responsible for:
  - a. providing credit cards, debit cards and purchase cards to be used for agreed purposes and to be allocated to nominated members of staff
  - b. prescribing procedures for the use of credit cards, debit cards and purchase cards and the accounting arrangements required to record and monitor expenditure incurred with such cards
- E.48 Purchase Cards/Credit Cards/Debit Cards are an effective method of payment for goods and services of low value and for one off purchases. Executive Directors and Assistant Directors are responsible for the appropriate deployment, management and the security of purchase/credit/debit cards within their service in accordance with the Scheme of Financial Delegation.
- E.49 Purchase Cards/Credit Cards/Debit Cards should only be used for legitimate Council business by the person who has been allocated the card and whose name the card is in.
- E.50 Adequate records must be maintained to allow for the verification and reconciliation of all payments made to the Council's general ledger and bank accounts, and to allow for the proper treatment of VAT.

## IMPREST ACCOUNTS

- E.51 The Section 151 Officer is responsible for providing, in agreed circumstances and where such need is proven to be essential, cash or bank imprest accounts to meet minor or other agreed expenditure. The

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Section 151 Officer is also responsible for defining procedures for operating these accounts.

- E.52 The Chief Executive, Executive Directors and Assistant Directors are responsible for the operation of approved cash and bank imprest accounts in accordance with procedures issued by the Section 151 Officer.
- E.53 Executive Directors and Assistant Directors are responsible for ensuring that where local arrangements are in place:
- a. Schemes of Financial Delegation set out clearly the responsibilities and approval limits of individual officers in respect of these arrangements; and that these are reviewed and updated regularly
  - b. they are operated in accordance with guidance issued and that appropriate management supervision and compliance monitoring is undertaken
  - c. adequate records must be maintained to allow for the verification and reconciliation of all payments made to the Council's general ledger and bank accounts, and to allow for the proper treatment of VAT
  - d. arrangements are being operated for legitimate Council business only
- E.54 Local arrangements may not be used in any circumstances to circumvent either the Council's Contract Procedure Rules or agreed approval and authorisation procedures, nor must they be used for any payments in respect of salaries and wages, travelling or other employment expenses, or payments for work carried out under the Construction Industry Tax Deduction Scheme.

## PAYMENT TO MEMBERS

- E.55 The Section 151 Officer is responsible for paying all allowances to Members.
- E.56 The Section 151 Officer will make payments to any Members entitled to claim allowances on receipt of the proper form, completed and certified in accordance with the approved scheme for allowances.

## FINANCIAL ARRANGEMENTS IN AN EMERGENCY

- E.57 The Chief Executive, or his / her representative acting as Emergency Duty Co-ordinator must be able to incur expenditure immediately in order to carry out the role effectively and may rely on the provisions of

Section 138 of the Local Government as amended by Section 156 of the Local Government and Housing Act 1989 (LGHA 1989). Section 155 of the LGHA 1989 provides for a scheme whereby local authorities may recoup from central government a proportion of agreed expenditure under 'Bellwin Rules'.

E.58 The Section 151 Officer is responsible for:

- a. approving a form of record for all emergency expenditure.
- b. reporting all expenditure to the Cabinet as soon as reasonably practicable.
- c. issuing a single expenditure code for the emergency.

E.59 Those who incur expenditure on the occasion of any Emergency or scaled up incident are responsible for:

- a. taking such steps as are reasonable, bearing in mind the local circumstances, to enable proper accounting for any disbursement to be achieved after the event.
- b. taking such judgments as to what constitutes reasonable controls in light of the scale and the nature of the payments, their urgency and the physical conditions at the time.
- c. ensuring caution is exercised where large scale cash disbursements to third parties are involved
- d. attempting to obtain some documented acknowledgement of receipt.
- e. attempting to utilize cashless methods wherever possible.

E.60 Wherever possible/practicable, the Council's existing procurement framework contracts should be used.

## TAXATION

E.61 It is the responsibility of the Section 151 Officer, in conjunction with Transactional HR, Payroll & Pensions Services to:

- a. complete all Inland Revenue returns regarding PAYE
- b. complete a monthly return of VAT inputs and outputs to HM Revenue and Customs
- c. provide details to HM Revenue and Customs regarding the construction industry tax deduction scheme
- d. maintain up-to-date guidance for Council employees on taxation issues

E.62 It is the responsibility of Executive Directors and Assistant Directors to:

- a. ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Revenue and Customs regulations
- b. ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements
- c. ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency
- d. follow the guidance on taxation issued by the Section 151 Officer.

## TRADING ACCOUNTS AND BUSINESS UNITS

E.63 As a general rule, separate trading accounts are required when services are provided to either internal or external clients, on a basis other than a straightforward recharge of full cost. It is the responsibility of the Section 151 Officer to advise on the establishment and operation of trading accounts and business units.

E.64 It is the responsibility of Executive Directors and Assistant Directors to:

- a. consult with the Section 151 Officer and the Monitoring Officer where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.
- b. observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and to produce an annual report in support of the final accounts
- c. ensure that the same accounting principles are applied in relation to trading accounts as for other services or business units
- d. ensure that each business unit prepares an annual business plan.



## SECTION F - EXTERNAL ARRANGEMENTS

### WHY THIS IS IMPORTANT

F.1 The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders.

### WHAT IS COVERED IN THIS SECTION

F.2 The following aspects of External Arrangements are covered in this section:

- Partnerships
- Bidding for Grant Funding
- Support to Other Organisations
- Sponsorship Arrangements

### PARTNERSHIPS

F.3 Partnerships play a key role in delivering community strategies and contributing to the well-being of the area. They also provide new ways to share risks, access new resources and new and better ways of delivering services.

F.4 The Section 151 will provide guidance for Partnership Arrangements. This will outline officer and partner responsibilities and provides a checklist of all necessary requirements before entering into a partnership, during it and following its cessation.

F.5 Executive Directors and Assistant Directors are responsible for:

- a. Adhering to the guidance issued by the Section 151 Officer before embarking on any partnership agreement, ensuring a risk management appraisal is undertaken and obtaining the appropriate approvals
- b. Ensuring partnerships do not impact adversely on Council services
- c. Providing appropriate information for the statement of accounts
- d. Maintaining all contract document and any associated requirements of the Contract Procedure Rules
- e. Ensuring partners are aware of their obligations with regards to confidentiality, conflicts of interest, communication and financial and contractual responsibilities

- f. Ensuring that financial resources are used efficiently and effectively and that accounting arrangements are satisfactory and maintain the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council

## BIDDING FOR GRANT FUNDING

- F.6 In some circumstances there may be specific grant funds available, where these are aligned with the Council's priorities, accessed through some form of bidding process. The approval process for bidding for grant funding is as follows:
- a. All grant submissions should be approved by the Section 151 Officer and the relevant Assistant Director / Executive Director in advance
  - b. The relevant Cabinet Member / Cabinet Member for Regulatory, Compliance and Corporate Services should be consulted and provide approval to proceed
  - c. If a bid is successful, expenditure can only commence when formal approval for the Supplementary Revenue / Capital Estimate has been received.
- F.7 Any new capital schemes must be approved in line with the requirement for Supplementary Capital Estimates. Officers must ensure that they understand and are aware of the grant conditions attaching to any funding and consider whether the Council's processes and procedures are sufficient to comply with these conditions or whether more detailed processes need to be followed.

## SUPPORT TO OTHER ORGANISATIONS

- F.8 The Cabinet Member for Regulatory Compliance and Corporate Resources will on a periodical basis, agree a policy setting down the approach to be taken to the allocation of grants, donations and other contributions to outside bodies, in consultation with the Section 151 Officer and The Chief Legal and Democratic Services Officer. The Policy would be presented for approval through Cabinet and Council.
- F.9 Grants, donations and contributions will be paid by the Council in accordance with this policy, subject to there being adequate provision in service budgets and the appropriate approvals being sought.

Approval level	Amount
Officers	Up to and including £50,000 (where grant is within approved grant policy)
Cabinet Member	Between £50,000 and £100,000 (where grant is within approved grant policy)
Cabinet	<p>All Grants of £100,000 or more.</p> <p>All grants which do not fall within existing approved grant policy require Cabinet approval.</p>

- F.10 The Grant Funding Protocol sets out further guidance on grant funding, the process for allocation and any conditions that should apply to any grant funding.
- F.11 Executive Directors and Assistant Directors will report on the outcomes achieved through the provision of support to outside bodies on an annual basis to the appropriate Member Group and Cabinet Member, with interim reporting (quarterly reports being the minimum) where the sums involved are in excess of £100,000.

## SPONSORSHIP ARRANGEMENTS

- F.12 Sponsorship arrangements must comply with the Council's Sponsorship Policy and Code of Conduct.
- F.13 All sponsorship arrangements will require a business case to be submitted to the Chief Executive and the Section 151 Officer for approval.
- F.14 The Assistant Director of Corporate Resources and Customer Services (Strategic Support) is responsible for maintaining a register which will include a list of approved sponsors.
- F.15 The following financial thresholds must be adhered to:

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Value	Level of Approval
Up to and including £10,000	Executive Director Cc Assistant Director
In excess of £10,000 and up to and including £50,000	Chief Executive Cc Executive Director and Assistant Director
Over £50,000	Cabinet Cc Executive Director and Assistant Director

F.16 Any sponsorship arrangement over £100k or materially affecting 2 or more wards will need including on the Forward Plan as a key decision.

## ANNEXE

## GLOSSARY OF TERMS / DEFINITIONS

**Appropriation** – Amounts transferred between the Revenue account and revenue or capital reserves.

**Bad Debt** – All debts which are due to the Council will be subject to full recovery, collection and legal procedures as outlined in the Council Corporate Debt Policy & Procedures. However, not all debts may be collectable and therefore it will be appropriate, in certain circumstances, to classify debts as irrecoverable or “bad debts”.

**Balances (Revenue Account)** – The accumulated surplus of income over expenditure. Members may agree that Balances be used to reduce future Council Tax precepts although a minimum level, consistent with prudence and best practice will be maintained. Amounts in excess of that required for day-to-day cash management and to finance working capital can be invested to generate interest income to the Council.

**Block Provisions** – Annual capital allocations made to cover minor schemes with starting values of less than £250,000.

**Business Case Template** – This is a pro forma to be completed for all Capital schemes and all significant Revenue proposals. It will provide details on the expected outcomes falling from the proposed investment and identify how the proposal will meet corporate objectives.

**Capital Approval** – The capital programme provision as amended by any supplementary estimates or virements.

**Capital Expenditure** – Expenditure on the purchase, construction or replacement of capital (fixed) assets or expenditure which adds to the life or value of an existing fixed asset.

**Capital Programme** – The Council’s plan of capital projects and spending over future years. Included in this category are the purchase of land and buildings, the erection of new buildings and works, Highway Improvement schemes and design fees, and the acquisition of vehicles and major items of equipment.

**Capital Project / Scheme** – These terms mean the same thing and are used interchangeably within these Rules. A project/scheme may be separately identified in the capital programme or be an item within a block provision.

**Capital Receipts** – Income received from the sale of capital assets and available, subject to rules laid down by the Government, to finance new capital expenditure or to repay debt.

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All **carry-forwards** (except for Schools) need the approval of the Cabinet upon the presentation of a business case. The Sefton Scheme for Financing Schools identifies the level of balances each maintained school can carry forward without prior permission from the Schools Forum.

**Chief Officers** – Chief Officers are the Chief Executive or any Assistant Director of the Council to whom there has been specific delegation in writing by the Council or the Chief Executive. Chief Officers must operate efficient systems of financial control.

**Contingencies** – Sums set aside to meet either:

the potential costs of activities expected to occur during the year over and above those costs included in Service budgets (pay and price contingency); or

items which are difficult to predict in terms of financial impact or timing (contingency for uncertain items).

**Contract** – An agreement to supply goods, services or works for a price. A contract is normally in writing however a contractual arrangement may, inadvertently be entered into orally.

**Contractor** – Any person or organisation awarded a Contract. This includes any consultant appointed by the Council to provide advice on any project.

**Commissioning Team /Procurement** – The central procurement unit is the department responsible for procurement activity within the Council.

**Council Fund** – The Council's main revenue fund to which all revenue receipts are credited, and from which revenue liabilities are discharged. The movement on the fund in the year represents the excess of income over expenditure within the Consolidated Revenue Account. The level of balances held is based on the Council's assessment of the level of risk and uncertainty and the potential call on such reserves.

**Debt Write-Off** – Realising the cost of debt which is considered to be "bad" (unrecoverable) by writing it off against the revenue account or bad debt provision.

**Earmarked Reserves** – These reserves represent monies set aside that can only be used for a specific use or purpose.

**Financial Year** – The Council's accounting period covers the 12 months from April 1 to March 31.

**Forward Plan** – As defined in the Constitution.

**Key Decision** – As defined in the Constitution.

**Leases** – Agreements covering the hire/rental of equipment or buildings, generally for a specified period of time and at a specified rate.

**Option Appraisal/Business Case** – This is required for all Capital schemes and all significant revenue proposals and takes the form of a Business Case Template. This will be used to assess whether the scheme is affordable and deliverable. Consequences to the Service are considered and evaluated and it will also provide a basis for monitoring and reporting progress. In the case of revenue proposals, it will also take into account the risk and impact on users.

**Policy and Expenditure Planning** – The Council's annual cycle of planning for the medium and short-term future, aimed at achieving optimal allocation of available resources.

**Policy and Expenditure Proposals** – Proposals, including new policies, which have resource implications and will be subject to appraisal by Members, Executive Leadership Team and consultees before inclusion in annual budget preparation.

**Provision** – An amount set aside by the Authority for any liabilities of uncertain amount or timing that have been incurred.

The main category is estimates of liabilities or losses already incurred but whose exact amount will be determined in the future (e.g. bad debts, obsolete stock). See also Capital Provision and Provision for Doubtful Debt.

**Provision for Doubtful Debt** – An allocation of funds set aside from Service revenue budgets to cover amounts which may not be recoverable from debtors.

**Prudential Borrowing Limits** – The maximum amount of borrowing that the Council can enter into at any one point in time during the year. This limit is set by Council prior to the start of the year to which it relates and cannot be breached under any circumstances.

**Revenue Account** – The Account which sets out the Council's income and expenditure for the year for non-capital spending.

**Revenue Expenditure** – Spending on the day-to-day running expenses of the Council. It includes expenditure on employees, premises, transport and supplies and services.

**Ring Fencing** – Certain budgets agreed by the Section 151 Officer are "ring-fenced". This means that under-spends on these budgets will return to balances and overspends will be met centrally. This is to reflect the fact that certain items of expenditure are either demand-led or so significantly influenced by extraneous factors that they are beyond the direct control of managers. Ring-fenced budgets include planning levies, external audit fees and election expenses.

**Schemes of Financial Delegation** – Schemes of Financial Delegation are the documents that set out, for each Service, all authorisations and approval limits as delegated by the Executive Directors and Assistant Directors to Authorised Officers within their Service. Executive Directors and Assistant Directors are responsible for maintaining up to date and

accurate Schemes of Financial Delegation.

**Section 106 Agreement** - Planning obligations, also known as Section 106 agreements (based on that section of The 1990 Town & Country Planning Act) are private agreements made between local authorities and developers and can be attached to a planning permission to make acceptable development which would otherwise be unacceptable in planning terms. This will set out a number of on-site and/or financial obligations that are necessary to make the proposal acceptable in planning terms.

**Service Plan** – A plan which outlines measurable Service aims for the year ahead, encompassing both core purpose and specific key objectives for any given year. The Plan will consider both inputs and outputs.

**“Starts value”** – Represents the full value of the Council’s contribution to a Capital Scheme irrespective of the timing of the payments.

**Sponsorship** is defined as - “An agreement between the Council and the sponsor, where the Council receives either money or a benefit in kind for an event, campaign or initiative from an organisation or individual which in turn gains publicity or other benefits”.

**Supplementary Capital Estimate (SCE)** – Additional resources approved by Members during the financial year with funds either provided by a third-party (e.g. developer contributions, receipts, government grant), by the use of Council reserves or from the Revenue budget.

**Supplementary Revenue Estimate (SRE)** – An approved increase to a Service revenue budget during the financial year, funded centrally from reserves, contingencies or external funding sources such as grants or partner contributions.

**Third Party Fund(s)** – Funds provided by outside bodies or individuals in support of Council activities, establishments or clients. Can sometimes be known as trust funds.

**Underspend** – An underspend results when the net costs of a budget holder are lower than the net budget for the year.

**Virement** – A Revenue virement is a transfer of amounts from one budget heading to another within, or between, Executive Directors / Assistant Directors. Capital virements cover any changes to Capital budgets funded from within the existing Capital programme.



# Agenda Item 10

<b>Report to:</b>	Pay and Grading Committee  Council	<b>Date of Meeting:</b>	10 January 2024  Thursday 18 January 2024
<b>Subject:</b>	Pay Policy 1.4.2024 - 31.3.2025		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	All
<b>Portfolio:</b>	Cabinet Member Regulatory Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

## Summary:

To recommend a Pay Policy for the Council as required by the Localism Act 2011.

## Recommendation(s):

### Pay and Grading Committee:

The proposed Pay Policy report is recommended to the full Council for approval.

### Council:

- (i) The proposed Pay Policy in this report be approved.
- (ii) That any changes to the Pay Policy as required because of legislation are delegated to the Pay and Grading Committee.

## Reasons for the Recommendation(s):

To comply with the Localism Act 2011

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

No alternative, a Pay Policy for the Council as required by the Localism Act 2011

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**What will it cost and how will it be financed?**

**(A) Revenue Costs NA**

**(B) Capital Costs NA**

**Implications of the Proposals:**

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

The Pay Policy has been amended and updated to reflect any changes that have occurred since the last report.

**Legal Implications:**

The Council has the following duties under the following sections of the Localism Act 2011: -

Section 38- The Council must prepare a Pay Policy Statement for each financial year which sets out its policies relating to the remuneration of its chief officers and its lowest-paid employees and the relationship between the remuneration of its chief officers and its employees.

Section 39-The Council's Pay Policy Statement must be approved by resolution of the authority before it comes into force and prior to 31<sup>st</sup> March immediately preceding the financial year to which it relates.

Section 40- Regarding its functions under sections 38 and 39 [above] the Council must have regard to any guidance issued or approved by the Secretary of State.

**Equality Implications:**

There are no equality implications.

**Impact on Children and Young People: No Impact**

**Climate Emergency Implications: No Implications**

The recommendations within this report will

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

**Contribution to the Council's Core Purpose: Not applicable**

Protect the most vulnerable: NA

Facilitate confident and resilient communities: NA
Commission, broker and provide core services: The report addresses the salaries for Council employees.
Place – leadership and influencer: NA
Drivers of change and reform: NA
Facilitate sustainable economic prosperity: NA
Greater income for social investment: NA
Cleaner Greener NA

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7470/23) and the Chief Legal and Democratic Officer (LD.5570/23) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations N/A

## Implementation Date for the Decision

Immediately following the Committee / Council meeting.

<b>Contact Officer:</b>	Paul Cunningham
Telephone Number:	0151 934 3209
Email Address:	Paul.cunningham@sefton.gov.uk

## Appendices:

**Annex A** consideration of severance packages which amount to £100,000 or above, statutory guidance entitled *Making and disclosure of Special Severance Payments by local authorities in England*.

**Annex B** -Pay Policy for Centrally Employed Teaching Staff

## Background Papers:

There are no background papers available for inspection.

# Agenda Item 10

## 1. **Introduction/Background**

1. This report deals with the requirement in Sections 38 and 43 of the Localism Act 2011 which requires Local Authorities to agree and publish an Annual Pay Policy Statement.
2. To comply with this requirement the Council's revised Pay Policy statement is attached.

## PAY POLICY 1.4.24 – 31.3.25

**(As required by the Local Government Transparency code 2015 and the Localism Act 2011)**

### **Contents**

A	Opening Statement para 1
B	Scope of Policy para 5
C	Availability of Policy para 6
D	Decision Making para 7
E	Senior Officers Pay para 12
F	Educational Professionals Pay para 24
G	Soulbury SPA points para 37
H	Youth and Community workers para 40
I	National Joint Council (NJC) Employees para 44
J	Market Supplements Policy para 54
K	Other pay para 58
L	Pay Protection para 64
M	Pay Relationships para 65
N	Other Terms and Conditions para 67
O	Public Health staff par 71
P	National Minimum wage and Living Wage para 72
Q	Re-employment of staff in receipt of redundancy pay para 77
R	Gender Pay Gap reporting para 79
S	Pay Policy for Centrally Employed Teaching staff para 82

**Annex A** Guidance relative to severance packages which amount to £100,000 or above.

**Annex B** -Pay Policy for Centrally Employed Teaching Staff

**Note:** Reference is made in this policy to various national and local terms and conditions agreements, and policies.

### **National Pay Agreements within Local Government**

- JNC Chief Executive Terms and Conditions of Service.
- JNC Chief Officer Terms and Conditions of Service.
- Local Government Pension Scheme:
- NJC Terms and Conditions of Service (Green Book): [Green book](#)
- Soulbury Terms and Conditions of Service: (Education & Young People)

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- Youth and Community Workers Terms and Conditions of Service (Pink Book)  
:(Education & Young People)
- Non-Standard Working Arrangements and Associated Payments: [Non-standard Working Arrangements](#)

## **A. OPENING STATEMENT**

1. The aim of this policy is to help maintain and improve quality of service provision by ensuring all employees are valued and receive proper reward for their work and contribution. It also serves to satisfy the requirements of the Localism Act 2011 relative to pay accountability.
2. It is recognised that both financial and non-financial rewards are necessary to attract, retain and motivate employees. As such, there needs to be a close link between reward and the overall approach to people management, including workforce planning and development strategies. There needs to be a fair balance between changing organisational needs and the aspirations of individuals. Equally, there needs to be recognition of the financial constraints of the current economic climate and the imperative to manage public monies responsibly.
3. This policy will assist in managing pay in a fair, equitable, responsible, and transparent manner. The Council supports the principle of equality of opportunity in employment. In this regard every endeavour will be made to ensure that employees receive equal treatment, irrespective of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marital status, pregnancy, or maternity.
4. All pay related decisions will be taken in compliance with the provisions of The Equality Act 2010, The Employment Rights Act 1996, The Employment Relations Act 1999, the Employment Act 2002, The Employment Act 2008, The Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, The Fixed Term Employees' (Prevention of Less Favourable Treatment) Regulations 2002, all as amended.

## **B. SCOPE OF POLICY**

5. This policy covers all employees other than those in schools.

## **C. AVAILABILITY OF POLICY**

6. This policy will be made available on the Sefton's Council website

## **D. DECISION MAKING**

7. The pay policy is the responsibility of the Pay & Grading Committee with any recommendations for change being subject to the approval of the Council.
8. The policy will be reviewed by the Pay and Grading Committee once every municipal year and referred to the Council for consideration prior to the beginning of the subsequent municipal year on 1<sup>st</sup> April.

9. The Localism Act 2011 states that full council should be given the opportunity to vote before large salary packages offered in respect of a new appointment. The Guidance states that the Secretary of State considers that £100,000 is the right level for that threshold. To comply, the Council has an agreed a mechanism specifically for the consideration of new appointments to posts which have a remuneration package of £100,000 or above. The Employment Procedure Committee will decide on the remuneration packages for Senior Officers in cases where the proposed remuneration is over £100,000. This will be debated at the point when the decision to fill the post is made. A recommendation will then be made to the Full Council who will have the opportunity to vote on the remuneration proposed. The remuneration must be agreed prior to an appointment offer being made.
10. The Localism Act 2011 states that full council should be given the opportunity to vote before large severance packages beyond a particular threshold are approved for staff leaving the organisation. As with salaries on appointment, the Secretary of State considers that £100,000 is the right level for that threshold.

With regard to severance packages which amount to £100,000 or above, statutory guidance entitled *Making and disclosure of Special Severance Payments by local authorities in England* - was published on 12 May 2022. It followed previous, controversial, attempts by the Government to produce regulations curtailing spending on public sector exit payments. The revised statutory guidance is more workable than its predecessor. It seeks to restrict the amount of exit payments made to employees in 'best value authorities', such as the Council and deals with approvals and transparency.

11. Whilst titled 'guidance' it should be noted that it is legally binding, and the Council must consider the guidance whenever it is contemplating a severance payment. The full details of the guidance are provided at Annex A to this report. Consequently, this guidance must be followed which stipulates the level of sign off required for an SSP dependant on its value. This is a change from previous practices. Approving Special Severance Payments must now be determined as follows:

- £100,000 and above - must be approved by a vote of full council
- £20,000 and above but below £100,000 - must be personally approved and signed off by the Head of Paid Service, with a clear record of the Leader's approval and that of any others who have signed off the payment
- below £20,000 - must be approved according to the local authority's scheme of delegation.

## **E. SENIOR OFFICERS PAY**

12. Senior officers were originally defined as those currently earning £50,000 and above. The £50,000 threshold was updated in September 2011 as per the Code of Recommended Practice for Local Authorities on Data Transparency and the "Senior Officer's salary" and was then defined as salaries above £58,200. The

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Local Authorities (Data Transparency) Code 2015 reaffirmed the Senior officer threshold as those earning £50,000. Individual Senior Management pay is set out in data published on the Council's website in accordance with the above code of practice. It provides details of:

- the number of employees whose remuneration in that year was at least £50,000 - in brackets of £5,000
  - details of the job title of senior employees whose salary is at least £50,000, and
  - identification by name of any employees whose salaries are £150,000 or more.
  - the information is not solely based on basic salary and will include all remuneration i.e., overtime pay received, contractual allowances etc.
13. In addition, local authorities must provide a list of responsibilities (for example, the services and functions the postholder is responsible for and details of bonuses and 'benefits-in-kind', for all employees whose salary exceeds £50,000.
  14. Senior officers (other than those paid under the Soulbury agreement) are paid in accordance with the HAY job evaluation method.
  15. The Chief Executive is paid £176,586 (as per the 1.4.23 pay award). The salary comprises of 5 incremental points within a salary band ranging from £160,713 to £176,586.
  16. HAY officers grade HAY 1 to HAY 5 were awarded 3.5% for the 2023 pay award. As at 1.4.2023 Executive Directors are paid as follows:
    - Executive Director Corporate Resources and Customer Services, Executive Director Place, Executive Director People and Executive Director - Children's Social Care & Education are paid spot salary payments of HAY 1 = £128,007.
    - The Executive Director Adult Social Care and Health DSS and Place Director NHS is paid a Personal grade HAY 1 plus additional payment of £8,538 = totalling £136,545.
  17. Assistant Directors and the Chief Legal Officer are paid at HAY 3 £94,017 as a spot grade.
  18. The Head of Health & Wellbeing/Director of Public Health is paid at HAY 3 £94,017 plus market supplement of £2580 Totalling = £96,597
  19. Other Senior Management are paid relative to Hay grades 4 as a spot grade of £83,049
  20. Hay grades 5 and 6 are incremental grades:



- Hay 5 has 5 incremental points and ranges from £68,877- £75,561 and
- Hay 6 has 7 incremental points and ranges from £54,735 - £63,057.

21. The terms and conditions for the post of Chief Executive are in accordance with the Joint National Council (JNC) Scheme for Chief Executives. In the case of HAY Grades 1 - 5 the terms and conditions are as per the JNC Scheme for Chief Officers. For officers paid at HAY Grade 6 the terms and conditions are in accordance with the National Joint Council (NJC) Scheme for Local Government services employees (known as the “Green Book”).
22. HAY grades are allocated to posts using the HAY job evaluation system. This system enables the factors of a job to be analysed and translated into a point score which, in turn, is related to the appropriate grade associated with the score.
23. Pay awards are payable as per the agreements reached by the appropriate Joint negotiating Committees.

**F. EDUCATION PROFESSIONALS PAY [Soulbury Agreement]**

24. The Soulbury Committee provides national collective bargaining machinery for advisory staff in Local Authorities. Nationally, it covers staff including education improvement professionals, education psychologists, and young people’s/community service managers. In addition to any annual pay increase, the Soulbury Committee also determines the national salary framework.
25. The Soulbury agreement provides separate sets of pay spines for Education Improvement Professionals (EIPs), Educational Psychologists, including Principals, Seniors, Assistants and Trainees as well as Community Service Managers. At the time of writing The National Employers remain in dispute with the Soulbury Officers’ Side on pay for 2022. The National Employers made a revised final multiyear offer on 27 September 2023 which consisted of a £1925 pay increase for 2022, and a 3.5% pay increase for 2023 together with some additional changes to the Soulbury pay spines. The Officers’ Side has formally rejected this offer and mediation will be arranged. Consequently, the pay scales detailed below are the pay spines payable from 1st September 2021 (pay awards pending).
26. The Soulbury salary scales are based on the duties and responsibilities of the post and the need to recruit and motivate staff. Minimum starting points are defined in the pay conditions and include an extended range to accommodate up to 3 structured professional assessments (SPA) points.

**27. Education Improvement Professionals (EIPs)**

Spine Point	Salary from 1.9.2021
Ranges from spine point 1	£37,056
To spine point 50 inclusive of 3 SPA points	£98,079

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## 28. Educational Psychologists

Spine Point	Salary from 1.9.2021
Ranges from spine point 1	£38,865
To spine point 11 inclusive of SPA points	£57,544

29. Educational Psychologists, have an available point range of 11 spinal column points from which a 9-point scale is chosen. This consists of 6 Incremental points and 3 SPAs. In Sefton Educational Psychologists commence on the highest possible point which gives a pay scale comprising SCP 3-11

## 30. Senior & Principal Educational Psychologists

Spine Point	Salary from 1.9.2021
Ranges from spine point 1	£48,727
To spine point 18 inclusive of SPA points	£72,090

31. Senior and Principal Educational Psychologists, have an available point range of 18 spinal column points, the last two of which are discretionary. The pay scales consist of 4 incremental points plus the opportunity to apply for 3 SPA points. The minimum starting point for a Principal Educational Psychologist is point 3, there is no minimum point stated for Senior/Lead Educational Psychologists.

