

Public Document Pack

Sefton Council 

MEETING: CABINET
DATE: Thursday 5th December, 2024
TIME: 10.00 am
VENUE: Assembly Hall, Town Hall, Bootle

DECISION MAKER: **CABINET**

Councillor Atkinson (Chair)
Councillor Dowd
Councillor Doyle
Councillor Harvey
Councillor Howard
Councillor Lappin
Councillor Moncur
Councillor Roscoe
Councillor Veidman

COMMITTEE OFFICER: Debbie Campbell
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The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an * on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

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

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

A G E N D A

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
1	Apologies for Absence		
2	Declarations of Interest Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda. Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation. Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.		
3	Minutes of the Previous Meeting Minutes of the meeting held on 7 November 2024		(Pages 5 - 14)
* 4	Healthwatch Procurement Report of the Executive Director - Adult Social Care, Health and Wellbeing (Place Director)	All Wards	(Pages 15 - 20)
* 5	Sefton New Directions Report of the Executive Director - Adult Social Care, Health and Wellbeing (Place Director)	All Wards	(Pages 21 - 28)

* 6	Making Space for Water Crossens SuDS scheme Report of the Assistant Director - Operational In-House Services	Meols	(Pages 29 - 32)
* 7	Adoption of Supplementary Planning Documents - Short Term Holiday Lets and Boundary Treatments Report of the Assistant Director - Economic Growth and Housing	All Wards	(Pages 33 - 62)
* 8	Southport Eastern Access and Maritime Corridor Major Schemes - Land Acquisition Report of the Assistant Director - Highways and Public Protection	Dukes; Kew; Litherland; Molyneux; Netherton and Orrell; Norwood; St. Oswald	(Pages 63 - 82)
* 9	Enterprise Arcade Business Case Report of the Executive Director – Regeneration, Economy and Assets	Dukes	(Pages 83 - 92)
* 10	ICT Managed Service Contract Report of the Executive Director – Corporate Services and Commercial	All Wards	(Pages 93 - 110)
11	Q1 & Q2 (2024) Corporate Performance Report Report of the Executive Director – Corporate Services and Commercial	All Wards	(To Follow)
* 12	Financial Management 2024/25 to 2027/28 - Revenue and Capital Budget Update 2024/25 – December Update Report of the Executive Director – Corporate Services and Commercial	All Wards	(Pages 111 - 128)

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THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON THURSDAY, 21ST NOVEMBER 2024. MINUTES NOD. 64, 65 (1) AND 69 (2) ARE NOT SUBJECT TO "CALL-IN".

CABINET

MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL, SOUTHPORT ON THURSDAY 7TH NOVEMBER, 2024

PRESENT: Councillor Atkinson (in the Chair)
Councillors Dowd, Doyle, Harvey, Lappin, Moncur,
Roscoe and Veidman

ALSO PRESENT: Councillors Shaw and Sir Ron Watson CBE

59. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Howard.

60. DECLARATIONS OF INTEREST

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

61. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 3 October 2024 be confirmed as a correct record.

62. HOUSING STRATEGY FOR PEOPLE WITH LEARNING DISABILITIES AND/OR AUTISM

The Cabinet considered the report of the Executive Director - Adult Social Care, Health and Wellbeing (Place Director) seeking approval of the Housing Strategy for people with Learning Disabilities and/or Autism. The report indicated that the strategy had been commissioned on a Cheshire and Merseyside (C&M) footprint as part of the commissioning work programme. The Strategy had been jointly produced with the Housing Learning and Improvement Network and would support a framework for all commissioners when assessing local housing need for this cohort of people and supporting new developments, alongside general housing to meet those needs. This also followed on from the work commissioned on behalf of C&M by Campbell Tickell in 2022. Over the next 10 years, it was estimated that Cheshire and Merseyside would need 1,700 additional supported housing dwellings to meet the identified housing needs of people with learning disabilities and/or Autism. It was estimated that there was also a need for 400 general needs homes, typically social housing for

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rent over the same period. Sefton's requirements were for 246 units of accommodation.

The Strategy would also support:

- Sefton's Corporate Plan 2024-2027 in helping to meet some of the priority actions with the Adult Social Care section.
- Sefton's Housing Strategy 2022-2027 and the relevant themes: meeting people's housing needs, and tackling barriers to obtaining suitable housing for the most vulnerable and enabling people to live independently.

The following appendices were attached to the report:

Appendix 1 - Housing Strategy for People with Learning Disabilities and/or Autism

Appendix 2 - Easy Read Housing Strategy for People with Learning Disabilities and/or Autism

Members of the Cabinet asked questions/raised matters on the following issues:

- The level of accommodation need in Sefton compared to other neighbouring local authorities.
- How work with registered social landlords would be undertaken in addressing the Strategy.
- The importance of a smooth transition for users of Children's Services to Adult Services.
- The Easy Read Housing Strategy for People with Learning Disabilities and/or Autism was welcomed.

Decisions Made:

That

- (1) the Cheshire and Merseyside Learning Disability and Autism Housing Strategy, as set out at Appendix 1 to the report, be approved;
- (2) authority be delegated to the Executive Director - Adult Social Care, Health and Wellbeing (Place Director), in consultation with the Cabinet Member for Adult Social Care to approve and monitor the delivery plan; and
- (3) the Executive Director of Adult Social Care and Health be authorised, in consultation with the Cabinet Member - Adult Social Care and Health, to undertake any procurement exercise in relation to appointing preferred Registered Providers of Social Housing.

Reasons for the Decisions:

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The Council has a duty under the Care Act 2014 in that a fundamental component of the Act is the 'suitability of accommodation' in meeting the at home care and support needs of older and vulnerable people.

Alternative Options Considered and Rejected:

To have a single strategy for each local authority, but this would not have supported any cross boundary working, or the regional requirements on an NHS Integrated Care system region. This option was rejected to have a more efficient oversight of the housing market across the C&M region.

63. PROPERTY POOL PLUS ADMINISTRATION PROCUREMENT

The Cabinet considered the report of the Assistant Director – Economic Growth and Housing seeking authority to undertake a procurement exercise for a new service contract in connection with the administration of the Council's social housing register; and to manage the Council's social housing allocations policy and its nominations arrangements with Registered Providers of social housing. The report sought delegated authority to award a new contract following the procurement exercise.

Decisions Made:

That

- (1) the Assistant Director - Economic Growth and Housing be authorised to conduct a procurement exercise to appoint an external service provider in respect of Property Pool Plus;
- (2) authority be delegated to the Assistant Director - Economic Growth and Housing to approve the resulting post procurement contract award in consultation with the Cabinet Member - Housing and Highways, together with any extensions; and
- (3) in the event that any of the current service staff with TUPE entitlement have an entitlement to LGPS pensions, the Assistant Director - Economic Growth and Housing be authorised to enter into arrangements to ensure that the new service provider enters into an admissions agreement and bond in relation to the affected staff, in order that there is no financial risk or liability to the Council from the future arrangements.

Reasons for the Decisions:

The Council had statutory duties to have a policy for the allocation of social housing accommodation and the maintenance of a housing needs register. In addition, there was the function to manage the Council's Nomination Rights with all Registered Providers who had housing stock in Sefton, which sat alongside these duties.

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Alternative Options Considered and Rejected:

1. Explore a shared service with other LCR Councils. However, at this point in time this option was not available, as initial scoping work with other LCR Councils had been unable to prove concrete economic benefits with this option. Other LCR Councils had now made the decision to bring the administration of Property Pool Plus in-house, which had largely ruled out a shared service being entered into over the coming years.
2. Bring the service in-house and deliver it as part of the Council's Housing Options Team service offer. The costs of doing this would be well in excess of what the Council currently paid to deliver the service.

64. SOUTHPORT EASTERN ACCESS SCHEME - RECEIPT OF CAPITAL FUNDING

Further to Minute No. 10 of 23 May 2024, the Cabinet considered the report of the Assistant Director - Highways and Public Protection advising that schemes over £1m in value required approval by the Council and the necessary funding needed to be included within the Council's Capital Programme. The Southport Eastern Access scheme was expected to cost approximately £16.3m. Subject to approval from the Liverpool City Region Combined Authority, a Grant Funding Agreement would be received for this amount.

Cabinet Members welcomed the Grant Funding Agreement.

Decision Made:

That the Council be recommended to approve a supplementary capital estimate for £16.3m externally funded using the City Region Sustainable Transport Settlement from the LCRCA for the delivery of the Southport Eastern Access scheme, pending receipt and signing of a Grant Funding Agreement from the LCRCA.

Reasons for the Decision:

The Liverpool City Region Combined Authority (LCRCA) had received a City Region Sustainable Transport Settlement allocation from the Department for Transport to deliver highway improvement and maintenance projects throughout the City Region by March 2027. Within the recently completed re-baselining exercise an allocation of funding for £16.8m had been identified to fund the Southport Eastern Access projects. It was recognised that careful planning and co-ordination of all the elements of work would be critical to ensure the works were delivered within the window and that disruption was minimised as far as possible.

In order to meet the LUF Funding deadline, the target programme identified that the works contract needed to be signed in Autumn 2024. The report sought to ensure that the necessary funding allocation was within the Capital Programme before the Contract was signed for the first Phase of works.

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Whilst the Cabinet Member - Housing and Highways had previously approved the Transport Capital Programme which included the Southport Eastern Access scheme, the financial regulations required the Cabinet to approve schemes over £1m.

Alternative Options Considered and Rejected:

No alternative options had been considered.

65. LOCAL ELECTRIC VEHICLE INFRASTRUCTURE - RECEIPT OF CAPITAL FUNDING

The Cabinet considered the report of the Assistant Director - Highways and Public Protection advising that allocations of additional funding over £1m in value required Council approval. The report sought a Cabinet recommendation to the Council to add £1.067m of Local Electric Vehicle Charging (LEVI) funding to the Council's Capital Programme. Subject to confirmation from the Liverpool City Region Combined Authority, a Grant Funding Agreement would be received for this amount.

Cabinet Members welcomed the Grant Funding Agreement.

Decisions Made:

That

- (1) **the Council be recommended to approve** a supplementary capital estimate for £1.067m, externally funded using Local Electric Vehicle Charging (LEVI) funding from the Liverpool City Region Combined Authority (LCRCA) for the delivery of Electric Vehicle Infrastructure across the Borough;
- (2) the progress of the development work in support of a submission to the LCRCA to identify the programme of roll out of new infrastructure be noted; and
- (3) the progress of the development of an Electric Vehicle Infrastructure Strategy for the Borough be noted.

Reasons for the Decisions:

The report sought approval to accept the allocated LEVI Funding into the Council's Capital Programme. This would facilitate the remaining steps of the process and help avoid delays in using the funding. Further report(s) would confirm the Council's EV Strategy, final details of the priority list for the roll out of EV infrastructure and the details of the contractual relationship with a charge point operator, when all those matters had been determined.

Alternative Options Considered and Rejected:

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The Council could decide not to participate in the LEVI delivery scheme, but this would limit the ability to provide EV infrastructure for those residents without off-street parking.

66. CORPORATE MOBILE TELEPHONE CONTRACT RE-TENDER

The Cabinet considered the report of the Executive Director – Corporate Services and Commercial that sought authority to go out to the market for the provision of mobile telephony SIM cards to support the mobile data and telephony provision across the Authority. The report set out the background to the Council's current contract with EE, which was due to expire on 31 March 2026 and recommended a route to market, in line with Public Procurement legislation.

Cabinet Members commented on the use of local businesses, as part of the procurement process.

Decisions Made:

That

- (1) the use of Crown Commercial Services Framework (RM6261) Mobile Voice and Data Services to run a further competition for the provision of a new corporate mobile telephone contract, with a proposed term of an initial 3-years with the option of 2 further 12-month extension periods, be authorised;
- (2) the Executive Director – Corporate Services and Commercial, in consultation with the Cabinet Member - Corporate Services, be granted delegated authority to award a contract resulting from the above procurement, and to award any extension thereof.

Reasons for the Decisions:

On approval of the recommendations within the report, the next steps would be to complete the procurement process to ensure that Sefton had a new contract in place before the current contract ends, thereby allowing for an implementation/transition period should the contract be awarded to a new provider.

Alternative Options Considered and Rejected:

The other option available to the Council would be to consider a direct award to the incumbent provider (EE Ltd). This was rejected on the basis that the Council had been with the incumbent provider for a number of years and by going out competitively to the market, could realise savings for the Council but at minimum confirm value for money had been achieved. Unlike some other ICT services, the incumbent provider's services were not embedded or intrinsically linked enough to bring into consideration a large cost of change.

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Resource within both ICT and Procurement had been identified and reserved to conduct the procurement exercise.

67. Q1 & Q2 (2024) CORPORATE PERFORMANCE REPORT

The agenda item was withdrawn.

68. FINANCIAL MANAGEMENT 2024/25 TO 2027/28 - REVENUE AND CAPITAL BUDGET UPDATE 2024/25 – NOVEMBER UPDATE

The Cabinet considered the report of the Executive Director – Corporate Services and Commercial informing the Cabinet of:

- 1) The current position relating to the 2024/25 revenue budget.
- 2) The current forecast on Council Tax and Business Rates collection for 2024/25.
- 3) The monitoring position of the Council's capital programme to the end of September 2024:
 - The forecast expenditure to year end.
 - Variations against the approved budgets and an explanation of those variations for consideration by Members.
 - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects; and
- 4) The latest prudential indicator information for 2024/25 and the current Corporate Risk Register.

The following appendices were attached to the report:

- Appendix A – Capital Programme 2024/25 to 2026/27
- Appendix B – Corporate Risk Register – September 2024

Decisions Made:

That

Revenue Outturn

- (1) the current position relating to the 2024/25 revenue budget be noted;
- (2) the actions being taken to refine forecasts and identify mitigating efficiencies to ensure each service achieves a balanced position, be noted;
- (3) the remedial action plan measures outlined in section 3 of the report be approved;

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- (4) the financial risks associated with the delivery of the 2024/25 revenue budget be recognised and it be acknowledged that the forecast outturn position will continue to be reviewed, and remedial actions put in place, to ensure a balanced forecast outturn position and financial sustainability can be achieved;

Sefton Climate & Retrofit Action Project (SCRAP)

- (5) a supplementary revenue estimate of £834,548 for the Sefton Climate and Retrofit Action Project (SCRAP) fully funded from the National Lottery Climate Action Fund, be approved;
- (6) a supplementary capital estimate of £32,000 for the Sefton Climate & Retrofit Action Project (SCRAP) fully funded from the National Lottery Climate Action Fund, be approved;
- (7) authority to accept the grant and to sign the associated documentation be delegated to the Executive Director - Corporate Services and Commercial;

Capital Programme

- (8) the spending profiles across financial years for the approved capital programme, as set out at paragraph 8.1 of the report, be noted;
- (9) the latest capital expenditure position as at 30 September 2024 of £23.651m, as set out at paragraph 8.6 of the report; and the latest full year forecast is £81.007m, as set out at paragraph 8.7 of the report, be noted;
- (10) the programme outputs and progress to September, as set out at paragraphs 8.10 – 8.28 of the report, be noted;
- (11) it be noted that capital resources will be managed by the Executive Director - Corporate Service and Commercial to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council, as set out at paragraphs 8.29-8.31 of the report;

Prudential Indicators

- (12) the forecasts for the Prudential Indicators relating to capital expenditure and financing as at 30th September 2024 be noted; and

Risk Management

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

Reasons for the Decisions:

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To ensure that the Cabinet was informed of the current position in relation to the 2024/25 revenue budget.

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

To keep Members informed of the progress of the Capital Programme against the profiled budget for 2024/25 and agreed allocations for future years.

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

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

To ensure that the Cabinet was informed of prudential indicators and key risk management areas.

Alternative Options Considered and Rejected:

None.

69. FINANCIAL MANAGEMENT 2024/25 TO 2027/28 – MEDIUM TERM FINANCIAL PLAN 2025/26 TO 2027/28

The Cabinet considered the report of the Executive Director – Corporate Services and Commercial informing the Cabinet and Council of the update to the Medium-Term Financial Plan (MTFP) for 2025/26 to 2027/28 taking account of all currently available information; and providing an update on other areas that inform financial decision making including the Council's reserves position, its growth programme, its position on its wholly owned Council companies and the High Needs budget, as these were all interlinked with the MTFP.

Cabinet Members thanked officers for their hard work on the Medium-Term Financial Plan.