## 32. Trainee Educational Psychologists

Spine Point	Salary from 1.9.2021
Ranges from spine point 1	£24,970
To spine point 6	£34,107

33. Trainee Educational Psychologist have a 6-point scale from which a 4-point scale Pay grade is applied.

## 34. Assistant Educational Psychologists

Assistant Educational Psychologists have a fixed 4-point scale as follows:

Spine Point	Salary from 1.9.2021
Ranges from spine point 1	£30,694
To spine point 4	£34,448

35. **Young Peoples Community Service Managers**

Spine Point	Salary from 1.9.2021
Ranges from spine point 1	£38,433
To spine point 24	£67,650

36. The Soulbury agreement does not set its own specific conditions of service. Instead, it provides that:

*“The conditions of service of Soulbury officers shall be not less favourable than those prescribed for the local government services staff of the authority”.*

G. **Soulbury SPA POINTS**

37. To be eligible for SPA1 an employee must have been paid for four years on Soulbury terms and conditions and have been in their current role for two years. There is a discretionary rule whereby SPA points are transferrable, and Sefton have had instances where staff have been appointed to the second point on a pay scale due to having a SPA which was awarded by another authority. SPA2 can be applied for one year following the award of SPA1. SPA3 can be applied for two years after an employee has been awarded SPA2.
38. A formal application process is in place for employees to apply for the application of structured professional assessments for Senior management to consider. SPAs cannot be paid backdated and are payable from 1<sup>st</sup> September in any year.
39. The Council has a formal application process which defines the principles underpinning the SPA process and defines the basis of what is considered relative to each application.

H. **Youth and Community Workers**

40. The pay of Youth and Community Workers is determined from pay points prescribed by the Joint Negotiating Committee (JNC). With effect from 7<sup>th</sup> December 2023 the JNC reached an agreement on a pay award for 2023 providing for an increase of £1925 on all spinal column points on the Youth and Community Support Worker Range and the Professional Range.
41. The tables below covers pay spines payable from 1st September 2023. There are two ranges of pay points, one for Youth and Community Support Workers and one for Professional staff.

42. **Youth and Community Support Workers**

Spine Point	Salary from 1.9.2023
Ranges from spine point 5	£23,496
To spine point 17	£33,141

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## 43. Professional staff

Spine Point	Salary from 1.9.2023
Ranges from spine point 13	£29,606
To spine point 32	£47,316

## I. NATIONAL JOINT COUNCIL (NJC) EMPLOYEES

44. The largest proportion of employees are paid in accordance with the NJC (Green Book) terms and conditions of employment and in conjunction with a locally determined grading structure that is derived from the spinal column points (SCPs) provided by the NJC for Local Government Services pay scales.
45. Grades are allocated to posts using the Local Government Single Status Job Evaluation Scheme which forms part of the NJC (Green Book) terms and conditions of employment.
46. The grading structure and the arrangements for applying the job evaluation scheme are agreed with the local trade unions.
47. The current pay spine for NJC employees relates to the 1.4.2023 pay award.
48. As part of the Pay agreement for 2022 – 2023, the NJC agreed that from **1 April 2023**, Spinal Column Point (SCP) 1 would be permanently deleted from the NJC pay spine. In addition, it was further agreed that all employees covered by the National Agreement, would receive an increase of one day (pro rata for part-timers) to their annual leave entitlement. Consequently, Grade A and SCP 1 no longer feature in the Council's pay spine. All staff on Grade A were assimilated to Grade B (scp 2) effective from 1.04.23.
49. In line with the increased annual leave entitlement all Term Time only salary calculations were amended to provide an accrual rate for annual leave which mirrored full time equivalent staff.
50. Calculations for Standby payments were also recalculated as these are paid as "sessional" payments formally based on a percentage of the weekly basic wage rate of SCP 1 applied for the whole of the standby period. The recalculation now relates to SCP 2.
51. The lowest spinal column point (point 2) within Sefton is £11.9149 per hour based on the Council's 36-hour standard working week.
52. The highest spinal column point for none HAY grade officers (Point 43) is £27.4433 per hour based on the Council's 36 hour per week standard working week.
53. The full National NJC pay scale as at 1.4.2023 is detailed below.

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1st April 2023				
SCP	Annual Salary	Hourly rate of pay	JE Score	Grade
SCP 1 and Grade A deleted 31.03.23				
2	£22,366	£11.9149	up to 260	B
3	£22,737	£12.1126	261 to	C
4	£23,114	£12.3134	299	
5	£23,500	£12.5190	300 to	D
6	£23,893	£12.7284	332	
7	£24,294	£12.9420	333	E
8	£24,702	£13.1594		
9	£25,119	£13.3815	to	
10	£25,545	£13.6084	Not in use	
11	£25,979	£13.8396	372	
12	£26,421	£14.0751	373	F
13	£26,873	£14.3159	Not in use	
14	£27,334	£14.5615		
15	£27,803	£14.8113	to	
16	£28,282	£15.0665	Not in use	
17	£28,770	£15.3265		
18	£29,269	£15.5923	Not in use	
19	£29,777	£15.8629	411	
20	£30,296	£16.1394	412	G
21	£30,825	£16.4212	Not in use	
22	£31,364	£16.7084	to	
23	£32,076	£17.0877		
24	£33,024	£17.5927		
25	£33,945	£18.0833	459	
26	£34,834	£18.5569	460	H
27	£35,745	£19.0422		
28	£36,648	£19.5233	to	
29	£37,336	£19.8898		
30	£38,223	£20.3623	509	
31	£39,186	£20.8753	510	I
32	£40,221	£21.4267		
33	£41,418	£22.0644	to	
34	£42,403	£22.5891		
35	£43,421	£23.1314	559	

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36	£44,428	£23.6679	560	J
37	£45,441	£24.2075	to	
38	£46,464	£24.7525		
39	£47,420	£25.2618	609	
40	£48,474	£25.8233	610	K
41	£49,498	£26.3688	659	
42	£50,512	£26.9090	660	L
43	£51,515	£27.4433	709	
43	£51,515	£27.4433	Over 710	M

## **J. MARKET SUPPLEMENTS POLICY**

54. The Council aims to recruit and retain the best possible employees with the skills, knowledge and experience needed to deliver excellent services and to meet its corporate objectives. There may be times when the grading of a post results in an inability to successfully recruit or retain to a particular post. In such cases it may be appropriate to pay a market supplement in addition to the salary to ensure that an appointment can be secured.
55. In these circumstances, the potential for the application of a Market Supplement Rate will need to be objectively justified. Such payments are lawful under the Equality Act 2010 where there is evidence to justify that market factors are the “material factor” for the post attracting a higher rate of pay than other posts with the same score. To establish equality of pay the Council needs factual evidence to prove that paying any Market Supplement Rate is “a proportionate means of achieving a legitimate aim”.
56. The Chief Personnel officer is authorised to consider any additional payments to assist with any recruitment and retention difficulties to ensure that the Authority has a balanced and cohesive workforce. Such payments will only be put into operation following appropriate legal advice. Any business cases made for Market Supplement payments will be subject to investigation and scrutiny.
57. The implementation of any additional payments will require the formal approval via the Executive Director Corporate Resources and Customer Services in consultation with the Chief Executive and formal documentation of the payment principles to be applied. Additional payments will be subject to annual review, and, where necessary, supplementary reviews following any pay award agreements or incremental advancement. In addition, the Joint Trade Union forum will be provided with details of any positions which have been approved for the Market Supplement Payments.

## **K. OTHER PAY**

58. **Returning officer** The Council has to appoint a Returning Officer for elections. This is usually a senior officer of the Council who performs the role in addition to his/her normal duties. Appointment as a Returning Officer is deemed to be separate remunerable employment.
59. **Acting up payments** an employee who, following a fair selection arrangement, performs the full duties and responsibilities of a higher graded post on a temporary basis, will be paid in accordance with the higher graded post for the specified period and without any commitment to permanency in that post. This is known as “Acting Up”.
60. It is an operationally practical arrangement applied throughout the workforce. It is an expedient measure that should maintain for as short a period as possible – normally less than 12 months.
61. **NJC Employees- Non-Standard Working Arrangements and Associated Payments** In accordance with The National Joint Council agreement on Pay and Conditions of Service Part 3 the Council has an approved a package of “Local” terms and conditions which have been agreed by local negotiation in respect of employees who are required to work outside “normal” working hours.
62. **Tupe Pay obligations-** The Council can from time to time employ staff on Personal salaries stemming from staff transferring into the organisation via TUPE regulations. In these cases, as and when reviews are conducted the Council would look to transfer employees onto Sefton’s Grading structure and Sefton Terms and Conditions. At the present time there are no staff in receipt of Personal Salaries stemming from Tupe obligations.
63. **Progression through the grade -** An employee’s progression through the incremental point on the grade in linked to length of service. Increments are awarded on 1<sup>st</sup> April each year or for new employees with less than 6 months service in the grade as of 1<sup>st</sup> April after 6 months completed service.

## **L. PAY PROTECTION**

64. In certain circumstances where employees suffer a loss in basic pay as a result of the actions of the employer, 12 months’ pay protection is available.

## **M. PAY RELATIONSHIPS**

65. The Local Government Transparency Code 2015 Part 2.2 paras 51 & 52 and Section 38 of the Localism Act 2011 requires local authorities to produce information relative to pay dispersion i.e., the relationship between remuneration of Senior Officers and the remuneration of other staff. The information in this section illustrates the Councils pay dispersion.
66. The FTE pay relationships information below has been based on comparison of the Chief Executive salary as at 1.4.23 AND NJC graded salaries as at 1.4.23.

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- The highest level of (*full time equivalent – FTE*) employee remuneration in the Council is associated with the post of Chief Executive which is £176,586. (Figure A)
- The lowest level of (FTE) employee remuneration which is £22,366 Based on the lowest scp of the NJC grade and excluding apprentice salaries. (Figure B)
- Based on figures A and B the Highest pay is 7.89 times greater than lowest pay.
- The median level full time equivalent basic pay (excluding the Chief Executive) is £25,979 (Figure C)
- The median level of full-time equivalent pay inclusive of contractual allowances earned (e.g., overtime, shift pay etc) (excluding the Chief Executive) is £29,247 (Figure D)
- Based on figure C the FTE Median basic pay is 1.16 times greater than lowest pay figure B
- Based on figure D the FTE Median pay including all contractual allowances earned (e.g., weekend working allowances, shift allowances etc) is 1.31 times greater than lowest pay figure B.
- Highest pay associated with the Chief Executive is 6.80 times greater than median basic pay (C) and 6.04 times greater than median pay including contractual allowances (D).

## N. **OTHER TERMS AND CONDITIONS**

67. The normal working week is 36 hours (FTE). This is on the understanding that for those staff defined as senior officers, additional hours will be worked, as necessary, without financial or time off recompense.
68. The Council recognises the importance of the need to balance personal and working demands. Employees are required to be receptive to such needs both in their own case and relative to those for whom they may be responsible. It is considered that an empathetic management approach to controlled attendance will contribute to high performance and outcomes.
69. The Council's terms and conditions of employment generally provide for 28 days leave for employees with less than 5 years' service and 33 days after 5 years have been completed (35 days for HAY 5 and above). The Council also recognises long service by granting an additional 5 days leave (as a one off award) after 25 years' service has been completed and celebrates longer periods of service.
70. The Council also supports officers in the discharge of their duties by reimbursing expenditure, paying subsistence allowances, and operating a corporate travel scheme for eligible employees offering reduced cost rail travel with deductions being made direct from payroll.



## O. PUBLIC HEALTH STAFF

71. The transfer of the Public Health function and its associated employees in 2013 was on a statutory basis as per the Health and Social Care Act 2012. The pay scales applicable at the point of transfer were as per Public Health NHS pay scales remained static until the positions become vacant. New appointments to posts within the Public Health function are made on either NJC or JNC HAY grades as appropriate to the role. There are no Public Health employees currently paid in accordance with Public Health pay scales.

## P. NATIONAL MINIMUM WAGE / REAL LIVING WAGE

72. The rates below show the National Living Wage (for those aged 23 and over) and the National Minimum Wage (for those under 23). The rates change on 1 April every year.

	<b>23 and over</b>	<b>21 to 22</b>	<b>18 to 20</b>	<b>Under 18</b>	<b>Apprentice</b>
<b>As at 1.4.23</b>	£10.42	£10.18	£7.49	£5.28	£5.28

The Government estimate that the National Living Wage will need to rise to between £10.90 and £11.43 in 2024.

73. In addition to the above there is a *living wage* determined by the Real Living Wage Foundation. This rate was announced in October 2023. Employers who are Living wage Employers have until May 2024 to implement the new rate of £12.00 per hour (outside of London). The Real Living wage rate is based on the concept that a certain amount of money is needed to ensure that people can have a decent standard of living. The adoption of the Real living wage is voluntary whilst the adoption of the Minimum/National Living wage is a legal requirement.
74. To become a true Real Living Wage employer the rate would need to be applied not only to employees but also be extended to Third party contractors who are defined by the Living Wage Foundation as those who work regularly on Council premises, or premises necessary to the work being carried out, for 2 or more hours a day, in any day of the week, for 8 or more consecutive weeks of the year.
75. The National Joint Council (NJC) rates are updated in April each year. With effect from 1.4.2023 the Council is paying £11.9149 as its lowest rate per hour.
76. A pay award of 1% on the lowest spinal column point effective from 1.4.24 would provide for the lowest pay rate of £12.03 in line with the Real living wage.

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## **Q. RE-EMPLOYMENT OF STAFF WHO HAVE BEEN IN RECEIPT OF REDUNDANCY PAY AND/OR PENSION.**

77. Subject to compliance with legislative/regulatory requirements:

- An individual may be in receipt of a pension (LGPS or otherwise) in addition to remuneration from their employment with the Council.
- An individual who has left the Council and been in receipt of a severance or redundancy payment and/or pension (LGPS or otherwise) may subsequently be re-employed or engaged under a contract for services. However, given the budgetary pressures facing the Council there should be (in most cases) a period of at least 2 years from the redundancy date before re-employment occurs and such cases must also satisfy robust justification and the business case in respect of justification must include specific details why the re-employment would be beneficial to the Council or service area.
- The Council recognises in consideration of the business case that any re-employment must only be after consideration of characteristics of the post and work area (including the ability to attract and retain employees). The business case should also consider the circumstances of the individual that left employment recognising that individuals in low pay jobs may be more readily re-employed.

78. All Local Government Pension Schemes (LGPS) Administrating Funds have the discretion to abate pension upon re-employment to local government. Merseyside Pension Fund discretion stipulates that anyone who is re-employed and who was granted Compensatory Added Years when they retired due to redundancy/ interest of efficiency will have their pension abated by Merseyside Pension Fund whilst in re-employment with a Local Authority. This discretion still applies, however, the members awarded added years will now be of an age (youngest 69 years of age) where it would be highly unlikely that they would be re-employed.

## **R. GENDER PAY GAP REPORTING**

79. The Council is required by law to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and to publish the results on both the Council website and a government website. In line with these requirements data is published annually. Ordinarily, the data published reflects the position on 31<sup>st</sup> March in the previous year.

80. The data published shows the difference between the average earnings of male and female employees but does not involve publishing individual employee data. The pay calculations are based on gross pay calculated before deductions at source. Pay data includes basic pay, paid leave, allowances, and shift pay but not overtime pay, expenses, redundancy or any other termination pay.

81. Gender Pay Reporting information is established each year by using our HR and payroll records and relates to centrally employed staff only and does not include

Schools data as only employers with over 250 employees are covered by the legislation.

## **S. PAY POLICY FOR CENTRALLY EMPLOYED TEACHING STAFF**

82. Section 3 of the School Teachers' Pay and Conditions Document places a statutory duty on the Council to have a pay policy for centrally employed teaching staff, including appeals against pay determinations. This policy has been devised in addition to the usual Pay Policy for Teaching staff and is attached as Annex B to this report.

**Paul Cunningham**  
**Chief Personnel Officer**  
**December 2023**

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## ANNEX A

### The statutory guidance entitled *Making and disclosure of Special Severance Payments (SSPs) by local authorities in England*

The above guidance was published on 12 May 2022. It followed previous, controversial, attempts by the Government to produce regulations curtailing spending on public sector exit payments. The revised statutory guidance is more workable than its predecessor. It seeks to restrict the amount of exit payments made to employees in 'best value authorities', such as the Council. It also deals with approvals and transparency.

Whilst titled 'guidance' it should be noted that it is legally binding, and Sefton must consider the guidance whenever it is contemplating a severance payment of the sort identified below; and if in doubt, seek advice from Legal Services.

A severance payment is any payment offered to an employee, by their employer, at the end of their employment. A Special Severance Payment ('SSP') includes discretionary sums paid in addition to statutory or contractual entitlements.

Settlement agreements may occasionally arise in a school setting, and, in the case of maintained schools, the employees of a school are ultimately employed by the Council. The guidance is silent on the applicability to maintained schools, however the accompanying Government response (published on 12 May 2022) confirms that *'the guidance will not apply to those local government staff employed in a maintained school.'*

#### **What is included in the definition of a Special Severance Payment?**

The guidance explicitly states that SSPs *'may only be made where there is a convincing case that they are in the interests of taxpayers. Local authorities may not be generous at the expense of taxpayers and must genuinely consider payments to be in the public interest.'*

#### **The following types of payments are likely to constitute Special Severance Payments:**

- a) any payments reached under a settlement agreement between the employer and employee to discontinue legal proceedings without admission of fault
- b) the value of any employee benefits or allowances which are allowed to continue beyond the employee's agreed exit date
- c) write-offs of any outstanding loans
- d) any honorarium payments
- e) any hardship payments
- f) any payments to employees for retraining related to their termination of employment

Settlement agreements for officers are very infrequent but where they are encountered this guidance must be followed.

## **May amount to Special Severance Payment**

The guidance is more ambiguous about the following payments, stating they **may** be Special Severance Payments depending on the terms of the individual's contract, relevant statutory provisions, any non-statutory applicable schemes and other relevant terms and conditions:

- a) pay or compensation in lieu of notice (PILON) where the amount of the payment is not greater than the salary due in the period of notice set out in the employee's contract.
- b) pension strain payments arising from employer discretions to enhance standard pension benefits.

## **Do not amount to Special Severance Payment**

The guidance identifies severance payments which do **not** amount to SSPs: These being:

- a) statutory and contractual redundancy payments, in both voluntary and compulsory redundancy cases.
- b) severance payments made in accordance with the local authority's policy adopted pursuant to Regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.
- c) strain costs paid to the relevant LGPS administering authority under specific LGPS Regulations resulting in a LGPS member's retirement benefits becoming immediately payable without reduction.
- d) payment for untaken annual leave.  
payments ordered by a court or tribunal or agreed as part of a judicial or non-judicial mediation.
- f) payments made as part of the ACAS Early Conciliation process.
- g) payments made to compensate for injury or death of the worker.
- h) payments made in consequence of the award of ill-health retirement benefits under Regulation 35 of the LGPS Regulations.

## **Considerations where Special Severance Payment are identified.**

The guidance outlines relevant considerations including:

### **Economy**

- ❖ Can the Council exit the individual at a lower cost?
- ❖ how the SSP will be perceived by the public
- ❖ alternative use of that expenditure
- ❖ setting precedent

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- ❖ evidence for additionality i.e., those offered SSP would not terminate their employment with their statutory and contractual benefits alone

## **Efficiency and effectiveness**

- ❖ Legal advice on the prospects of successfully defending a claim, including the costs that could be incurred
- ❖ ensuring SSPs are not used to avoid management action.
- ❖ disciplinary processes
- ❖ unwelcome publicity or avoidance of embarrassment
- ❖ consideration of a lower value payment
- ❖ managing conflict of interest to ensure individuals who are the subject of complaints are not involved in deciding whether those complaints should be settled.

These considerations, where relevant, should be evidenced and a full audit trail of this should be maintained to ensure compliance with the guidance.

## **Exceptional Circumstances**

The guidance acknowledges that there may be exceptional circumstances where paying an SSP will help facilitate an exit. It is stressed that these circumstances must be exceptional and still provide value for money.

The most likely example for Sefton is settling disputes after receiving professional advice. This is only possible having demonstrated other routes have been thoroughly explored and excluded and where there is clear evidence that attempts were made to resolve disputes before they escalated to a legal claim. Legal Advice will always be required on this.

## **Governance**

The guidance stipulates what level of sign-off is required for an SSP dependant on its value. This is a change from previous practices where the Council's internal scheme of delegation, in accordance with applicable statutory rules, was determinative.

- £100,000+ - must be approved by a vote of full council
- £20,000+ but below £100,000 - must be personally approved and signed off by the Head of Paid Service \*, with a clear record of the Leader's approval and that of any others who have signed off the payment
- below £20,000 - must be approved according to the local authority's scheme of delegation.

\* Where the proposed payment is to the Head of Paid Service, to avoid a conflict of interest, the payment should be approved by a panel including at least two independent persons.

ANNEX B Pay Policy for Centrally Employed Teaching Staff

[centrally\\_employed\\_teachers\\_pay\\_policy\\_Jan\\_2023.docx](#)

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<b>Report to:</b>	Cabinet  Overview & Scrutiny Committee (Regulatory, Compliance and Corporate Services)  Council	<b>Date of Meeting:</b>	4 January 2024  9 January 2024  18 <sup>th</sup> January 2024
<b>Subject:</b>	Council Tax Reduction Scheme and Council Tax Base for 2024/25 and Review of Council Tax Premiums for Long-Term Empty Properties		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

The purpose of this report is to provide details of the review of the local Council Tax Reduction Scheme for the current year 2023/24. It also proposes that there is a change made to the scheme with effect from 1<sup>st</sup> April 2024 for working-age households, in employment, in receipt of Universal Credit.

In addition, the report proposes to introduce new discretionary council tax premiums on 'dwellings left empty for 1 year or more' from 1 April 2024 and on 'dwellings occupied periodically' (second homes) from 1 April 2025.

A summary is provided of the feedback received on recent consultations undertaken on changes to the Council Tax Reduction Scheme and on the proposals to introduce new discretionary council tax premiums along with the associated equality impact assessments.

Finally, the report provides an updated Council Tax Base for Sefton Council and each Parish area for 2024/25.

## Recommendation(s):

### Cabinet

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1. Note the content of the review of the Council Tax Reduction Scheme for the current year, 2023/24.
2. Note the outcome of the public consultation exercise and recommend to Council that a change is made to the Council Tax Reduction Scheme for working-age households, in employment, also in receipt of Universal Credit with effect from 1<sup>st</sup> April 2024.
3. Recommend that Council approves the introduction of a 100% council tax premium on dwellings left empty for 1 year or more from 1 April 2024
4. Recommend that Council approves the introduction of a 100% council tax premium on dwellings occupied periodically from 1 April 2025
5. Recommend that Council approves the relevant Council Tax Base for Sefton Council and each Parish Area for 2024/25 as set out in Annex A.

## **Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services):**

That the report be noted.

## **Council**

1. Note the content of the review of the Council Tax Reduction Scheme for the current year, 2023/24.
2. Note the outcome of a public consultation exercise and approve a change to the Council Tax Reduction Scheme for working-age households, in employment and in receipt of Universal Credit with effect from 1<sup>st</sup> April 2024.
3. Approve the introduction of a 100% council tax premium on dwellings left empty for 1 year or more from 1 April 2024.
4. Approve the introduction of a 100% council tax premium on dwellings occupied periodically from 1 April 2025.
5. Approve the relevant Council Tax Base for Sefton Council and each Parish Area for 2024/25 as set out in Annex A of the report.

## **Reasons for the Recommendation(s):**

### **Council Tax Reduction Scheme**

Each financial year, the Council must consider whether to revise or replace its local Council Tax Reduction Scheme. The Council must approve and adopt the 2024/25 Council Tax Reduction Scheme by 11 March 2024, as set out in the Council Tax Reduction Scheme (Amendment) (England) Regulations 2017.

The report provides an update on key aspects of the local Council Tax Reduction Scheme for the current year, and also provides details of a public consultation exercise that has recently been undertaken to seek views on making a change to the scheme affecting working-age households, in employment, also in receipt of Universal Credit. After consideration of the factors outlined later in the report it is proposed that the local Council Tax Reduction Scheme for 2024/25 is changed for working-age households, in employment, in receipt of Universal Credit.

## **Council Tax Base**

In accordance with Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as amended, the Council is required to set a tax base for both Sefton Council and for each Parish Area for 2024/25 before 31st January 2024.

### **Introducing a premium on dwellings left empty for 1 year or more**

The Council already applies a 100% premium on properties left empty for 2 years or more. Extending this premium to dwellings left empty for 1 year or more would encourage owners of these homes to bring them back into use. Any additional income raised from the premium will help support the provision of Council services.

### **Introducing a premium on dwellings that are occupied periodically**

Introducing a premium on dwellings that are occupied periodically (second homes) would encourage owners of these homes to make these available for sale or rent which would increase the amount of housing available to local residents. Any additional income raised from the premium will help support the provision of Council services.

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

## **Council Tax Reduction Scheme**

The Council may decide to leave the Council Tax Reduction Scheme unchanged for 2024/25. Without a change to the scheme, households in employment moving from legacy state-benefits to Universal Credit are likely to face frequent changes to their entitlement, with the knock-on effect being frequently changing Council Tax bills and payment-plans, as well as an expected additional administrative burden for the Council.

### **Introducing a premium on dwellings left empty for 1 year or more**

The Council could choose not to introduce the premium; however, this would not provide any additional incentive for owners of these long-term empty homes to bring them back into use. Alternatively, the Council could choose to introduce a lower premium percentage (25%, 50%, or 75%), however, this would provide a lower level of incentive and reduce the amount of additional council tax income available to support local services.

### **Introducing a premium on dwellings that are occupied periodically**

The Council could choose not to introduce the premium; however, this would not provide any additional incentive for owners of these properties to make them available for occupation by local residents. Alternatively, the Council could choose to introduce a

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lower premium percentage (25%, 50%, or 75%), however, this would provide a lower level of incentive and reduce the amount of additional council tax income available to support local services.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

#### **Council Tax Reduction Scheme 2024/25**

It is difficult to forecast the impact of the proposal to change the Council Tax Reduction Scheme, however, it is not anticipated to result in a material increase in the cost of discounts and should reduce the cost of administration.

#### **Introducing a premium on dwellings left empty for 1 year or more**

Extending the long-term empty homes premium of 100% to properties that have been empty for one year or more from 1 April 2024 could increase total Council Tax income by approximately £500,000 in 2024/25 (Sefton's share £420,000).

#### **Introducing a premium on dwellings that are occupied periodically**

Introducing a 100% premium on second homes from 1 April 2025 could increase Council Tax income by approximately £383,000 in 2025/26 (Sefton's share £320,000).

### **Council Tax Base**

Changes to the council tax base will have an impact on the level of Council Tax income transferred from the Collection Fund to the Council's General Fund in 2024/25. It will also impact on the amounts due to the Police and Crime Commissioner, the Fire and Rescue Service, and the Combined Authority.

The following table shows the estimated increase in council tax income as a result of changes to the tax base between 2023/24 and 2024/25, based on the 2023/24 Council Tax Band D charge:

Council Tax Income	Sefton Council £ million	Police & Crime £ million	Fire & Rescue £ million	Combined Authority £ million
Option A	1.054	0.143	0.050	0.011
Option B	1.474	0.200	0.070	0.015

Option A assumes no change in empty homes premiums in 2024/25.

Option B assumes that an empty homes premium of 100% will be charged on dwellings left empty for 1 year or more in 2024/25.

### **(B) Capital Costs**

No capital costs applicable.

## **Implications of the Proposals:**

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

Changes to both the local Council Tax Reduction Scheme and Council Tax premiums will continue to be administered from existing resources.

**Legal Implications:**

**Local Council Tax Reduction Scheme**

By Section 5 of Schedule 1A of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012) for each financial year each billing authority must:

- a. Consider whether to revise its Council Tax Reduction Scheme or to replace it with another scheme.
- b. Make any revision to its scheme, or any replacement scheme, no later than 11 March in the financial year preceding that for which the revision or replacement is to have effect.
- c. If any revision to a scheme, or any replacement scheme, has the effect of reducing or removing a reduction to which any class of person is entitled, the revision or replacement must include such transitional provision relating to that reduction or removal as the authority thinks fit.
- d. Before revising its scheme or making a replacement scheme, an authority must:
  - i. Consult any major precepting authority which has power to issue a precept to it.
  - ii. Publish a draft scheme in such manner as it thinks fit, and
  - iii. Consult other such persons as it considers are likely to have an interest in the operation of the scheme.

**Council Tax Premiums**

The Levelling Up and Regeneration Act 2023, introduced new regulations that allow billing authorities to charge a premium of up to 100% on homes that have been empty for one year or more from 1 April 2024, as well as a premium of up to 100% on dwellings that are occupied periodically (second homes) from 1 April 2025. The later date for second homes is because the Act requires authorities to provide 12 months-notice to second homes prior to implementation. These are discretionary powers, and it is up to local authorities to decide what level of premium (if any) is appropriate in their area.

**Equality Implications:** The equality implications have been identified and mitigated. Equality Impact Assessments are provided at Annexes B and C.

**Impact on Children and Young People:** Indirectly - in that the changes proposed to the Council Tax Reduction Scheme are intended to provide working-age households/families in employment, also in receipt of Universal Credit, with stability when managing household finances and budgeting for Council Tax payments.

**Climate Emergency Implications:**

The recommendations within this report will

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

## Contribution to the Council's Core Purpose:

Protect the most vulnerable: The Council Reduction Scheme proposed for 2024/25 will help to maintain fairness, consistency and an element of stability when managing household finances. The scheme provides support to those experiencing financial hardship as well as supporting those making the transition to Universal Credit.
Facilitate confident and resilient communities: the introduction of discretionary Council Tax premiums for empty properties is intended to encourage owners to bring properties back in to use and help to ease housing supply pressures, reduce negative impacts such as anti-social behaviour, reductions in rental & market values on surrounding properties, desirability of an area, and generate revenue that will be used to support essential council services.
Commission, broker and provide core services: Not applicable
Place – leadership and influencer: Not applicable
Drivers of change and reform: Not applicable
Facilitate sustainable economic prosperity: Provide support to those in financial hardship as well as supporting people into work.
Greater income for social investment: Not applicable
Cleaner Greener: Not applicable

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7455/23) and the Chief Legal and Democratic Officer (LD.5555/23) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

The Public Engagement and Consultation Panel approved proposals to undertake two consultations at its meeting on 8<sup>th</sup> September 2023 as follows:-

- 1) Proposed changes to the Council Tax Reduction Scheme from 1<sup>st</sup> April 2024 for working-age households in employment also in receipt of Universal Credit. This consultation was open for the period 11<sup>th</sup> September – 13<sup>th</sup> October 2023, and

- 2) Proposals to introduce new premiums in line with new discretionary powers introduced in the Levelling Up and Regeneration Act 2023, commenced on 11<sup>th</sup> September 2023 and ended on 27<sup>th</sup> October 2023.

In addition, details of the review of the local Council Tax Reduction Scheme, the proposed scheme for 2024/25, the Council Tax Base and the proposed introductions of Council Tax premiums are provided to the precepting bodies, i.e., the Police and Crime Commissioner, Merseyside Fire and Rescue Service and the Liverpool City Region Combined Authority.

## **Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet recommendation to Council and approval by Council on 18<sup>th</sup> January 2024.

<b>Contact Officer:</b>	Diane Turner
Telephone Number:	0151 934 3481
Email Address:	diane.turner22@sefton.gov.uk

## **Appendices:**

Annex A: Council Tax Base Report 2024/25

Annex B: Proposed changes to the Council Tax Reduction Scheme for 2024/25, including consultation summary and equalities impact assessment.

Annex C: Proposed introduction of new council tax premiums on ‘dwellings left empty for 1 year or more’ and on ‘dwellings occupied periodically’, including consultation summary and equalities impact assessment.

## **Background Papers:**

There are no background papers available for inspection.

## **Local Council Tax Reduction Scheme**

### 1.1 Introduction/Background

1.2 Local Council Tax Reduction replaced Council Tax Benefit (CTB) from 1<sup>st</sup> April 2013. The Council Tax Reduction Scheme is a discount awarded to households on a low income to help towards Council Tax payments. The amount awarded is based on a person’s household and income. The local scheme rules only apply to working-age Council Taxpayers. Pensioners are protected by legislation and must be provided with the level of Council Tax support specified by the Government.

1.3 The grant transferred to the Council, Police and Crime Commissioner and Fire Service in 2013/14, £24.2M; to fund the local scheme was £3M lower than had previously been provided to fund CTB in 2012/13. The Council therefore had to

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introduce changes to the national default Council Tax Support Scheme to ensure that the local scheme was cost neutral. As the Government had specified the level of support that had to be provided to pensioners, the saving requirement had to be met by reducing the level of support available to working age claimants and through changes to Council Tax empty property discounts.

1.4 The Council is required, by law, to review the Scheme each year irrespective of whether it is being amended. The Council Tax Reduction Scheme for 2024/25 must be agreed by Council by 11<sup>th</sup> March 2024.

## 2. Review of the Council Tax Reduction Scheme for 2023/24

2.1 To satisfy the requirement to review the Scheme, the following areas have been evaluated:

- Claimant caseload
- Scheme expenditure
- Impact on most vulnerable claimants
- Council Tax collection, including Attachment of Benefits
- Review of the Council's principles for the Scheme
- Council Tax Exceptional Hardship Fund.

## 2.2 Claimant Caseload

The table below shows the caseload data at 30<sup>th</sup> September 2023 compared to caseload data at the end of each year since the Council Tax Reduction Scheme was introduced in 2013/14:

Year	Date	Pensioners	Working Age	Total	Change
2013/14	03.04.14	14,655	16,025	30,680	n/a
2014/15	01.04.15	13,925	15,349	29,274	-1,406
2015/16	31.03.16	13,206	14,886	28,092	-1,182
2016/17	31.03.17	12,541	14,524	27,065	-1,027
2017/18	31.03.18	11,970	14,005	25,975	-1,090
2018/19	31.03.19	11,404	14,160	25,564	-411
2019/20	31.03.20	10,871	14,326	25,197	-367
2020/21	31.03.21	10,491	15,519	26,010	+813
2021/22	31.03.22	10,243	14,917	25,160	-850
2022/23	31.03.23	10,053	14,712	24,765	-395
2023/24	30.09.23	9,970	14,591	24,561	-204

The working age caseload can be split further:

Year	Date	Employed	Other	Total	Change
2013/14	03.04.14	2,874	13,151	16,025	n/a
2014/15	01.04.15	2,748	12,601	15,349	-676
2015/16	31.03.16	2,504	12,382	14,886	-463
2016/17	31.03.17	2,193	12,331	14,524	-362



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2017/18	31.03.18	1,900	12,105	14,005	-519
2018/19	31.03.19	1,597	12,563	14,160	+155
2019/20	31.03.20	1,268	13,058	14,326	+166
2020/21	31.03.21	1,070	14,449	15,519	+1,193
2021/22	31.03.22	1,126	13,791	14,917	-602
2022/23	31.03.23	1,081	13,631	14,712	-205
2023/24	30.09.23	1,050	13,541	14,591	-121

2.3 Pensioner Claimants: Since the initial implementation of the scheme in 2013/14 the number of Pensioner Claimants has declined in every year. Pensioner claimant numbers have continued to fall in 2023/24.

2.4 Working Age Claimants: Claimant numbers increased significantly in 2020/21 as a result of the economic impact of Covid-19. Claimant numbers reduced in 2021/22 and 2022/23 and have continued to reduce in 2023/24. However, the current economic climate is uncertain, and we could see this trend reverse.

## 2.5 Scheme Expenditure

The following table shows the Council Tax Reduction Scheme Expenditure reported in the Revenue Outturn Return compared to the mid-year estimate for 2022/23:

<b>Year</b>	<b>Source</b>	<b>Pensioners £000</b>	<b>Working Age £000</b>	<b>Total £000</b>	<b>Change £000</b>
2013/14	RO Return	13,305	9,907	23,212	n/a
2014/15	RO Return	12,152	10,364	22,516	-696
2015/16	RO Return	11,895	9,760	21,655	-861
2016/17	RO Return	11,540	10,559	22,099	+444
2017/18	RO Return	11,378	10,948	22,326	+227
2018/19	RO Return	11,695	11,069	22,764	+438
2019/20	RO Return	11,790	11,784	23,574	+810
2020/21	RO Return	11,898	13,414	25,312	+1,738
2021/22	RO Return	12,020	13,823	25,843	+531
2022/23	RO Return	12,037	13,585	25,622	-221
2023/24	30.09.23	12,527	14,320	26,847	+1,225

Note:

2023/24 Estimate: The costs recorded at 30 September 2023 have been split based on the Pensioner & Working Age weekly costs recorded on the monthly NEC (Northgate) CTR304 reports.

## 2.6 Council Tax Collection

The table below shows the amount of Council Tax billed and collected during 2022/23:

Recorded at 31 March 2023	Liability Raised	Received In Year	Collection Rate
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	£000	£000	%
CTRS Cases - Working Age	4,794	3,416	71.3
CTRS Cases - Pensioner Age	1,560	1,857	119.0
Other Council Tax Payers	180,618	172,345	95.4
Total (in-year collection)	186,972	177,618	95.0

The in-year collection rate reduced from 97.2 % in 2012/13 under the council tax benefit system to 96.2% in 2013/14 when council tax support was localised. The in-year collection rate subsequently reduced to 95.0% in 2020/21 and 94.8% in 2021/22 as a result of the impact of Covid-19. Sefton's in-year collection rate remains higher than the average for Metropolitan Districts which was 93.7% in 2022/23.

## Current Year Council Tax Collection: 2023/24

As at 31<sup>st</sup> October 2023, the in-year Council Tax collection figure was 62.24% compared to 62.99% in 2022/23. It should be noted that the collection figure for 2022/23 was inflated due to £150.00 payments made to households as part of the Government's Council Tax Energy payments scheme. Figures for 2021/22 are therefore shown below for more representative comparison.

<b>31/10/23</b>	<b>62.24%</b>
<b>31/10/22</b>	<b>62.99%</b>
<b>31/10/21</b>	<b>62.91%</b>

## 2.7 Impact on the most vulnerable claimants

The local Council Tax Reduction Scheme continues to address the Council's priorities to minimise the impact on the most vulnerable, by seeking to strike a balance between dealing with Council priorities whilst supporting those experiencing financial challenges. The Council, having recognised the impact on communities, has introduced a range of mitigating actions, including:

- Administration of the Government's Council Tax Support Fund for 2023/24, whereby a payment of £25.00 was made to Council Tax households in receipt of Council Tax Reduction where there was still a remaining payment liability.
- Provision of an Exceptional Hardship Fund (see Section 2.10 below)
- Easing the transition for households claiming Universal Credit by treating notifications received from the Department for Work and Pensions (DWP), as a claim for local Council Tax Reduction, thus removing the need for those in receipt of Universal Credit to have to make a separate claim for support towards their Council Tax.
- Continuing to disregard the whole of a war pension as part of the Council Tax Reduction Scheme, including War Disablement Pensions, War Widows Pensions, and any corresponding pensions payable to a widower or surviving civil partner. For those claimants also in receipt of Housing Benefit, the Council also fully disregards War Disablement Pension and War Widow's Pension; with the cost of

the first £10 disregard met by the Government as part of the Housing Benefit subsidy claim and the remainder of costs covered by the Council.

- Offering 12-month (rather than 10-month) instalment payments to Council Tax payers and taking a sensitive approach to enforcement action to consider the potential vulnerability of Council Tax Reduction claimants. Before cases are referred to Enforcement Agents a vetting stage has been introduced and cases are dealt with under a separate debt recovery process to minimise potential increases in debt.
- In response to the cost-of-living crisis, the procedures for negotiating payments have been reviewed and updated to include feedback from Sefton Citizen's Advice. In addition, there is a co-ordinated working relationship between the Council's contracted Enforcement Agents and Citizens Advice to support people in debt. Citizens Advice Sefton has direct lines of communication with the Enforcement Agents and can arrange for recovery action to be placed on hold whilst discussing and agreeing affordable payment arrangements.
- The Debt Respite Scheme (Breathing Space) which started on 04<sup>th</sup> May 2021 gives someone with debt problems the right to legal protections from recovery activity. Standard breathing space lasts for 60-days and can be extended if the customer is receiving mental health crisis treatment. This enables a debt advice provider time to arrange an appropriate debt solution. During the period 1<sup>st</sup> November 2022 – 31<sup>st</sup> October 2023, the Council has received notification of 150 customers in Breathing Space of which 116 have now expired. Over 95% of these applications were in respect of Council Tax debt only.

## 2.8 Attachment of Benefits

Since the introduction of the Council Tax Reduction Scheme in April 2013 the number of working age claimants falling into arrears continues to grow. One recovery option open to the Council for benefit claimants is to apply for an Attachment of Benefit (AOB) via the courts. Under this option, the following deductions from benefits may be applied:-

- For claimants of Job Seeker's Allowance/Income Support/Employment Support Allowance/Pension Credit the weekly deduction is £4.25.
- For single claimants under 21 on Universal Credit, the deduction is £16.75 per 4 weeks, rising to £18.44 per 4 weeks for those aged over 21.
- For couples over 21 on Universal Credit, the deduction is £28.94 per 4 weeks.
- An AOB cannot be applied without first having taken the debtor to court to obtain a Liability Order. Due to the need to follow the correct legislative timeline for obtaining a Liability Order, payment by AOB cannot commence until part-way through the year. Typically for a bill issued in March the first payments would not be made by the DWP until August of the same year.
- A significant number of customers have arrears for more than one financial year. As only one AOB order may be deducted at a time there has been a significant increase in the number of pending cases. These cases are effectively stacked up until an earlier order is paid. No recovery action may be taken in the interim and the value of such cases is increasing year on year.

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- Many new claimants for local Council Tax Reduction have already accrued debts before an AOB can be considered.
- The following table shows the amount of debt being recovered by AOB, and the amount of debt still waiting recovery by AOB as at 31<sup>st</sup> October 2023: -

	<b>31.10.20</b>	<b>31.10.21</b>	<b>31.10.22</b>	<b>31.10.23</b>
AOB in payment	£1,011,275	£1,170,127	£1,719,777	£2,012,354
Number of cases	4,528	5,002	7,524	7,715
AOB Pending	£4,425,238	£4,868,797	£5,897,664	£7,441,760
Number of cases	18,076	17,101	20,008	22,649

## 2.9 Review of Scheme Principles

The local Council Tax Reduction Scheme is based on five principles and the review is summarised below:

<b>Principle</b>	<b>CTRS working for non-pensioner claimants?</b>
The Council will continue to support work incentives	<b>Yes</b> – The Council continues to operate a system which disregards certain amounts of money from customers earnings through employment and self-employment when calculating entitlement, and to support those working households making the transition from legacy state-benefits to Universal Credit.
The Council will continue to recognise the additional needs of our most vulnerable residents.	<b>Yes</b> – The Council continues to make additional allowances and give additional support to those receiving certain DWP sickness benefits, disability benefits and benefits for Carers when calculating entitlement.  Additionally, the Council continues to disregard certain disability benefits as income when calculating entitlement  Procedures are regularly reviewed for the collection of non- payment of Council Tax to ensure non-disproportionate impact on the most vulnerable households. Also budgeting support and advice is made available to all claimants.  The Council Tax Exceptional Hardship Fund is

	available to those in the greatest financial need with fair and transparent criteria for awards.
The Council will continue to recognise the additional needs of families with children	<p><b>Yes</b> – Child Benefit and Child Maintenance payments are not considered as income when calculating entitlement to CTRS.</p> <p>Additional allowances are given when calculating entitlement for where there is a disabled child in the family.</p> <p>The CTRS takes childcare costs into account for low income working families</p> <p>The Council continues to include the Family Premium when calculating the Council Tax Reduction. This has been removed for all new Housing Benefit claims from 2016. The Council has also chosen not to mirror the Housing Benefit scheme which restricts the amount of support given to families with more than two children within its CTRS:</p>
The Council supports households staying together to make better use of housing in Sefton and reduce homelessness.	<b>Yes</b> - The amount of Council Tax Reduction taken away from a customer when other adults live in the household (known as a non-dependant deduction), was reduced in 2013 and remains at those lower levels.
The Council will continue to have due regard to the Armed Forces Covenant	<b>Yes</b> – War Disablement and War Widows pensions in calculating CTRS, including any Armed Forces compensation in accordance with the covenant is disregarded. This also includes the service attributable element of the armed forces pension could also be disregarded as income when calculating entitlement.

## 2.10 Council Tax Exceptional Hardship Fund (EHF)

The EHF aims to help vulnerable working age people experiencing financial hardship by reducing their Council Tax bill. Each year, EHF of approximately £20,000 is used to fund council tax discounts for care leavers.

The fund is administrated within an agreed policy, the Discretionary Reduction in liability policy, approved by Cabinet Member for Regulatory, Compliance and Corporate Services.

The total fund for 2023/24 is £360,483, this includes the £170,000 annual EHF and agreed carry over from 2022/23. As at 01/11/23, £160,592 has been awarded, leaving £199,891 available for the remainder of the year.

## 2.11 Summary of local Council Tax Reduction Scheme Review 2023/24

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The forecast cost of the scheme has increased by £1.225m (4.8%) in 2023/24 to £26.847m (at 30/09/23). This is largely due to an average council tax increase of 5.11% being offset by a small reduction in claimants.

## **3. Council Tax Reduction Scheme - Consultation**

3.1 A public consultation was carried out during the period 11<sup>th</sup> September – 13<sup>th</sup> October 2023 to seek feedback on a proposed change to the Council Tax Reduction Scheme with effect from 1<sup>st</sup> April 2024 affecting working-age households in employment and receiving Universal Credit.

3.2 Working age households in receipt of Universal Credit, which is administered by the DWP, must still claim Council Tax Reduction from their local council. Data-sharing arrangements in place mean that the DWP provide details of Universal Credit entitlement to local authorities to support the administration of Council Tax Reduction. In principle, this arrangement is beneficial as local authorities receive timely notifications of Universal Credit changes but in reality, the majority of changes are small and insignificant meaning that a household can receive multiple revised Council Tax bills and differing amounts to pay towards their Council Tax during the course of the year, e.g., if a claimant earns a different amount each month their Universal Credit will automatically adjust to reflect the amount they earn during that month, triggering a typically minimal change to Council Tax Reduction.

3.3 The Council's Benefits service, responsible for administering Council Tax Reduction, is already dealing with a high volume of work resultant from small, insignificant changes to Universal Credit. As more households move to Universal Credit from legacy DWP-benefits the workload, and administrative demands, will further increase.

3.4 It is proposed to make an administrative change to the Council Tax Reduction Scheme with effect from 1<sup>st</sup> April 2024 for working age households, in employment, in receipt of Universal Credit whereby monthly notifications of small changes in Universal Credit received from the DWP, triggered by a small change in someone's earnings (e.g., they have worked a few hours extra or overtime or less) are not actioned.

3.5 Changes, or representations, notified to the Council by the householder themselves will continue to be accepted and processed as they are currently. Processes will also remain in place to identify and deal with significant changes in Universal Credit entitlement, e.g.,

- Someone stops working.
- Universal Credit payments stop.
- Someone changes jobs or get a second job.
- Someone moves house, or someone joins or leaves a household.

3.6 The proposal is intended to make the level of Council Tax Reduction more stable, making budgeting easier and reduce unnecessary administration and associated costs.

3.7 Details of the consultation are found at Annex B. In summary, 150 responses were received, with 90% of respondents agreeing with the proposal.

## **4. Local Council Tax Reduction Scheme - Equality Impact Assessment**

Department for Communities and Local Government issued a report in February 2014 reminding local authorities of their key duties when deciding on local Council Tax Reduction Schemes:

- Public Sector Equality Duty (The Equality Act 2010)
- Duty to mitigate the effects of child poverty (The Child Poverty Act 2010)
- The Armed Forces Covenant
- Duty to prevent Homelessness (The Housing Act 1996)

An equality impact assessment has been undertaken as part of the review of the Council Tax Reduction Scheme and the proposed change for 2024/25, and is available at Annex B. The assessment found that there are no disproportionate impacts; mitigating actions remain effective and valid continuing to support working families and vulnerable residents as follows:-

- The Council continues to provide a discretionary Exceptional Hardship Fund to assist financially vulnerable working age households and families as described in paragraph 2.10 above.
- Procedures and processes for collection of non-payment of Council Tax as set out at paragraph 2.7 above help to ensure that there is no disproportionate impact on the most vulnerable households.
- The Council continues to support the five principles set out for the Scheme as can be seen at the table at paragraph 2.9 above.
- Legislation remains in place to protect low-income pensioners from any reduction in support brought about by the introduction of the local Council Tax Reduction Scheme.

## **5. Conclusion – Local Council Tax Reduction Scheme**

As a result of the work undertaken, it is proposed that the Council's local Council Tax Reduction Scheme for 2024/25 will change for working age households in employment in receipt of Universal Credit as described above. The Scheme continues to address the Council's focus to minimise the impact on the most vulnerable households by striking a balance between collecting Council Tax whilst supporting those experiencing financial challenges.

In addition, there would be no additional revenue implications because of a decision to retain the current scheme, with the cost of the current Scheme discounts reflected in the council tax base.

## **6.0 New Council Tax Premiums**

### **6.1 Background**

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Since 1st April 2013, Councils have been able to charge a Council Tax premium on unfurnished properties that have been left empty for more than two-years as a means of incentivising owners of these properties to bring them back into use.

The premium cannot be applied to homes that are empty due to the occupant living in armed forces accommodation for job-related purposes, or to annexes being used as part of a main property. Furthermore, the Council Tax system provides statutory exemptions for properties left empty for a specific purpose – for example, when a person goes into care. However, there is no statutory exemption from the premium for properties that are genuinely on the market for sale or letting. Councils also have powers to apply discretionary discounts in cases where homes are empty due to special circumstances – for example, financial hardship, fire or flooding.

The premium may be applied when a property has been empty for two years, irrespective of how long its current owner has owned it. Therefore, it is possible for an individual to buy a property which has already been empty for two years and be liable for the premium immediately. This scenario may occur if, for instance, the individual does not occupy the property immediately because they wish to extend or renovate the property. If the long-term empty property is occupied for a period of 6 weeks or less it is regarded as not having been occupied for the purposes of the two-year period. Occupancy of a long-term empty property for more than 6 weeks “resets the clock” for this purpose.

## 6.2 Levelling Up and Regeneration Act 2023

The Levelling Up and Regeneration Act 2023, introduced new regulations that allow billing authorities to charge a premium of up to 100% on homes that have been empty for one year or more from 1 April 2024, as well as a premium of up to 100% on dwellings that are occupied periodically (second homes) from 1 April 2025. The later date for second homes is because the Act requires authorities to provide 12 months-notice to second homes prior to implementation. These are discretionary powers, and it is up to local authorities to decide what level of premium (if any) is appropriate in their area.

## 6.3 Long-Term Empty Homes

Across the borough there are currently around 2,100 homes that have been empty for six months or longer (excluding those which are exempt from paying Council Tax); of these, nearly 1,400 have been empty for one year or more. In a time when demand for housing is increasing this is a significant wasted resource.

On 31 October 2023, there were 815 long-term empty dwellings paying a premium of at least 100%. Applying the premium on properties that have been empty for one year, rather than two, would mean that a further 570 properties would have to pay a 100% premium unless the owners took action to bring those properties back into use.

As well as charging the empty homes premium, there are other Council initiatives to help bring empty homes back into use, this includes offering advice to owners through sending regular letters and the Council’s property accreditation scheme that helps empty homeowners find tenants for their property. The Council’s Housing Standards Team will also work with owners to bring their properties back into use. However, in some cases enforcement action is required when the property is causing a statutory nuisance and the owner is uncooperative or untraceable.



## 6.3 Dwellings that are occupied periodically (second homes)

On 3 October 2023, there were more than 405 properties liable for Council Tax in the borough registered as second homes. Such properties are likely to be empty for long periods of the year and, like other empty homes, could be viewed as a wasted resource in a time of high demand for housing.

The Levelling Up and Regeneration Act 2023 introduces new regulation that allows councils in England to charge a premium of up to 100 per cent on second homes. The legislation requires that a billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates. This is required to give second homeowners 12 months' notice of the change. As a result of this clause the earliest date the premium could be applied is 1 April 2025.

## 6.4 Exceptions

In July 2023, the Government published a consultation which set out a number of exceptions that billing authorities would need to apply when charging a premium under the Levelling Up and Regeneration Act 2023.

These exceptions included in the consultation are highlighted below:

<b><u>Exception</u></b>	<b><u>Applies to</u></b>
1. Properties Undergoing Probate	Both
2. Properties being actively marketed for sale or let	Both
3. Empty properties undergoing major repairs	long-term empty homes
4. Annexes forming part of, or being treated as part of, the main dwelling	second homes
5. Job-related dwellings	second homes
6. Occupied caravan pitches and boat moorings	second homes
7. Seasonal homes	second homes

It was proposed that exception 1 should apply for a maximum of 12 months and that exceptions 2 and 3 apply for a maximum of 6 months. The exceptions 4, 5, 6, and 7 are not time limited. These exceptions would provide council taxpayers time to sell or let their properties without having to pay the premium. The Government has not yet published the outcome of the consultation.

## 6.5 Budget Pressures

Due to rising costs as a result of inflation, the energy crisis, and rising demand for services such as caring for vulnerable adults and children, the Council needs to make difficult decisions about increasing income and/or amending service provision. The changes to Council Tax premiums outlined above would raise additional Council Tax income and therefore help the Council to balance its budget in 2024/25 and 2025/26.

## 6.6 Proposed Change from 1 April 2024

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It is proposed that the Council introduce a 100% premium charge on 'properties that have been left empty for 1 years or more' (rather than the current 2 years) in-line with the maximum allowable under the new legislation from 1 April 2024.

The aim of this increase would be to incentivise owners of long-term empty properties to bring them back into use. This will increase the stock of available housing in the borough, which would assist in achieving the aims of the local development plan. It will also increase the amount of Council Tax income raised from those that continue to leave their properties empty.

This would give the following forecast increase in Council Tax income in 2024/25:

	2023/24 Band D Charge £	Additional Band D Equivalents	2024/25 Additional Income £ million
Sefton Council	1,853.90	226.9	0.420
Police & Crime Commissioner	251.97	226.9	0.057
Fire & Rescue Authority	88.61	226.9	0.020
Combined Authority	19.00	226.9	0.004
Total	2,213.48	226.9	0.500

The forecast assumes a 25% reduction in the number of homes that have been empty for 1 years or more is achieved in 2024/25 and that 25% would be exempt from the premium as a result of Government imposed exceptions. The actual number of properties brought back into use or subject to exceptions could be higher or lower than forecast and will be reflected in future tax base calculations.

## 6.7 Proposed Change from 1 April 2025

It is proposed that the Council introduce a 100% premium charge on 'dwellings that are occupied periodically' in-line with the maximum allowable under the new legislation from 1 April 2025.

The aim of this increase would be to further incentivise owners of second homes to make these available for sale or let. This will increase the stock of available housing in the borough, which would assist in achieving the aims of the local development plan. It will also increase the amount of Council Tax income raised from those that continue to leave their properties empty.

This would give the following increase in Council Tax income in 2025/26:

	2023/24 Band D Charge £	Additional Band D Equivalents	2024/25 Additional Income £ million
Sefton Council	1,853.90	173.0	0.320
Police & Crime Commissioner	251.97	173.0	0.044
Fire & Rescue Authority	88.61	173.0	0.015
Combined Authority	19.00	173.0	0.003
Total	2,213.48	173.0	0.383

The forecast assumes a 25% reduction in the number of second homes is achieved by 1 April 2025 and that 25% would be exempt from the premium as a result of Government imposed exceptions. The actual reduction in second homes or subject to exceptions could be higher or lower than forecast and will be reflected in future tax base calculations.

## 6.8 Consultation

The Council undertook a public consultation on proposals to introduce the new discretionary premiums in-line with powers introduced in the Levelling Up and Regeneration Act 2023, which ran from 11<sup>th</sup> September to 27<sup>th</sup> October 2023.

Consultation findings and Equality Impact Assessment can be found at Annex C.

The Cabinet is recommended to consider the outcome of the consultation before deciding whether to recommend to Council the proposed premiums be introduced from 1st April 2024 (Long-Term Empty) and 1st April 2025 (Second Homes).

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**SETTING THE COUNCIL TAX BASE FOR 2024/25**

**1. Setting the Council Tax Base**

- 1.1 The council tax base is the link between the Council’s budget and the level of council tax. The tax base will be used to calculate the council tax in Sefton, once the Council’s budget has been agreed. The Council is required to calculate its own tax base as well as the tax base for each parish council within its boundary and have them approved by the 31 January 2024.
- 1.2 The calculation of the council tax base takes into account many factors such as the rate of new building and the trends in people living on their own (Sole Occupier Discounts).
- 1.3 The tax base calculation assumes a long-term collection rate of 97.25% in 2024/25, which is an increase of 0.25% from the rate assumed in 2023/24.
- 1.4 The Council currently applies a 100% premium on homes left empty for 2 years years or more. The Council has the option to apply this premium on homes left empty for 12 months or more from 1 April 2024. The implications of this option are considered elsewhere in this report. Two alternative tax base figures for Sefton Council and each parish area are presented below:

Option A: the premium continues to apply only after 2 years or more.

Option B: the premium is applied after 12 months or more.

**2. Council Tax Base for Sefton Council in 2024/25**

- 2.1 An analysis of the changes between the 2023/24 and the 2024/25 tax base is provided in the table below:

Tax Base for Sefton Council		Band D Equivalentents		
		2023/24	2024/25	Change
H	<u>Chargeable Dwellings</u>			
	Dwellings on the Banding List	112,838.2	113,369.8	531.6
	Exempt Dwellings	-2,235.2	-2,426.9	-191.7
	Disabled Persons Reductions	-152.8	-159.7	-6.9
		110,450.2	110,783.2	333.0
Q	Discounts	-10,468.0	-10,593.4	-125.4
E	Empty Homes Premium	898.8	890.2	-8.6
J	Adjustments	-506.0	-398.6	107.4
Z	Council Tax Support Scheme	-12,070.3	-12,019.2	51.1
B	Collection Rate Adjustment	-2,649.1	-2,438.2	210.9
	MOD Properties	8.0	8.0	0.0
	<b>Council Tax Base (Option A)</b>	<b>85,663.6</b>	<b>86,232.0</b>	<b>568.4</b>

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	Continued from previous page			
E	Premium of 100% applied on homes left empty for 12 months from 1 April 2024.	0.0	226.9	226.9
	<b>Council Tax Base (Option B)</b>	<b>85,663.6</b>	<b>86,458.9</b>	<b>795.3</b>

2.2 The main reasons for the changes in the tax base are:

Dwellings on the Banding List: The number of properties on the Banding List has increased by 558 (+0.4%) in the year.

Exempt Dwellings (A-W): The number of dwellings subject to an exemption increased by 217 (8.0%). The largest increases were in the number of Class F exemptions (dwellings left empty by deceased persons) and Class E exemptions (an unoccupied dwelling which was previously the sole or main residence of a person who has moved into a hospital or care home).

Sole Occupier & Status Discounts: The number of dwellings receiving a 25% discount due to single occupancy has increased by 361 (+0.7%).

Empty Homes Premium: The number of dwellings left empty for more than two years has reduced by 31 (-3.7%).

Adjustments: The taxbase forecast assumes a lower level of growth in discounts and exemptions over the next year.

Council Tax Support Scheme (CTRS): The number of pension age claimants has reduced over the last 12 months.

## 3. Council Tax Base in Parish Areas for 2023/24

3.1 There are also new tax base figures for each parish area in 2024/25. The following tables provide details of the proposed new tax base for each parish compared to 2023/24 under both alternative options:

Tax Base for Parish Areas (Option A)	Band D Equivalents			%
	2023/24	2024/25	Change	Change
Parish of Aintree Village	2,056.7	2,073.2	16.5	0.8%
Parish of Formby	9,154.4	9,200.1	45.7	0.5%
Parish of Hightown	867.6	872.5	4.9	0.6%
Parish of Ince Blundell	173.1	173.7	0.6	0.3%
Parish of Little Altcar	434.0	449.6	15.6	3.6%
Parish of Lydiate	2,109.2	2,104.9	-4.3	-0.2%
Parish of Maghull	6,878.1	6,914.3	36.2	0.5%
Parish of Melling	1,098.0	1,117.0	19.0	1.7%
Parish of Sefton	324.7	327.2	2.5	0.8%
Parish of Thornton	778.9	771.1	-7.8	-1.0%

Tax Base for Parish Areas (Option B)	Band D Equivalents			%
	2023/24	2024/25	Change	Change
Parish of Aintree Village	2,056.7	2,079.9	23.2	1.1%
Parish of Formby	9,154.4	9,222.3	67.9	0.7%
Parish of Hightown	867.6	874.0	6.4	0.7%
Parish of Ince Blundell	173.1	174.0	0.9	0.5%
Parish of Little Altcar	434.0	450.5	16.5	3.8%
Parish of Lydiate	2,109.2	2,110.2	1.0	0.0%
Parish of Maghull	6,878.1	6,920.9	42.8	0.6%
Parish of Melling	1,098.0	1,118.2	20.2	1.8%
Parish of Sefton	324.7	327.6	2.9	0.9%
Parish of Thornton	778.9	772.5	-6.4	-0.8%

- 3.2 The tax base calculation for each of the parish areas is based on the same assumptions made in the calculation for Sefton Metropolitan Borough Council.
- 3.3 The higher percentage increases in Little Altcar and Melling parish areas are due to housing development. The reductions in Lydiate and Thornton Parish Areas are due to growth in exemptions in those areas.