Decisions Made:

That

- (1) the updated Medium-Term Financial Plan for 2025/26 to 2027/28 and any assumptions made be noted; and
- (2) **the Council be recommended to** approve the updated Medium-Term Financial Plan for 2025/26 to 2027/28 and any assumptions made.

Reasons for the Decisions:

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In February 2024, the Council approved a one-year budget plan for 2024/25. As part of the report, an indicative budget gap of £19.2m for 2025/26 to 2026/27 was reported, before any decisions on the level of Council Tax. The MTFP for this period had subsequently been updated to reflect the latest information available and to reflect the ongoing service pressures the Council was facing. The MTFP period has also been extended by a further year to 2027/28. In approving the recommendation in the report, the Council would continue to ensure resources were well managed and reflect the key priorities of the residents of Sefton.

Alternative Options Considered and Rejected:

None.

70. TREASURY MANAGEMENT POSITION TO SEPTEMBER 2024

The Cabinet considered the report of the Executive Director – Corporate Services and Commercial that provided Members with a review of the Treasury Management activities undertaken to 30 September 2024. The report would be submitted to the meeting of the Council on 14 November 2024.

Decision Made:

That the Treasury Management update to 30 September 2024, be noted, together with the review the effects of decisions taken in pursuit of the Treasury Management Strategy, and consideration of the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities.

Reasons for the Decision:

To ensure that Members were fully appraised of the treasury activity undertaken to 30 September 2024 and to meet the reporting requirements set out in Sefton's Treasury Management Practices and those recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) code.

Alternative Options Considered and Rejected:

None.

Cabinet / Council Report		Sefton Council	
Report Title		Healthwatch Procurement	
Date of meeting:	5 December 2024		
Report to:	Cabinet		
Report of:	Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director		
Portfolio:	Cabinet Member - Adult Social Care and Health and Deputy Leader		
Wards affected:	All		
Is this a key decision:	Yes	Included in Forward Plan:	Yes
Exempt/confidential report:	No		

Summary:

To seek approval to commence a procurement exercise for the provision of Healthwatch services.

Recommendation(s):

Cabinet is recommended to approve and note the following:

- (1) Approval to commence a procurement exercise to establish a new contract post 31st March 2025 for the provision of Healthwatch services.
- (2) Approve delegation of decisions for Healthwatch services procurement exercise to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with the Adult Social Care & Health Cabinet Member
- (3) That decisions on the commissioning / procurement model, tender evaluation criteria, contract terms and conditions, and service specification to be applied to the procurement exercises, be delegated to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with the Cabinet Members for Adult Social Care & Health, on the basis the contract can be contained within existing and approved budget provision for such services.
- (4) The contract to be awarded for an initial contract term of three years with the option

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to further extend for a period of up to two years, (either as a single extension or via two separate twelve-month extensions) subject to satisfactory performance and demonstration of value for money of the successful supplier, and the required budget being available, and that decisions on the awarding of the contracts, and any permitted extensions thereof, be delegated to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with Cabinet Member for Adult Social Care & Health and Deputy Leader.

- (5) Should it be identified during the contractual period that the contract needs to be amended to reflect factors such as increases in demand for Healthwatch services or changes in national funding arrangements, then delegated authority be given to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with the Cabinet Member for Adult Social Care & Health and deputy Leader to approve any such variations, under the proviso that they fall within the associated delegated authority and are in line with the applicable procurement regulations and the cost can be met from within the services budget.
- (6) Authorise the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with Cabinet Member for Adult Social Care & Health to authorise and implement a maximum six-month extension to the current Adult Social Care commissioned Healthwatch service contract, in order to ensure that a compliant procurement exercise can be conducted, to ensure that Healthwatch services continue to be delivered and to also ensure that sufficient notice period is given to the current Provider so that wider principles such as those within the *New Realities* agreement are met.

1. The Rationale and Evidence for the Recommendations

- 1.1. Healthwatch was established under the Health and Social Care Act 2014 to understand the needs, experiences and concerns of people who use health and social care services, and to speak out on their behalf. They are a statutory committee of the independent regulator the Care Quality Commission (CQC). Within the Health and Social Care Act 2014 (Section 182), a duty was imposed on the Council to make contractual arrangements for a local Healthwatch organisation.
- 1.2. Every local authority has a duty to make provisions for the delivery of Healthwatch statutory activity in their local area, their main statutory functions are to:
 - Obtain the views of people about their needs and experience of local health and social care services. Local Healthwatch make these views known to those involved in the commissioning and scrutiny of care services.
 - Make reports and make recommendations about how those services could or should be improved.
 - Promote and support the involvement of people in the monitoring, commissioning and provision of local health and social care services.
 - Provide information and advice to the public about accessing health and social care services and the options available to them.

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- Make the views and experiences of people known to Healthwatch England, helping us to carry out our role as national champion.
- Make recommendations to Healthwatch England to advise the CQC to carry out special reviews or investigations into areas of concern.

- 1.3 Current contractual arrangements will end on the 31st of March 2025, following a 3-year contracting period (2 years + 1). The previous contract holder was Healthwatch Sefton, a company of Sefton Council for Voluntary Service (CVS) and is company registered as a Company Limited by Guarantee.
- 1.4 As a result of the above, there is a need to seek approval to commence a procurement exercise to establish a new contractual arrangement post April 2025 for the provision of Healthwatch services.
- 1.5 This is to ensure that Sefton meets its statutory obligation to commission a Healthwatch Service and ensuring that Sefton residents have an organisation with the primary purpose to gather and make known their voices on the health and social care services.

Future Procurement Exercise

- 1.6 For any procurement exercise it will be an open exercise led by Adult Social Care, and it is proposed that decisions on the commissioning, and tender evaluation criteria, together with the agreed, contract terms and conditions, and service specification to be applied to the procurement exercise, be delegated to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with the Cabinet Member – Adult Social Care & Health, on the basis that they can be contained within existing and approved budget provision for such services. The final procurement approach will be developed with, and approved by the Council's Procurement and Legal Teams
- 1.7 A new service specification will be developed in partnership to ensure that it reflects key priorities for Adult Social Care the ICB and the population of Sefton.
- 1.8 For any contract awarded it is proposed that they are entered into for an initial contract term of three years with the option to further extend for a period of up to two years, (either as a single extension or via two separate twelve-month extensions) subject to satisfactory performance and demonstration of value for money of the successful supplier and the required budget being available, and that decisions on the awarding of the contracts, and any permitted extensions thereof, are delegated to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with the Cabinet Member for Adult Social Care & Health.
- 1.9 It is proposed that should it be identified during the contractual period that the contract needs to be amended to reflect factors such as increases in demand for Healthwatch services or changes in national funding arrangements, then delegated authority be given to the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with the Cabinet Member for Adult Social Care & Health and deputy Leader to approve any such variations, under the proviso that they fall within the associated delegated authority and are in line with the applicable procurement regulations, with any cost being able to be contained within the service budget.
- 1.10 It is also recommended that the Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director, in consultation with Cabinet

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Member for Adult Social Care & Health is authorised and implement a maximum six-month extension to the current Adult Social Care commissioned Healthwatch service contract, in order to ensure that a compliant procurement exercise can be conducted, to ensure that Healthwatch services continue to be delivered and to also ensure that sufficient notice period of at least 90 days is given to the current Provider, so that wider principles such as those within the *New Realities* agreement are met.

2. Financial Implications

There are no additional revenue costs associated with this report.

Current annual expenditure for Healthwatch is £143,250 and any potential increase to expenditure would need to be met from existing Adult Social Care budgets.

3. Legal Implications:

- Care Act 2014
- Care and Support Statutory Guidance

4. Corporate Risk Implications:

There is a risk that not commencing a procurement exercise could result in statutory Healthwatch services not being delivered.

There is a further risk should recommendation 6 of this report be enacted to further extend the existing contract for up to six months. The Council seeks to manage and mitigate any risks by commencing the procurement exercise. Any such extension would be intended to allow the Council time to run a compliant procurement process.

5. Staffing HR Implications:

It is envisaged that any procurement exercise may encompass TUPE transfer of staff from existing Providers.

6. Conclusion:

The rationale for the recommendations in this report have been formulated to ensure that a procurement exercise takes place, and existing contractual arrangements are extended to ensure ongoing delivery of Healthwatch services post 31st March 2025.

Alternative Options Considered and Rejected

None.

Equality Implications:
The equality Implications have been identified and mitigated.
Impact on Children and Young People:

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Healthwatch services will continue to be provided to, and accessed by people, including younger adults aged 18 and above.

Climate Emergency Implications:

The recommendations within this report will have a Neutral impact.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services & Commercial (FD.7833/24) and the Chief Legal and Democratic Officer (LD.5933/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Engagement will take place with key stakeholders such as ICB colleagues, as part of the formulation proposals on the specifics of the procurement exercise.

Engagement with the current Provider of Healthwatch services will also take place with respect to any extension of their current contract whilst the procurement exercise is conducted.

Implementation Date for the Decision:

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

Contact Officer:	Neil Watson
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Appendices:

There are no appendices to this report.

Background Papers:

None.

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Cabinet / Council		Sefton Council 	
Report Title:		Sefton New Directions	
Date of meeting:	5 December 2024		
Report to:	Cabinet		
Report of:	Executive Director - Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director Sefton		
Portfolio:	Adult Social Care		
Wards affected:	All		
Is this a key decision:	Yes	Included in Forward Plan:	Yes
Exempt/confidential report:	No		

Summary:

To update Cabinet on the Sefton New Directions and to provide a 2025/26 budget position for the company including any risks for the Council and the progress of New Directions in relation to the review of services and transformation programme.

Recommendation(s):

Cabinet is recommendation to consider the contents of this report and:

- (1) Consider the financial information / update provided in the report.
- (2) Note that the Sefton New Directions transformation programme is ongoing the purpose of which is to achieve positive outcomes to support with the ongoing sustainability of the company.

1. The Rationale and Evidence for the Recommendations

- 1.1. Sefton New Directions Sefton New Directions (SND) was set up as a wholly owned company by the Council in 2007, as a private company limited by shares. Under procurement law the company is regarded as a Teckal Company which means that the Council can make direct awards of contracts to the company without going through a procurement process. In turn the company is bound by the Public Contract Regulations. Sefton New Directions is commissioned by Adult Social Care to deliver services which are needed to meet the need for social care provision in Sefton.

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- 1.2. The Council's Constitution provides that Cabinet has authority to manage and safeguard any shareholding the Council owns in a company and as the 100% shareholder in the company there are matters reserved for the Council to decide upon, for example, to make any material change to the nature of the business.
- 1.3. In January 2024 a report was submitted to Cabinet to provide an update on the review of Sefton New Directions that had taken place which was to look at the case for change and recommendations that follow, including the preferred way forward and options which optimise value for money, assess sustainability, affordability and which demonstrates that the proposed options presented through service specification of change, are viable for delivery both over the next twelve months but also longer-term.
- 1.4. The review identified that to deliver the above, then a significant programme of transformation needed to take place to align both commissioning requirements of the Council with available resource to fund the company as its single shareholder.
- 1.5. This report is therefore being submitted to update Cabinet on progress to date on the delivery of this transformation programme and to provide a 2025/26 budget position for the company.

Update on the Transformation Programme

- 1.6. Delivery of the transformation programme is progressing with ongoing partnership and collaborative planning work taking place between Sefton New Directions and Adult Social Care. It must be noted that some of the services New Directions provide are funded through the Better Care Fund and therefore Cheshire and Merseyside ICB are party to service developments and commissioning arrangements.
- 1.7. A Joint Commissioning and Transformation meeting has also been established Chaired by the Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director Sefton, which has an operational transformation focus and reports into the Shareholder Board to provide assurance that work is progressing at pace.
- 1.8. There have been discussions about the opportunity for the company to provide more services to private self-funders which may generate an income for New Directions and a dividend for the Council. This strategy would be subject to a clear business case and operational implementation plan.
- 1.9. The transformation programme currently addresses the following key areas:
 - Backoffice costs and review to deliver efficiencies.
 - Review of day services to align with service demand following COVID where we saw more people moving to flexible models of support in the community rather than building based provision.
 - Reablement and reducing or delaying the need for longer term care and support and keeping people as independent as possible.
 - Review of Intermediate Care bed-based services such as Chase Heys and James Dixon Court continues.
- 1.10. Key work and achievements to date include:
 - **Reablement Service** –Whilst expansion has taken place in New Directions it is inadequate to meet current demand which means that there is inequity of access to reablement unless the Council through Social Care steps in to develop a wider offer

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involving other providers. A market exercise is underway to develop additional supply to meet statutory requirements set out in the Care Act. It is to be noted that the service delivers good outcomes. The contract funding has been adjusted for 2024/25 to allow for this initial expansion. There are also opportunities to co-locate services with Adult Social Care Access to provide a more integrated working arrangement and respond to referrals at the front door and this is being explored.

- **Day Opportunities Services** – these services have been reviewed. There are proposals being developed which will lead to reshaping some existing services and developing a new model where there are gaps identified through the Sefton Market Position Statement and identified by social workers. These services are operating in surplus position due to vacancies and there maybe opportunity to align services to meet demand. The new commissioning group with be focussing on this model which will be discussed at the next Shareholder Board.
- **Intermediate Care Building Based Provision** – This area relates to James Dixon Court and Chase Hays. These services are jointly commissioned by the Council and Cheshire and Merseyside ICB through the Better Care Fund. There have been discussions with New Directions leadership team about the service delivery model, staffing model and future direction. These are progressing well with funding into these services reviewed. Capital has been released to provide improvements and maintenance of the buildings and funding set aside to undertake survey of other building utilised by New Directions to inform future. Revenue funding has been made available to address the deficit in running costs at Chase Hays.
- **James Dixon Court** – work to implement new Standard Operating Procedure for use of the beds to further support the delivery of short-term care home placements for people and for the service to accept more referrals from the community so that it delivers both a step-down from Hospital service and also step-up from the community, for example for people who have gone into crisis / have had a breakdown in their Carer arrangements and who therefore require a short-term residential placement. Funding has been made available linked to a review of the unit price.
- **Governance and Partnership Working** –A Joint Commissioning and Transformation Group which will report its progress into the Shareholder meetings has now been established. This is a partnership group, and its membership includes the managing director of New Directions and his leadership team. The group will have a focus on detail of plans to ensure that the Sefton New Directions ensure business plan aligns with joint commissioning priorities and available resource Risks will be reported into the Shareholder Meeting chaired by the Cabinet Member for Adult Social Care and Deputy Leader. The group are currently working on revised specifications and performance monitoring arrangements for all services delivered by New Directions.

Budget Position 2024/25

1.11. From previous reports to Cabinet, it was detailed that at the end of 2024/25 the company would have reserve balances of £1.1m remaining. This would reflect the use of £0.7m of balances in year to support operations whilst the transformation work and detailed negotiations between the company and the council took place on what would be commissioned in future years. At the end of October 2024, it is estimated that the balances at year end will be £1.5m, an improvement of £0.4m. This reflects the following changes / improved financial performance:

- **Savings assumptions:**

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- Review of Day Opportunities: £0.344m
- Reducing Central Support Costs: £0.221m
- Reducing Agency Costs: £0.100m
- **Additional Income assumptions 2024/25 & carried into 2025/26 (plus inflation):**
 - Additional funding for James Dixon Court: £0.134m
 - Additional funding for Chase Heys: £0.354m
 - Assumed funding for Reablement expansion: £0.244m

1.12. Such an improvement is clearly a positive for the company in terms of improving its financial resilience and reflects the work undertaken in year by the Council and reaffirms its commitment to it.