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## Annex B: Proposed changes to Council Tax Reduction Scheme from 1 April 2024

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## 1. Introduction

The Council is proposing to make changes to the local Council Tax Reduction Scheme in April 2024 for people who are working, but also receiving Universal Credit. Households that are on a low income can apply for Council Tax Reduction. This means that they pay less in Council Tax.

The Government makes the rules for how much Council Tax Reduction that low-income pensioners (people aged 66 or over) could get. Sefton Council makes the rules for how much Council Tax Reduction that working age customers (under 66 years old) on a low income could get under its local Council Tax Reduction Scheme.

There are nearly 15,000 people in Sefton getting help with their Council Tax through Council Tax Reduction as they have a low income.

Sefton's local Council Tax Reduction scheme contains rules for many different circumstances that people may have, including those who are:

- Single
- Married or living together as a couple.
- Have children
- Have other people living with them
- a carer
- Living with ill health or have a disability
- Working
- Looking for work
- Claiming Universal Credit
- Claiming other benefits or tax credits.
- Have other types of income (e.g., pensions)

### What is Universal Credit?

Universal Credit is a government benefit paid to low-income people that is paid by the Department for Work and Pensions (DWP), designed to help people on a low income pay for:

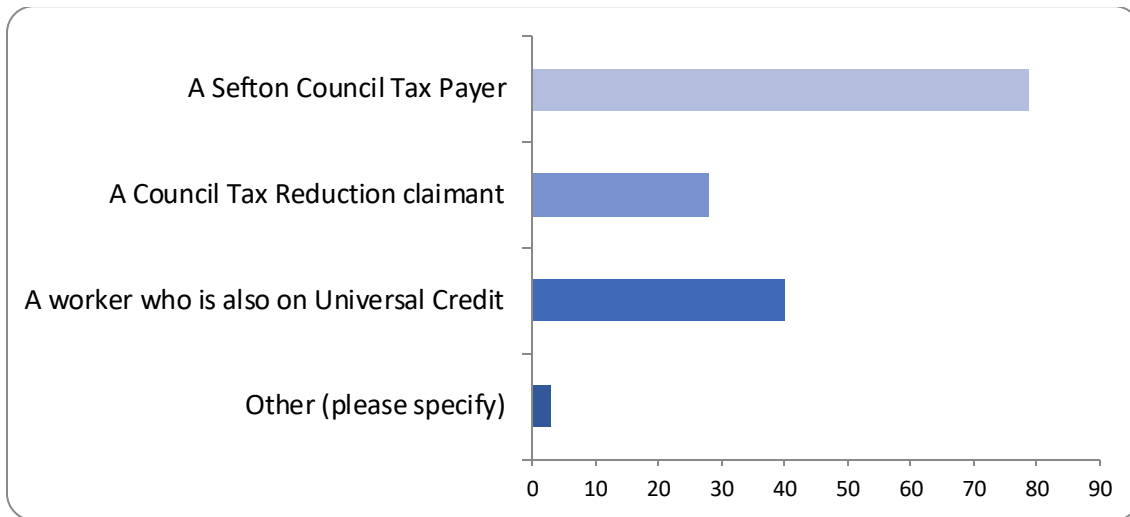
- Daily living costs for the customer and their family such as food and household bills.
- Housing costs such as rent, service charges or mortgage interest.
- Childcare costs
- Most new benefit claims for people under the age of 66 will be for Universal Credit.

Sefton Council carried out a public consultation seeking views from residents from 11<sup>th</sup> September 2023 to 13<sup>th</sup> October 2023. This was hosted on the Council's Citizen Space website, with paper copies of the survey available upon request.

## 2. Main Report from Citizen Space Website showing questions asked and responses received: Proposed changes to Council Tax Reduction Scheme from 1 April 2024

Responses to this survey: **150**

## 1: Are you responding to this survey as?



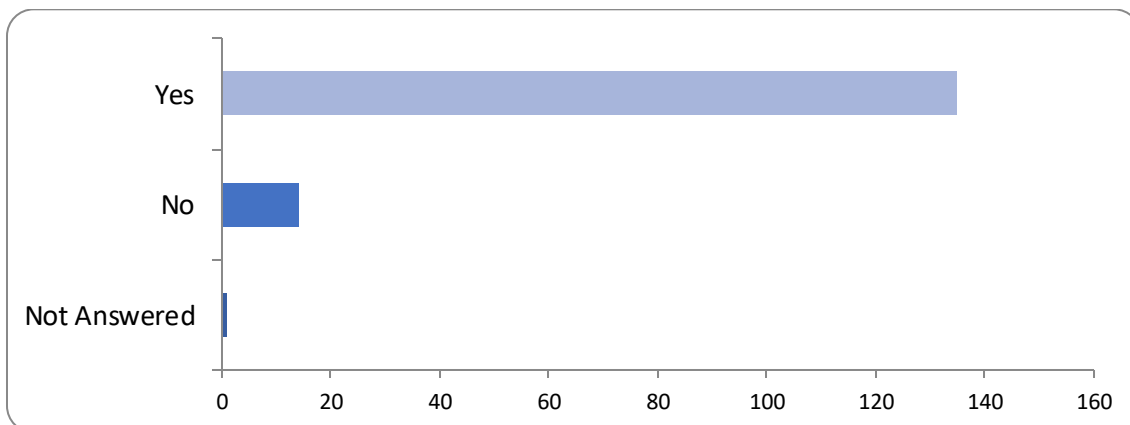
Option	Total	Percent
A Sefton Council Taxpayer	79	52.67%
A Council Tax Reduction claimant	28	18.67%
An elected Member	0	0.00%
A worker who is also on Universal Credit	40	26.67%
A local charity, voluntary or community organisation	0	0.00%
Other (please specify)	3	2.00%
Not Answered	0	0.00%

## 2: What is the first part of your home postcode (for example: L20; PR8)?

There were 150 responses to this part of the question detailing various postcodes throughout the borough.

## 3: Do you agree with proposals?

There were 149 responses to this part of the question.



Option	Total	Percent
Yes	135	90.00%
No	14	9.33%
Not Answered	1	0.67%

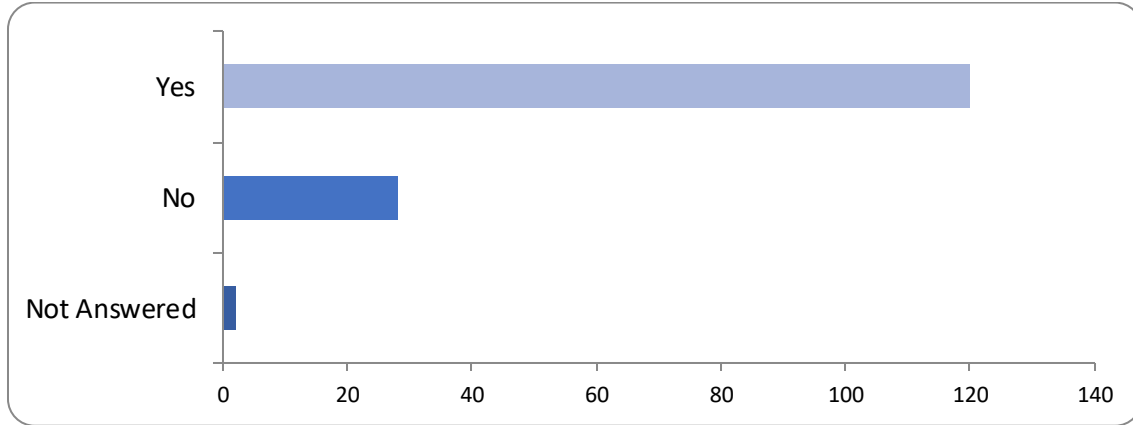
Any other comments?

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There were 39 responses to this part of the question. See Page 13 for analysis of these comments.

## 4: Do you give consent to providing your details, in accordance with the Privacy Notice?

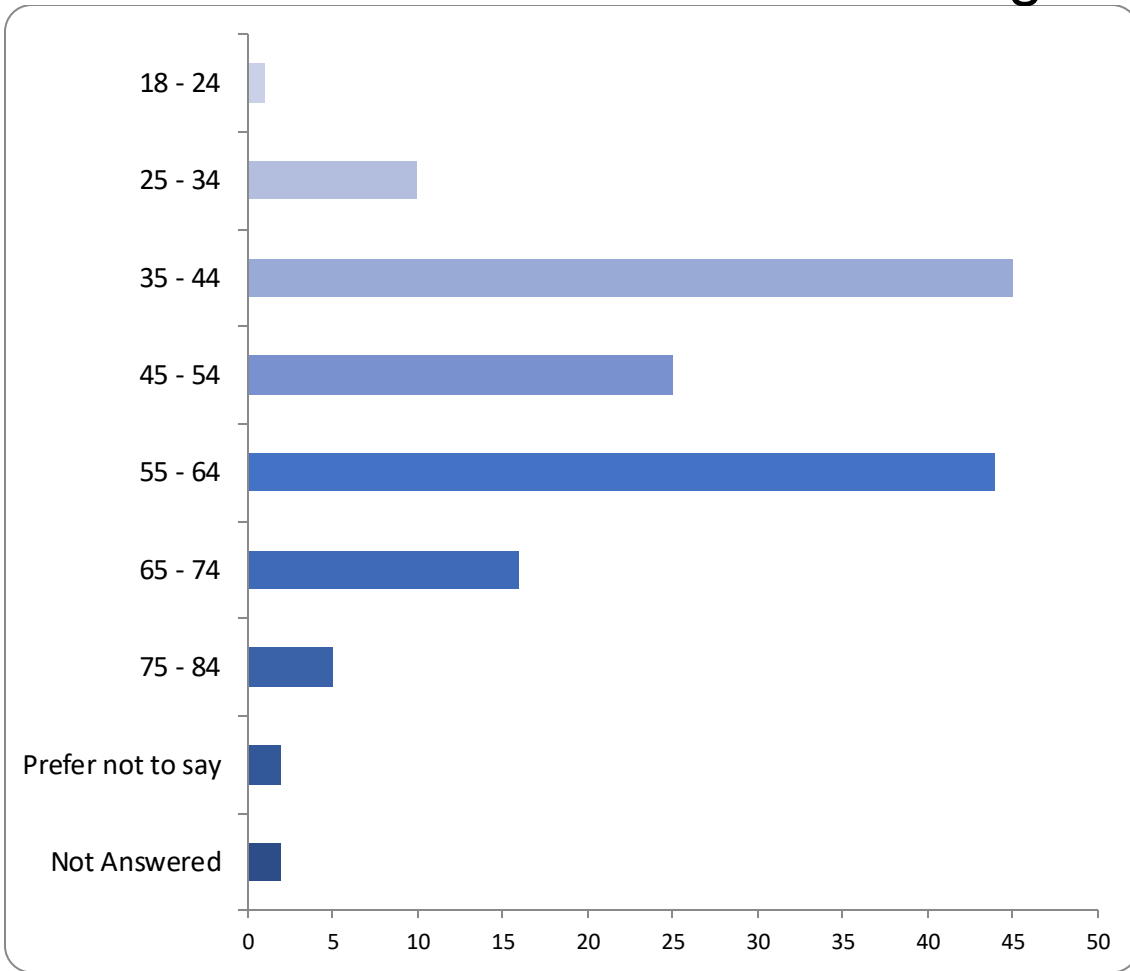
There were 148 responses to this part of the question.



Option	Total	Percent
Yes	120	80.00%
No	28	18.67%
Not Answered	2	1.33%

## 5: How old are you?

There were 148 responses to this part of the question.

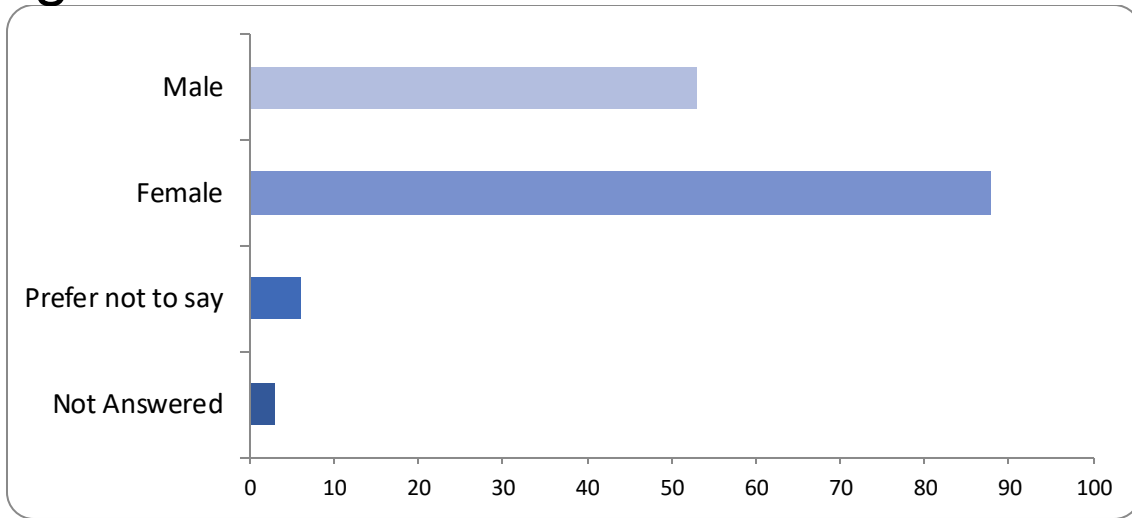


Option	Total	Percent
Under 18	0	0.00%
18 - 24	1	0.67%
25 - 34	10	6.67%
35 - 44	45	30.00%
45 - 54	25	16.67%
55 - 64	44	29.33%
65 - 74	16	10.67%
75 - 84	5	3.33%
85+	0	0.00%
Prefer not to say	2	1.33%
Not Answered	2	1.33%

## 6: What is your sex?

There were 147 responses to this part of the question.

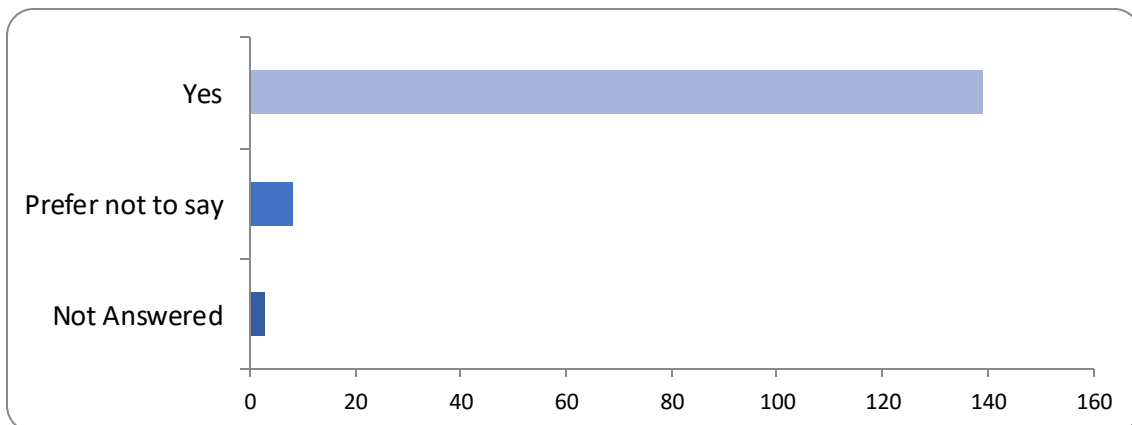
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Option	Total	Percent
Male	53	35.33%
Female	88	58.67%
Prefer not to say	6	4.00%
Not Answered	3	2.00%

## 7: Is the gender you identify with the same as your sex registered at birth?

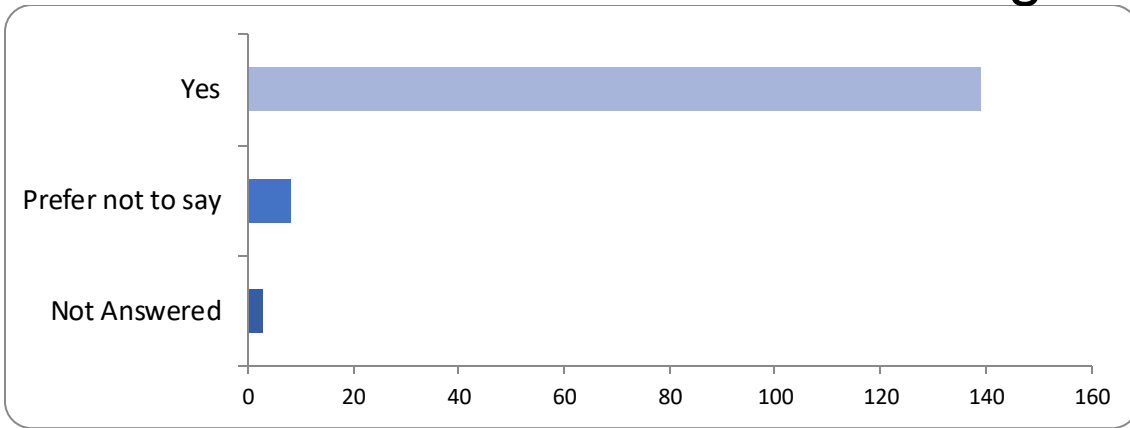
There were 147 responses to this part of the question.



Option	Total	Percent
Yes	139	92.67%
No	0	0.00%
Prefer not to say	8	5.33%
Not Answered	3	2.00%

## 8: Do you currently live as your birth sex?

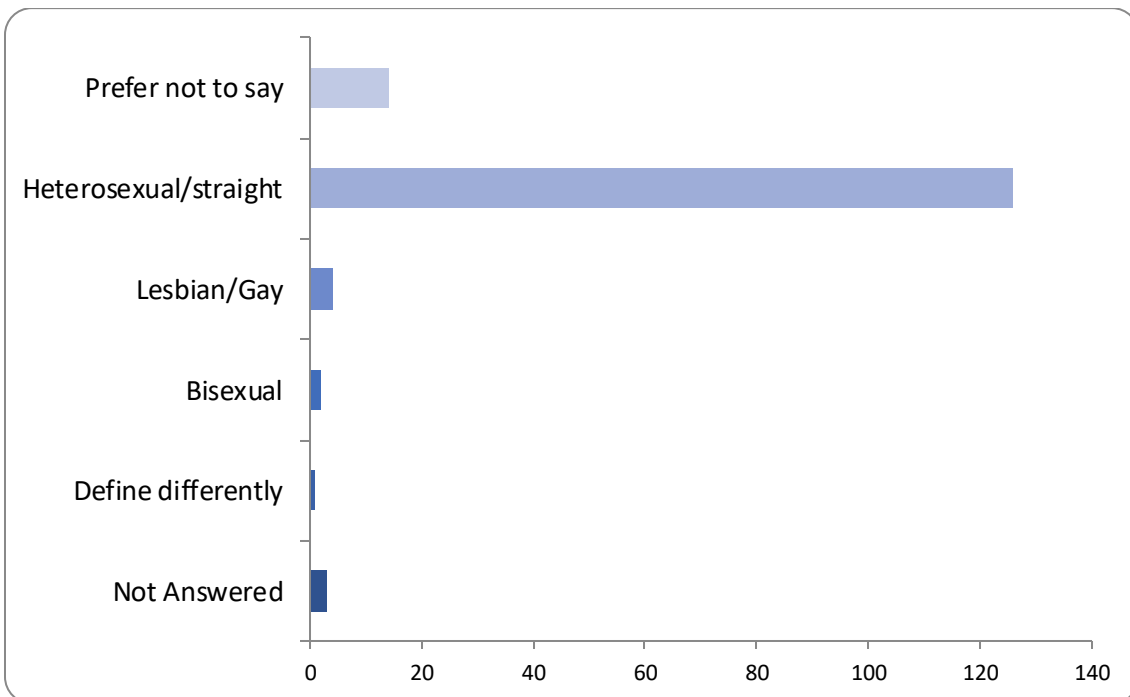
There were 147 responses to this part of the question.



Option	Total	Percent
Yes	139	92.67%
No	0	0.00%
Prefer not to say	8	5.33%
Not Answered	3	2.00%

## 9: How would you describe your sexual orientation?

There were 147 responses to this part of the question.

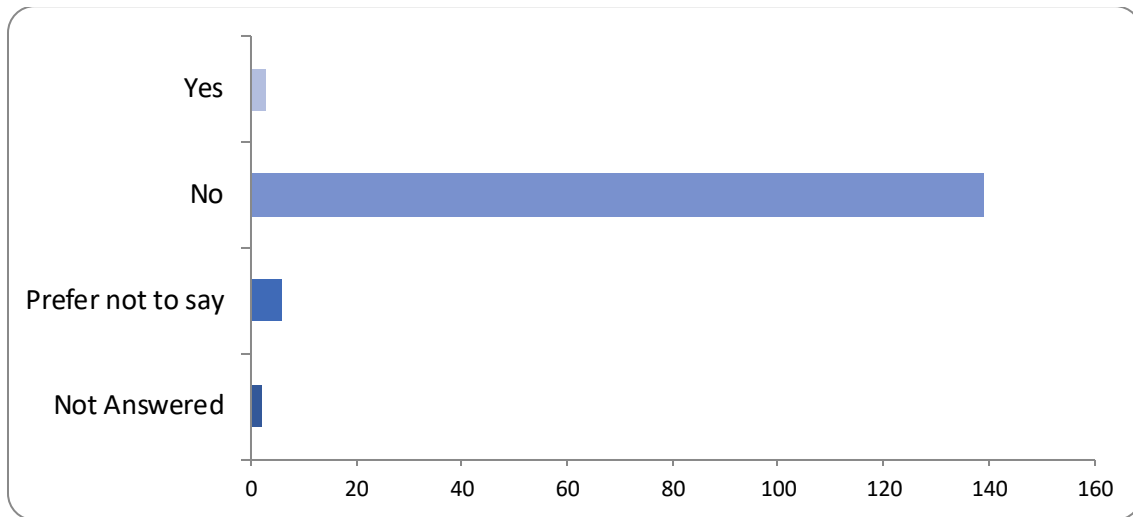


Option	Total	Percent
Prefer not to say	14	9.33%
Heterosexual/straight	126	84.00%
Lesbian/Gay	4	2.67%
Bisexual	2	1.33%
Define differently	1	0.67%
Not Answered	3	2.00%

## 10: Are you currently cared for by Sefton Council?

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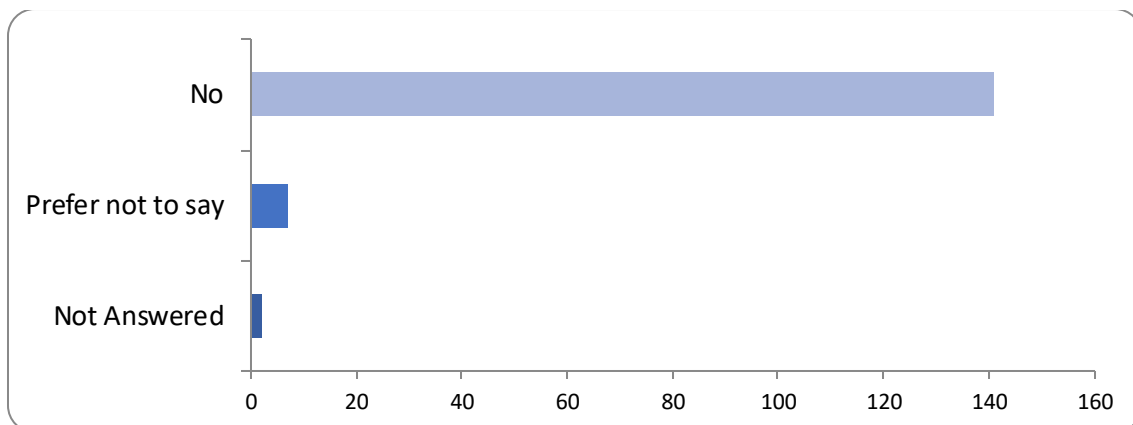
There were 148 responses to this part of the question.



Option	Total	Percent
Yes	3	2.00%
No	139	92.67%
Prefer not to say	6	4.00%
Not Answered	2	1.33%

## 11: Have you ever been cared for as a child by Sefton Council or another Local Authority?

There were 148 responses to this part of the question.

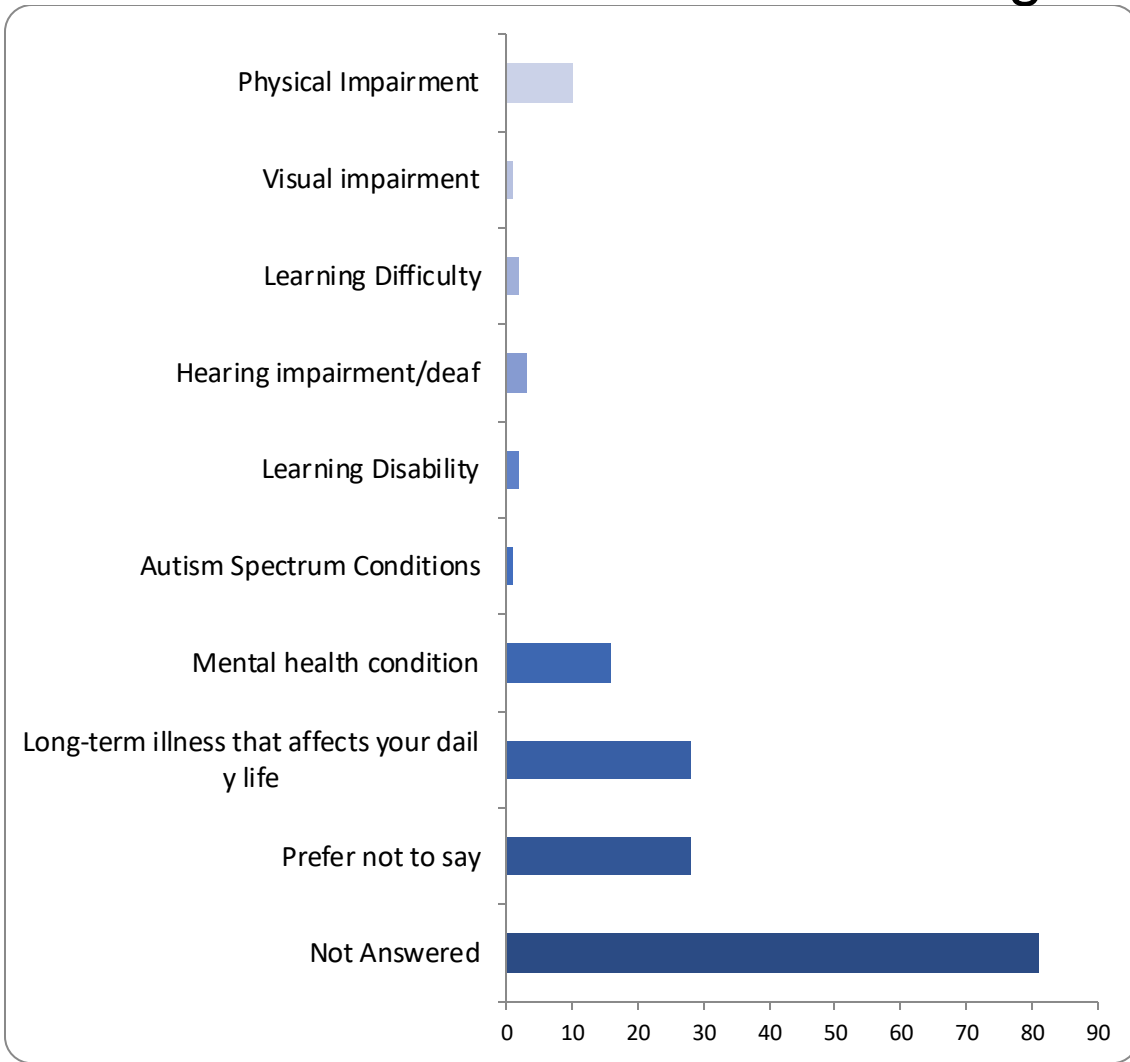


Option	Total	Percent
Yes	0	0.00%
No	141	94.00%
Prefer not to say	7	4.67%
Not Answered	2	1.33%

## 12: Disability: Do you have any of the following (please tick all that apply):

There were 69 responses to this part of the question.



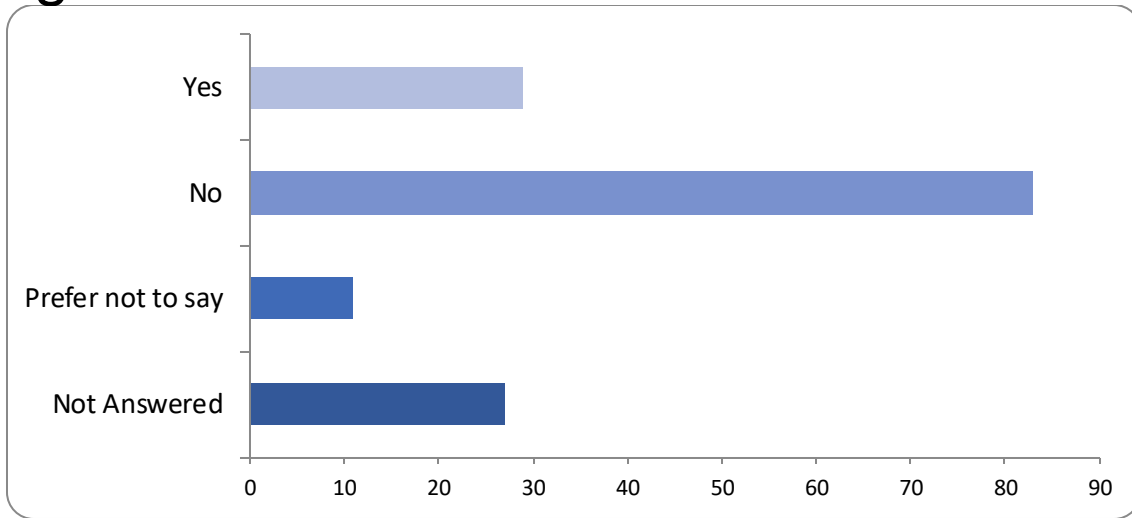


Option	Total	Percent
Physical Impairment	10	6.67%
Visual impairment	1	0.67%
Learning Difficulty	2	1.33%
Hearing impairment/deaf	3	2.00%
Learning Disability	2	1.33%
Autism Spectrum Conditions	1	0.67%
Mental health condition	16	10.67%
Dementia	0	0.00%
Long-term illness that affects your daily life	28	18.67%
Prefer not to say	28	18.67%
Not Answered	81	54.00%

**13: If you have ticked any of the boxes above, or you have cancer, diabetes or HIV this would be classed as 'disability' under the legislation. Do you consider yourself to be 'disabled'?**

There were 123 responses to this part of the question.

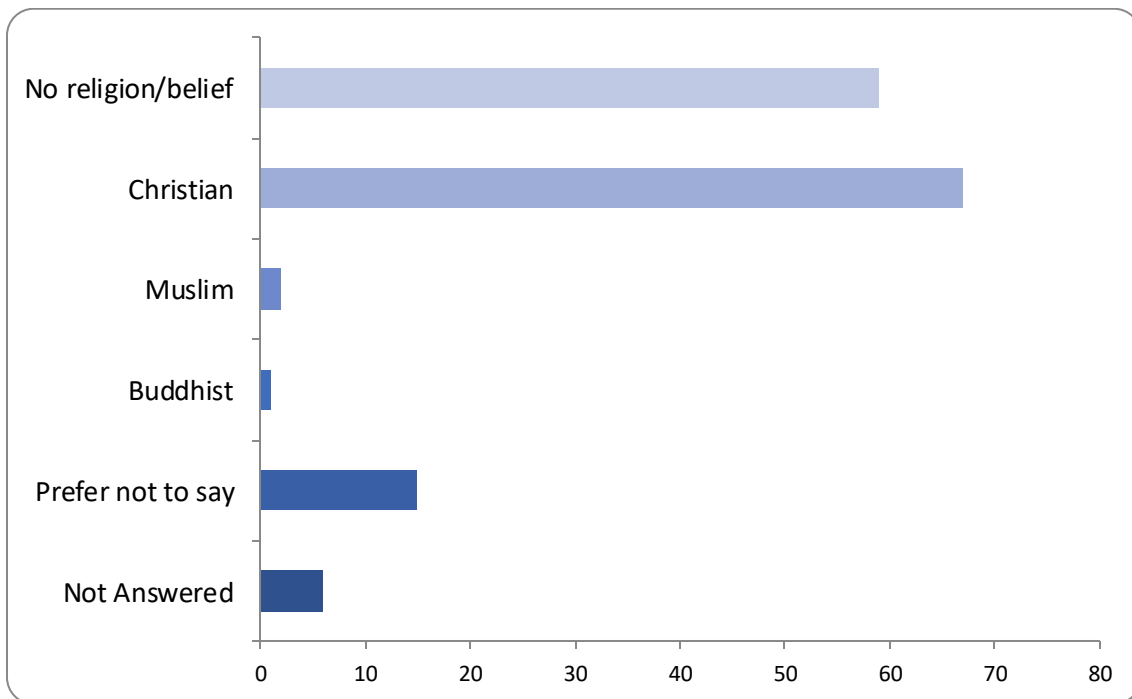
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Option	Total	Percent
Yes	29	19.33%
No	83	55.33%
Prefer not to say	11	7.33%
Not Answered	27	18.00%

## 14: What is your religion/belief?

There were 144 responses to this part of the question.

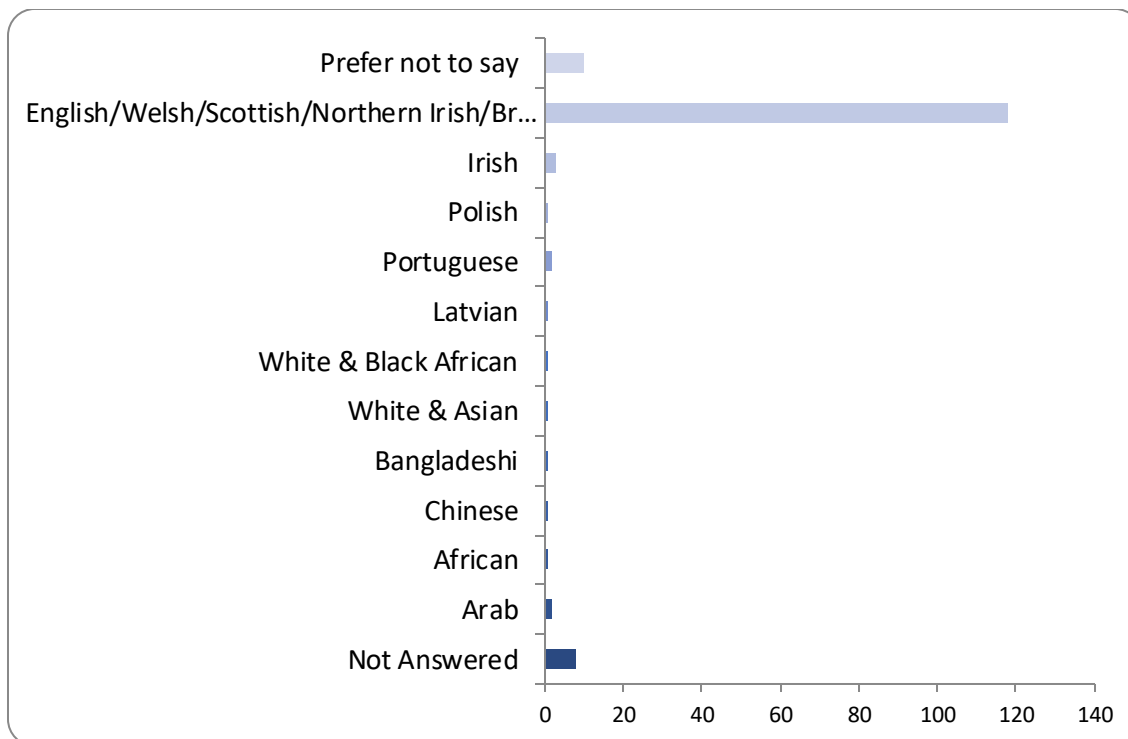


Option	Total	Percent
No religion/belief	59	39.33%
Christian	67	44.67%
Hindu	0	0.00%
Muslim	2	1.33%
Jewish	0	0.00%

Sikh	0	0.00%
Buddhist	1	0.67%
Prefer not to say	15	10.00%
Not Answered	6	4.00%

**15: Race/Ethnicity (please note that Sikh and Jewish are collected in the Religion/Belief Section above) – do you identify as:**

There were 142 responses to this part of the question.



Option	Total	Percent
Prefer not to say	10	6.67%
English/Welsh/Scottish/Northern Irish/British	118	78.67%
Irish	3	2.00%
Gypsy or Irish Traveller or Roma	0	0.00%
Polish	1	0.67%
Portuguese	2	1.33%
Latvian	1	0.67%
Lithuanian	0	0.00%
White and Black Caribbean	0	0.00%
White & Black African	1	0.67%
White & Asian	1	0.67%
Indian	0	0.00%
Pakistani	0	0.00%
Bangladeshi	1	0.67%
Chinese	1	0.67%

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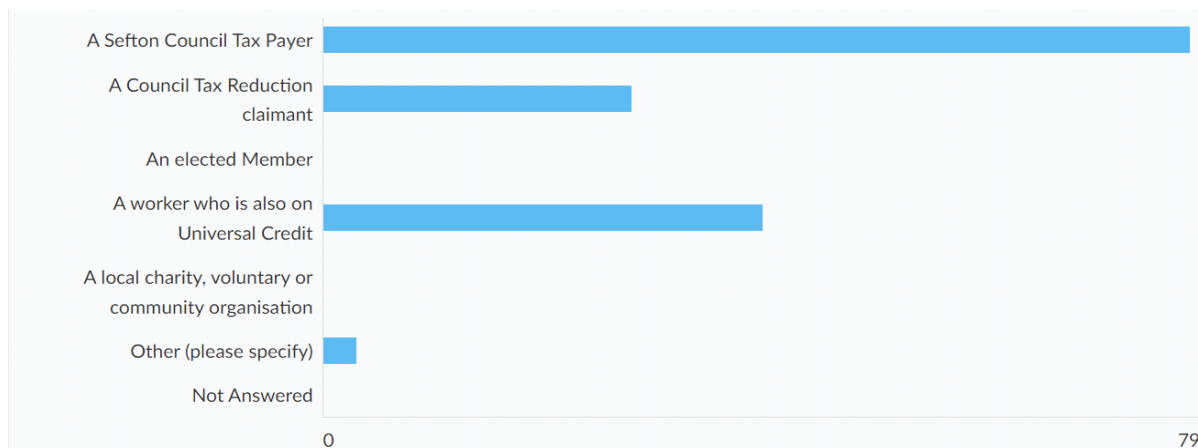
African	1	0.67%
Caribbean	0	0.00%
Arab	2	1.33%
Not Answered	8	5.33%

### 3. Consultation Analysis

#### CTRS Consultation Summary

Total of 150 submissions. 135 (90.00%) agreed with the proposal, with 1 (0.67%) not responding at all before submitting.

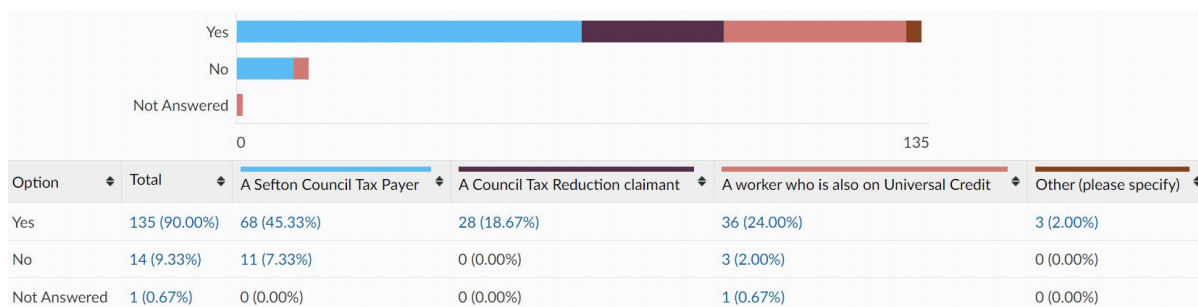
Respondents answering Question 1 identified themselves as:



The percentage breakdown of these respondents is as follows:

Option	Total	Percent
A Sefton Council Tax Payer	79	52.67%
A Council Tax Reduction claimant	28	18.67%
An elected Member	0	0.00%
A worker who is also on Universal Credit	40	26.67%
A local charity, voluntary or community organisation	0	0.00%
Other (please specify)	3	2.00%
Not Answered	0	0.00%

The specific Agree/Disagree answer each respondent submitted was broken down into their separate groups.



- The biggest response was from Council Tax Payers answering the question 'Do you agree with Proposals' seeing 79 in total. Of these 79 respondents, 68 (45.33% of total respondents) agreed with the proposal.

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- Second biggest number of responses were from Workers in receipt of UC, totalling 40. Of this amount, 36 (24.00% of total respondents) agreed with proposals.
- The third biggest number of responses was from 28 CTR claimants, all of whom agreed with the proposal (18.67% of total respondents).
- Finally, 3 responded as 'Other' ('Exempt from Council Tax', 'Retired Pensioner' and 'Independent man'), all of whom agreed (2.00% of total respondents).

Of those 14 who did not agree with the proposals (9.33%), the biggest number came from 'Council Tax Payers' with 11 (7.33% of total respondents) and a further 3 from 'Workers in receipt of UC' (2.00% of total respondents).

The reasons for CT Payers selecting 'No' included concerns over:

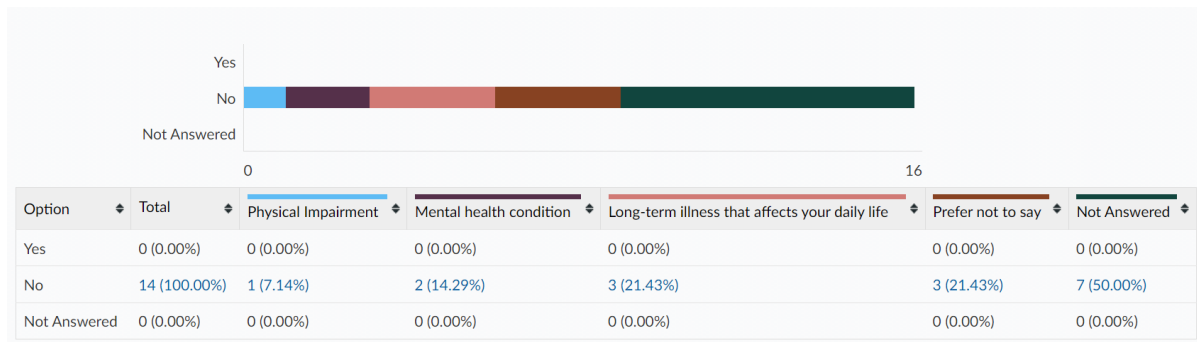
- properties only being empty because of probate,
- it being a bad time to sell,
- people who claim CTR contributing less and people being able to hide their earnings.

Analysis shows that several of these comments are related to concerns over Council Tax for these individuals, rather than the proposed changes to the CTR scheme as detailed in this consultation.

It therefore appears that some customers have applied their comments to the incorrect consultation; the proposed changes to the CTR Scheme, rather than the concurrent Exempt and Empty properties consultation.

Further analysis of these responses (where the customer also gave permission to share their details via the privacy notice) shows several disabilities also detailed.

Please note that this question allowed multiple responses, so there appears to be extra 'No' responses (16) than the previously stated 14.



There is only 1 comment related to this specific question for those who indicated a disability:

Answer

I'm responsible for Council Tax on my late father's property. It's a bad time to sell. I can't afford increased charges on his empty flat. It's in probate. It isn't my fault that the property is empty.

It therefore could be possible through this specific instance and cross referencing them with the wider number of 'No' comments that a number of these responses were made in error through customers misunderstanding the question and mistaking this consultation for another.

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## 4. Equality Impact Assessment

### **Equality Analysis Report – Changes to Council Tax Reduction Scheme 2024/25**

#### **Details of proposal: Council Tax Reduction Scheme for 2024/25**

Sefton Council is looking to make a change to its established local Council Tax Reduction scheme regarding how it processes some changes in circumstances for working-age Universal Credit households, in employment, that also claim Council Tax Reduction. The change, if agreed, will be effective from 1<sup>st</sup> April 2024.

#### **What the change is/what's proposed**

Council Tax Reduction currently supports just under 25,000 Sefton households who are on a low income with the cost of their council tax.

Around 14,500 claimants are of working age (60% of households using the scheme) and the remaining 10,000 (40%) are pension age.

There are almost 1100 working-age people in Sefton who are in low paid work and who are also claiming Universal Credit to top up their wages.

The Council Tax Reduction scheme is a means tested discount. It should be noted that pension age recipients are protected from any reduction in support under rules that are set out in national regulations.

#### **Ramifications of Proposal:**

#### **Summary of Council Tax Support available to assist Council Taxpayers who are in receipt of a low income for 2024/25**

Sefton Council's local Council Tax Reduction Scheme is based on five principles: -

1. The Council will continue to support work incentives
2. The Council will continue to recognise the additional needs of our most vulnerable residents.
3. The Council will continue to recognise the additional needs of families with children
4. The Council supports households staying together to make better use of housing in Sefton and reduce homelessness
5. The Council will continue to have due regard to the Armed Forces Covenant

The proposed changes to the Council Tax Reduction Scheme with effect from 1<sup>st</sup> April 2024 have been considered mindful of those principles and the Council's equalities duties.

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

*The protected characteristics under the Equality Act 2010 are:*

## **Age (working age)**

The Council's local Council Tax Reduction scheme affects working age people and has a financial impact on households who already have a low income.

The proposed change will affect working age households in employment in receipt of Universal Credit. It is proposed that with effect from 1<sup>st</sup> April 2024 minor changes in the amount of the Universal Credit award will not be actioned. It is intended that this change will introduce more financial stability to these households when budgeting for Council Tax payments, as opposed to Council Tax bills payments changing each time there is a minor change in the amount of the Universal Credit award.

### **Examples of when recalculations will take place include when a customer:**

- stops working.
- has their Universal Credit payments stop.
- changes jobs or get a second job.
- moves home, or someone joins or leaves their household.

## **Age (Pensionable age)**

People over pensionable age are supported with Council Tax Reduction, but this is via the national prescribed scheme and local authorities are not permitted to change this. The proposed change to Sefton's Council's scheme from 1<sup>st</sup> April 2024 will only affect working-age households, and so will have no effect on people of pensionable age.

## **People with a Disability**

In Sefton, around 53% of pensioners receiving Council Tax Reduction have a disability income, and 41% of working aged people receiving Council Tax Reduction have a disability income.

The Council recognises that additional expenses may be incurred relating to disability and has put the following mitigations in place: -

- Continuing to make additional allowances and give additional support to those receiving certain DWP sickness benefits, disability benefits and benefits for Carers when calculating entitlement.
- Disregarding certain disability benefits as income when calculating entitlement.
- Providing signposting and support to people to claim other reductions of Council Tax liability where appropriate, e.g., discount in respect of severe mental impairment, disabled banding reductions

The proposed changes will have no impacts specific to this equality group.

## **Gender Reassignment**

No impacts identified specific to this equality group.

## **Marriage and Civil Partnership**

No impacts identified specific to this equality group.

## **Race**

No impacts identified specific to this equality group. Calculation of entitlement to Council Tax Reduction does not refer to race and is not impacted by it.

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## Religion or Belief

No impacts identified specific to this equality group.

## Sex

Women are generally more likely to be single parents in the first place (84%) according to ONS 2021.

The proposed changes will have no impacts specific to this equality group.

## Sexual Orientation

No impacts identified specific to this equality group.

## Pregnancy and Maternity

We do not have sufficient evidence, but females are disproportionately affected and are more likely to be single parents.

Mitigation in place to support the additional needs of households with children includes:

- Deciding that the Council's local Council Tax Reduction scheme for working-age families should not replicate the rules that are in place in the national Housing Benefit scheme and the Council Tax Reduction Pensioner scheme whereby the removal of the family premium and the "2-child" rule restrict the level of award.
- Child Benefit and Child Maintenance payments are not taken into account as income when calculating entitlement to Council Tax Reduction.
- Additional allowances are given when calculating entitlement for where there is a disabled child in the family.
- The scheme also mirrors provisions in the Housing Benefit scheme by taking childcare costs into account for low income working families.
- The Council continue to include the Family Premium when calculating the Council Tax reduction.
- Procedures are regularly reviewed for the collection of non-payments of Council Tax and signposting to Exception Hardship Fund to ensure non-disproportionate impact on the most vulnerable household.

The proposed changes will have no impacts specific to this equality group.

### **Mitigations in place to support the Council's principals of the scheme**

#### **Financially Vulnerable People:**

The Council has put the following mitigation in place: -

- Provision of a discretionary Exceptional Hardship Fund to provide additional support to those financially vulnerable to struggling to pay Council Tax
- For working age people, allowing a Universal Credit notification, received from the DWP, to be treated as a claim for local Council Tax Reduction thus removing the need for those in receipt of Universal Credit to have to make a separate claim for support towards their Council Tax.
- Making provision in the local Council Tax Reduction Scheme for awards to be backdated for up to 6-months for working-age vulnerable claimants.
- Offering 12-month (rather than 10-month) instalment payments to Council Tax payers to help ease payment difficulties.
- Adopting a sensitive approach to enforcement action to consider the potential



vulnerability of Council Tax Reduction claimants. Before cases are referred to Enforcement Agents a vetting stage is in place and cases are dealt with under a separate debt recovery process to minimise potential increases in debt.

- Establishing a co-ordinated working relationship between the Council's contracted Enforcement Agents and Citizens Advice Sefton to support people in debt, ensuring that Citizens Advice Sefton has direct lines of communication with the Enforcement Agents and can arrange for recovery action to be placed on hold whilst discussing and agreeing affordable payment arrangements.
- Putting an escalation process in place for the debt advisor based at South Sefton foodbank to contact nominated Council Tax staff to request a hold on recovery action or discuss affordable payment arrangements.
- Participating in the Council's Welfare Reform Anti-Poverty Partner's Group – staff from the Council's Council Tax and Benefit team, work with partner organisations and other Council services to support residents suffering financial vulnerability, this includes signposting customers to emergency support for food, heating, essential household goods and provide practical support such as signposting claimants for winter coats, school uniforms.
- The Council attends various customer representative events and hard to reach groups to raise awareness of Council Tax support available, i.e., Pensioner and Disability forums, Sefton Citizens Advice surgeries.

### **Care Leavers**

The Council provides up to 100% Council Tax discount to support young people leaving local authority care up to the date of their 25th birthday.

### **Armed Forces Covenant**

The Council has identified that there are 16 households in Sefton claiming support from Council Tax Reduction and in receipt of War Disablement, War Widows pension including any Armed Forces compensation. The Council fully disregards this income when calculating entitlement. Also disregarded is the service attributable element of the armed forces pension.

### **Supporting Households to Stay Together, Making Better Use of Housing and Reducing Homelessness**

- The Council has decided that the amount of Council Tax Reduction taken away from a customer's entitlement when other adults live in the household (known as a non-dependant deduction), should remain at a reduced level.
- The Council uses the powers available to it to charge a premium on long-term empty properties to encourage owners to bring them back into use. The premium cannot be applied homes that are empty due to the occupant living in armed forces accommodation for job-related purposes. Also, the Council Tax system makes provision for statutory exemptions for properties left empty for a specific purpose, e.g., when a person goes into care.

### **Consultation:**

A public consultation has been carried out to seek views on the proposed change. The consultation run from 11/09/2023 to 13/10/2023, and it was hosted on the Council's Citizen Space Website with alternative paper copies available on request.

The consultation had 150 responses. Of these 90% agreed with the proposal, with 9.33% disagreeing. A further 0.67% stated they didn't know.

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

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

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

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

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

The Council has set out in the sections above how it meets its equalities duties in relation to the local Council Tax Reduction Scheme.

## **What actions would follow if proposal accepted by Cabinet and Council?**

As a result of the consultation, monitoring, and analysis undertaken, it is proposed that a change is made to the Council's local Council Tax Reduction Scheme (CTRS) for 2024/25, regarding working-age Universal Credit income households in employment. The change is designed to make the CTRS calculation more stable and consistent for households by ignoring some of the information provided by the DWP relating to Universal Credit income. The change includes ignoring when a customer:

- Works a few extra hours one month.
- Receives a back-dated pay rise.

Applying these changes to the scheme will ensure that it will:

- Make it more straightforward for low-income households to budget household finances for Council Tax payments
- Reduce confusion for customers, and
- Reduce the council's administration costs.

The Council will continue to monitor and analyse the support provided by the local Council Tax Reduction scheme to ensure that it remains relevant to support low-income households.

## Annex C: Consultation – proposal to introduce new Council Tax Premiums for Empty Properties and those Periodically Occupied (second homes)

### Contents

1. Introduction
2. Main Report from Citizen Space Website...*Page 2*
3. Consultation analysis...*Page 14*
4. Equality Impact Assessment...*Page 19*

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## 1. Introduction

The Government is bringing in new rules to allow councils to introduce new discretionary Council Tax premiums affecting properties that have:-

- been left empty for a year or more (known as long term empty properties).
- properties that are only lived in sometimes (known as second homes or holiday homes).

It is proposed that changes for properties that have been empty for a year or more will happen from 1<sup>st</sup> April 2024, and the proposed changes for properties that are only lived in sometimes will happen from 1<sup>st</sup> April 2025.

The new discretionary rules mean that :-

- Councils can charge double Council Tax on properties that have been left empty for 1 year. (This is called a premium charge of an extra 100% on top of the normal charge).
- Councils can charge double Council Tax for properties that are only lived in sometimes. (This is called a premium charge of an extra 100% on top of the normal charge).

A public consultation seeking views from residents about the introduction of these charges was carried out from 11<sup>th</sup> September 2023 to 27<sup>th</sup> October 2023.

The consultation was hosted on the Council's Citizen Space website, with paper copies of the survey available upon request. In addition, it should be noted that approximately 1,500 direct mailshot letters were issued to owners of empty properties ( as people potentially directly affected by the proposal) to alert them to the consultation for them to provide their feedback if they wished.

### Long Term Empty Properties and Secondary Homes

This consultation was about properties that have no furniture or only a small amount of furniture in them (called 'empty properties') and homes that are furnished but not lived in (called 'second homes').

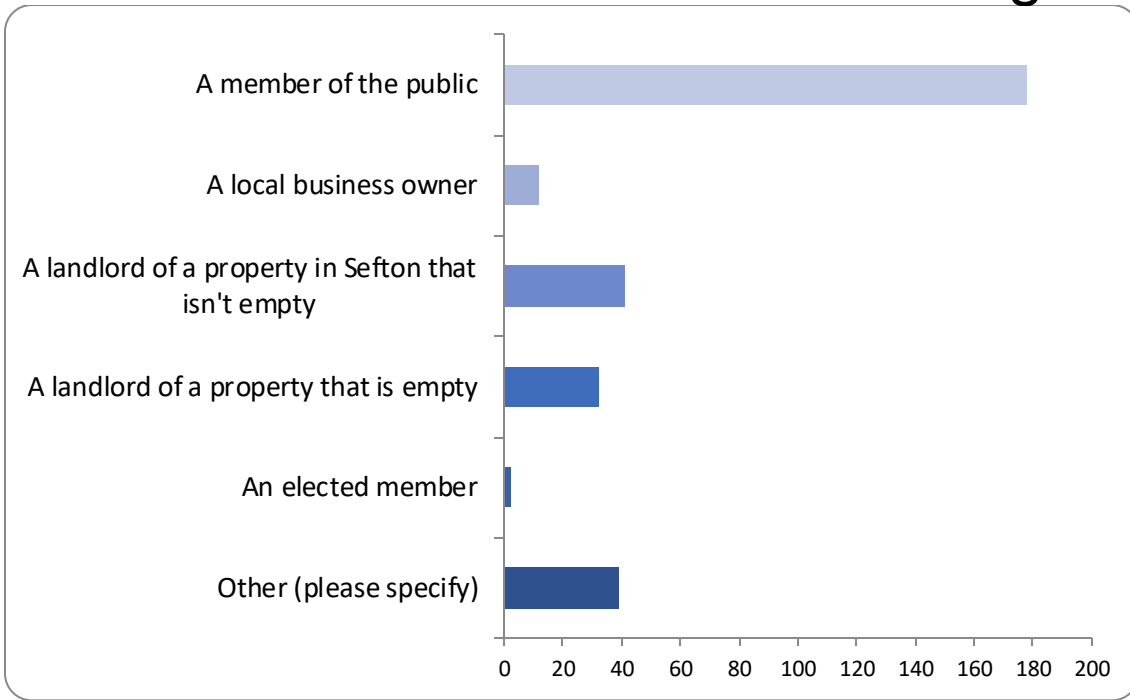
Currently, if a long-term empty property has been left empty for 2 years or more, the Council Tax charged is doubled. The consultation asked if the Council Tax should be doubled if the property has been left empty for 1 year instead of the 2 years it is now.

The consultation also asked should the Council Tax be doubled for secondary homes.

## 2. Main Report – Citizen Space Website

Responses to this survey: **264**

**1: Are you responding to this survey as?**



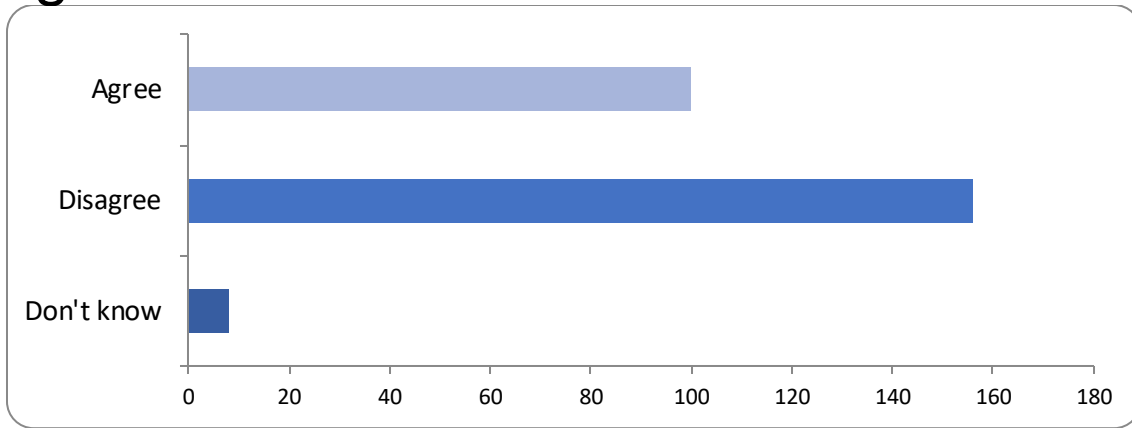
Option	Total	Percent
A member of the public	178	67.42%
A local business owner	12	4.55%
A landlord of a property in Sefton that isn't empty	41	15.53%
A landlord of a property that is empty	32	12.12%
An elected member	2	0.76%
A local charity, voluntary or community organisation	0	0.00%
Other (please specify)	39	14.77%
Not Answered	0	0.00%

## 2: What is the first part of your home Postcode (for example: L20; PR8)?

There were 264 responses all detailing several various postcodes across the borough.

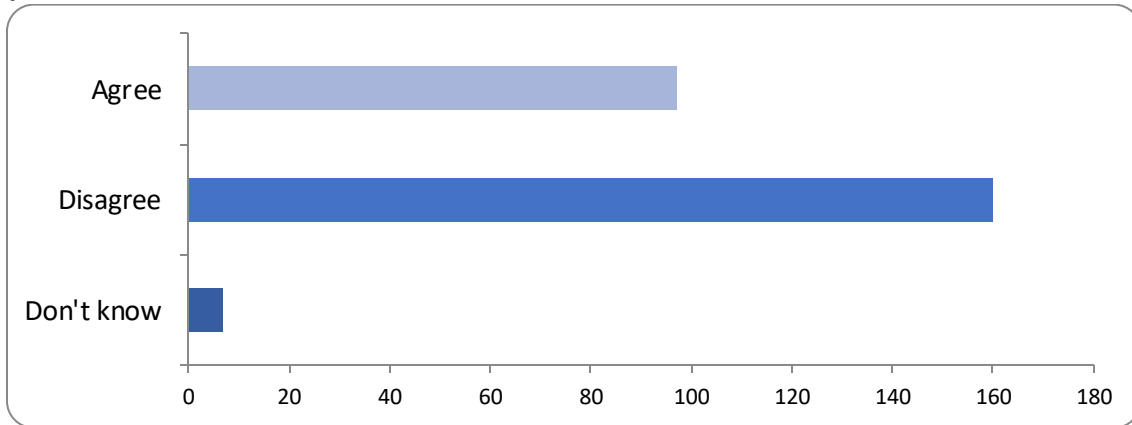
## 3: Do you think the extra 100% Council Tax should be charged for homes that are empty after 1 year instead of the 2 years it is now?