Budget Position 2025/26

- 1.13. As detailed earlier in this report the key work over the last 12 months has been to develop a medium-term budget for the company that provides for financial sustainability, reflects ongoing transformation work and what the council requires to be commissioned. This work has been collaborative with leadership from the councils Deputy leader/cabinet member, the chief Executive and the Executive Director- Adult Social Care, Health and Wellbeing / Cheshire & Merseyside ICB Place Director Sefton
- 1.14. The Company had a budget gap of £1.135m to close for 2025/26 and from the work undertaken substantial progress has been made on developing a robust and sustainable budget position. The key changes that will be implemented for 2025/26 are in respect of:
- James Dixon Court - £0.134m – remodelling of the service so that it can support with accepting people of higher acuity which in turn supports with more timely Hospital discharges and the service operating a step-up model to accept urgent community referrals.
 - Chase Heys - £0.354m – additional funding to ensure the service provides enhanced staffing to support with delivery of bed-based Intermediate Care.
 - Reablement- £0.401m – expansion of the service which then supports the Council with reduced need to commission other Domiciliary care Providers to deliver 'Alternative to Reablement' packages.
- 1.15. From this it can be seen that the company will see an improved financial position of £0.889m, leaving a residual balance of £0.24m to be met. This position does not take account of any fee uplift or inflation increase on existing contracts for 2025/26 and as would be expected at this time of year these discussions with the company and the wider sector are about to commence. In the event that the fee increase does not meet this gap in full, further savings will need to be delivered from the company to set a balanced budget. In the event these can't be identified a further report will be presented to Cabinet before the year end.
- 1.16. With these changes, the Council's Adult Social Care budget will be required to fund an additional £0.889m of activity in the company. Some of this is already accounted for and some funding will be diverted from other expenditure budgets or support cost reduction elsewhere for example through reduced expenditure on the commissioning of 'Alternative to Reablement' packages, however it **Page 24d** that overall, a budget pressure of £0.488m

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will be created. This will be met by reduced expenditure on the spot purchasing of care home beds and re-alignment of current Adult Social Care and ICB expenditure and budgets, and will be in addition to the savings that the service will deliver in 2025/26.

- 1.17. To reflect these changes new contract arrangements will be in place between the council and the company in advance of the new financial year. Members are also asked to note that the council currently pays the block contract sums due from the company on 'immediate terms' and is reviewing the process for the payment of sums due outside of this process.
- 1.18. The Council remains committed to the company and supporting it through its transformation and development programme and will ensure it remains financially sustainable, but this work will need to take into account the limited availability of further funding due to wider Adult Social Care budgetary pressures, and will therefore require further transformation and service realignment work.

2. Financial Implications

All financial implications and budget assumptions for the current year and 2025/26 are outlined within this report.

3. Legal Implications

Sefton New Directions operate services that support the Council's legal duties and obligations under the Care Act 2014, pertaining to the delivery of services to Residents of Sefton, who from a Care Act assessment and review of need, require these important services.

4. Risk Implications

There are risks associated with the ongoing transformation programme and the budget position of Sefton New Directions. Any increase to expenditure will need to be met from existing associated budgets and within the financial regulations set by the Council, but will add to existing budgetary pressures. The transformation programme has a focus on addressing financial risks and remodelling services to both ensure value for money and reduce expenditure within other sectors.

5 Staffing HR Implications

The ongoing transformation programme may result in the reconfiguration of services which may therefore then impact on Sefton New Directions Staff. Any identified impacts will be discussed with Staff as part of consultation processes.

6 Conclusion

Sefton New Directions remains a key partner of both Sefton Adult Social Care and Cheshire & Merseyside ICB, supporting them to deliver strategic priorities and services to support some of the most vulnerable people in Sefton.

The transformation programme of Sefton New Directions is ongoing and critical to ensuring that services they deliver are reshaped so that they can continue to meet the needs of Sefton, are sustainable, offer value for money and can be delivered within the current budget.

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There are no alternative options to be considered, given that it was previously agreed that regular updates on the transformation programme and budget position of Sefton New Directions would be regularly reported back to Cabinet.

Equality Implications:

There are no equality implications directly from this report, however equality implications and duties were reflected in the review conducted and will continue to be reflected in the ongoing work to implement the ongoing transformation programme.

Should the ongoing transformation programme result in changes to existing services being delivered by Sefton New Directions, then as part of this work Equality Impact Assessments will be completed to assess the implications.

Impact on Children and Young People: No

Climate Emergency Implications:

The recommendations within this report will have a Neutral impact.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7798/24) and the Chief Legal and Democratic Officer (LD.5898/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation and engagement with Sefton New Directions has taken place with respect to the formulation of this report and regularly as part of the ongoing transformation programme work.

Implementation Date for the Decision:

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

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Appendices:

None.

Background Papers:

None.

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Making Space for Water Crossens SuDS scheme

Date of meeting:	5 December 2024 16 January 2025		
Report to:	Cabinet Council		
Report of:	Assistant Director - (Operational In-House Services)		
Portfolio:	Health and Wellbeing		
Wards affected:	Meols		
Is this a key decision:	Yes	Included in Forward Plan:	Yes
Exempt/confidential report:	No		

Summary: To seek Cabinet approval of this pre-procurement report to authorise the contract award, as described below, for the Making Space for Water scheme to manage flooding in the Crossens area, and to seek the recommendation to Council to approve a supplementary capital estimate of £1.75m funded from £1.6m Environment Agency Grant funding (subject to funding award) and £0.15m from the Highways capital programme.

Recommendation(s):

Cabinet is recommended to:

- (1) Approve the pre-procurement report describing the tender process to procure the contractor for the Making Space for Water Crossens SuDS scheme as outlined in this report.
- (2) Gives delegated authority to the Assistant Director of People (Operational In-House Services), in consultation with the Cabinet Member Health and Wellbeing, to award the Contract resulting from the procurement.

Cabinet recommendation to Council:

- (1) Approve a supplementary estimate capital estimate of £1.75m, funded from Environment Agency grant of £1.6m (subject to funding being allocated by the Environment Agency) and £0.15m from the Highways capital programme as

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outlined in the report.

1. The Rationale and Evidence for the Recommendation

- 1.1. Sefton Council have been developing a flood management scheme associated with the Pool watercourse that runs from the lake in Botanic Gardens, through the stray woodland, runs parallel to Preston New Road before passing through Crossens Community Park and discharging into the Three Pools Waterway. The scheme will seek to create flood storage areas to reduce surface water flood risk directly to 98 properties as well as increase biodiversity and improve the quality of the open space.
- 1.2. Sefton Council are seeking Grant in Aid funding from the Environment Agency for £1.6m to fund most of the scheme. The Environment Agency administer the grant-in-aid funding process and a bid and business case has been submitted (October 2024). The funding allocation is based on a national funding pot and is competitive between projects based on a series of outcomes. Additional funding of £150k has been earmarked from the Sefton Council highway capital improvement programme to support improvements to the drainage of the highway in the area which is contributing to flooding.
- 1.3. The preferred procurement methodology is to use the Environment Agency's Collaborative Delivery Framework, which is part of their Next Generation Supplier Arrangements for delivering flood risk management schemes. Sefton Council are already signed up (10/10/2019) to use the framework. The framework was established in 2018 for 4year with a 4year extension, which has been enacted. The framework is a direct award to a single supplier allocated for the north west. Using the Environment Agency's framework will give the Environment Agency more confidence in the delivery of the scheme.
- 1.4. If the Collaborative Delivery Framework supplier is unable to undertake the work for any reason, then it is proposed to undertake a restricted tender procedure to appoint a suitable contractor as set out in 2.3 of Sefton Council's Contract Procedure Rules 2024.

2. Financial Implications

- 2.1. The scheme will be fully funded through capital grant-in-aid (£1.6m) from the Environment Agency and capital highway funding (£150k), subject to the grant-in-aid funding bid being approved. If the bid is not approved for the full amount, then the scheme cannot be delivered as designed. Within the bid amount there is a contingency of £197k to allow for any cost increases.
- 2.2. The grant is subject to the Environment Agency Grant memorandum and if we propose not to complete a project, the Environment Agency have approved or we are prevented from doing so by circumstances beyond our control we must inform the Environment Agency immediately. We must also fully explain the reasons for this. In these circumstances the Environment Agency may withhold any capital grant payments that they would have otherwise paid. They would not seek to reclaim grant for any expenditure already incurred on the project.
- 2.3. The business case and grant-in-aid bid was submitted on the 23rd October, it is anticipated that the approval process will be completed in mid-December 2024 and notification of grant made shortly afterwards.
- 2.4. The scheme is proposed to be completed within the financial year 2025/26.

3. Legal Implications

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3.1. As determined by the Council's Contract Procedure Rules, the contract will need to be sealed as its total value will be in excess of £250,000.

4. Risk Implications

4.1. The procurement process has little risk due to the use of a national framework.

4.2. The funding bid is subject to a national competitive process and as such there is a risk that funding does not get awarded.

5. Staffing HR Implications

5.1. There are no staffing implications, though additional resource may be available to support the project through the grant-in-aid funding.

6. Conclusion

6.1. The use of a national framework for procurement to a single supplier is appropriate for this scheme.

Alternative Options Considered and Rejected

Sefton Council's Highway term contractor was considered as the contractor for the scheme, but with their current workload and lack of experience in this type of flood suds scheme, it was felt that they would be unable to deliver the scheme in a timely fashion.

Equality Implications:

There are no equality implications of this procurement exercise. The project itself will not have any equality implications, and the site will be accessible to all as far as practicable within the context of this project.

Impact on Children and Young People:

There are no impacts on young children as a result of the procurement exercise. The project itself will provide children and young people to improved environmental green space and reduce the stresses and impacts associated with properties at flood risk.

Climate Emergency Implications:

The recommendations within this report will have a positive impact. The scheme will be reducing flood risk and adapting to future climate change.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

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The Executive Director of Corporate Services & Commercial (FD.7837/24) and the Chief Legal and Democratic Officer (LD.5937/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Meetings have been held with the Environment Agency's Commercial Business Relationship Manager and the north west contractor with regards to using the Collaborative Delivery Framework on 24/10/2024.

A public consultation on the scheme was undertaken in Autumn 2023.

Cabinet Member Health and Wellbeing has been briefed on the project 16/10/2024

Implementation Date for the Decision:

Following the expiry of the "call-in" period for the Cabinet decision; and Immediately following the Council meeting


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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers to this report

Cabinet Report	
Sefton Council 	
Report Title:	Adoption of Supplementary Planning Documents - Short Term Holiday Lets and Boundary Treatments
Date of meeting:	5 December 2024
Report to:	Cabinet
Report of:	The Assistant Director - Economic Growth and Housing
Portfolio:	Housing and Highways
Wards affected:	All
Included in Forward Plan:	Yes
Is this a key decision:	Yes
Exempt/confidential report:	No

Summary:

The Council has recently consulted on the following Supplementary Planning Documents (SPDs):

- Boundary Treatments SPD
- Short-term Lets SPD

Having considered the responses received, in conjunction with the Cabinet Member for Housing and Highways, it is proposed that the SPDs, incorporating any changes recommended in the report and appendices, should be reported to Cabinet for adoption, to enable them to be given weight as material considerations when planning applications are determined.

Recommendation(s):

That Cabinet

(1) approve the Short-term Lets and Boundary Treatments Supplementary Planning Documents (SPDs) for adoption and use in planning decisions

1. The Rationale and Evidence for the Recommendations

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1.1 Consultation on the following draft Supplementary Planning Documents (SPDs) took place between March and April 2024:

- Boundary Treatment SPD;
- Short-term Lets SPD

1.3 Only a few comments were received on the SPDs. These are summarised below and are set out in full in Appendix A. Where the Council have made any changes is set out in the Appendix.

1.4 The SPDs once adopted will form a material consideration in all planning applications and appeals.

Boundary Treatments SPD

1.5 The purpose of the Boundary Treatment SPD is to set out the design guidance for new or changes to boundary walls, fences, railing, gates and hedges so that they will be of high quality safe and well designed.

1.6 Good quality boundary treatment can provide security, privacy for occupants and neighbours, can make a house and street scene visually more attractive and coherent with the surroundings, can help provide linkage with the wider landscape and can be beneficial to wildlife. Poor quality boundary treatment can make a site and an area less safe, can be obtrusive visually, it can be dangerous through reducing highways safety and can impact negatively on heritage assets such as Listed Buildings and Conservation Areas. This SPD has produced to ensure that there is a consistent and appropriate approach to decision making on planning applications for boundary treatments.

1.7 A number of comments were received on this SPD from:

- Canals and Rivers Trust welcomed section 10 on boundary treatment facing the canal and in particular providing open and positive fronting to the canal.
- Highways England have commented on the importance of sight lines in development for highways safety. They have also commented on the need to ensure that boundary treatment that is the responsibility of National Highways, are not removed or replaced through development.
- Mersey Forest have suggested that where trees are lost, a 1 to 1 replacement is inadequate and have put forward alternatives. The Council response is that a 1:1 replacement is the Local Plan policy and so cannot be changed in an SPD.
- Historic England have advised to seek advice from the Sefton Conservation Officers. This has been done.

1.8 No changes have been made to this SPD as a result of the comments made.

Short-term Lets SPD

1.9 The Short-term Lets SPD was written in response to the rise in the number of properties that are being rented out short term, increasingly for tourism/visitor purposes. Short-term lets can provide very flexible accommodation that can sometimes be more suited to family groups than traditional hotel and Bed and Breakfast accommodation. As a borough that has a number of visitors, particularly to the north of the borough with people visiting Southport, the Sefton Coast and the various golf courses, short-term lets may be very beneficial.

1.10 Despite these advantages, short-term let accommodation in the wrong places, can be very damaging, especially for some residential communities. Where short-term lets become intensively used, especially with large groups of people stag and hen parties and for football

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weekends), and therefore not compatible with a surrounding residential area, this can cause lots of late night disturbance and have a detrimental impact upon the local area. The SPD has been brought in to ensure that only appropriate Short-term Let conversions take place in Sefton to support the local visitor economy, whilst preventing those that would be detrimental to local residents.

1.11 Two comments were received on this SPD from:

- Highways England considered that the SPD will not have a material consideration on the strategic road network.
- Historic England have advised to seek advice from the Sefton Conservation Officers. It is considered by the Council that the heritage aspect of Short-term lets are dealt with adequately by the existing Local Plan policies.

1.12 No changes have been made to this SPD as a result of the consultation.

1.13 It should be noted that the previous Government consulted on a new 'Use Class' for Short Term Lets, and allowing, under "Permitted Develop" rights, to convert to one from a residential property without planning permission. It is unclear whether these will be brought in by the new Government and the Council have written to the Secretary of State to clarify. If the Permitted Development rights were brought in, they would undermine this SPD and we would have to review it.

2. Financial Implications

None. Both SPDs will be implemented through the Development Management regime, which secures planning fees.

3. Legal Implications

The SPDs have been produced in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012.

4. Corporate Risk Implications

None

5 Staffing HR Implications

None. Will use existing staff resources.

6 Conclusion

If approved, the SPDs will be published on the Council's planning web pages and be used in assessing planning applications and appeals.

Alternative Options Considered and Rejected

The alternative would be not to adopt the SPDs. This would require planning decisions to be made using outdated policies. In the case of the Short-term Lets SPD, there will be no local policy coverage.

Equality Implications:

There are no equality implications.

Both SPDs are unlikely to have any material impacts upon protected characteristics as

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they deal with relatively minor development. The Boundary Treatment SPD is unlikely, in most instances, to have any material impact upon anyone with protected characteristics. The only instance where this may be applicable is by protecting highways safety, through having adequate sightlines. This is likely to protect all residents, but may in particular benefit those with limited mobility, people with young children, and those visually impaired.

The Short-term Lets SPD again is unlikely to have any material impact upon those covered by protected characteristics compared with the rest of the population due to the nature of the developments.

There are no obvious opportunities for either SPDs to increase opportunities for any characteristics, nor will they help or hinder relationships between different characteristics and the rest of the population.

Impact on Children and Young People:

Boundary Treatments and Short-term Lets are not likely to have a material impact upon children and young people. The nature of the subject matter in both SPDs don't really impact upon any particular demographic more or less than others.

Climate Emergency Implications:

The recommendations within this report will have a Neutral impact.

The Boundary Treatments SPD deals only with boundary treatments and as such will have minimum impact upon climate change. Where it will do is where it involves the loss of trees or hedges. Trees are required to be replaced as per the Local Plan. However, many domestic hedges have no protection, and this SPD does not, and cannot, change that.

The Short-term lets SPD will have little impact upon climate change. Currently there is no requirements for planning permission in many instances for short-term lets and this SPD sets out guidance for when they do. In most instances, they will only be granted permission where they keep the existing residential character and as such are unlikely to involve significant building work. The SPD is also about encouraging Short-term lets in the right location rather than increasing or decreasing numbers and so the SPD will not be likely to make a material impact upon visitor numbers making journeys into or out of the borough.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services and Commercial (FD.7820/24) and the Chief Legal and Democratic Officer (LD.5920/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The proposed SPDs have been through two rounds of formal consultation. This involved an initial scoping stage, where views were sought on whether the SPDs were needed and what they might cover.

The second stage was on the draft SPDs, **Page 36** comments on those drafts.

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At both stages, the Council wrote to statutory consultees and those individuals and groups that had asked to be notified about plan-making consultation. The SPDs were also advertised online, in Local Newspapers and on social media adverts.