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Option	Total	Percent
Agree	100	37.88%
Disagree	156	59.09%
Don't know	8	3.03%
Not Answered	0	0.00%

## 4: Do you think that an extra 100% Council Tax should be charged on homes that are empty but furnished after 1 year



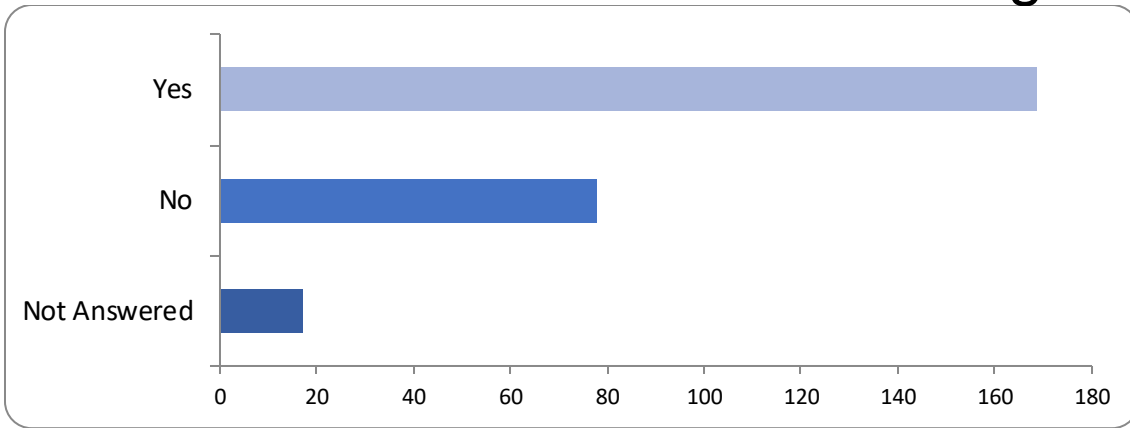
Option	Total	Percent
Agree	97	36.74%
Disagree	160	60.61%
Don't know	7	2.65%
Not Answered	0	0.00%

## 5: Do you have any comments related to this proposal?

There were 190 responses to this part of the question. Analysis of these comments can be found on Page 15.

## 6: Do you give consent to providing your details, in accordance with the Privacy Notice?

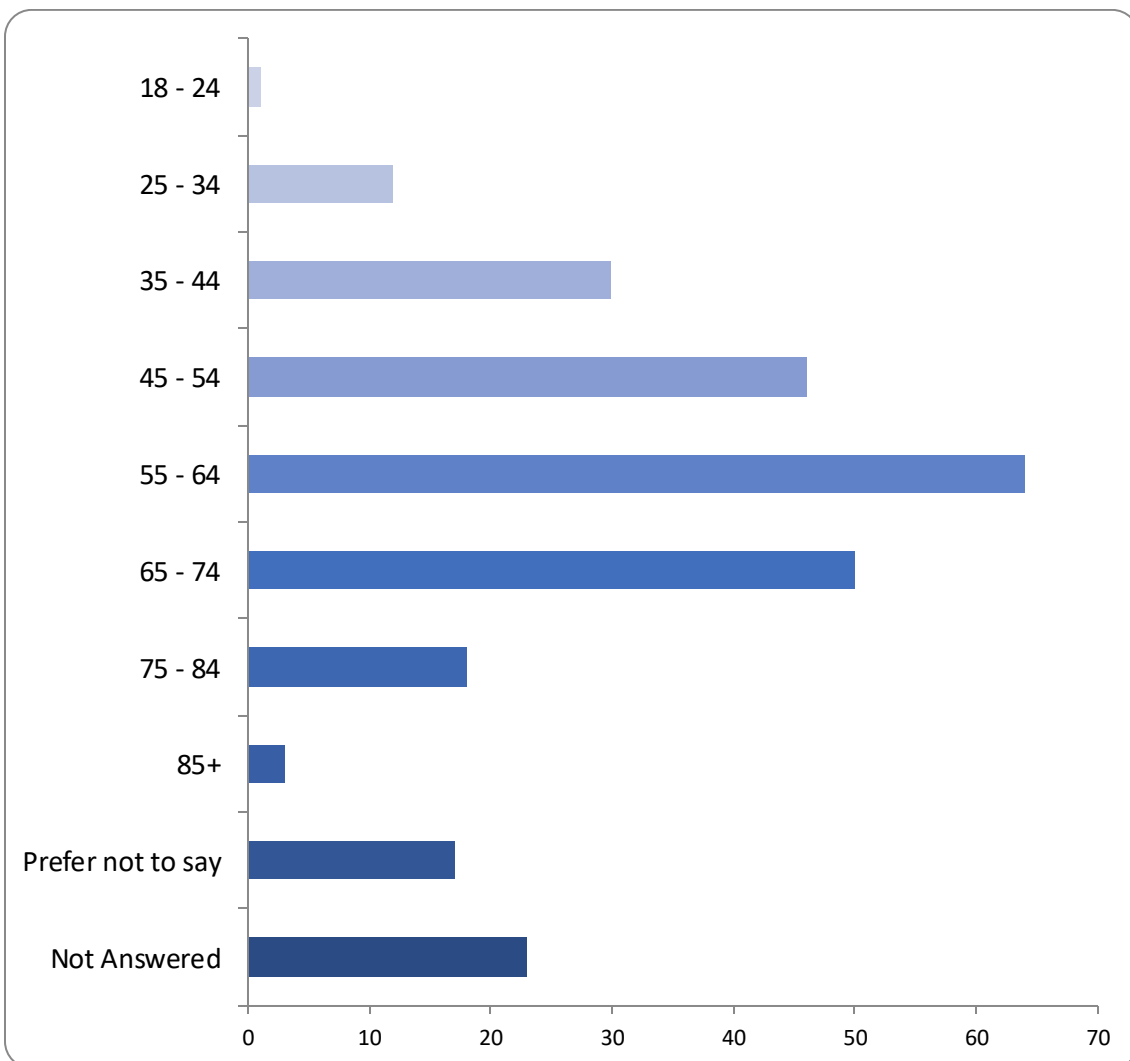
There were 247 responses to this part of the question.



Option	Total	Percent
Yes	169	64.02%
No	78	29.55%
Not Answered	17	6.44%

## 7: How old are you?

There were 241 responses to this part of the question.



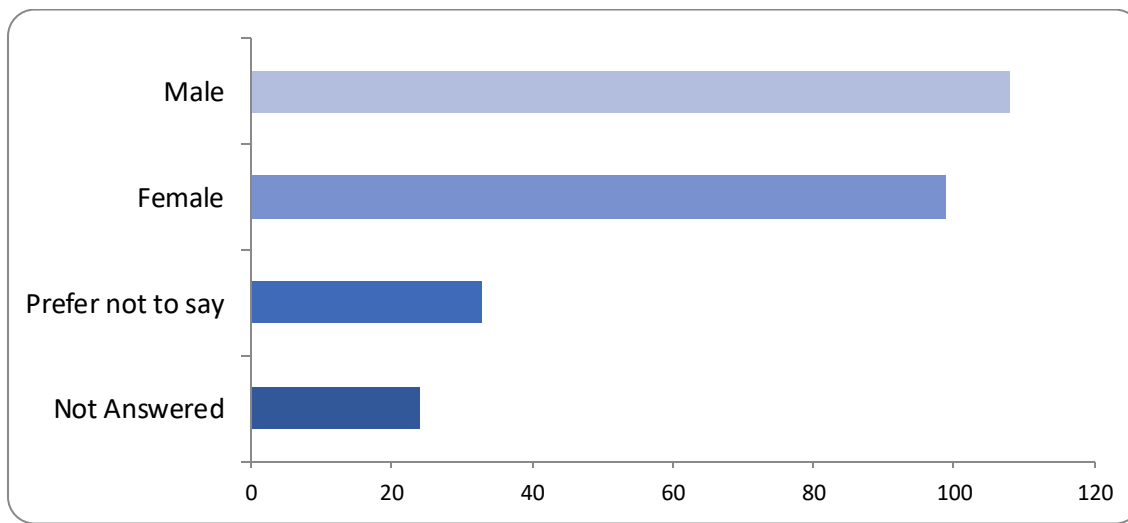
Option	Total	Percent
Under 18	0	0.00%

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18 - 24	1	0.38%
25 - 34	12	4.55%
35 - 44	30	11.36%
45 - 54	46	17.42%
55 - 64	64	24.24%
65 - 74	50	18.94%
75 - 84	18	6.82%
85+	3	1.14%
Prefer not to say	17	6.44%
Not Answered	23	8.71%

## 8: What is your sex?

There were 240 responses to this part of the question.

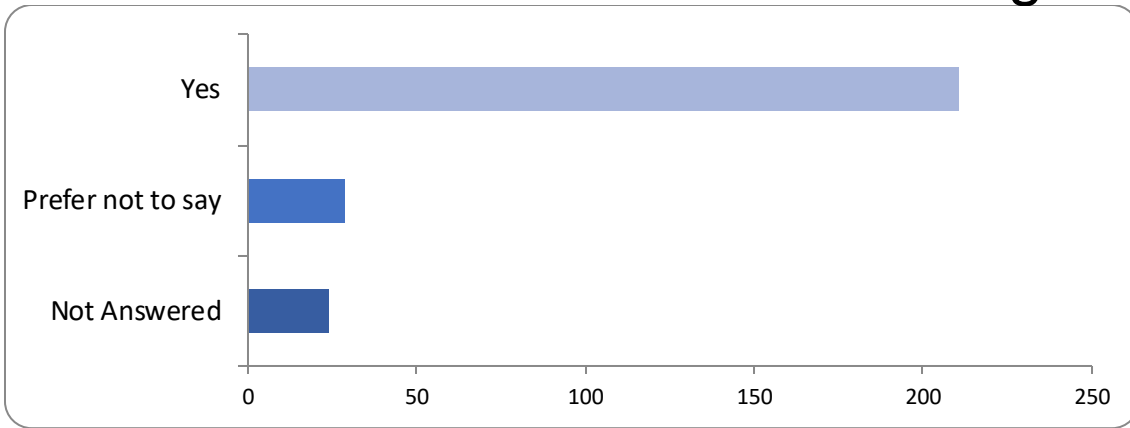


Option	Total	Percent
Male	108	40.91%
Female	99	37.50%
Prefer not to say	33	12.50%
Not Answered	24	9.09%

## 9: Is the gender you identify with the same as your sex registered at birth?

There were 240 responses to this part of the question.

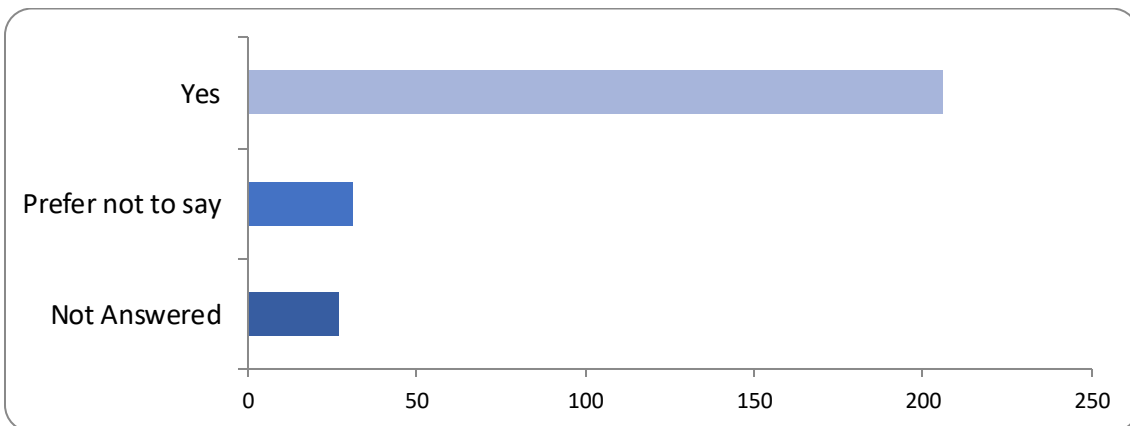




Option	Total	Percent
Yes	211	79.92%
No	0	0.00%
Prefer not to say	29	10.98%
Not Answered	24	9.09%

## 10: Do you currently live as your birth sex?

There were 237 responses to this part of the question.

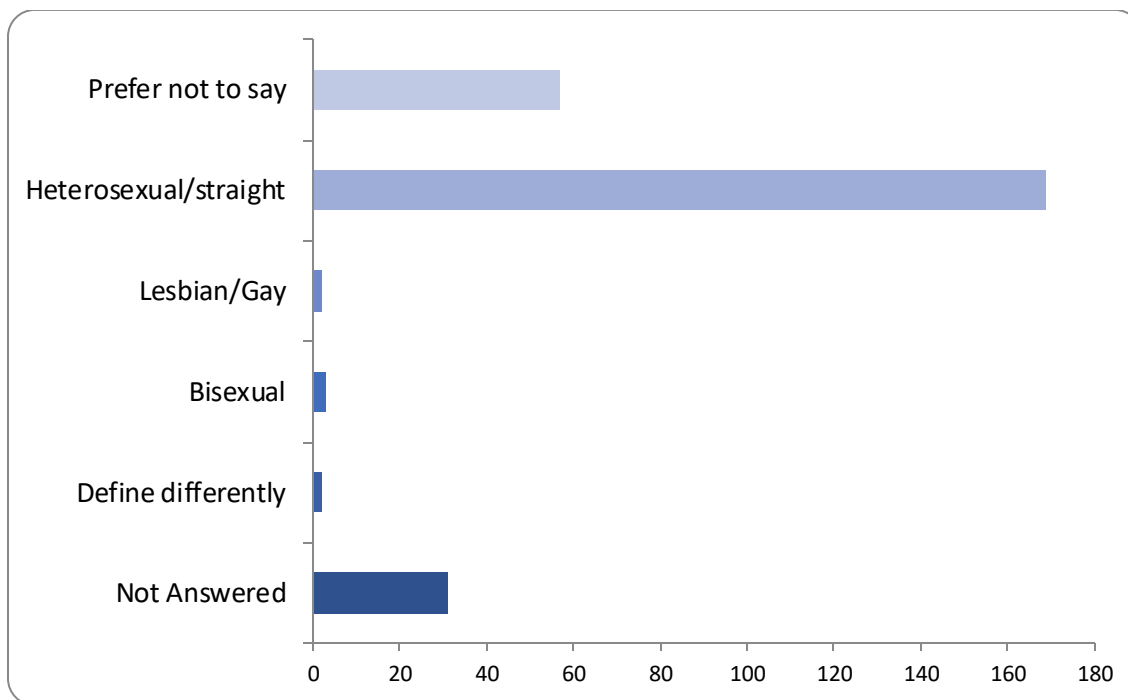


Option	Total	Percent
Yes	206	78.03%
No	0	0.00%
Prefer not to say	31	11.74%
Not Answered	27	10.23%

# Agenda Item 11

## 11: How would you describe your sexual orientation?

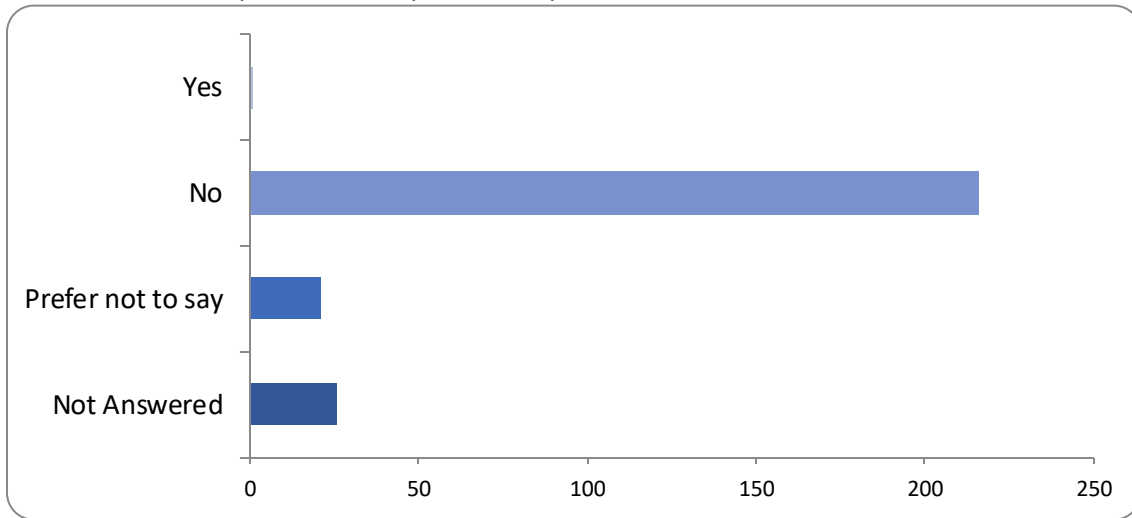
There were 233 responses to this part of the question.



Option	Total	Percent
Prefer not to say	57	21.59%
Heterosexual/straight	169	64.02%
Lesbian/Gay	2	0.76%
Bisexual	3	1.14%
Define differently	2	0.76%
Not Answered	31	11.74%

## 12: Are you currently cared for by Sefton Council?

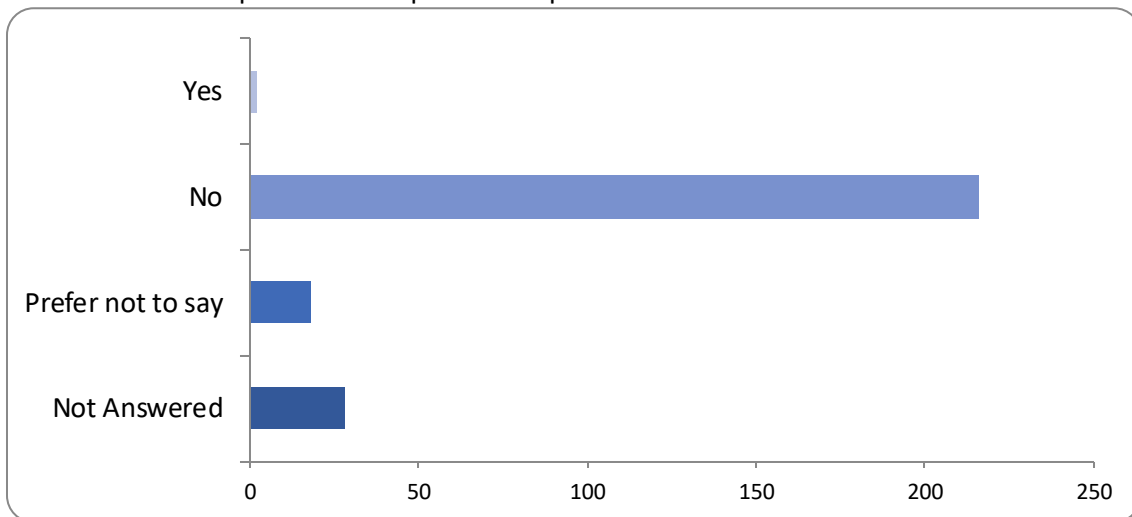
There were 238 responses to this part of the question.



Option	Total	Percent
Yes	1	0.38%
No	216	81.82%
Prefer not to say	21	7.95%
Not Answered	26	9.85%

### 13: Have you ever been cared for as a child by Sefton Council or another Local Authority?

There were 236 responses to this part of the question.

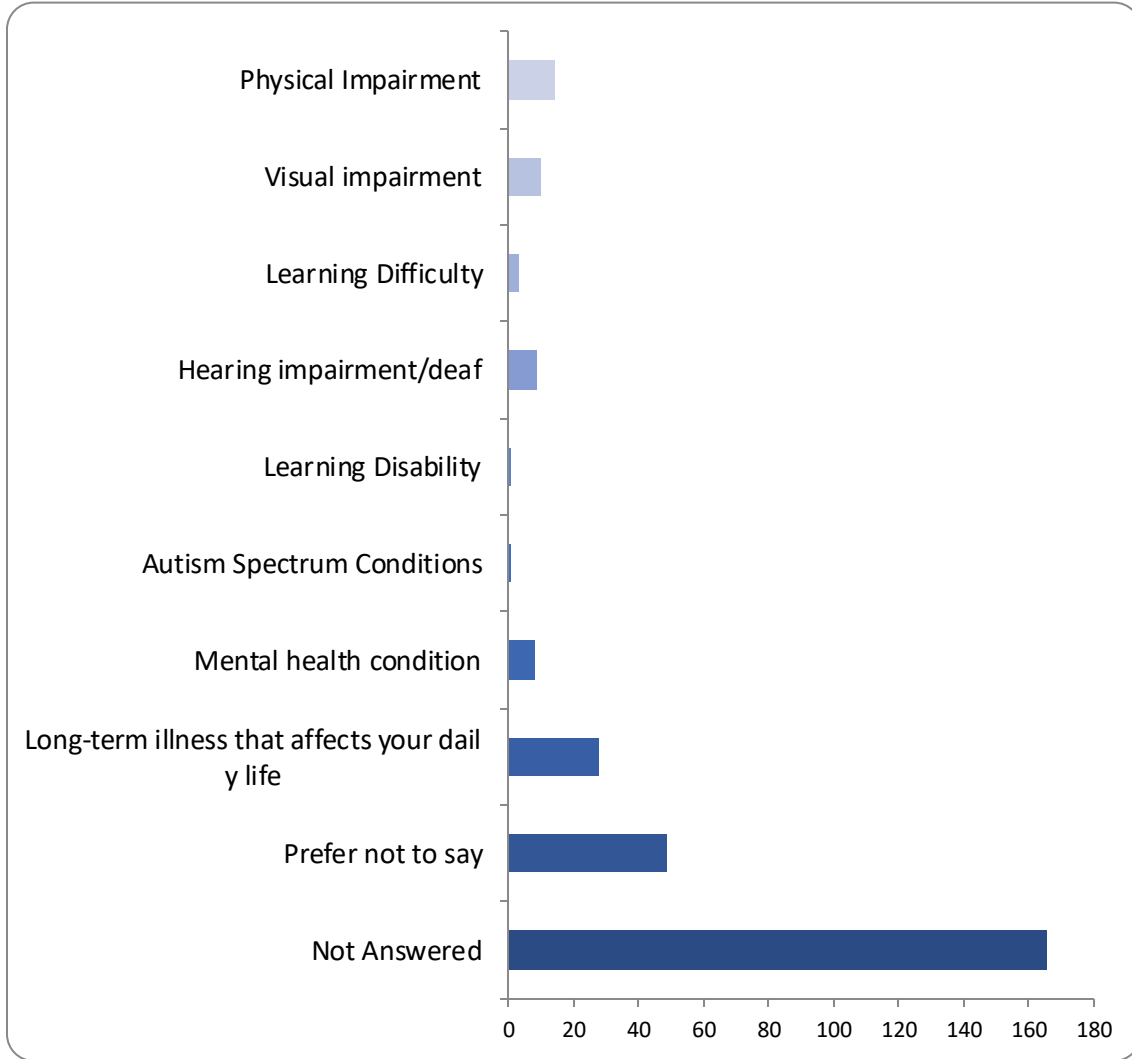


Option	Total	Percent
Yes	2	0.76%
No	216	81.82%
Prefer not to say	18	6.82%
Not Answered	28	10.61%

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## 14: Disability: Do you have any of the following (please tick all that apply):

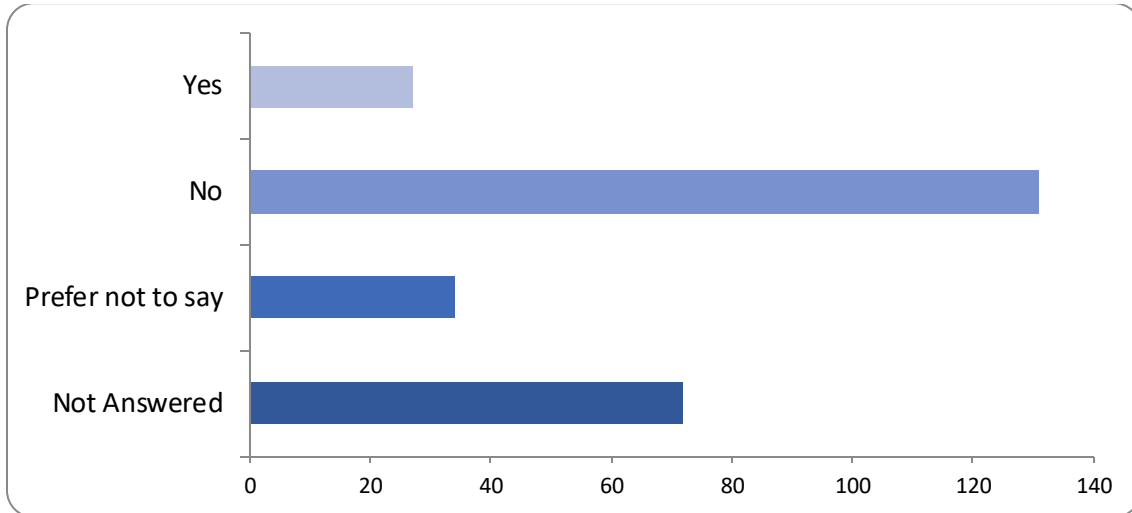
There were 98 responses to this part of the question.



Option	Total	Percent
Physical Impairment	14	5.30%
Visual impairment	10	3.79%
Learning Difficulty	3	1.14%
Hearing impairment/deaf	9	3.41%
Learning Disability	1	0.38%
Autism Spectrum Conditions	1	0.38%
Mental health condition	8	3.03%
Dementia	0	0.00%
Long-term illness that affects your daily life	28	10.61%
Prefer not to say	49	18.56%
Not Answered	166	62.88%

**15: If you have ticked any of the boxes above, or you have cancer, diabetes, or HIV this would be classed as 'disability' under the legislation. Do you consider yourself to be 'disabled'?**

There were 192 responses to this part of the question.

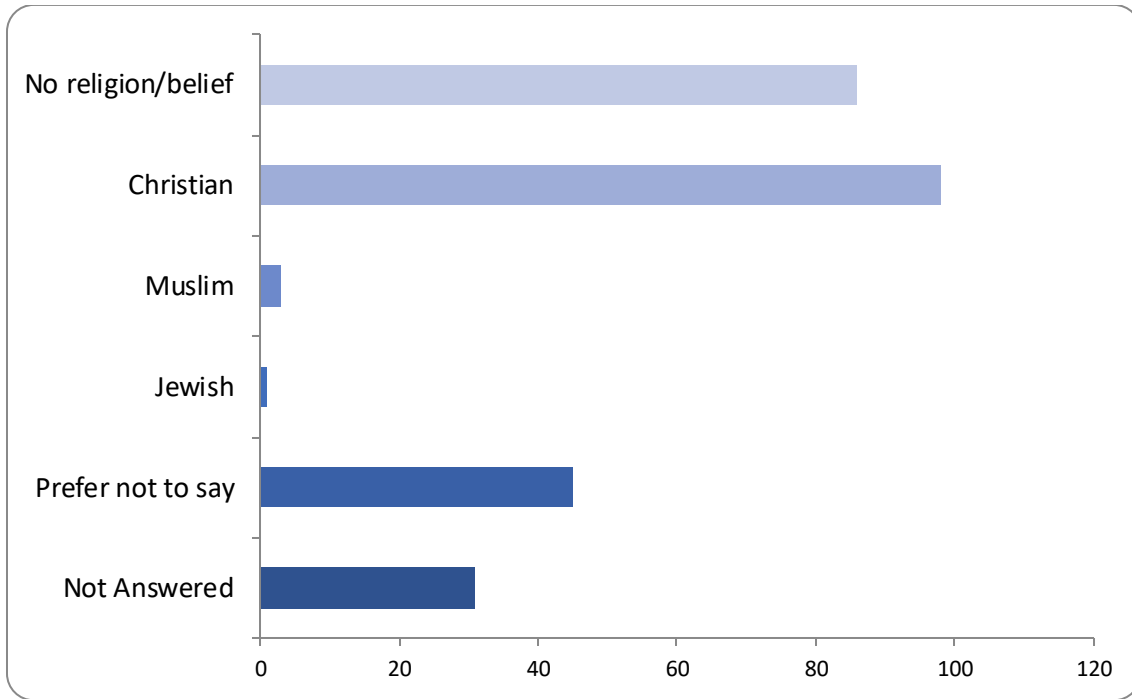


Option	Total	Percent
Yes	27	10.23%
No	131	49.62%
Prefer not to say	34	12.88%
Not Answered	72	27.27%

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## 16: What is your religion/belief?

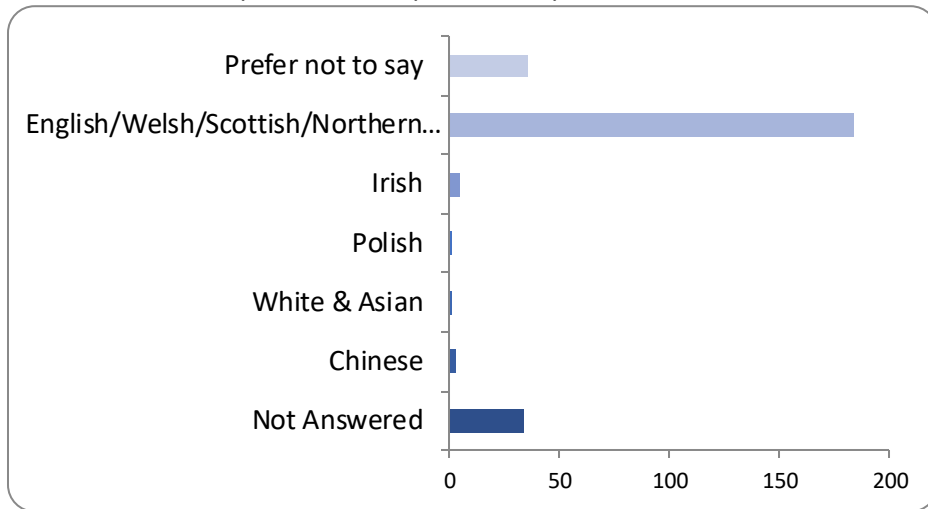
There were 233 responses to this part of the question.



Option	Total	Percent
No religion/belief	86	32.58%
Christian	98	37.12%
Hindu	0	0.00%
Muslim	3	1.14%
Jewish	1	0.38%
Sikh	0	0.00%
Buddhist	0	0.00%
Prefer not to say	45	17.05%
Not Answered	31	11.74%

**17: Race/Ethnicity (please note that Sikh and Jewish are collected in the Religion/Belief Section above) – do you identify as:**

There were 230 responses to this part of the question.



Option	Total	Percent
Prefer not to say	36	13.64%
English/Welsh/Scottish/Northern Irish/British	184	69.70%
Irish	5	1.89%
Gypsy or Irish Traveller or Roma	0	0.00%
Polish	1	0.38%
Portuguese	0	0.00%
Latvian	0	0.00%
Lithuanian	0	0.00%
White and Black Caribbean	0	0.00%
White & Black African	0	0.00%
White & Asian	1	0.38%
Indian	0	0.00%
Pakistani	0	0.00%
Bangladeshi	0	0.00%
Chinese	3	1.14%
African	0	0.00%
Caribbean	0	0.00%

# Agenda Item 11

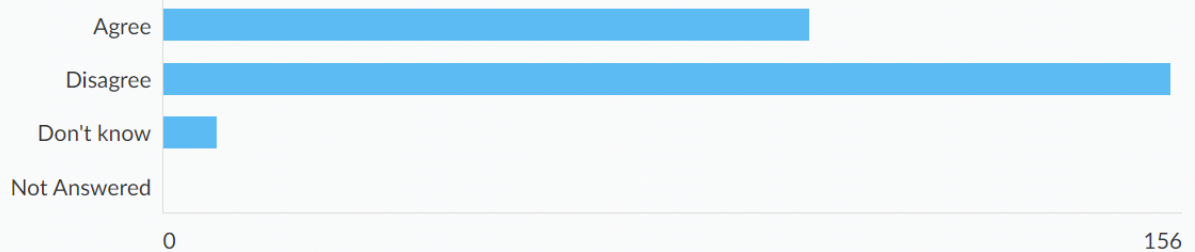
Arab	0	0.00%
Not Answered	34	12.88%

## 3. Consultation Analysis

The consultation received 264 responses. For analysis purposes, this document has separated the responses for Q3 and Q4.

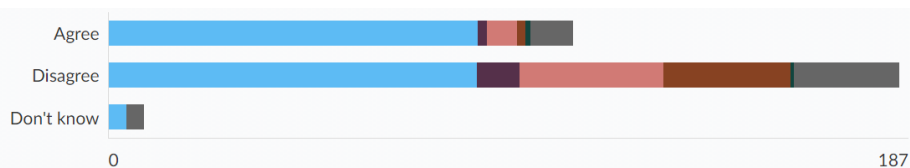
### Focus on Q3

Question 3: Do you think the extra 100% Council Tax should be charged for homes that are empty after 1 year instead of the 2 years it is now?



Option	Total	Percent
Agree	100	37.88%
Disagree	156	59.09%
Don't know	8	3.03%
Not Answered	0	0.00%

For Q3 only, the breakdown of respondents was as follows:



Option	Total	A member of the public	A local business owner	A landlord of a property in Sefton that isn't empty	A landlord of a property that is empty	An elected member	Other (please specify)
Agree	100 (37.88%)	87 (32.95%)	2 (0.76%)	7 (2.65%)	2 (0.76%)	1 (0.38%)	10 (3.79%)
Disagree	156						
Don't know	8						

- Based on answers, the highest number of Agree responses came from 'members of the public' with 87 (32.95% of total respondents).
- Second highest number of Agree responses was 10 from those who listed themselves under 'Other' (3.79%).
- Thirdly, 7 of those who listed themselves as 'Landlord of a Property in Sefton that isn't empty' (2.65%) agreed with Q3.
- The fourth highest number of agreements came jointly from 'Local Business Owners' and 'Landlord of a Property that is empty' with 2 each (0.76%).
- Finally, a single 'Elected Member' agreed (0.38%).



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Option	Total	A member of the public	A local business owner	A landlord of a property in Sefton that isn't empty	A landlord of a property that is empty	An elected member	Other (please specify)
Disagree	156 (59.09%)	87 (32.95%)	10 (3.79%)	34 (12.88%)	30 (11.36%)	1 (0.38%)	25 (9.47%)
Don't know	8 (3.03%)	4 (1.52%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	4 (1.52%)

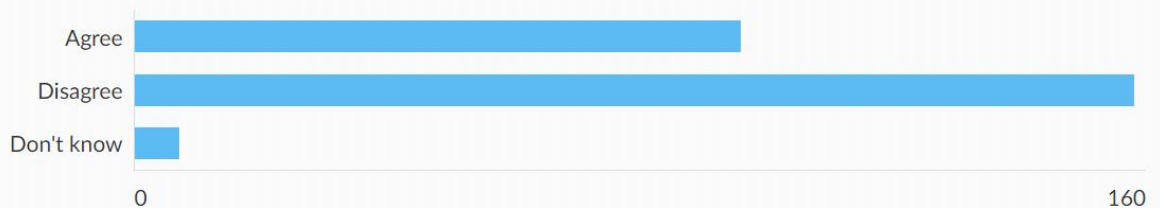
- Moving on to those who disagreed with the proposal, the highest number came from 87 'Members of the public' (32.95%). As noted above, this is the same number of the public who agreed with the proposal.
- The second highest number came from 34 of those who identified as 'Landlord of a property in Sefton that isn't empty' (12.88%).
- This was closely followed in third by 'Landlord of a Property that is empty' with 30 (11.36%).
- 25 respondents identified as 'Other' (9.47%).
- The fifth highest number was from 10 'Local Business Owners' (3.79%).
- Finally, 1 Elected Member disagreed with the proposal (0.38%).

In addition, there was 8 respondents (3.03%) who selected 'Don't Know'. This was 4 apiece of 'Members of the Public' and 'Other' (1.52% each).

Although an even split among members of the public, a high proportion of collective 'landlords' disagreed with the proposals than those landlords who agreed with it.

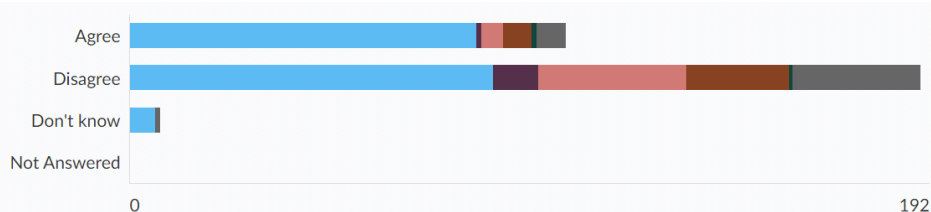
## Focus on Q4

Question 4: Do you think that an extra 100% Council Tax should be charged on homes that are empty but furnished after 1 year?



Option	Total	Percent
Agree	97	36.74%
Disagree	160	60.61%
Don't know	7	2.65%

For Q4 only, the breakdown of respondents was as follows:



Option	Total	A member of the public	A local business owner	A landlord of a property in Sefton that isn't empty	A landlord of a property that is empty	An elected member	Other (please specify)
Agree	97 (36.74%)	84 (31.82%)	1 (0.38%)	5 (1.89%)	7 (2.65%)	1 (0.38%)	7 (2.65%)

- The highest number of respondents came from 'Members of the Public' with 84 in agreement (31.82%).

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- The joint second highest came from 'A landlord of a property that is empty' and those listed as 'other' with 7 apiece (2.65%).
- Thirdly, 'Landlord of a property in Sefton that isn't empty' came in with 5 (1.89%).
- Finally, 1 'Elected Member' and 1 'Local Business Owner' agreed (0.38%).

Option	Total	A member of the public	A local business owner	A landlord of a property in Sefton that isn't empty	A landlord of a property that is empty	An elected member	Other (please specify)
Disagree	160 (60.61%)	88 (33.33%)	11 (4.17%)	36 (13.64%)	25 (9.47%)	1 (0.38%)	31 (11.74%)
Don't know	7 (2.65%)	6 (2.27%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	1 (0.38%)

- For those that disagreed, the highest number came from 'Members of the Public' with 88 (33.33%).
- The second highest number came from 36 'Landlords of a property in Sefton that isn't empty' (13.64%).
- Following in on third was those listed as 'Other' with 31 (11.74%).
- The fourth highest was from 'Landlords of a Property that is empty with 25 (9.47%).
- The fifth highest was from 'Local Business Owners' with 11 (4.17%).
- Finally, there was 1 'Elected Member' (0.38%) in disagreement.

In addition to the above, there was also 6 'Members of the Public' (2.27%) and 1 'Other' (0.38%) who did not know whether to agree or disagree.

## Comments

### Disagreement

For those in Disagreement with Q3 & Q4, common themes could be seen among the groups...

#### Examples of the concerns of Members of the public included:

Don't like this idea think second homes not an issue in this area and this would just hit people who have had to move and struggling to sell.  
If no one living in house then not using council services so why should they be charged double.

100% is excessive!!, even the rich in Abersoch are charged 50%. the levy is meant for problem areas like Cornwall, which sefton isn't. You need affordable housing what if the house exceeds the average affordability bracket?.

Council tax surely is based on usage of services by the residents of a property. Why would you charge double for services which are not being used in the first place?

If homes are not lived in the owners are not accessing local facilities .

Council just wanting more money as council tax is expensive enough as it is.

Why pay more when no one's living there ? We've just bought a house. Completely had to renovate it while still living at home with parents. No water no toilets no walls nothing in the house but we still have to pay £200 a month!

Why pay a charge when they are not using any services. It's like paying for gas and electricity and not using it

Seeking to tax unfairly people who have holiday or 2nd homes and who can bring in money and support the community, will back fire – they can sell up and leave. Sefton should be attracting people, not driving them away.

Common themes in the concerns of members of the public were centred around personal budgets and potentially increased council tax bills for individuals, together with the cost of services available to the public and whether they offer value or not.

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## Examples of the concerns left in the comments from 'Landlords in Sefton with a property that isn't empty' included:

So this seems like a financial penalty for those with a little bit of extra assets and income. What are the 525 homes as a percentage of the total number of homes in Sefton? Why don't you build more homes ?

I believe Landlords are having a very difficult time with the interest rate uo. Most landlords do try to fill an empty property as quickly as possible, they can not afford to refit the property to a rentable position??

If we purchase a property that has been empty, a premium could start straightaway and more likely if you shorten the time. Need protection where we are actively selling, advertising let and carrying out works, including scope and quote.

My holiday home brings income to area. Mortgage trebled, struggling, proposals will destroy business. Run maintained, realistically priced rental properties. Takes time to prepare properties & find tenant. Landlords will sell up.

The council doesn't appear to take into consideration landlords and developers taking dilapidated or empty properties that need long periods of construction into account with CT exemption.

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Common themes include fears of the impact those proposals could have on their business, both economically and in the viability of investing in new properties within the Sefton area.

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## Examples of the concerns left in the comments from 'Landlord of a property that is empty':

I can't sell my late xhusband flat, lost 2 offers. Im a pensioner and pay CT, service charge, utility bills out of my pension. I think its very unfair to expect double council tax as my flat is empty and costing the council nothing.

Very penal on probate sales

Why should Sefton charge more when owners are already paying Council Tax? If a house is empty there are no residents using any of the Councils services and yet the Council is already receiving substantial revenue from that property.

The property is empty because of no fault of mine.. the last tenants trashed it and I'm trying to make it rentable again .. the cost of this is huge and as my husband recently passed away it's a slow process

Yes if property has been inherited and need time to grieve should consider the current housing market making it v.hard to sell, why should you be penalised for over 1yr  
cost of living crisis that extra amount could send someone into debt

Concerns in this area stem from having increased bills at times of unforeseen circumstances determining if a property is empty (such as passing of a relative or tenants unexpectedly vacating). In addition there are similar concerns to 'Members of the public', such as paying more for local services, or local services not being used.

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## Agreement

For those in Agreement with Q3 & Q4, common themes could be seen within groups:

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### Members of the public...

The revenue raised could offset the CT reduction scheme for locals who contribute permanently to the local economy. We have 2 affordable properties perfect for young locals just lying idle as little-used second homes/investments.

Anyone who has left their home unattended because they are caring for someone else in their own home should not be included in this; they shouldn't be penalised for their kindness/sense of duty.

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I live next door to a property that is derelict and been empty for almost 4 years. It has been used as a cannabis farm. I am sick to death of it. Charge as much as possible

According to Shelter there are 250,000 homeless people in the uk & 1 million empty homes.

I fully support any measure designed to tackle these issues & prevent profiteering from people's misfortune & misery.

Too many properties are standing empty. We wouldn't have to build so many new houses if empty houses could be brought into use by making it too expensive to just leave them to rot.

There is a housing shortage for families who need a residence, this is worsened by Rich people who buy homes as accessories-This needs to stop!

I support the council gaining some needed funds by taxing this wealthy strata of society.

Common themes for the public stem from the potential for charges to be used to improve areas suffering from anti-social behaviour due to empty properties attracting crime, and freeing up empty homes to tackle issues such as homelessness via the council gaining funds through the proposals to improve services.

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## Landlords in Sefton with a property that isn't empty...

As a landlord I am required to pay council tax after 1 month once the residential poroeprty becomes vacant.

Why not other landlords who abuse the system for profit

Same rules should apply to commercial premises on our high streets.

I feel there should be a flexible approach from Sefton council, after 12 months empty, pending on circumstances and valid reasons for a property remaining empty.

Analysis of this smaller number of submitted comments indicates a common theme of 'fairness' being applied for landlords who agree with the proposals.

## Landlord of a property that is empty...

Discretion given to rental properties up for sale but not selling after 12 months.

Not applicable for properties where work is being undertaken to update/improve for say 3 months?

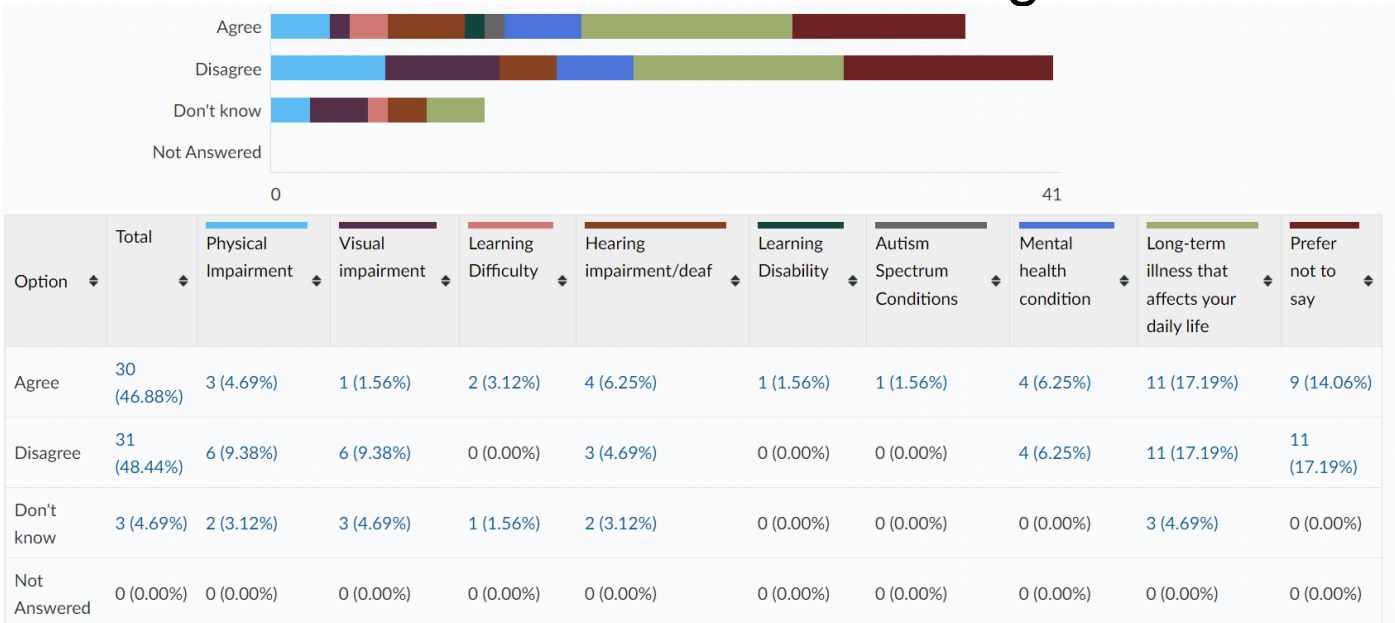
Only 1 comment supplied from this group. Although agreeing to the proposals, they feel there should be scope for ensuring there are certain exceptions based on specific circumstances. This is similar to landlords who disagreed, in that they were worried that the proposals were unfair to properties in specific circumstances.

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## Equalities

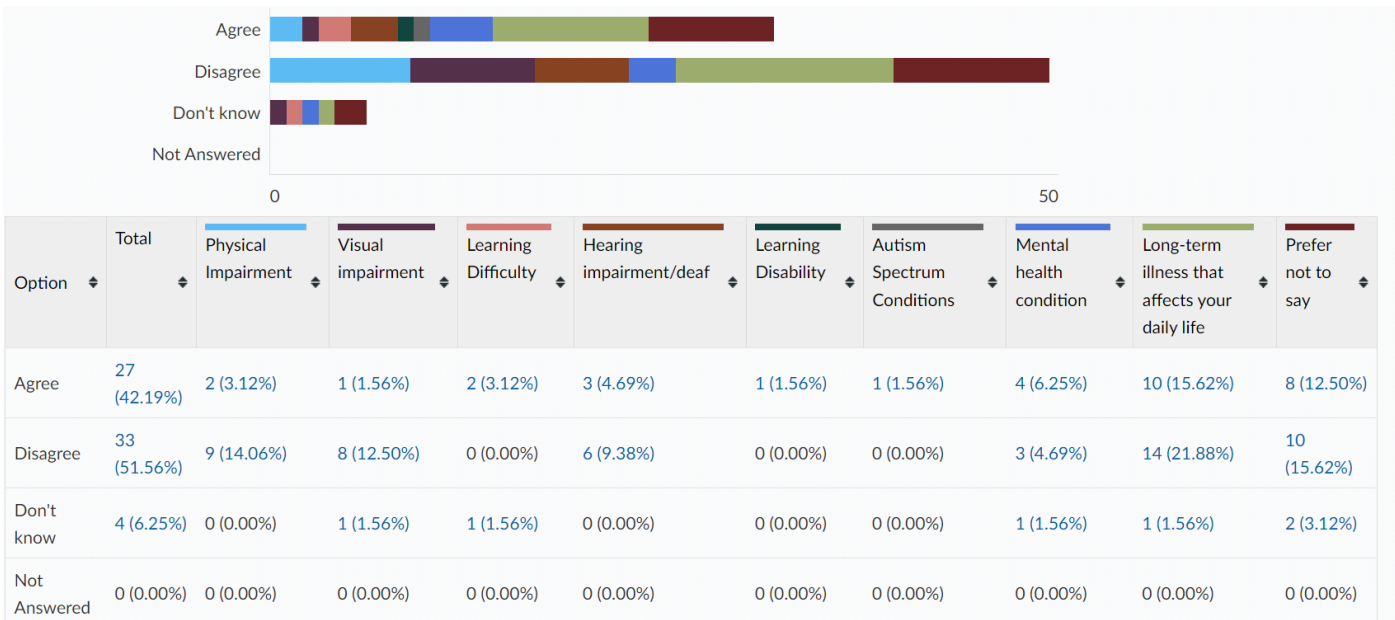
Out of the 264 responses, 64 responses (where permission was given to share information from the Equalities Questionnaire) detailed a disability. For Q3 this was broken down into the following:

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Agree and disagree were close in comparison with 30 to 31 respectively (46.88% and 48.44%).

For Q4, and for the same 64 as gave permission in Q3, agree/disagree was broken down as follows:



33 respondents (51.56%) disagreed with the proposal to 27 (42.19%).

## 4. Equalities Impact Assessment

### Equality Analysis Report – Empty Properties and Council Tax

#### Details of proposal: Proposal to introduce new discretionary Council Tax Premiums on Empty Properties and Periodically Occupied Properties

Council Tax is a local tax on domestic properties which helps to pay for local services, such as social services and refuse and recycling collections, as well as contributing towards police



# Agenda Item 11

and fire services. The amount payable depends on the property banding. There is also a range of discounts and exemptions available to reduce payable liability.

The Council Tax (Prescribed Classes of Dwelling) (Amendment) (England) Regulations 2012 have allowed billing authorities in England, to decide what level of Council Tax to charge owners of empty property from April 2013.

The Local Government Finance Act 2012 was also amended from April 2013, enabling billing authorities to charge an empty homes premium in respect of properties that have been unoccupied and substantially unfurnished for two years or more.

Across Sefton there are currently around 2,100 homes that have been empty for six months or longer (excluding those which are exempt from paying Council Tax); of these, nearly 1,400 have been empty for one year or more. In a time when demand for housing is increasing this is a significant wasted resource.

On 31 October 2023, there were 815 long-term empty dwellings paying a premium of at least 100%. Applying the premium on properties that have been empty for one year, rather than two, would mean that a further 570 properties would have to pay a 100% premium unless the owners took action to bring those properties back into use.

On 3 October 2023, there were more than 405 properties liable for Council Tax in the borough registered as second homes. Such properties are likely to be empty for long periods of the year and, like other empty homes, could be viewed as a wasted resource in a time of high demand for housing.

The proposed new premiums give local authorities a legislative tool to incentivise owners to bring unoccupied dwellings back into use.

## **Ramifications of Proposal:**

The Levelling Up and Regeneration Bill received Royal Assent in October 2023, and gives additional discretionary powers to billing authorities to:

- Reduce the time period in which a Council Tax premium can be charged on empty homes from 2 years to 1 year from April 2024
- Charge a premium in respect of empty properties that are unoccupied and furnished (often referred to as second homes) from April 2025.

The proposals to exercise the new discretionary powers put forward as part of this annual review of Sefton's Council Tax Discount Schemes for 2024/25, has the following key aims:

- To encourage empty properties back in to use
- Ease housing supply pressures
- Reduce negative impacts, such as anti-social behaviour, reductions in rental & market values on surrounding properties, desirability of an area.
- Generate additional revenue that will be used to support the provision of council services.

## **Exceptions:**

In July 2023, the Government published a consultation which set out a number of exceptions that billing authorities would need to apply when charging a premium under the Levelling Up

and Regeneration Act 2023.

These exceptions included in the consultation are highlighted below:

<b>Exception</b>	<b>Applies to</b>
1. Properties Undergoing Probate	Both
2. Properties being actively marketed for sale or let	Both
3. Empty properties undergoing major repairs	long-term empty homes
4. Annexes forming part of, or being treated as part of, the main dwelling	second homes
5. Job-related dwellings	second homes
6. Occupied caravan pitches and boat moorings	second homes
7. Seasonal homes	second homes

It was proposed that exception 1 should apply for a maximum of 12 months and that exceptions 2 and 3 apply for a maximum of 6 months. The exceptions 4, 5, 6, and 7 are not time limited. These exceptions would provide council taxpayers time to sell or let their properties without having to pay the premium. The Government has not yet published the outcome of the consultation.

The proposal to introduce new discretionary Council Tax Premiums has been carried out mindful of the Council's equalities duties.

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

*The protected characteristics under the Equality Act 2010 are:*

**Age (working age)**

A range of statutory Council Tax discounts and exemptions are available including means tested support, single person discounts, disabled persons relief. These are not within the scope of these changes and so will continue to be awarded in respect of occupied properties, along with those that are relevant to homes that have been left empty, for example to provide or receive care.

Discretionary support may be available where hardship is demonstrated under the Council's Exceptional Hardship Fund policy.

No impacts identified specific to this equality group.

**Age (Pensionable age)**

See above.

No impacts identified specific to this equality group.

**People with a Disability**

With consideration given to people with disabilities, there is no evidence which would suggest that the changes will have a disproportionate impact on this group.

**Gender Reassignment**

No impacts identified specific to this equality group.

**Marriage and Civil Partnership**

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No impacts identified specific to this equality group.

## **Race**

No impacts identified specific to this equality group.

## **Religion or Belief**

No impacts identified specific to this equality group.

## **Sex**

No impacts identified specific to this equality group.

## **Sexual Orientation**

No impacts identified specific to this equality group.

## **Pregnancy and Maternity**

No impacts identified specific to this equality group.

## **Mitigation factors to minimise negative impacts**

The Council has put the following mitigation in place:

- Provision of a discretionary Exceptional Hardship Fund that may provide additional support to those financially vulnerable to struggling to pay Council Tax
- Offering 12-month (rather than 10-month) instalment payments to Council Tax payers to help ease payment difficulties.
- Establishing a co-ordinated working relationship between the Council's contracted Enforcement Agents and Citizens Advice Sefton to support people in debt, ensuring that Citizens Advice Sefton has direct lines of communication with the Enforcement Agents and can arrange for recovery action to be placed on hold whilst discussing and agreeing affordable payment arrangements.
- As well as charging the empty homes premium, there are other Council initiatives to help bring empty homes back into use, this includes offering advice to owners through sending regular letters and the Council's property accreditation scheme that helps empty homeowners find tenants for their property. The Council's Housing Standards Team will also work with owners to bring their properties back into use. However, in some cases enforcement action is required when the property is causing a statutory nuisance, and the owner is uncooperative or untraceable.

## **Care Leavers**

The Council provides up to 100% Council Tax discount to support to young people leaving local authority care up to the date of their 25th birthday.

No further impacts identified specific to this group.

## **Armed Forces Covenant**

Provisions exist for members of the armed forces who live in and pay Council Tax for a property which their employer requires them to occupy, and they are liable for Council Tax on a second furnished property, a discount of 50% may apply. The job related second home discount will apply to either:



- The job-related dwelling if it is the second home of the householder or their spouse/civil partner (not their main home), or
- Another dwelling if the job-related dwelling is the main residence of the householder or their spouse/civil partner and they have another dwelling that is therefore a second home.

One of the properties must also fall into the following class:

- C – i.e., in the armed forces and have their main residence in the UK in Ministry of Defence accommodation which is exempt from Council Tax under Class O.

Members of HM forces are sometimes obliged through the nature of their occupation to reside in accommodation provided by their employers, both in the UK and whilst serving overseas.

Current Council Tax legislation does provide for taxpayers to be liable at more than one address. Living accommodation for UK armed forces, including barrack and other accommodation, which is owned by the Secretary of State is exempt from Council Tax and contributions in lieu of Council Tax (CILOCT) are payable by the Ministry of Defence to broadly match the amount of Council Tax that would otherwise have been payable. These contributions are passed on by the MOD through averaged additions to the accommodation charges of service personnel.

No further impacts identified specific to this equality group.

## **Consultation:**

A public consultation has been carried out to seek views on the proposed change. A direct mailshot was issued to the owners of approximately 1,500 empty properties in Sefton to alert them to the consultation for them to provide their views if they wished.

The consultation ran from 11/09/2023-27/10/2023. It was hosted on the Council's Citizen Space Website with alternative paper copies available on request.

There were 264 responses to the consultation, with the questions broken down as follows.

**Question 3** – 'Do you think the extra 100% Council Tax should be charged for homes that are empty after 1 year instead of the 2 years it is now' had an agreement rate of 37.88% and a disagree rate of 59.09%, with 3.03% who did not know.

**Question 4** – 'Do you think that an extra 100% Council Tax should be charged on homes that are empty but furnished after 1 year' had an agreement rate of 36.74% and a disagree rate of 60.61%, with 2.65% who did not know.

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

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

1. *Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.*

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2. *Advance equality of opportunity between people who share a protected characteristic and those who do not.*
3. *Foster good relations between people who share a protected characteristic and those who do not.*

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

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

The Council has set out in the sections above how it meets its equalities duties in relation to the proposed introduction of new discretionary Council Tax Premiums for empty properties and those periodically occupied.

## **What actions would follow if proposal accepted by Cabinet and Council?**

Applying the premium on properties that have been empty for one year, rather than two, would mean that a further 570 properties would have to pay a 100% premium unless the owners took action to bring those properties back into use.

A premium of up to 100 per cent will be applied on second homes. The legislation requires that a billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates. This is required to give second homeowners 12 months' notice of the change. As a result of this clause the earliest date the premium could be applied is 1 April 2025.

# Agenda Item 12

<b>Report to:</b>	Council	<b>Date of Meeting:</b>	Thursday 18 January 2024
<b>Subject:</b>	Financial Management 2023/24 to 2026/27 - Revenue and Capital Budget Update 2023/24 – Additional Estimates		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	All Wards
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

This report sets out supplementary estimates for approval in the Council's Capital Programme following recommendation by Cabinet in December 2023.

## Recommendation(s):

Council is recommended to approve:

- 1) a supplementary capital estimate for £0.148m for ICT Service Developments funded by prudential borrowing.
- 2) a supplementary capital estimate for £20m for The Strand Shopping Centre Transformation Programme Phase 1A-C fully funded by grant from DLUHC.

## Reasons for the Recommendation(s):

To approve updates to the capital programme so that they can be applied to schemes in the delivery of the Council's overall financial 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

None.

### (B) Capital Costs

The cost of the ICT Service Development scheme is estimated to be £147,549 funded by prudential borrowing.

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The Strand Shopping Centre Transformation Programme Phase 1A-C will be funded by the £20m of grant funding from DLUHC.

## Implications of the Proposals:

<b>Resource Implications (Financial, IT, Staffing and Assets):</b> None	
<b>Legal Implications:</b> None	
<b>Equality Implications:</b> There are no equality implications.	
<b>Impact on Children and Young People:</b> No	
<b>Climate Emergency Implications:</b>  The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N
The allocations of funding outlined in this report may be spent on projects that will have a high climate change impact as they could relate to new build, rebuild, refurbishment, retrofit and demolition proposals. Environmental consideration will be taken into account when specific projects are designed and tendered – which will help to mitigate negative impacts.	

## Contribution to the Council's Core Purpose:

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

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

Cleaner Greener: see comment above
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## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD7483) and the Chief Legal and Democratic Officer (LD5583) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

N/A

## Implementation Date for the Decision

Immediately following the Council meeting.

<b>Contact Officer:</b>	Graham Hussey
<b>Telephone Number:</b>	Tel: 0151 934 4100
<b>Email Address:</b>	graham.hussey@sefton.gov.uk

## Appendices:

There are no appendices to this report

## Background Papers:

There are no background papers available for inspection.

## 1. ICT Service Developments

- 1.1. A report has been presented to Cabinet in December regarding proposals for ICT Service Developments, further details of which can be found on the agenda for that meeting. The capital cost of the proposed scheme will be £147,549 funded by prudential borrowing. Borrowing will be undertaken in accordance the Council's approved Treasury Management Strategy and the cost of the borrowing will be met from within the Council's Medium Term Financial Plan.