A number of comments were received at each stage, and it was considered whether the SPD should be amended as a result of those changes.

Implementation Date for the Decision:

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

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Appendices:

The following appendices are attached to this report:

Appendix A - Boundary Treatments SPD

Appendix B - Short-term Lets SPD

Appendix C – List of comments submitted through the consultation on the SPDs

Background Papers:

None

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Conversions to Short Term Holiday Lets

Supplementary Planning Document

December 2024

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What is a short-term holiday let?

1. Generally, a short-term holiday let is a property that is let out for several days or weeks; they are often referred to as holiday lets and are aimed at offering temporary accommodation for tourists and holidaymakers and occasionally people visiting an area on business. Unlike hotels, they are not purpose built as visitor accommodation, but are converted from other uses (often residential or commercial properties).
2. Sometimes, properties are advertised as serviced apartments. How we treat these will depend on the length of stay someone can book for (see below).

How long can occupants stay in a short term let holiday before it becomes a main or second residence?

3. As short-term holiday lets are intended to provide holiday and visitor accommodation on a temporary basis, they are not intended to provide the main home of an occupant, even for a temporary period. Therefore, the Council would consider that a property that is let for more than 28 days at a time will no longer be considered a short-term holiday let and instead be considered either a single dwellinghouse (Use Class C3) or a Home in Multiple Occupation (Use Class C4 or Sui Generis, depending on size). In these cases, proposals will be assessed against the relevant Local Plan and Supplementary Planning Document policies. The 28 day period is proposed as, beyond this period, the accommodation starts to become more akin to temporary main accommodation for residents and should be assessed as such, in terms of facilities and amenity.

Why is planning guidance needed?

4. Whilst short term holiday lets can provide good quality, flexible accommodation for visitors that complement purpose-built hotels and support local tourism, they can have some negative impacts if not managed or located correctly. They can cause noise and disturbance in a residential area, cause increased demand on local services, change the character of an area, and result in a loss of housing stock.

What is a Supplementary Planning Document (SPD)?

5. SPDs give more detailed guidance to policies in the Adopted Local Plan and 'made' (i.e. adopted) Neighbourhood Plans in Sefton. The public must be consulted on draft SPDs under The Town and Country Planning (Local Planning) (England) Regulations. Once approved, SPDs help guide the Council when making decisions on applications for development.

What does this SPD seek to do?

6. It is not always the case that the use of a residential property for a short-term holiday let requires planning permission, as this may not always constitute development, i.e. the change is not 'material'.

7. Therefore, this guidance sets out those circumstances where planning permission is required, and also sets out the issues that will be considered when deciding to grant permission or not.

When is planning permission required to convert an existing property to a short term holiday let?

8. Planning permission is required to convert commercial and other non-residential properties (including public houses, offices, retail uses, business premises, former schools, churches, community centres etc) to short term holiday let accommodation. However, the need for planning permission to change from a residential property to a short-term holiday let is less clear and a question of fact and degree.

9. The key test is whether a change of use from residential to letting out the property for short term periods would be a 'material' change of use when compared with the current way in which the property is being used or occupied. The term 'material' in planning is not clearly defined but in general terms means a factor that is relevant to making the planning decision in question. If the change of use is not considered 'material', then it would not constitute development and planning permission is not necessary.

10. In considering what is a 'material' change (in terms of the planning process), the scale, intensity, number of occupants, whether the occupants are single letting group, and how many vehicles they bring, period and frequency of rent are relevant, and there may be other factors. A material change is one where the planning circumstances are so different that the character and use of the residential property has changed to a degree where the property is no longer used in the way a family house would be used.

11. So, if a dwelling is let out as holiday accommodation to a single family group, and that family is limited to a similar mix and number of occupants that may have been expected to have lived in the property when it was a dwelling, it is unlikely that a material change of use would occur.

12. However, if a dwelling is sub-divided into a number of rooms for let to unconnected groups or individuals (who also might all bring their own car, for example); or the dwelling is to be let to a single group larger than would normally be expected to live in the property as a dwelling; or the dwelling is let to a large group of entirely adults (who don't form a family unit); then we consider that the change of use would be 'material'.

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Examples

Example 1

A four-bedroom home is being let to visitors on a short-term basis. The home is being let as a single holiday unit for families with a cap of 6 occupants. The home maintains facilities required for day-to-day living, as expected in a private home.

This is unlikely to be a material change of use. The original dwelling would have comfortably accommodated 6 occupants as part of a family group and the proposed holiday let would not be used any more intensively than that.

Example 2

A three-bedroom home is being let to visitors on a short-term basis. The home is being let as a single unit with a cap of a group of 8 occupants. The front lounge has been converted to an additional bedroom and each of the bedrooms is let as a double.

This is likely to be a material change of use as the dwelling is being used a lot more intensively than it would have been expected to as a residential dwelling. When used as a 3 bedroom, the dwelling would unlikely have been used for 8 occupants, particularly 8 adults.

Example 3

A four-bedroom home is being let to visitors on a short-term basis. The bedrooms are being let separately (to different groups) on a basis of two double and two single rooms with a maximum of 6 occupants at any one time.

This is likely to be a material change of use as the dwelling is being used more intensively than it would have been expected to as a residential dwelling. The property is to be let to four separate groups and this is likely to lead to more comings and goings, and more noise and disturbance than if let to a single group.

What issues will we look at in a planning proposal for conversion to a short-term holiday let?

13. If planning permission is required (see above) then firstly the Council will take the location of the proposal into account. Most short-term holiday lets will either be in residential areas or town centres.

Proposals in Primary Residential Areas

14. Local Plan Policy HC3 Residential Development and Primarily Residential Areas says the following:

Non-residential development will be permitted in Primarily Residential Areas provided that it can be demonstrated that the proposal:

a. will not have an unacceptable impact on the living conditions of neighbouring properties, and

b. will otherwise not harm the character of the residential area

15. There is the potential that a conversion of a dwelling or other building in a residential area for use as a short-term holiday let can cause harm to the living conditions of neighbouring residential properties through increased noise and disturbance for example, this can be through:

- an increase in coming and goings,
- 'daytime' living accommodation (lounge, kitchen etc) in the holiday let sharing a party wall with a bedroom in an existing neighbouring dwelling,
- the occupants of the holiday let keeping unsocial hours and playing loud music etc.
- increase in the amount of and need for storage of refuse/recycling where there is not sufficient space or disposal arrangements for this.

16. Also, the use of dwellings and other buildings in residential areas as short-term holiday lets can change the character of the area, particular in areas where there are already many conversions, including to flats and houses in multiple occupation. This can impact on the amount of car parking onsite or on the street, general comings and goings and when they occur, sense of community and how residents interact with each other, and how local services and facilities are supported.

17. Therefore, in assessing proposals for the conversion of a dwellings and other buildings in residential areas to a short-term holiday let in a primary residential area the following will apply:

- The number of prospective occupants should be proportionate to the size, layout and location of the property. The Council would expect details of how the property can be let including: the number of occupants; mix of occupants (e.g. single family groups, party groups, etc); length of stay available.
- Rooms should not accommodate more than two occupants (except for the addition of a cot or children's sized bed (where appropriate)). This is to avoid an over intensification of rooms.
- Sub-dividing existing bedrooms or other rooms in a house to create additional bedrooms must be avoided. This is to avoid an over-intensification of the use of the property.
- Extensions to an existing dwelling for additional holiday accommodation will be assessed against the [House Extensions Supplementary Planning Document](#), even if the dwelling has already been converted to a short term holiday let.

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- Communal rooms in a short-term holiday let property should be restricted to the ground floor unless they can be located without sharing a party wall of a bedroom in a neighbouring residential property. Conditions may be applied to any permission to mitigate any noise issues.
- The Council will not permit the conversion of a dwelling or other property in a primary residential area to a short term holiday let if 5% of properties within 100 metres of the application site have already been converted to short term holiday lets, flats or Homes in Multiple Occupations (further information is provided at section 5 of the [Conversion to Flats and HMOs Supplementary Planning Document](#)).
- Off-street parking should be provided commensurate to the size of the property, the number of occupants and whether those occupants can be separate or single groups. The Council's [Sustainable Travel SPD](#) provides more guidance.
- Sufficient bin storage space should be provided to manage waste from the prospective occupants. This should be well-designed, unobtrusive and allow for ease of use/maintenance.
- Facilities in outdoor space that could encourage disturbance to neighbours if used at unsociable hours (outdoor bars, jacuzzies etc) should be avoided or well-located/screened.

18. As holiday accommodation units are considered 'main town centre' uses they should be directed to our defined Town, District or Local centres, in accordance with Local Plan policy ED2 (see below). Proposals outside these centres should be approved only in accordance with a sequential approach. Furthermore, depending on the size of the proposal, and Impact Assessment many also be required.

Proposals in Town, District and Local Centres

19. In general terms, the Council's Town, District and Local centres provide the best location for holiday let accommodation. This is due to the availability of services and facilities, shops and restaurants, public transport and (particularly in Southport) tourist attractions. Also, as visitor accommodation units are classed as town centre uses, they would accord with the sequential approach to development in these locations.

20. Therefore, the Council are likely to be more supportive of proposals to convert premises to short term holiday let accommodation in these areas.

21. However, there are still some key considerations to be had when considering conversion to short term holiday let accommodation in centres.

22. A key consideration is to protect the shopping area within each of our centres. Many of our centres have a separately defined Primary Shopping Area within the wider centre designation. These are the areas that accommodate most of the shops and have the highest footfall (number of visitors / shoppers / passers-by). Whilst the use of upper floors for hotel and visitor accommodation is generally fine, the loss of ground floor units in these areas from being shops could have a detrimental impact on the vibrancy of the shopping area. Therefore, in accordance with Policy ED2 of

the Local Plan, proposals for visitor accommodation on the ground floor in Primary Shopping Areas will only be acceptable where:

- the overall retail function of the Centre would not be undermined;
- the use would make a positive contribution to the overall vitality and viability of the Centre; and
- it would not result in an unacceptable cluster of non-retail uses.

23. In some of Town, District and Local Centres there are residential areas. In these areas, we will apply same criteria as we would to proposals in Primary Residential Areas, with the exception of the restriction of the number of conversions within 100m of the property.

24. In line with the 2023 NPPF (paragraph 187), and any subsequent update, where the operation of an existing business or community facility could have a significant adverse effect on a new visitor accommodation in its vicinity, the applicant (or 'agent of change') should be required to provide suitable mitigation before the development has been completed.

Proposals elsewhere

25. Proposals to convert a property in areas outside a defined centre or a Primary Residential Area will be assessed against the relevant criteria in the Local Plan for the site. This may include:

- Employment areas
- Mixed used areas
- Green Belt.

26. In addition, as with in other areas, where the operation of an existing business or community facility could have a significant adverse effect on a new visitor accommodation in its vicinity, the applicant (or 'agent of change') should be required to provide suitable mitigation before the development has been completed. This would be particularly relevant in an Employment Area.

27. Similarly, there is need to show that a sequential approach to the location of the visitor accommodation has been undertaken and, if appropriate, an Impact Assessment.

How can you get advice on whether a proposal needs permission and if so, what issues will be considered?

28. For all proposals for short term holiday lets, we encourage you to use the Council's pre-application service to obtain early advice from planning officers on your proposed application. By discussing your project with us before you apply for planning permission, we can help you to put together a successful application that meets our requirements and avoid delays. There is a charge for this service. Details of our preapplication service can be found at [Pre-application advice on development proposals \(sefton.gov.uk\)](https://sefton.gov.uk/pre-application-advice-on-development-proposals).

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29. There are significant benefits in using our pre-application service. We will tell you:

- Whether your proposal is likely to be given permission or not
- Whether you need specialist input (e.g. if your proposal is likely to have an impact on listed buildings, conservation areas, trees, ecology, etc) before you submit your application
- About potential issues and so reduce the chances of you putting in a proposal which is not going to be acceptable
- If you if your proposal is completely unacceptable, and so will be able to save you the cost of putting in a formal application.
- What information you need to include with your application, reducing the chances of you making an invalid application, and improving how quickly we can deal with your application.

Planning Policy Context

30. Government planning policy and how it is to be applied is set out in the National Planning Policy Framework (NPPF) (www.gov.uk/government/publications/national-planning-policy-framework--2). The NPPF requires each council to have robust and comprehensive policies that support the delivery of high-quality sustainable and inclusive development.

31. Sefton's Local Plan was adopted in April 2017. The Local Plan includes a range of policies to shape the future of Sefton. It sets out how development will be managed in the period from 2015 to 2030, encouraging sustainable development and economic growth and giving current and future generations more opportunities to live and work in Sefton's outstanding environment.

32. Specifically, this SPD will support the following Local Plan policies:

- HC3 Residential Development and Primarily Residential Areas
- ED2 Retail, Leisure and other town centre uses
- EQ2 Design
- ED5 Tourism

33. The Council is preparing a Bootle Area Action Plan (AAP). It has been through the regulation 18 consultation and has been approved for regulation 19 consultation: This SPD will support draft policy

- BAAP1 Design

Appendix A

A list of consultation responses received on the draft Boundary Treatments and Short-term Lets Supplementary Planning Documents.

Boundary Treatments SPD – Comments made by: Canals & Rivers Trust
Comment: The trust support the production of the boundary treatment SPD. We support the overall thrust of the document in terms of trying to provide a mechanism to ensure boundary treatments are appropriate to the character of the area and can have significant impact on how an area is perceived. We particularly welcome section 10 in terms of the boundaries adjacent to a canal corridor. As noted within the document, closing the canal corridor off with closed-board or palisade fencing would not maximise the potential of developing near water. We welcome the intention that new development should seek to provide an open and positive frontage to the canal corridor. We also welcome the intention of section 12 in terms of the retention of hedgerows.
Response: Noted
Suggested change to SPD: No changes proposed.

Boundary Treatments SPD – Comments made by: Highways England
Comment: Our focus whilst reviewing the SPD was the impact to road safety that unsuitable boundary treatments might have. We certainly see it as key that sight lines, for example, are not obstructed through the erection of boundary fences or walls in poor locations. Additionally, we would like to stress the point that the boundary fences for motorways are the responsibility of National Highways as Highway Authority for those routes, and developers are reminded that the removal of these fences would not be acceptable. There have been recent issues where our own fences have been replaced with acoustic barriers without consent. As we cannot permit a third party to maintain a highway boundary, this is causing land and legal issues that need to be overcome. Our responses to planning consultations for sites adjacent to motorway boundaries would almost always recommend the construction of a secondary, 2m-high close boarded fence at least 1m inside the developer's land. This allows for the continued maintenance of our own boundary, with the additional safety benefits of a close-boarded fence to reduce the risk of access on to the network. In terms of the construction of acoustic barriers and other structures, the Design Manual for Roads and Bridges (DMRB) states the requirement for technical approval of all structures which may be within "falling distance" of the highway boundary. This approval must be sought from National Highways by the developer, preferably prior to the submission of the planning application.
Response: Noted
Suggested change to SPD: No changes proposed.

<p>Boundary Treatments SPD – Comments made by: Mersey Forest</p> <p>Comment: The Boundary Treatment SPD says “Development proposals must replace any trees lost as a result of development at a ratio of 1:1 within the site”. We would strongly encourage you to go further with this ratio, to replace trees lost at a higher ratio to encourage an overall increase in tree cover. It is very important to take into consideration not just the number of trees lost, but also their overall canopy cover, species type, maturity, and the ecosystem services that they are providing. The loss of a smaller tree is much less significant than the loss of a larger more mature tree.</p> <p>The Tree Equity Score, developed by the Woodland Trust, for Sefton is currently 77, with 100 being equitable. This varies across the borough with the lower scores being predominantly in South Sefton and around Southport; these areas are also marked as the highest priority. Protecting boundary trees and planting new trees will help the borough increase its tree equity score.</p> <p>It may be beneficial to use a green infrastructure valuating tool, such as GI-Val, to calculate what the effect of losing trees on boundaries would be so that they can be replaced to provide equal/greater value. This would be a similar approach to Biodiversity Net Gain and would ensure the ecosystem services the trees were providing were not lost.</p> <p>It is also worth considering the approach put forward by the Bristol Tree Forum in July 2023. This details the approach used in Bristol’s 2014 Local Plan, which has differing tree replacement numbers depending on the diameter of the lost trees. However, to take into account climate and ecological emergencies, and meet the 10% BNG requirement, it is arguing that the replacement numbers should be significantly revised. It requires between 2, 100, and 21 replacement trees depending on if the tree is small, medium or large (with diameter measurements given for what constitutes each).</p> <p>The Mersey Forest Team can assist with advising on tree planting scheme designs and delivery. The Mersey Forest has a number of delivery programmes to facilitate tree planting and habitat establishment, such as Trees for Climate and Northern Forest. The Forest can also support delivery through Section 106 agreements or Community Infrastructure Levies where it can be shown that our funds provide additionality in terms of the delivery of The Mersey Forest Plan.</p>
<p>Response: Noted. However, Local Plan policy EQ9 'provision of public open space, strategic paths and trees' outlines 'replace any trees lost as a result of the development at a ratio of 1:1 within the site'. An SPD can not introduce new policy, but rather build on those within a development plan, and as such, we are unable to ask for a higher ratio of tree replacement within this SPD.</p>
<p>Suggested change to SPD: No changes proposed.</p>

Boundary Treatments SPD – Comments made by: Historic England

Comment: We would encourage you to consider the historic environment in the production of your SPD. We recommend that you seek advice from the local authority conservation officer and from the appropriate archaeological staff. They are best placed to provide information on the historic environment, advise on local historic environment issues and indicate how heritage assets may be affected and identify opportunities for securing wider benefits through the conservation and enhancement of the historic environment.

Response: Noted. The historic environment is covered by various Local Plan policies.

Suggested change to SPD: No changes proposed.

Short-term Lets SPD – Comments made by: Highways England

Comment: Given that there is unlikely to be an impact from the SPD to the Strategic Road Network, National Highways will not look to comment further on the proposals.

Response: Comment noted.

Suggested change to SPD: No changes proposed.

Short-term Lets SPD – Comments made by: Historic England

Comment: We would encourage you to consider the historic environment in the production of your SPD. We recommend that you seek advice from the local authority conservation officer and from the appropriate archaeological staff. They are best placed to provide information on the historic environment, advise on local historic environment issues and priorities, indicate how heritage assets may be affected and identify opportunities for securing wider benefits through the conservation and enhancement of the historic environment.

Response: Noted. It is not considered that the SPD will have a material impact upon Heritage assets as they are dealt with by other policies

Suggested change to SPD: No changes proposed.

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Boundary Treatment

Supplementary Planning Document

December 2024

Agenda Item 7

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1. Introduction

1.1 This document provides guidance on “boundary treatment” or “means of enclosure” around properties, commercial premises, schools and community uses, conservation areas and listed buildings within Sefton. This includes walls, fences, railings, hedges, trees, gates and any other feature that permanently encloses an area of land.

1.2 We provide advice throughout the document on which boundary treatment is most appropriate within certain settings. This document provides further detail to policies in the Local Plan, particularly EQ2 ‘design’. It does not have Development Plan status, but it will be accorded weight as a material planning consideration in the determination of planning applications.

1.3 Planning applications will be assessed against the contents of this document, the Sefton Local Plan, the National Design Guide and the National Planning Policy Framework. In particular, Local Plan policy EQ2 “Design” will be used alongside this document in the determination of applications which incorporate boundary treatment.

2. Do you need planning permission?

2.1 Some boundary treatment does not require planning permission. Boundary treatment that is permitted development can be found in the General Permitted Development Order Schedule 2, Part 2, Class A-gates, fences, walls etc. Further information can be found on the following link:

<https://www.legislation.gov.uk/uksi/2015/596/contents>

2.2 Planning permission will normally be required for boundary treatment that:-

- Is over 1 metre in height above ground level and is adjacent to a highway used by vehicular traffic.
- Is over 2 metres in height and is not adjacent to a highway used by vehicular traffic.
- Is enclosing or within the curtilage of a listed building.
- Is in an area covered by an article 4 direction that removes permitted development rights for boundary treatment.
- Is on a property where permitted development rights have been removed by way of a planning condition.

2.3 Within a conservation area permission may be required to take down a boundary.

3. Importance of well-designed boundary treatment

3.1 The materials used to provide boundaries are common features throughout both urban and rural settings. They can:

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- Define areas of space and provide privacy, including through provision of soft landscaping (e.g. hedging).
- Provide security, contributing towards natural surveillance and safety.
- Link buildings with the wider landscape.
- Clearly define what is public from what is private.
- Provide a better outlook (i.e. hide an unattractive view).
- Add interest to a streetscene.

3.2 Where an application is received, the main issues we are likely to consider are:-

- Design, appearance, type and durability of materials
- Impact on the character of the street scene (its suitability in the locality)
- Function
- Highway and public safety
- Impact on neighbours

3.3 A boundary must balance privacy, safety and security against what it looks like. Similarly, the need for security does not outweigh other relevant considerations such as its appearance and its impact on local amenity. What is considered appropriate in one location may not in another.

3.4 When re-instating a boundary treatment that has been lost, particularly within a conservation area, it is important that it reflect the historic character of the area.

4. Highway safety

4.1 A boundary which hinders vision onto a highway is unacceptable. For example, if it prevents a car being able to be safely driven out of a private driveway across the pavement it will not be acceptable. See Sefton's [highway developer pack](#) for more information.

5. Boundary treatment within residential areas

5.1 Throughout Sefton, boundaries contribute toward the character of the area. For example, many 19th century developments within the borough have low level brick or sandstone walls along their front boundaries. It is important that proposals for new or replacement boundaries in residential areas respect the character of the area.

5.2 Proposals that include new or replacement boundary treatment within residential areas should adhere to the following principles:

- a) The height, design and materials used should relate to the character of the local area (see paragraph 5.3 below).

- b) The proposed boundary should be safe and not harm highway safety.
- c) Materials should complement the host building, be of high quality and be durable.
- d) An overly high boundary between properties can decrease the living conditions enjoyed by a neighbour. Ideally boundaries between front gardens should not exceed the height of the front facing boundary.
- e) Front boundary gates must be in proportion to the height of the rest of the front boundary.
- f) Boundaries that can be seen from the public realm should be of a high- quality design.
- g) The use of dangerous or unsafe materials along boundaries will not be permitted within residential areas. This includes the use of razor wire, barbed wire, broken glass or metal palisade fencing with spiked pales.
- h) Materials such as unrendered blockwork, concrete panels, perforated blocks and industrial security fencing are inappropriate within a residential setting and will not be permitted, particularly if this can be viewed from the street or other public areas.

5.3 The following is a general guide on what boundary treatment will be encouraged within residential areas, providing they fit in with the street scene and the character of the wider area.

Low Metal Railings

Low railings (including those on a low wall) provide a tidy treatment, usually along front boundaries, that contribute towards the character of an area. They also ensure a level of natural surveillance and provide a physical barrier to increase the safety of the host property. Many of Sefton's historic and older areas have low railings along their boundaries.

Appropriate uses

Front boundary.

Low Brick Walls

Low brick walls can reinforce the street scene and provide a visual extension of the host property. They can define the boundary of the curtilage and provide a physical barrier between the public and private realm.

Appropriate uses

Front boundary.

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Low Timber Fence

Low picket and post and rail fences can be complemented with soft landscaping. Timber is prone to rotting and extra care should be taken to timber fencing along front boundaries to prevent rotting, which looks unattractive and can place extra burden on the owner. The type of timber and finish should enable the fence to be durable and long-lasting.

Appropriate uses

Front boundary

High Brick Walls

High brick walls can provide security and a visual extension of the host property. High brick walls will generally only be permitted on the public highway where they are a designed feature of the street scene and only then if they do not compromise highway safety.

Appropriate uses

Rear gardens in visible locations.

Corner properties.

Stone/ Artificial stone walls

Stone and artificial stone walls can enhance a street scene through a rustic effect in appropriate locations whilst providing a solid boundary treatment.

Appropriate uses

Front boundary.

Soft Landscaping

The visual impact of fences and walls, both on the host property and on the street scene can be softened through the use of plants including hedges. Species used should be chosen carefully and maintained to prevent them overhanging the public highway. This should be no higher than 1m along front boundaries to ensure highway safety.

Appropriate uses

Front boundary. Corner properties. Rear gardens.

Timber Infill

Timber infills, including infill panels above a low brick wall and between brick piers, can comprise a high-quality design and provide a necessary level of privacy and security. The type of timber and finish should enable the fence to be durable and long-lasting.

Appropriate uses

Corner properties, behind the building line to the front elevation.

Rear gardens visible from the public realm

High Timber Fence

High timber fences are relatively low priced and can provide a satisfactory level of privacy and security. The type of timber and finish should enable the fence to be durable and long-lasting. However, as timber fences tend to age badly, we would not support high timber fences on boundaries that front onto the public realm.

Appropriate uses

Rear boundaries which do not front the public realm.

Blockwork (e.g. breeze blocks) including perforated blocks

Blockwork boundary treatment is considered to be bulky and unsympathetic to residential street scenes.

Appropriate uses

If rendered, rear boundaries that do not front the public realm.

Concrete panels

Concrete panel fencing will often damage the appearance of a property and the area in which it is located.

Appropriate uses

There are existing concrete panel fences in areas such as rear alleyways. However, new concrete panel fences are likely to be considered unacceptable.

6. Boundary treatment for commercial properties

6.1 We acknowledge commercial properties may hold expensive stock or equipment that is often left unsupervised at night. However, a balance needs to be struck between security and general amenity, particularly if the boundary can be seen from public areas. There are many suitable fencing systems that are both attractive and secure.

6.2 Within residential areas and other areas well-used by the public, such as shopping areas, commercial properties that front onto roads should avoid positioning unattractive security fencing along the street. If secure fencing is essential on a frontage, it should be of a quality design which enhances the street scene.

6.3 The following is a general guide on what boundary treatment will be permissible in principle for commercial properties, provided they do that cause significant harm to the street scene or character of the area. The guidance provided in the rest of the document should be used in unison with the guide below.

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Palisade fencing

Powder coated palisade fencing provides a level of security and surveillance and is appropriate for industrial estates. However, is not considered a suitable design for a commercial property in a residential area due to impacts on the street scene.

Appropriate uses

- Commercial properties within a residential area, where the fencing would be positioned out of view of the public realm
- For Commercial properties within an industrial estate.

Mesh type fencing

Powder coated mesh fencing can provide a level of security and surveillance. It is appropriate as a boundary treatment for commercial properties on industrial estates and may be appropriate for residential areas depending on the character of the immediate area.

Appropriate uses

- Commercial properties within a residential area.
- For Commercial properties within an industrial estate.

Brick walls

Brick walls provide security and can be of a high-quality level of design. They are appropriate for commercial properties, subject to suitable design, in residential areas.

Appropriate uses

- Commercial properties in residential areas so long as highway safety is maintained.
- For Commercial properties within an industrial estate

Iron railings

Iron railings can provide security, a level of surveillance and can be of a high-quality level of design. They are appropriate for commercial properties in residential areas.

Appropriate uses

- Commercial properties in residential areas.

Raised planters

Raised planters can enhance the street scene. They can be appropriate for frontages on commercial properties in residential areas.

Appropriate uses

-Commercial properties in residential areas.

7. School and community use boundary treatment

7.1 Boundary treatment around schools and other community uses (e.g. doctors' surgeries, hospitals, community centres, scout halls, sports clubs, playing fields, care homes) have a greater emphasis on safety. The uses often require a physical barrier which deters unauthorised persons from accessing or looking into a site. Boundaries around schools and other community uses should ensure the safety of their users and should be designed in a manner which reflects the context of the specific site and its surroundings.

7.2 Schools or other community uses, that have an established frontage which comprise an existing steel or iron railing or a boundary brick or stone wall, should ensure these are retained where possible. Where a school or other community use has an established frontage, but needs additional security, preference may be given to increasing the height of the existing railing or the height of existing brick or stone wall using appropriate material, subject to design and residential amenity.

7.3 If new security fencing is needed, it would be appropriate to set the security fencing back within the site or along the rear, leaving the original boundary treatment to the front on public view. This will ensure the property maintains its positive contribution to the street scene. The secondary level of new fencing will be less intrusive.

8. Car park boundary treatment

8.1 We advise that car park boundaries should allow for natural surveillance by maximising visibility into the car park.

8.2 Car park boundaries should be appropriately designed so as not to cause harm to the character of the surrounding area.

9. Conservation areas and listed buildings

9.1 Proposals to amend a boundary treatment within a conservation area will be permitted where they preserve or enhance the character of the area or reinstate historic boundary features that have been lost. In Conservation Areas boundaries frequently play an important part in contributing to the significance of the area and are often unique in design and quality.

9.2 Permission is required for the erection, alteration or demolition of any wall, gate, fence and other means of enclosure within the curtilage of a listed building. Planning permission and listed building consent are required for gates, walls, fences and other means of enclosure within the curtilage of or which form a boundary to a listed building.

9.3 Properties within a conservation area may be subject to additional controls. It is important you check whether your property is in an "Article 4 Direction" area, as these may remove

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permitted development rights for boundary treatment. Article 4 Directions within Sefton can be found on the following link:

<https://www.sefton.gov.uk/planning-building-control/planning-policy-including-local-plan-and-neighbourhood-planning/>

9.4 Conservation area appraisals provide guidance of what boundary treatment may be acceptable in your area. These can be found by following the link:

<https://www.sefton.gov.uk/planning-building-control/conservation-and-heritage/conservation-areas.aspx>

10. Water courses/canals

10.1 Boundaries fronting a canal should respect or enhance the perception of openness on the canal corridor.

10.2 Closed boarded fencing and palisade fencing will not be permitted along the canal corridor. In areas along the canal corridor which are predominantly fronted by closed boarded or palisade fencing, new proposals should take the opportunity to enhance the area by removing such fencing.

11. Ecology

11.1 We encourage the use of ecology friendly boundary treatment. This can include:

- Badger gates
- Planting schemes
- Water Vole/Newt/Hedgehog fences in all appropriate areas.
- Bat boxes

11.2 When designing boundary treatment, you should consider the movement of hedgehogs. Hedgehogs need to be able to move freely between gardens to be able to flourish. Therefore, new boundary treatment between gardens and in other appropriate areas must allow for the unimpeded movement of hedgehogs. This should include small purpose-built gaps for the hedgehogs to get through. Examples can be viewed here:

<https://www.hedgehogstreet.org/help-hedgehogs/link-your-garden/>

An exception to this is where fences abut roads, or if the fence needs to provide protection from excessive noise levels.

12. Trees and hedges

12.1 Your proposal should avoid causing harm to existing mature trees and hedges. This could be achieved through:

- a) Providing adequate distance between the development and mature trees and hedges.

b) Adopting construction methods that reduce the potential impact on trees.

12.2 A boundary treatment that is likely to affect a tree will require an Arboricultural survey as part of a planning application.

12.3 Development proposals must replace any trees lost as a result of development at a ratio of 1:1 within the site.

12.4 Some trees are protected by a Tree Preservation Order (TPO). It is an offence to cut down, lop, uproot, wilfully damage or wilfully destroy a tree covered by a TPO without the permission of the Local Planning Authority (except for specified exemptions). For more information on TPO'S please see the following webpage:

<http://www.sefton.gov.uk/planning-building-control/apply-for-planning-permission/tree-preservation.aspx#faq1>

12.5 Significant hedge removal may not be supported. Where there is an existing hedge along a boundary, consideration should be given to positioning new fencing or walls behind the existing hedge.

12.6 Certain hedgerows are protected. Removing a protected hedgerow without permission of the Local Planning Authority is an offence. Information on protected hedgerows can be found on the following webpage:

<https://www.gov.uk/guidance/countryside-hedgerows-regulation-and-management>

13. Sustainability

13.1 In line with the Waste Local Plan for Merseyside (2013) construction and demolition methods should be used that minimise waste production and encourage re-use and recycling materials, as far as practicable on-site.

14. Enforcement

14.1 If a boundary treatment is placed without the required permission, we may take enforcement action. We will act where it is practical, reasonable, and necessary to do so in the wider public interest.

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Southport Eastern Access and Maritime Corridor Major Schemes - Land Acquisition

Date of meeting:	Thursday 05 December 2024		
Report to:	Cabinet		
Report of:	Assistant Director Highways and Public Protection		
Portfolio:	Cabinet Member - Housing and Highways		
Wards affected:	Molyneux; Netherton and Orrell; St. Oswald; Dukes; Kew; Norwood		
Is this a key decision:	Yes	Included in Forward Plan:	Yes
Exempt/confidential report:	No		

Summary:

This report is to seek in principle authority from Cabinet to acquire the necessary land, outside of the ownership of the Council, to enable the construction of Phase 2 of both the Maritime Corridor and Southport Eastern Access Highway Schemes. The additional land, beyond the current highway boundary, is required to provide the additional capacity required at the junctions and the cycle and walking routes that form an essential element of both schemes. Whilst every effort is being made to acquire the land and other interests by negotiation it may be necessary to make a compulsory purchase order (CPO) to acquire the necessary land interest should negotiations not be successful. Cabinet is asked to authorise the in-principle use of compulsory purchase powers. This will be followed in the future by a second resolution formally making the CPOs if necessary.