## 2. The Strand Shopping Centre – Transformation Programme Phase 1A-C

- 2.1. On the 7<sup>th</sup> December 2023, Cabinet approved the business case for Bootle Strand Shopping Centre. This includes development Phase1A-C to be funded from £20m secured from the Department of Levelling Up, Housing and Communities (DLUHC). This is to support the regeneration and delivery of the vision for the future of Bootle town centre and the Strand through the implementation of the Transformation Programme. There will be no revenue implications for the Council.

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# Agenda Item 13

<b>Report to:</b>	Cabinet Council	<b>Date of Meeting:</b>	4 January 2024 18 January 2024
<b>Subject:</b>	Programme of Meetings – 2024/25 Municipal Year		
<b>Report of:</b>	Chief Legal and Democratic Officer	<b>Wards Affected:</b>	All
<b>Cabinet Portfolio:</b>	Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

## Summary:

To seek approval of a Programme of Meetings for the 2024/25 Municipal Year.

## Recommendation:

### Cabinet

That the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel, and Safer Sefton Together for 2024/25 as set out in Annexes A and D of the report be approved.

### Council

- (1) the Programme of Meetings for the Council, Member Briefing Sessions; Regulatory Committees; Overview and Scrutiny Committees and the Health and Wellbeing Board for 2024/25 as set out in Annexes B, C and D of the report be approved; and
- (2) the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel and Safer Sefton Together for 2024/25 as set out in Annexes A and D of the report be noted.

## Reasons for the Recommendation:

To enable the business of the Council and its various Committees/bodies to be conducted during the 2024/25 Municipal Year.

## Alternative Options Considered and Rejected:

None. The Council is required to produce a programme of meetings.

## What will it cost and how will it be financed?

(A) Revenue Costs – None

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## (B) Capital Costs – None

### Implications of the Proposals:

<b>Resource Implications (Financial, IT, Staffing and Assets):</b> None	
<b>Legal Implications:</b> None	
<b>Equality Implications:</b> There are no equality implications.	
<b>Impact on Children and Young People:</b> There are no direct implications impacting on children and young people arising from this report. Any impact on children and young people arising from the consideration of reports considered at meetings contained in the programme will be contained in such reports when they are presented to Members at the appropriate time.	
<b>Climate Emergency Implications:</b> The recommendations within this report will	
Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	Yes
There are no direct climate emergency implications arising from this report. Any climate emergency implications arising from the consideration of reports referred to in the programme will be contained in such reports when they are presented to Members at the appropriate time.	

### Contribution to the Council's Core Purpose:

Protect the most vulnerable: Not applicable
Facilitate confident and resilient communities: Not applicable
Commission, broker and provide core services: Not applicable
Place – leadership and influencer: The Programme of Meetings for 2024/25 will be published on the Council's website for the benefit of the residents of Sefton and the wider general public. This will raise awareness of the Council's political management system and allow the opportunity for the public to engage in the Council's democratic processes.
Drivers of change and reform: Not applicable
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not applicable
Cleaner Greener: Not applicable



## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD7459/23) has been consulted and notes there are no direct financial implications arising from this report.

The Chief Legal and Democratic Officer (LD5559/23) is the author of this report.

Chief Executive  
Executive Director of Corporate Resources and Customer Services  
Assistant Director Corporate Resources and Customer Services (Strategic Support)  
Assistant Director of People (Communities)  
Director of Public Health / Head of Health and Wellbeing  
Chief Planning Officer

### (B) External Consultations

Merseyside Police and Crime Commissioner

## Implementation Date for the Decision

In respect of the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel and Safer Sefton Together the implementation date will be upon the expiry of the call-in period of the minutes of the Cabinet meeting.

In respect of the Programme of Meetings for the Council, Member Briefing Sessions; Regulatory Committees; Overview and Scrutiny Committees and the Health and Wellbeing Board immediately following the Council meeting.

<b>Contact Officer:</b>	Paul Fraser
Telephone Number:	0151 934 2068
Email Address:	<a href="mailto:paul.fraser@sefton.gov.uk">paul.fraser@sefton.gov.uk</a>

## Appendices:

Annex A - Programme of Meetings for the Cabinet in 2024/25

Annex B - Programme of Meetings for the Council, Members' Briefing Sessions and Regulatory Committees in 2024/25

Annex C - Programme of Meetings for the Overview and Scrutiny Committees in 2024/25

Annex D - Programme of Meetings for the Public Engagement and Consultation Panel, Sefton Safer Communities Partnership and the Health and Wellbeing Board in 2024/25

Calendar of meetings 2024/25

## Background Papers:

There are no background papers available for inspection.

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## 1. Introduction/Background

- 1.1 The Council is required to establish a programme of meetings for the 2024/25 Municipal Year.
- 1.2 Annexes are attached to the report setting out the suggested programme.
- 1.3 Similar to the arrangements put in place last year once the programme of meetings have been approved, an “in-house” diary will be produced for Members of the Council.

## 2. Programme of Meetings 2024/25

- 2.1 The key principles of the Programme of Meetings are as follows:

- Five Ordinary Council Meetings to be held every 8 weeks on a Thursday commencing at 6.30 p.m. plus the Budget Council Meeting to be held on 27 February 2025.
- Council will not meet on the same day as Cabinet.
- Members’ Briefing Sessions to be held at 5.00 p.m. prior to the five Ordinary Council Meetings.
- No meetings will be held:
  - In the period between Christmas and New Year (December 2024/January 2025)
  - In April 2025 except for the meetings of the Planning Committee, Cabinet and Council.
- As far as possible no meetings will be held during the school half term holiday weeks.
- The programme of meetings indicates that all meetings will alternate between Bootle and Southport Town Halls.
- Cabinet Meetings to be held on a Thursday at 10.00 a.m. The first meeting to be held on 23 May 2024.
- Planning Committee to meet every four weeks on a Wednesday.
- Planning Visiting Panel to meet 2 days prior to each meeting of the Planning Committee to undertake site visits as agreed by the Committee.
- Each of the 4 Overview and Scrutiny Committees to meet bi-monthly, 5 times during the year commencing at 6.30 p.m. – the main Overview and Scrutiny work will be done by Informal Meetings or Working Groups established on an ad hoc basis.
- Special meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) to be held on 11 February 2025 to scrutinise the Cabinet budget process.
- Overview and Scrutiny Management Board to meet 5 times per year, commencing at 4.30 p.m. These meetings will be held remotely
- Licensing and Regulatory Committee to meet quarterly on a Monday commencing at 6.30 p.m.
- Meetings of the Licensing Sub-Committee to be convened as and when required.
- Audit and Governance Committee to meet every quarter (4 meetings per year) on a Wednesday commencing at 3.00 p.m. In order to meet

statutory requirements etc. a special meeting of the Committee will be held on 25 September 2024 to approve the Statement of Accounts (or at a later date if the audit of the accounts hasn't been finalised by that date).

- Pay and Grading Committee to be convened as and when required.
- Health and Wellbeing Board to meet 4 times per year.
- The dates for the Public Engagement and Consultation Panel, which are not public meetings are included in the Corporate Calendar.

### **3. Calendar of Meetings**

- 3.1 A copy of the Calendar of Meetings for 2024/25 and associated annexes are attached.

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**ANNEX A**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF CABINET MEETINGS - 2024/2025**

Meeting	Day	Time	Venue	2024								2025					
				May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
CABINET	Thur.	10.00 a.m.	B	23		25				3		5		6	6		22
			S		20				5		7		9	→13		3	

→ Budget Meeting

Key to Venues:

B - Bootle Town Hall

S - Southport Town Hall

**ANNEX B**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF COUNCIL, MEMBERS' BRIEFING SESSIONS AND REGULATORY COMMITTEE MEETINGS ETC. - 2024/2025**

Meeting	Day	Time	Venue	2024								2025						
				May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
COUNCIL	Thur.	6.30 p.m.	B	16←					12				16	27→			15°	
			S	14↑			11				14					24		13↓ Tue
MEMBERS' BRIEFING SESSIONS Prior to each Ordinary Council Meeting. <b>Confirmation that Briefing Sessions will be held will be notified to Members nearer the time</b>	Thur.	5.00 p.m.	B						12				16					
			S				11				14					24		
AUDIT AND GOVERNANCE COMMITTEE	Wed.	3.00 p.m.	B		19				*25				11					
			S						4						19			
EQUALS (FOR PERSONNEL ISSUES) - as and when required	Thur.	-																
LICENSING AND REGULATORY COMMITTEE	Mon.	6.30 p.m.	B		10								6					
			S						2							10		
LICENSING SUB-COMMITTEE - as and when required			B															
			S															
PLANNING COMMITTEE (Note: Mandatory meetings to start at 5.00 p.m. Meeting on 21/05 on Tue)	Wed.	6.30 p.m.	B	↑21	26				18		13		15		12		↑21	
			S		5	24					16		11		5		9	
PLANNING VISITING PANEL	Mon	10.00 a.m.	B		3 & 24	22			16	14	11	9	13	3	10	7		
PAY AND GRADING COMMITTEE – as and when required																		

↑ Annual Meeting 2024/25 - commences at 6.00 p.m. (Tuesday) (Venue to be determined)  
 ← Adjourned Annual Meeting - Appointment of Committees etc. for 2024/25  
 → Budget Meeting  
 †Mandatory Planning Committee - To start at 5.00 p.m.

↓ Annual Meeting 2025/2026 - commences at 6.00 p.m. (Tuesday) (Venue to be determined)  
 ° Adjourned Annual Meeting - Appointment of Committees etc. for 2025/2026  
 \* Audit & Governance - Approval of 2023/24 Statement Of Accounts

**ANNEX C**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF MEETINGS FOR OVERVIEW AND SCRUTINY COMMITTEES - 2024/2025**  
**(Tuesday)**

Meeting	Venue	2024								2025				
		May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
OVERVIEW AND SCRUTINY COMMITTEE (Adult Social Care and Health) (6.30 p.m.) (Tue)	B		18				15					25		
	S					3				7				
OVERVIEW AND SCRUTINY COMMITTEE (Regulatory, Compliance and Corporate Services) (Tue) (6.30 p.m.)	B					10				14	*11			
	S		11				22					4		
OVERVIEW AND SCRUTINY COMMITTEE (Regeneration and Skills) (6.30 p.m.) (Tue)	B		25						5			11		
	S					17				21				
OVERVIEW AND SCRUTINY COMMITTEE (Children's Services Safeguarding) (6.30 p.m.) (Tue)	B		4						12			18		
	S					24				28				
OVERVIEW AND SCRUTINY MANAGEMENT BOARD (4.30 p.m.) (Tue)	Remote Meetings		18			10			12		7		11	

\* Special meeting to consider Budget proposals.

**ANNEX D**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF MEETINGS FOR PARTNERSHIP MEETINGS- 2024/2025**

Meeting	Day	Time	Venue	2024								2025				
				May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
PUBLIC ENGAGEMENT AND CONSULTATION PANEL ^	Fri	10.00 a.m.	B	24		12		6		8		17		7		
			S													
SAFER SEFTON TOGETHER	Thu	10.00 a.m.	B		6	11		12		14		16		27		
			S													
HEALTH AND WELLBEING BOARD	Wed.	2.00 p.m.	B		5			11			4			5		
			S													

etings video conferenced to Southport Town Hall



## SEFTON COUNCIL CALENDAR OF MEETINGS 2024/25

MAY 2024		
WED	1	
THU	2	<b>COUNCIL, MERSEYSIDE POLICE AND CRIME COMMISSIONER AND LIVERPOOL CITY REGION COMBINED AUTHORITY MAYORAL ELECTIONS</b>
FRI	3	
SAT	4	
SUN	5	
MON	6	<b>BANK HOLIDAY</b>
TUE	7	
WED	8	
THU	9	
FRI	10	
SAT	11	
SUN	12	
MON	13	
TUE	14	<b>6.00 ANNUAL COUNCIL (VENUE TO BE DETERMINED)</b>
WED	15	
THU	16	<b>6.30 ADJOURNED ANNUAL COUNCIL (B)</b>
FRI	17	
SAT	18	
SUN	19	
MON	20	
TUE	21	<b>5.00 MANDATORY PLANNING COMMITTEE TRAINING SESSION (B)</b>
WED	22	
THU	23	<b>10.00 CABINET (B)</b>
FRI	24	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	25	
SUN	26	
MON	27	<b>SPRING BANK HOLIDAY                      SCHOOL HALF-TERM HOLIDAY WEEK</b>
TUE	28	
WED	29	
THU	30	
FRI	31	
MAY 2024		

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JUNE 2024		
SAT	1	
SUN	2	
MON	3	10.00 PLANNING VISITING PANEL (B)
TUE	4	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (B)
WED	5	2.00 HEALTH AND WELLBEING BOARD (B) 6.30 PLANNING COMMITTEE (S)
THU	6	10.00 SAFER SEFTON TOGETHER (B)
FRI	7	
SAT	8	
SUN	9	
MON	10	6.30 LICENSING AND REGULATORY (B)
TUE	11	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (S)
WED	12	
THU	13	
FRI	14	
SAT	15	
SUN	16	
MON	17	
TUE	18	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (RM) 6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE AND HEALTH) (B)
WED	19	3.00 AUDIT AND GOVERNANCE (B)
THU	20	<b>10.00 CABINET (S)</b>
FRI	21	
SAT	22	
SUN	23	
MON	24	10.00 PLANNING VISITING PANEL (B)
TUE	25	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (B)
WED	26	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	27	
FRI	28	
SAT	29	
SUN	30	
JUNE 2024		

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JULY 2024		
MON	1	
TUE	2	
WED	3	
THU	4	
FRI	5	
SAT	6	
SUN	7	
MON	8	
TUE	9	
WED	10	
THU	11	10.00 SAFER SEFTON TOGETHER (B) <span style="float: right;">5.00 MEMBERS' BRIEFING – TBC (S) 6.30 COUNCIL (S)</span>
FRI	12	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	13	
SUN	14	
MON	15	
TUE	16	
WED	17	
THU	18	
FRI	19	
SAT	20	
SUN	21	
MON	22	10.00 PLANNING VISITING PANEL (B)
TUE	23	
WED	24	<span style="float: right;">5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)</span>
THU	25	<b>10.00 CABINET (B)</b>
FRI	26	
SAT	27	
SUN	28	
MON	29	
TUE	30	
WED	31	

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AUGUST 2024		
THU	1	
FRI	2	
SAT	3	
SUN	4	
MON	5	
TUE	6	
WED	7	
THU	8	
FRI	9	
SAT	10	
SUN	11	
MON	12	
TUE	13	
WED	14	
THU	15	
FRI	16	
SAT	17	
SUN	18	
MON	19	
TUE	20	
WED	21	
THU	22	
FRI	23	
SAT	24	
SUN	25	
MON	26	<b>SUMMER BANK HOLIDAY</b>
TUE	27	
WED	28	
THU	29	
FRI	30	
SAT	31	
AUGUST 2024		

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SEPTEMBER 2024		
SUN	1	
MON	2	6.30 LICENSING AND REGULATORY (S)
TUE	3	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE AND HEALTH) (S)
WED	4	3.00 AUDIT AND GOVERNANCE (S)
THU	5	<b>10.00 CABINET (S)</b>
FRI	6	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	7	
SUN	8	
MON	9	
TUE	10	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (RM) 6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (B)
WED	11	2.00 HEALTH AND WELLBEING BOARD (B)
THU	12	10.00 SAFER SEFTON TOGETHER (B) 5.00 MEMBERS' BRIEFING - TBC (B) 6.30 COUNCIL (B)
FRI	13	
SAT	14	
SUN	15	
MON	16	10.00 PLANNING VISITING PANEL (B)
TUE	17	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (S)
WED	18	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	19	
FRI	20	
SAT	21	
SUN	22	
MON	23	
TUE	24	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (S)
WED	25	3.00 AUDIT AND GOVERNANCE (B) (SPECIAL MEETING FOR APPROVAL OF 2023/24 STATEMENT OF ACCOUNTS)
THU	26	
FRI	27	
SAT	28	
SUN	29	
MON	30	
SEPTEMBER 2024		

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OCTOBER 2024		
TUE	1	
WED	2	
THU	3	10.00 CABINET (B)
FRI	4	
SAT	5	
SUN	6	
MON	7	
TUE	8	
WED	9	
THU	10	
FRI	11	
SAT	12	
SUN	13	
MON	14	10.00 PLANNING VISITING PANEL (B)
TUE	15	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE AND HEALTH) (B)
WED	16	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	17	
FRI	18	
SAT	19	
SUN	20	
MON	21	
TUE	22	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (S)
WED	23	
THU	24	
FRI	25	
SAT	26	
SUN	27	
MON	28	SCHOOL HALF-TERM HOLIDAY WEEK
TUE	29	
WED	30	
THU	31	
OCTOBER 2024		

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NOVEMBER 2024		
FRI	1	
SAT	2	
SUN	3	
MON	4	
TUE	5	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (B)
WED	6	
THU	7	<b>10.00 CABINET (S)</b>
FRI	8	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	9	
SUN	10	<b>REMEMBRANCE SUNDAY</b>
MON	11	10.00 PLANNING VISITING PANEL (B)
TUE	12	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (RM)
WED	13	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (B) 5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	14	10.00 SAFER SEFTON TOGETHER (B)
FRI	15	5.00 MEMBERS' BRIEFING- TBC (S) <b>6.30 COUNCIL (S)</b>
SAT	16	
SUN	17	
MON	18	
TUE	19	
WED	20	
THU	21	
FRI	22	
SAT	23	
SUN	24	
MON	25	
TUE	26	
WED	27	
THU	28	
FRI	29	
SAT	30	
NOVEMBER 2024		

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DECEMBER 2024		
SUN	1	
MON	2	
TUE	3	
WED	4	2.00 HEALTH AND WELLBEING BOARD (B)
THU	5	<b>10.00 CABINET (B)</b>
FRI	6	
SAT	7	
SUN	8	
MON	9	10.00 PLANNING VISITING PANEL (B)
TUE	10	
WED	11	3.00 AUDIT AND GOVERNANCE (B) 5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	12	
FRI	13	
SAT	14	
SUN	15	
MON	16	
TUE	17	
WED	18	
THU	19	
FRI	20	<b>SCHOOL CHRISTMAS BREAK</b>
SAT	21	
SUN	22	
MON	23	
TUE	24	
WED	25	<b>CHRISTMAS DAY</b>
THU	26	<b>BOXING DAY</b>
FRI	27	COUNCIL OFFICES CLOSED
SAT	28	
SUN	29	
MON	30	COUNCIL OFFICES CLOSED
TUE	31	COUNCIL OFFICES CLOSED
DECEMBER 2024		



# Agenda Item 13

JANUARY 2025		
WED	1	<b>NEW YEAR'S DAY</b>
THU	2	COUNCIL OFFICES CLOSED
FRI	3	
SAT	4	
SUN	5	
MON	6	6.30 LICENSING AND REGULATORY (B)
TUE	7	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (RM) 6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE AND HEALTH) (S)
WED	8	
THU	9	<b>10.00 CABINET (S)</b>
FRI	10	
SAT	11	
SUN	12	
MON	13	10.00 PLANNING VISITING PANEL (B)
TUE	14	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (B)
WED	15	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	16	10.00 SAFER SEFTON TOGETHER (B) 5.00 MEMBERS' BRIEFING – TBC (B) <b>6.30 COUNCIL (B)</b>
FRI	17	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	18	
SUN	19	
MON	20	
TUE	21	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (S)
WED	22	
THU	23	
FRI	24	
SAT	25	
SUN	26	
MON	27	
TUE	28	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (S)
WED	29	
THU	30	
FRI	31	
JANUARY 2025		

# Agenda Item 13

FEBRUARY 2025		
SAT	1	
SUN	2	
MON	3	10.00 PLANNING VISITING PANEL (B)
TUE	4	
WED	5	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	6	10.00 CABINET (B)
FRI	7	
SAT	8	
SUN	9	
MON	10	
TUE	11	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) BUDGET MEETING (B)
WED	12	
THU	13	10.00 CABINET (BUDGET) (S)
FRI	14	
SAT	15	
SUN	16	
MON	17	SCHOOL HALF-TERM HOLIDAY WEEK
TUE	18	
WED	19	
THU	20	
FRI	21	
SAT	22	
SUN	23	
MON	24	
TUE	25	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE AND HEALTH) (B)
WED	26	
THU	27	6.30 BUDGET COUNCIL (B)
FRI	28	
FEBRUARY 2025		

# Agenda Item 13

MARCH 2025		
SAT	1	
SUN	2	
MON	3	
TUE	4	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (S)
WED	5	2.00 HEALTH AND WELLBEING BOARD (B)
THU	6	<b>10.00 CABINET (B)</b>
FRI	7	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	8	
SUN	9	
MON	10	10.00 PLANNING VISITING PANEL (B) <span style="float: right;">6.30 LICENSING AND REGULATORY (S)</span>
TUE	11	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (RM) <span style="float: right;">6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (B)</span>
WED	12	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	13	
FRI	14	
SAT	15	
SUN	16	
MON	17	
TUE	18	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (B)
WED	19	3.00 AUDIT AND GOVERNANCE (S)
THU	20	
FRI	21	
SAT	22	
SUN	23	
MON	24	
TUE	25	
WED	26	
THUR	27	10.00 SAFER SEFTON TOGETHER (B)
FRI	28	
SAT	29	
SUN	30	
MON	31	
MARCH 2025		

# Agenda Item 13

APRIL 2025		
TUE	1	
WED	2	
THU	3	<b>10.00 CABINET (S)</b>
FRI	4	
SAT	5	
SUN	6	
MON	7	10.00 PLANNING VISITING PANEL (B) <b>SCHOOL SPRING HOLIDAY</b>
TUE	8	
WED	9	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	10	
FRI	11	
SAT	12	
SUN	13	
MON	14	
TUE	15	
WED	16	
THU	17	
FRI	18	<b>GOOD FRIDAY</b>
SAT	19	
SUN	20	<b>EASTER SUNDAY</b>
MON	21	<b>EASTER MONDAY</b>
TUE	22	
WED	23	
THU	24	5.00 MEMBERS' BRIEFING - TBC (S) <b>6.30 COUNCIL (S)</b>
FRI	25	
SAT	26	
SUN	27	
MON	28	
TUE	29	
WED	30	
APRIL 2025		

# Agenda Item 13

MAY 2025		
THU	1	
FRI	2	
SAT	3	
SUN	4	
MON	5	<b>MAY BANK HOLIDAY</b>
TUE	6	
WED	7	
THU	8	
FRI	9	
SAT	10	
SUN	11	
MON	12	
TUE	13	<b>6.00 ANNUAL COUNCIL (VENUE TO BE DETERMINED)</b>
WED	14	
THU	15	<b>6.30 ADJOURNED ANNUAL COUNCIL (B)</b>
FRI	16	
SAT	17	
SUN	18	
MON	19	
TUE	20	
WED	21	<b>5.00 MANDATORY PLANNING COMMITTEE TRAINING SESSION (B)</b>
THU	22	<b>10.00 CABINET (B)</b>
FRI	23	
SAT	24	
SUN	25	
MON	26	<b>SPRING BANK HOLIDAY                      SCHOOL HALF-TERM HOLIDAY WEEK</b>
TUE	27	
WED	28	
THU	29	
FRI	30	
SAT	31	
MAY 2025		

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## **COUNCIL MOTION**

**18 January 2024**

**PROPOSED BY:** Councillor Mike Prendergast

**SECONDED BY:** Councillor Mike Morris

**TITLE:** Removal of Temporary Cycle Lanes

This council recognises that the temporary cycle lanes installed in Southport (Talbot Street, Hoghton Street and Queens Road) were a mistake that should be rectified by their removal.

They are damaging local businesses, limiting access to town centre services to those who rely on their cars and have reduced the amount of parking available in Southport town centre.

Therefore, this council acknowledges that a mistake has been made and resolves to remove the temporary cycle lanes at the earliest opportunity.

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## Motion on Support for calling a Ceasefire in Palestine and Israel

### **This Council:**

Condemns the murder of innocent civilians, the taking of hostages and the subsequent death and destruction in Gaza. This Council believes that there must be an urgent priority to stop the deaths and suffering of anymore civilians internationally, and to prevent potential harm caused directly and indirectly to Sefton Residents both at home and abroad. This Council expresses deep sympathy for all those affected by the conflict in Israel and Palestine. To those in Sefton who have been affected by this conflict we offer our support in this difficult time.

Believes in calls for an immediate permanent ceasefire to allow more aid into Gaza and Palestine, and to help the possibility of a peaceful resolution. This Council hopes that international intervention can ensure more aid is able to flow through the region to help with this humanitarian disaster. This would result in a reduction in the loss of lives, and the distress caused internationally, and reduce the stress and harm caused to those directly and indirectly impacted within our borough.

Believes that the tragic recent events in Palestine and Israel must not be allowed to divide our communities in Sefton. This Council therefore condemns the increase in Anti-Semitic and Islamophobic violence and abuse in the UK and believes that all forms of racism have no place in our Borough. This Council believes Jews, Muslims and people of all faiths should feel safe in Sefton.

### **This Council resolves to:**

1. Offer support to any local residents who needs our assistance as a result of these violent events.
2. Be ready to provide support and open our arms to innocent people displaced and affected by these events.
3. Ask the Chief Executive to write to the Prime Minister and the Leader of the Opposition to express the Council's view that there should be an urgent permanent ceasefire in Gaza, the rest of Palestine and Israel and every effort should be made to resume the peace process, including upholding humanitarian Law to ensure civilians everywhere are protected.

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**NOTICE OF MOTION**

**TO BE PUT TO THE COUNCIL MEETING ON 18 JANUARY 2024**

Moved by: Councillor Les Byrom

Seconded by: Councillor

**Merseyside Fire and Rescue Authority**

This Council welcomes the latest report of His Majesty's Inspectorate of Constabulary and Fire and Rescue Services into Merseyside Fire and Rescue Authority, where it has again given Merseyside Fire and Rescue Service by far the highest assessed marking of any Fire Authority in the country.

This reflects well on the service provided by the Fire Authority, its staff and officers in their headline objective to keep Merseyside as the safest part of Britain.

It also demonstrates that even in structurally, socially and economically deprived areas such as Merseyside, the best of public services can be delivered by dedicated staff and determined political action.

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## COUNCIL MOTION

18 JANUARY 2024

**PROPOSED BY: Councillor Gareth Lloyd-Johnson**

**SECONDED BY: Councillor TBC**

### **AN ALCOHOL STRATEGY FOR THE UK**

Across the country, many people will be undertaking Dry January or cutting down their alcohol intake in the new year. For many, this will be a healthy break from drinking which will be a boost to their health.

However, we know that in our communities, we have residents who consume alcohol regularly at dangerous levels and would meet the description of alcohol dependency. As reported in November 2022, “A quarter of the Sefton adult population have increased risk of harm through consuming more than the recommended levels of alcohol (over 14 units a week)<sup>1</sup>”

Further, “Under 18 alcohol specific admissions for Sefton have risen to 71.0 per 100,000 in 2018/19-20/21. Sefton currently has the second highest rate in the North West (out of 39 Local Authorities) and is in the top 10 nationally.<sup>2</sup>”

Additionally, “Almost 2% of Sefton’s adult population are estimated to be dependent drinkers, approximately 4237 residents. Of these dependent drinkers, it is estimated that only 16% will be in treatment.”

Like all local authorities, Sefton does have information available for those wanting to lower their alcohol intake. However, local initiatives are undermined by the lack of a National Alcohol Strategy which draws together data and services, allocates resources and has the necessary power to scrutinise the multi-billion-pound alcohol industry.

#### **This Council recognises that;**

Many adults will enjoy alcohol in a socially responsible manner and that the aim of any strategy should not be to punish those who do so.

However, amongst this group there are people who wish to lower their alcohol intake, or stop drinking all together, and that they should be supported in making that decision.

Alcohol dependency is a disease and is often linked to social, financial, emotional and physical and mental health issues.

The last National Alcohol Strategy was published in 2012 and is no longer fit for purpose<sup>3</sup>.

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<sup>1</sup> [https://www.sefton.gov.uk/media/7042/substance-misuse-jsna\\_.pdf](https://www.sefton.gov.uk/media/7042/substance-misuse-jsna_.pdf)

<sup>2</sup> [https://www.sefton.gov.uk/media/7042/substance-misuse-jsna\\_.pdf](https://www.sefton.gov.uk/media/7042/substance-misuse-jsna_.pdf)

<sup>3</sup> <https://ahauk.org/news/independent-review-on-alcohol/>

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Excellent work is done within Sefton by both the Council and third-sector organisations to help people wanting to lower their alcohol intake but this work is hampered by a lack of resources and there being no National Alcohol Strategy.

## **This Council believes that;**

The role of providing support to those wanting to lower their alcohol intake and those who are alcohol dependent should not fall solely to local authorities.

A National Alcohol Strategy is required to properly allocate resources, address societal and cultural issues around how alcohol is consumed in the UK and to look at the way that alcohol is marketed and sold.

## **This council resolves to;**

Ask the Chief Executive to write to the Secretary of State for Health and Social Care and the Shadow Secretary of State for Health and Social Care expressing this Council's support for a National Alcohol Strategy and urging them to implement a strategy by the end of the next Parliament.

Ask the Chief Executive to write to the Members of Parliament representing Sefton residents to report the Council's support for a National Alcohol Strategy and urging them to use their powers within Parliament to lobby for its introduction.

Ask the Chief Executive to write to the Chair of the All-Party Parliamentary Group on Alcohol Harm, thanking them for raising issues around alcohol harm and stating this Council's support for their stated aim of lobbying the Government to produce a National Alcohol Strategy<sup>4</sup>.

Through the Council's Communications Team, on or around 01/02/2024, publish a press release, congratulating those who have taken part in Dry January and signposting to all of the Council's currently available alcohol reduction resources.

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<sup>4</sup> <https://ahauk.org/news/independent-review-on-alcohol/>

## **COUNCIL MOTION**

**18 JANUARY 2024**

**PROPOSED BY: Councillor Pugh**

**SECONDED BY: Councillor TBC**

### **PUBLIC RESPONSE STANDARDS**

This Council recognises the need for good communication with the citizens of this borough and in line with best practice seeks to improve public accountability by

(a) setting standards for response times to substantive questions raised by the public or councillors

(b) monitoring, recording and publishing by Council department the extent to which those standards are met

The Council in seeking to achieve this and progress such a scheme without impairing operational effectiveness refers this matter to the relevant Cabinet member and Scrutiny Committee.

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