Recommendation(s):

It is recommended that Members;

- (1) Agree to the in principle use of compulsory purchase powers under Part XII of the Highways Act 1980 and the Acquisition of Land Act 1981 to secure the compulsory acquisition of the land shown coloured pink on the plan attached at Appendix 1 to deliver the Maritime Corridor Improvements.
- (2) Agree to the in principle use of compulsory purchase powers under Part XII of the Highways Act 1980 and the Acquisition of Land Act 1981 to secure the compulsory acquisition of the land shown coloured pink on the plan attached at Appendix 2 to deliver the Southport Eastern Access Improvements.

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1. The Rationale and Evidence for the Recommendations

- 1.1 Members will recall a number of previous reports relating to both the Maritime Corridor and Southport Eastern Access highway improvement schemes. They are the two 'Major Schemes' within Sefton that are contained within the programme of Liverpool City Region Schemes securing funding from the City Region Sustainable Transport Settlement (CRSTS). This is funding secured to deliver transport projects before the end of 2027. The Maritime Corridor scheme also attracts funding from the Levelling Up Fund.
- 1.2 The Maritime Corridor scheme is centred around the mainly industrial space between the A5036 and A59 and aims to improve access to the employment sites for all users. The scheme includes junction capacity improvements, including a new left turn lane into Atlantic Park and a series of improved pedestrians crossing facilities and new cycleways.
- 1.3 The Southport Eastern Access scheme is primarily aimed at reducing congestion at key junctions on the eastern approach to Southport as well as a series of active travel measures. This should benefit visitors and residents. The scheme includes the reopening of Foul Lane and some measures within the Norwood Ward to ensure traffic travels on the main roads.
- 1.4 All major schemes within the CRSTS programme are subject to a Business Case being approved and signed off by the Liverpool City Region Combined Authority (LCRCA). All schemes managed by the LCRCA also need to pass through a further Gateway Assurance process to ensure that all the relevant processes are being complied with and that, adequate resources have been identified to ensure, as far as possible, that the schemes can be delivered within the funding window.
- 1.3 As both schemes involve work at a number of junctions and sections of highways, it has been recognised that not all works can be completed at the same time without causing significant congestion issues. As such a phased programme of activity was recognised as being important.
- 1.4 For each scheme, a first phase was identified that involved land largely within the Council's control that could readily be delivered once the Works contract has been signed. It was recognised that for each project, land would be required and in some cases Planning permission needed where a change of use was required. These elements of work have been identified for delivery as a second phase with implementation towards the end of the funding window when all land and permissions have been secured..
- 1.5 For Maritime Corridor, the Full Business Case was submitted in September 2024 and the technical review is targeted for completed in October. The LCRCA are aiming to recommend approval for the scheme to the CA meeting in November 2024; this should generate a Grant Offer Letter.
- 1.6 As Phase 1 of Maritime Corridor was partly funded from Levelling Up Funding which has a different timeframe for expenditure and is administered by a different government department, a separate Business Case was required to enable this funding to be drawn down. This LUF Business Case was approved and the CA meeting in June 24 approved this funding, together with an element Page 64S1 to enable the Phase 1 of the works to be

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delivered. A Grant Fund Agreement was subsequently received and has been signed. Cabinet approved a recommendation that Council approve the addition of this funding into the Capital Programme in November 2024..

- 1.7 The Procurement Strategy, approved by Cabinet in January 2024, resulted in the appointment of Balfour Beatty, through the Scape Framework, to deliver a Feasibility exercise for the entire Maritime Corridor scheme and undertake Early Contractor Involvement, for the delivery of Phase 1. The appointment of Balfour Beatty for the main construction contract has been delegated to, and approved by the Assistant Director Highways and Public Protection in consultation with the Cabinet Member.
- 1.8 For Phase 2 of the Maritime Corridor scheme a number of strips of land are required. These are largely reflecting both the need to accommodate localised additional carriageway width to improve capacity or scope to accommodate improved footways and cycle tracks. To deliver Phase 2, 27 separate plots are required within 16 different ownerships. There are no buildings on the land required and no property within residential ownership.
- 1.9 Recognising the need to acquire land to accommodate the improvements for both schemes was identified in the initial stages of design, a number of companies have been procured to assist the Council in the acquisition process. A specialist land reference company has confirmed land ownership records and interests, a property agent has made contact with all landowners and begun negotiations with the intentions of agreeing Heads of Terms and a subsequent land value. In addition, an external legal firm has been procured, through a Framework to provide specialist advice as well as assisting the Council with the conveyancing process.
- 1.10 It is hoped that all the land interests can be secured through negotiation. Most of the negotiations have been positive, with parties recognising the benefits of the scheme, but it should be noted that one landowner seemed concerned about a possible negative impact of one element of the Maritime Corridor scheme and was reluctant to progress discussions with the appointed agent.
- 1.11 For Southport Eastern Access, the Full Business Case was submitted in July 2024. It was appraised and approved by the LCRCA at its meeting in September 2024. A Grant Offer Letter for the entire allocation to cover both Phase 1 and Phase 2 will be received once a final gateway assurance process has been completed.
- 1.12 Like the Maritime Corridor scheme, the Procurement Strategy for Southport Eastern access, approved by Cabinet in January 2024, resulted in the appointment of Balfour Beatty, through the Scape Framework, to deliver a Feasibility exercise for the entire Southport Eastern Access scheme and undertake Early Contractor Involvement, for the delivery of Phase 1. The appointment of Balfour Beatty for the main construction contract has been delegated to Assistant Director Highways and Public Protection in consultation with the Cabinet Member.
- 1.13 For Phase 2 of the Southport Eastern Access scheme a number of strips of land are required. These are largely reflecting both the need to accommodate localised additional carriageway width to improve capacity or scope to accommodate improved footways and cycle tracks. To deliver Phase 2, 30 separate plots are required within 13 different ownerships. There are no buildings on the land required and no property within residential ownership.
- 1.14 All the negotiations have been positive and constructive to date, so it is hoped that these negotiations can progress to conclusion.

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- 1.15 It is recognised, from experience of other projects where land has been necessary to deliver highway projects, that some landowners may be positive in discussions over land transfer, but may demand unrealistic land values during the latter stages or negotiations if they appreciate the Council is under pressure to ensure delivery,
- 1.16 If necessary, making a Compulsory Purchase Order provides a mechanism for the Council to secure the necessary land and a process for determining a value. Experience on other projects has identified that the Making of an Order, or serving an appropriate notice associated with an order can result in agreement through negotiations progressing at a quicker rate. However, this can be achieved by an initial 'in principle' resolution which can be used to show that the Council is committed to moving ahead with compulsory purchase if required.
- 1.17 On completion of the acquisition of the necessary land, a formal process will be undertaken to formally adopt the land as Highway.
- 1.18 It is recognised that some of the land contained within the CPO Maps isn't designated as highway. The Planning Officer has confirmed that Planning Approval will be required reflecting the change of use. The Pre Application advice has been received and the surveys have been completed to inform the environmental impact of the changes. The Applications are targeted for submission in early December 2024.
- 1.19 It is recognised that a compulsory purchase order can only be made if there is a compelling case in the public interest, which justifies the overriding of private rights and interests in the land to be acquired. The compelling case for both schemes is set out in the submitted Business Cases, one of which has been formally approved and the second which is currently being appraised.
- 1.20 In summary, the schemes will address existing issues in the transport network given the areas can experience traffic congestion particularly at peak hours and on days when significant numbers of visitors travel to the town. The areas also have limited walking and cycling (active travel) links. This can cause traffic delays and air pollution, as well as limiting the accessibility of employment and leisure opportunities for those choosing more sustainable modes of travel. The aim of the schemes is to therefore to tackle these issues and create safe walking and cycling routes whilst also improving traffic conditions. This will enhance safety, the overall public realm and attractiveness of the routes/area. It will also improve connectivity and accessibility, and support economic development and growth in the area.
- 1.21 The schemes would deliver on government objectives at a local, sub-regional and national level, in line with a strategy that seeks to promote economic development and improve accessibility to communities, including via active modes. It is also closely aligned with a number of ongoing developments within the region.
- 1.22 The CPOs trigger consideration of The Human Rights Act 1998 and in particular Article 1 and Article 8. However these rights are "qualified rights"; this means that they do not prevent proposals affecting those rights providing the interference is proportionate and justified. The public authority seeking to affect those rights is obliged to satisfy itself that it has struck the correct balance between the rights of the individuals affected and the public interest in delivering the Schemes.
- 1.23 The Schemes will deliver significant public benefits to the area. In the circumstances, and given that the interests affected by the proposals will be limited, given the scale of the Schemes and the nature of the land interests affected, the Council consider that the proposed CPO would not constitute an unlawful interference with the individuals' property

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rights given the overall public benefits which will be delivered if the Schemes are progressed.

- 1.24 Furthermore, the compulsory purchase process clearly provides for those affected to have a right to object to any order being confirmed and this objection will be considered by an independent Inspector appointed by the Secretary of State for Transport. Any objection may also be considered through a public inquiry. Notwithstanding this, any person affected by the proposed orders will be entitled to compensation proportionate to any loss they may incur as a result of their rights or interests being affected by the CPO.
- 1.25 Section 239, 240, 246, and 250 of the Highways Act 1980 will be employed to acquire the necessary land and rights to construct and maintain the Scheme.

2. Financial Implications

- 2.1 The costs associated with the acquisition of land, including payments to landowners and conveyancing and statutory costs will be funded from relevant budgets within the Transport Capital Programme.
- 2.2 The costs of making the CPO, serving the appropriate notices and paying the appropriate Legal and other costs will also be made from the budgets in the Transport Capital Programme.

3. Legal Implications

- 3.1 Brabners have been procured through the North West Legal Consortium to provide specialist advice, draft and check the appropriate Notices, Schedules and Maps and complete the necessary conveyancing in accordance with the Council's processes. They will also support the Council through a Public Inquiry should one be necessary.

4. Risk Implications

- 4.1 Should Members not support the Council making the CPO, land can only be secured through negotiation. Whilst landowners have seemed supportive of the proposals and in some cases Heads of Terms have been discussed and agreed, there is no guarantee that the land transfer will be concluded within the timeframes associated with the funding. This will create a risk to the Council and could result in significant changes to the scope of the work being delivered and the outputs delivered. This may impact on the approvals sought as the GFA will require the LCRCAs to approve any significant changes to the approved scheme.
- 4.2 It is acknowledged that if a formal objection to the CPO is made then the matter will be raised with the Secretary of State who could support the objection or instruct a Public Inquiry which could find in favour of the objector. The strength of the argument for both schemes has been discussed with the Legal Advisor and it is considered in both cases that there is a compelling argument for both schemes which should reduce the risk of an objection being upheld.

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- 5.1 The funding secured for both schemes has been based on estimated costs which have included allowances for Legal support, land agent, land referencing costs and the land and associated conveyancing costs. These are set out in the Business Cases for both schemes. The costs also include for Project Management support.

6 Conclusion

- 6.1 Having sought Legal advice on the validity of the advice it is considered that the proposed CPO is necessary to facilitate the delivery of both schemes and that the statutory requirements for the use of compulsory purchase powers under the Highways Act 1980 have been met. The Order Lands have been determined to be the minimum needed to deliver both Schemes and the Schemes have both been designed to minimise the impact on those with land interests in the area. Given the significant public benefits that will be achieved with the delivery of the Schemes and the support of local, regional and national policy, it is considered that the use of compulsory purchase powers is necessary and justifiable in the public interest, and this should warrant a first stage 'in principle' resolution to allow the Council to move forward.

Alternative Options Considered and Rejected

Relying on the securing of all land packages by negotiation has been considered, but this approach has been considered to involve significant risk to the Council in either the land not being secured in the funding window or the Council having to pay significantly in excess of the land value in order to persuade the landowner to sell.

Equality Implications:

An Equality Impact Assessment has been completed for both scheme. Each assessment has been reviewed and considered in the detailed design process prior to construction. The Council have considered their Public Sector Equality Duty under s.149 of the Equality Act 2010 and will continue to do so throughout the CPO process.

There are no equality implications associated with the land acquisition or CPO process.

Impact on Children and Young People:

The impact of the schemes on cared for children and care experienced young people was considered as part of the Equality Impact Assessment. Options for positive impacts will be considered in the development of the Social Value commitments that the Contractor will be expected to provide.

Climate Emergency Implications:

The recommendations within this report will have a Neutral impact.

The construction process will have negative impact in that new materials will be used and there will be a net carbon increase. There will also be a negative impact on traffic movements on the impacted streets whilst works are ongoing. However, the scheme when implemented, will improve accessibility and should encourage people to walk, cycle or use public transport. This should reduce the carbon impact. The scheme is one of a number of schemes currently subject to a Whole Life Carbon Assessment which

will be able to provide a definitive picture.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services & Commercial (FD7810/24) and the Chief Legal and Democratic Officer (LD.5910/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation on the highway proposals formed part of the wider consultation on The Southport Eastern Access Scheme. This consultation was completed in early 2022 in accordance with the proposals approved by the Public Consultation and Engagement Panel. Further detailed engagement with Ward Members, key stakeholders, residents and business was completed in October 2023. Public Engagement, showing further details of the scheme were undertaken in November and December 2023 and results were appraised, taken into consideration in the design process and will be reported to Licensing and Regulatory Committee in November 2024.

Recognising the importance of ensuring that all Members were fully briefed on the development of the scheme, its phasing, duration, likely implications during construction and ultimate benefits, including social value a briefing meeting was held with Ward Members.

Consultation on the Maritime Corridor scheme was completed in accordance with the proposals approved by the Public Consultation and Engagement Panel in April 2021. Further detailed engagement with Ward Members, key stakeholders, residents and business was completed in September and October 2023 and results appraised. Comments relating to the Phase 1 proposals were summarised in a report to Licensing and Regulatory Committee in November 23. Recognising the importance of ensuring that all members are fully briefed on the development of the scheme, its phasing, duration, likely implications during construction and ultimate benefits, including social value, that the scheme will deliver, a further meeting was held with Ward Members in July 24 and some minor changes to the scope of the works completed.

Implementation Date for the Decision :

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

Contact Officer:	Andrew Dunsmore
Telephone Number:	07866176195
Email Address:	Andrew.Dunsmore@sefton.gov.uk

Appendices:

Appendix 1 - CPO Map for Maritime Corridor

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Appendix 2 - Schedule for Maritime Corridor

Appendix 3 - CPO Map for Southport Eastern Access

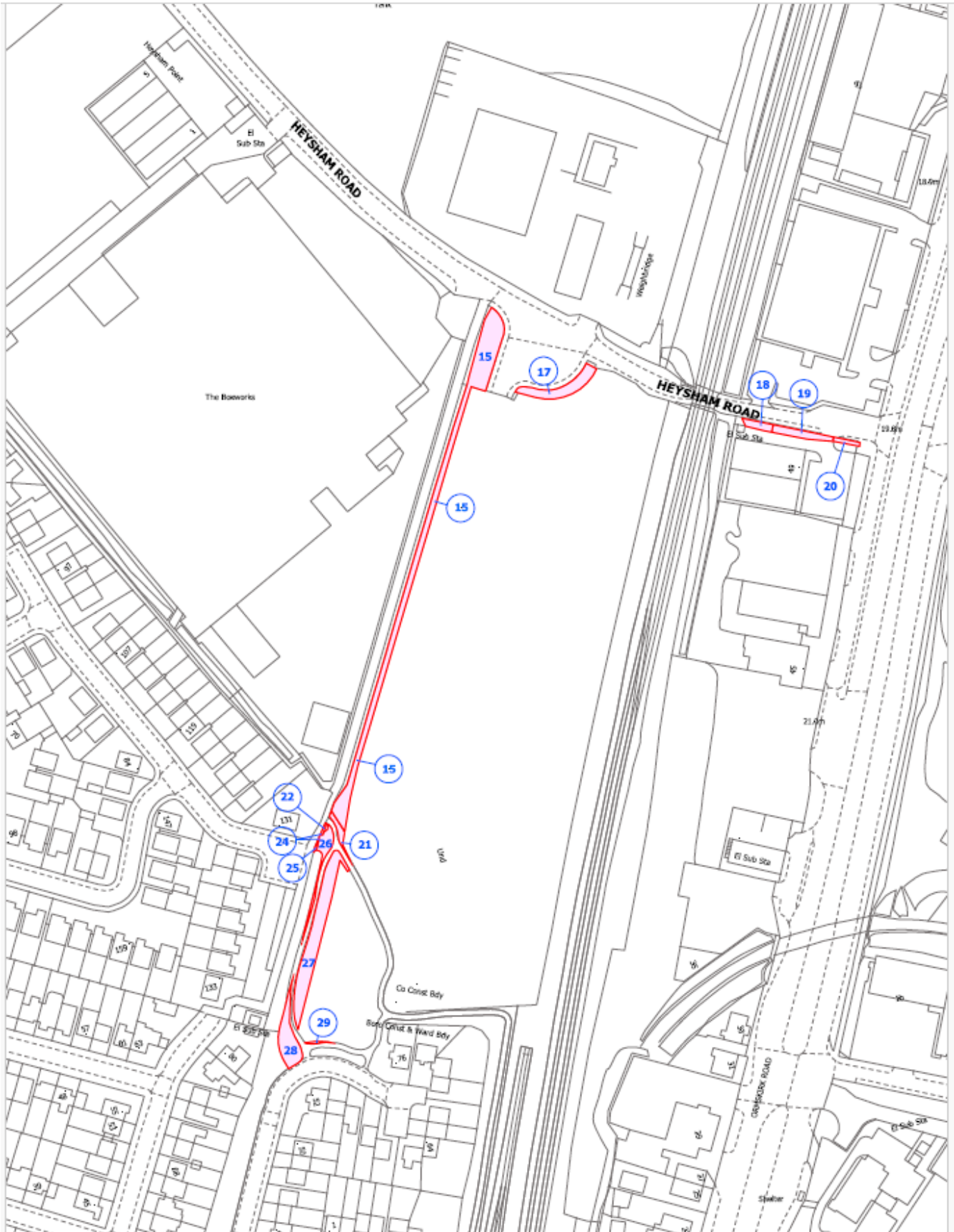
Appendix 4 - Schedule for Southport Eastern Access

Background Papers:

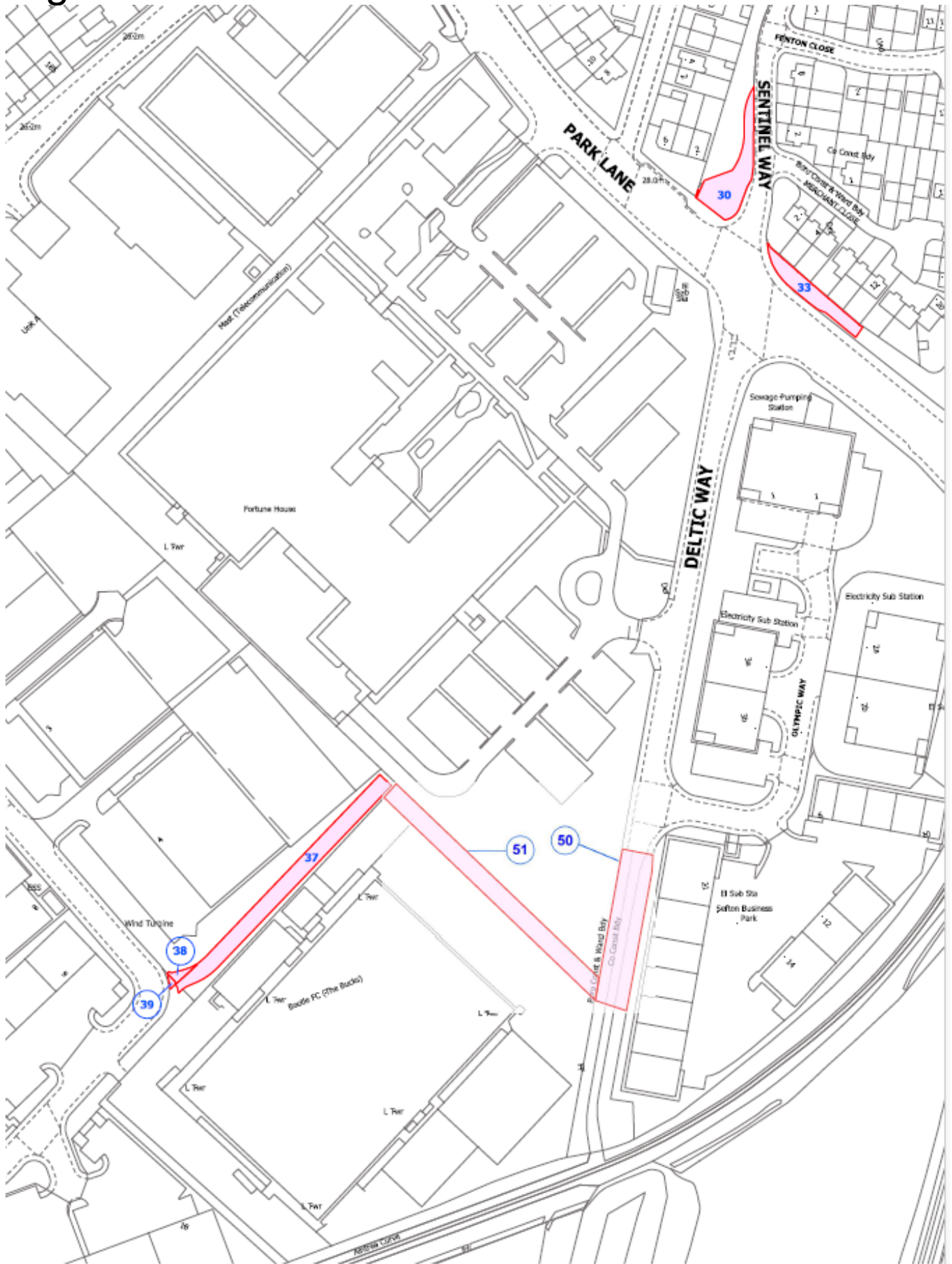
Report to Cabinet October 24 – Maritime Corridor – Receipt of Capital Funding

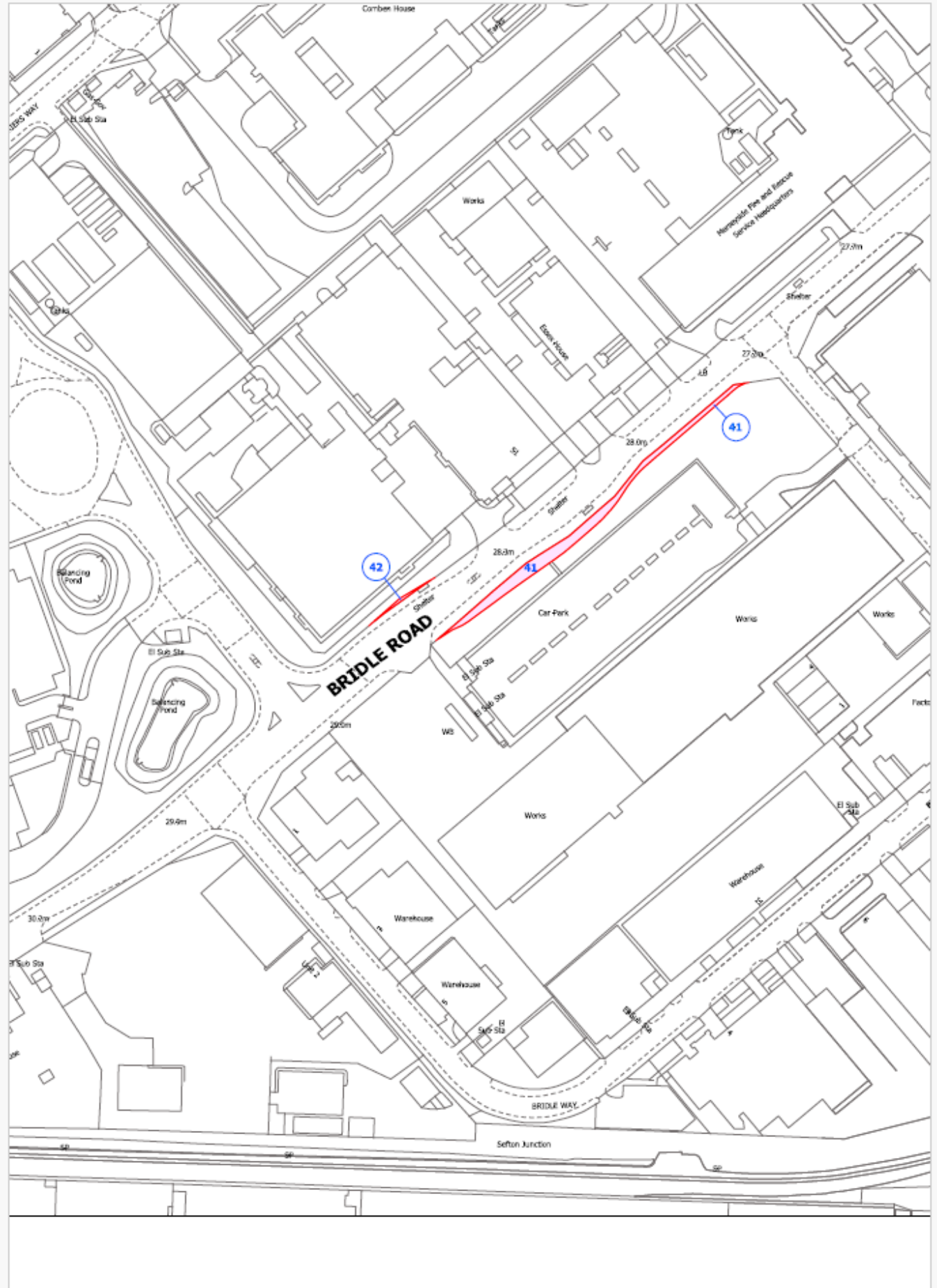
Report to Cabinet November 24 – Southport Eastern Access – Receipt of Capital Funding

Appendix 1 - CPO Map for Maritime Corridor

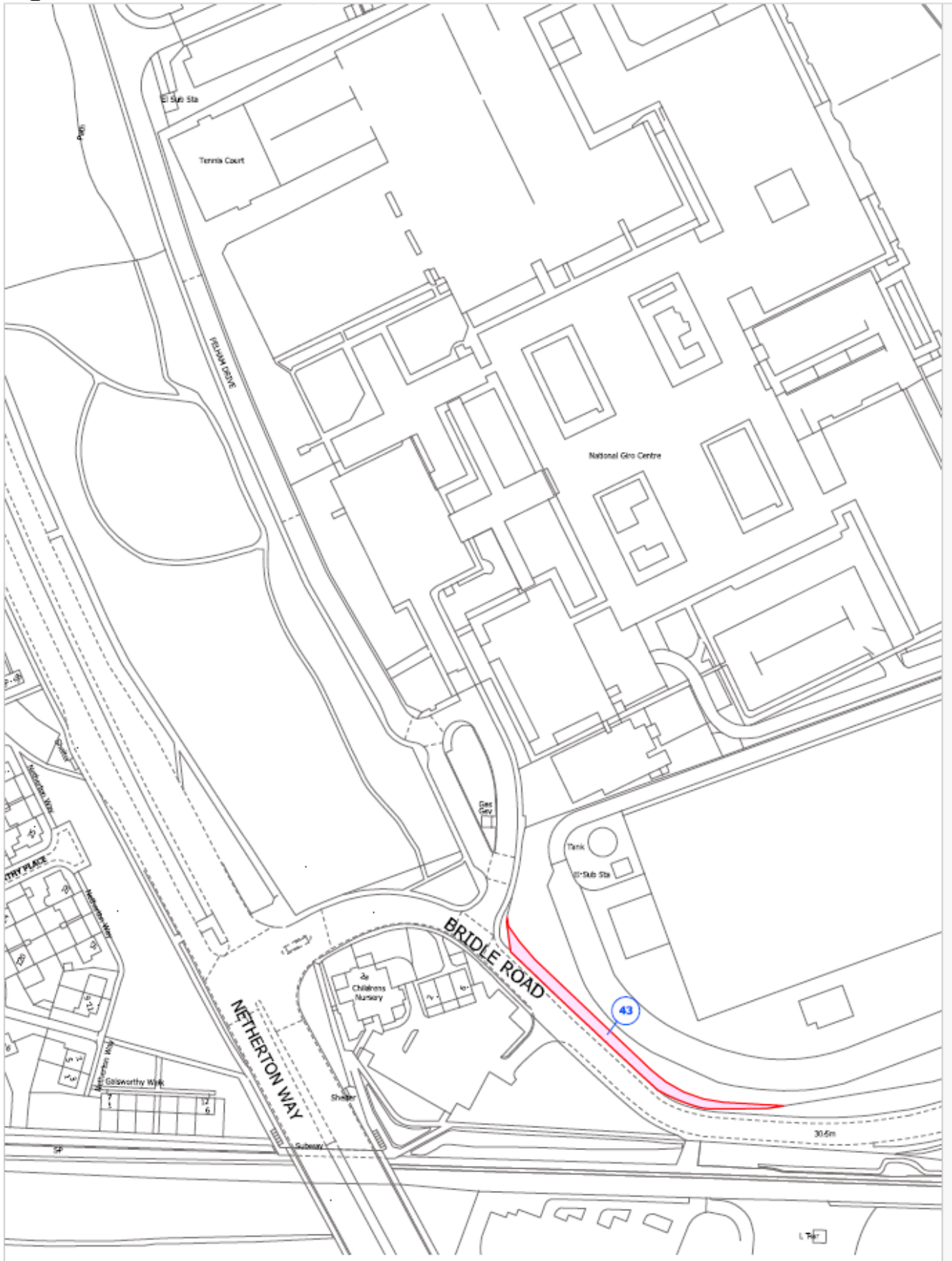


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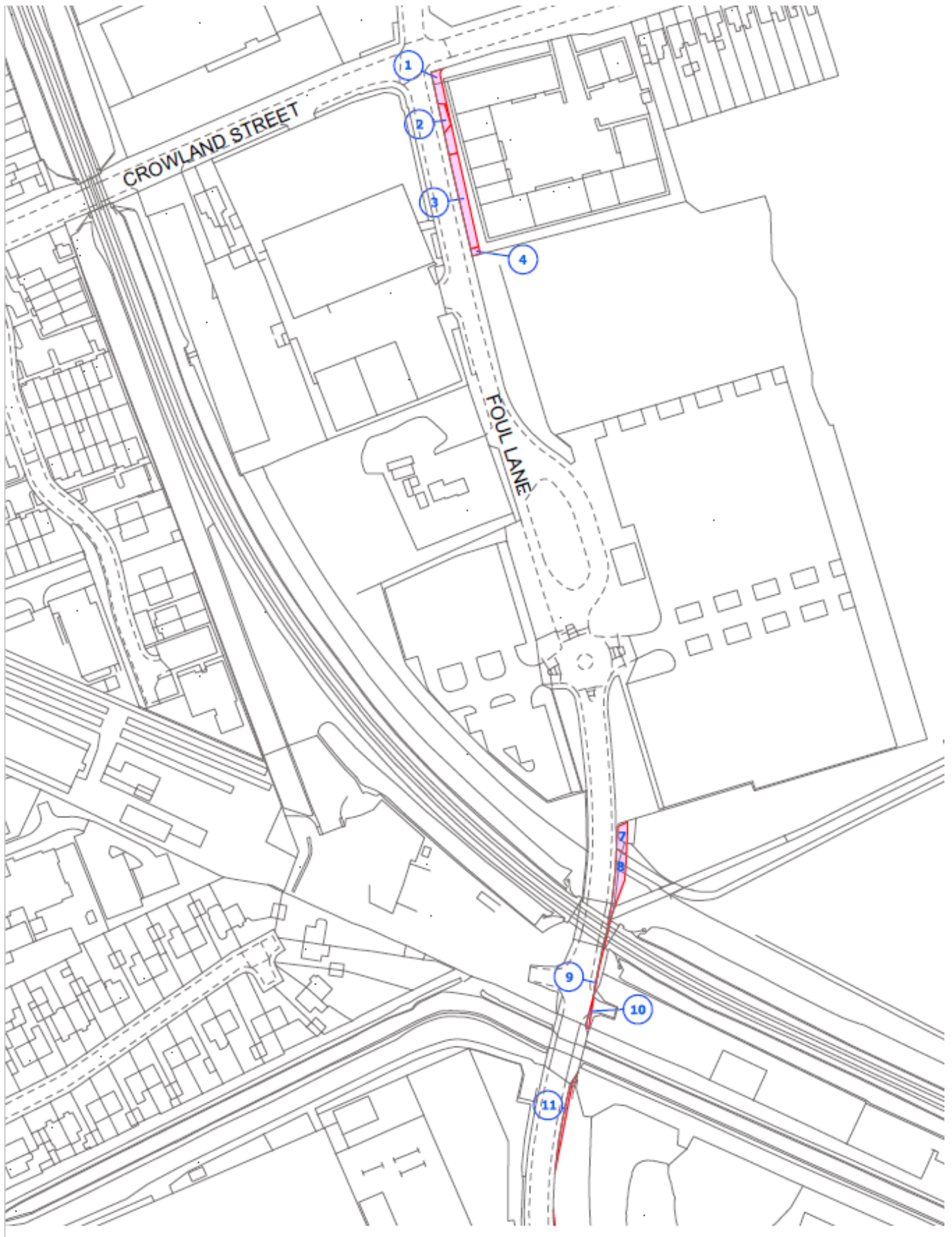
Appendix 2 - Schedule for Maritime Corridor

Title Number	Plot Number	Area Size m ²	Interest	Property Description	Party Name
MS298015	15, 17	605, 118	Absolute Freehold	Land on west side of Heysham Road, Aintree	Your Housing Limited
MS376653	21, 26, 27, 28, 29, 30, 33	27, 63, 304, 127, 6, 354, 234	Absolute Freehold	Land at Sentinel Way, Bootle	
MS351752	18	31	Absolute Freehold	Land on the south side of Heysham Road, Aintree	Map Property Investments Limited
MS14257	19	60	Absolute Freehold	Land and buildings on the north west side of Ormskirk Road, Aintree	
MS22453	20	16	Absolute Freehold	Land and building on the west side of Ormskirk Road, Aintree	
MS608193	24	1	Possessory Freehold	Land adjoining Crown Speciality, Heysham Road, Liverpool	Bellway Homes Limited
MS613945	22, 25	4, 4	Absolute Freehold	Land lying to the south of Heysham Road, Bootle	
MS539033	37, 38	633, 24	Absolute Leasehold	Land on the south side of Bridle Road, Bootle	Portfield Investments Limited
MS597366	37	633	Absolute Freehold	Land on the southeast side of Bridle Road, Bootle	
MS600928	38, 39	24, 9	Absolute Leasehold	Unit 4 Vesty Business Park, Vesty Road, Bootle, L30 1NY	Zac Property Limited
MS38529	41	407	Good Leasehold	Land on the south east side of Bridle Road, Bootle	Abbey Commercial Investments Limited
MS534389	41	407	Absolute Freehold	Land on the south east side of Bridle Road, Netherton	Aubrey Weis
MS534389	41	407	Absolute Freehold	Land on the south side of Bridle Road, Netherton	Rachel Weis

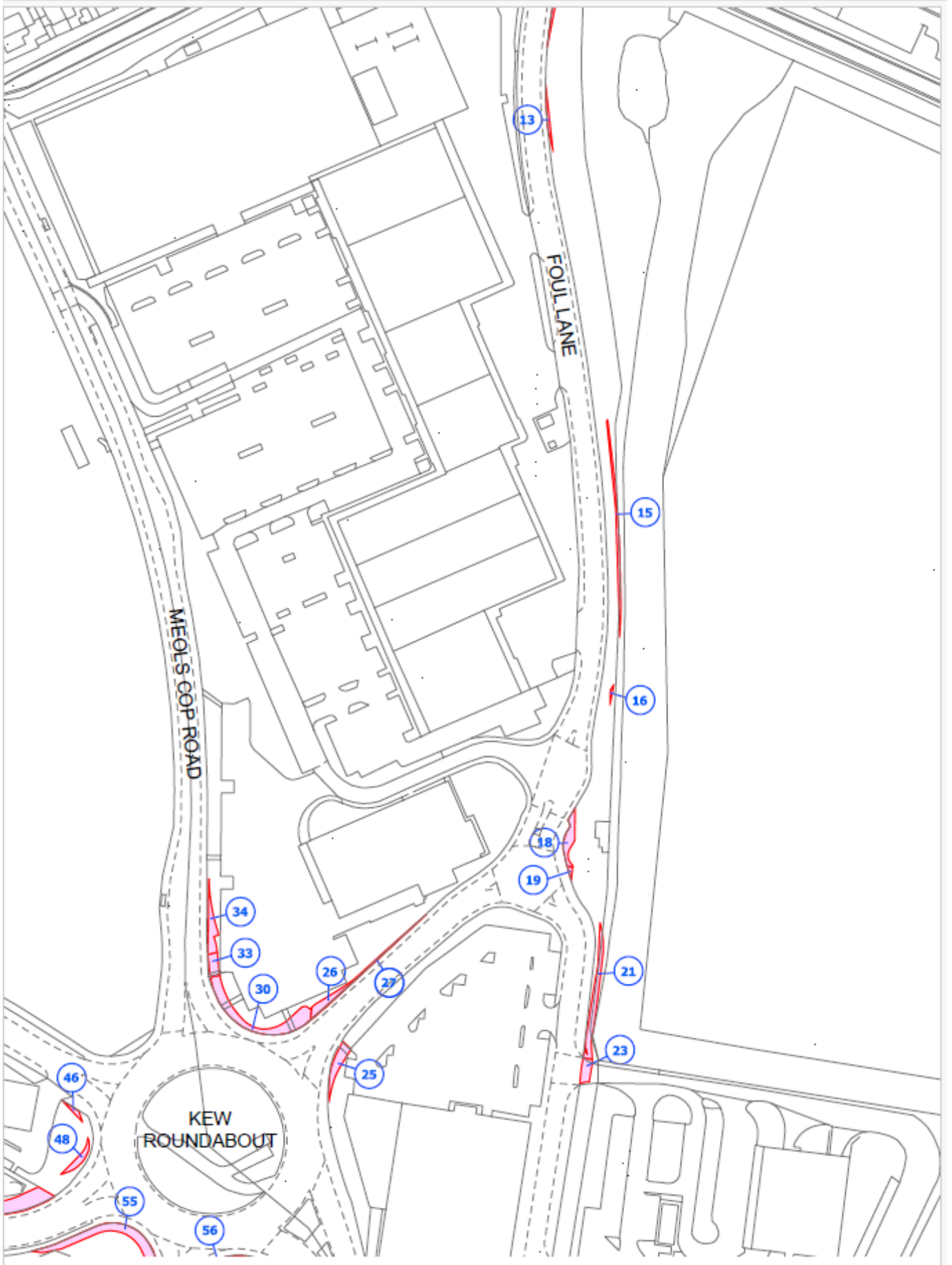
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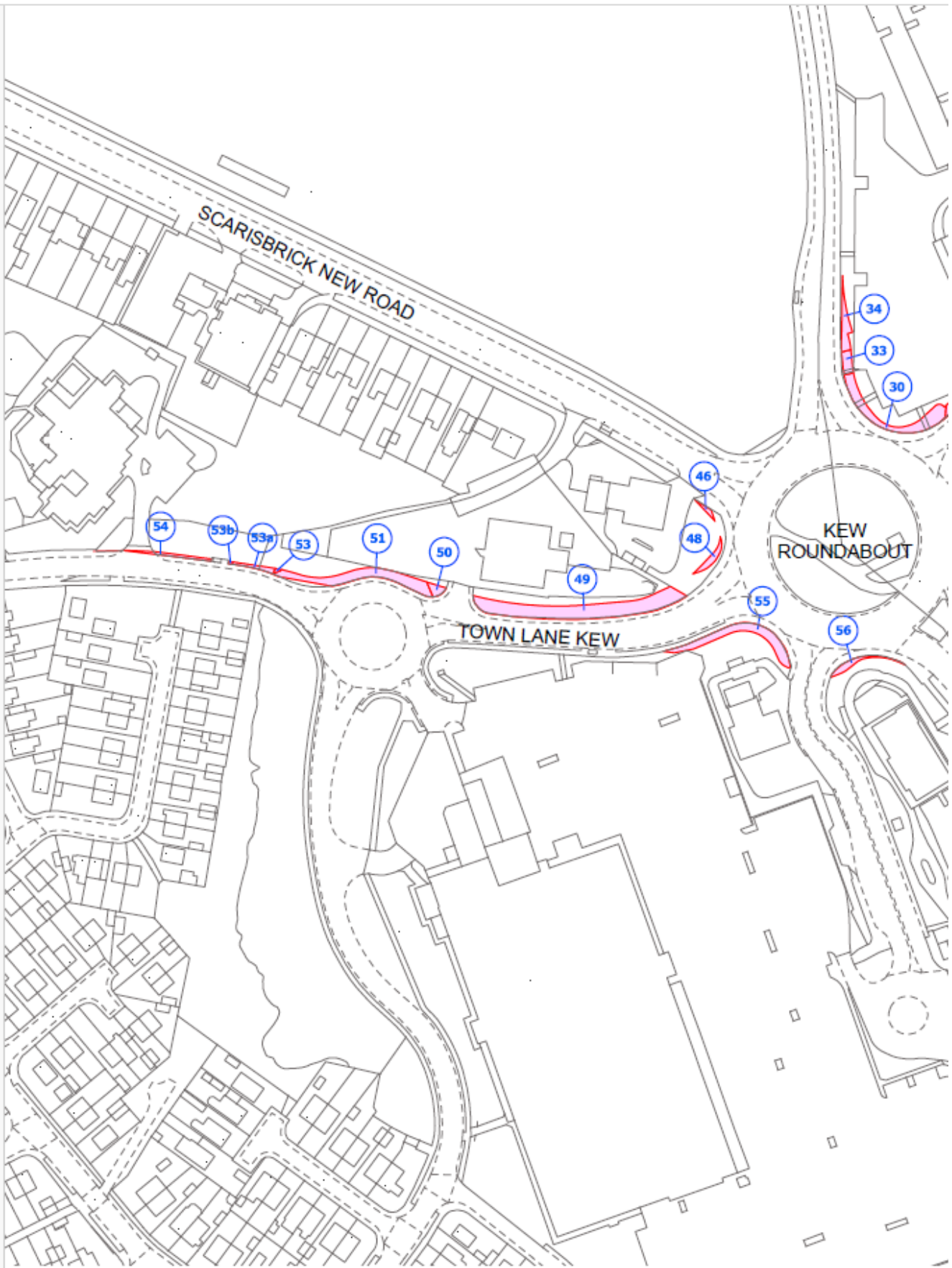
Title Number	Plot Number	Area Size m²	Interest	Property Description	Party Name
MS51951	42	17	Registered Freehold	Land on North West side of Bridle Road, Bootle	CBRE Loan Services Limited
MS684758	42	17	Registered Leasehold	Land on the north side of Bridle Road, Bootle	L51 Developments Limited
MS51951	42	17	Registered Leasehold	Land on the North West Sde of Bridle Road, Bootle	Sunflower Industrial Property Nominee Limited
MS209002	42	17	Registered Leasehold	Land on the north side of Bridle Road, Bootle	The Abbey Group Development Company Limited
MS646598	43	459	Absolute Freehold	Land on the north side of Bridle Road, Bootle	GGC Bridle Road Limited
MS511159	50	680	Absolute Leasehold	Land on the east side of Deltic Way, Bootle	Northern Trust Company
MS520850	51	712	Absolute Leasehold	Land on the south side of Vesty Road, Bootle	Bootle Football Club

Appendix 3- CPO Map for Southport Eastern Access



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Appendix 4 - Schedule for Southport Eastern Access


Title Number	Plot Number	Area Size m ²	Interest	Property Description	Party Name
MS401633 MS516169	1 3, 4	108 127,16	Absolute Freehold Absolute Freehold	Land and buildings on the south side of Crowland Street, Southport Land and buildings on the south side of Crowland Street, Southport, PR9 7RJ	L and C Developments (Southport) Limited
MS337402	7	4	Absolute Freehold	Land on the south east side of Crowland Street, Southport	Homes England
MS311078	9, 10	3, 7	Absolute Freehold	Land on the east side of Foul Lane, Southport	Rotunda Group Limited
MS307675	11, 13, 15, 16, 21 23	32, 17, 57, 4, 101 37	Absolute Freehold Absolute Freehold	Land on the east side of Foul Lane, Southport Waste Transfer Station, Foul Lane, Southport	Merseyside Recycling & Waste Authority
MS277457	18, 26, 27, 30, 33, 34	52, 62, 3, 171, 33, 58	Absolute Freehold	Land on the east side of Meols Cop Road, Southport	Bnp Paribas Depository Services (Jersey) Limited (incorporated in Jersey)
MS287386 MS617819	19	6	Absolute Freehold	Land at Foul Lane Southport	Reaper Limited
MS299707	23	37	Absolute Leasehold	Waste Transfer Station, Foul Lane, Southport, PR8 5LA	Veolia Es Merseyside & Halton Limited

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Title Number	Plot Number	Area Size m²	Interest	Property Description	Party Name
MS362904	25	55	Absolute Freehold	Land and buildings on the east side of Meols Cop Road and the west side of Foul Lane, Southport	The Leicestershire County Council
MS343432	25 25	55 55	Absolute Leasehold Absolute Leasehold	Land and buildings on the east side of Meols Cop Road, Southport B & Q Plc, Foul Lane, Southport	B & Q Limited
MS276861	26, 30, 33, 34	62, 171, 33, 58	Absolute Leasehold	Land on the east side of Meols Cop Road, Southport	Aldi Stores Limited
MS276861	46, 48	12, 33	Absolute Freehold	Land on the south west side of Scarisbrick New Road, Southport	Lupo Limited
MS532686	46, 48 46, 48	12, 33 12, 33	Absolute Leasehold Absolute Leasehold	Town Lane Filling Station, Scarisbrick New Road, Southport, PR8 5HL Town Lane Filling Station, Scarisbrick New Road, Southport, PR8 5HL	Malhurst Limited
MS233080	53 49, 50, 51	4 431, 23, 211	Possessory Leasehold Absolute Leasehold	Land on the north side of Town Lane, Southport Land on the north side of Town Lane, Southport	Johnsons Cars Limited
MS564688	53b, 54	2, 30	Good Leasehold	Land on the north side of Town Lane, Southport	Queenscourt Hospice Southport
MS532625 MS619516	55	174	Absolute Freehold	Land and buildings on the south side of Town Lane, Southport	Tesco Aqua (Nominee 1) Limited
MS232186 MS289704	55	174	Absolute Freehold	Land and buildings on the south side of Town Lane, Southport	Tesco Aqua (Nominee 2) Limited

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Title Number	Plot Number	Area Size m²	Interest	Property Description	Party Name
MS234769	55	174	Absolute Leasehold	Tesco Store, Town Lane, Southport	Tesco Stores Limited
MS547321 MS625824	56	32	Absolute Freehold	Land on the west of Scarisbrick New Road, Southport	McDonald's Real Estate LLP
MS311078	56	32	New Lease	Land on the west of Scarisbrick New Road, Southport	McDonalds Restaurants Limited

Cabinet/Council Report		Sefton Council 	
Report Title:	Enterprise Arcade Business Plan		
Date of meeting:	5 December 2024		
Report to:	Cabinet		
Report of:	Executive Director - Regeneration, Economy and Assets		
Portfolio:	Cabinet Member - Regeneration, Economy and Skills		
Wards affected:	Dukes		
Is this a key decision:	No	Included in Forward Plan:	Yes
Exempt/confidential report:	No		

Summary:

Enterprise Arcade is being delivered and funded as a capital project within the Southport Town Deal Programme. The Enterprise Arcade will provide a co-working and collaborative workspace for creative and digital businesses in Southport with a mix of accommodation comprising a collaborative Ground Floor Food and Drink based offer, a co-working / hot desk and start-up space on the first floor, three 'grow on' offices on the second floor and a large single office on the third floor identified as suitable for an 'anchor tenant' for the project.

In May 2023 Cabinet agreed to a recommendation to adopt direct responsibility for management of the facility, on the basis that a future report would be presented on the operational Business Plan for the building. This report provides a summary of this Business Plan, as physical works on the project progress towards completion early in 2025.

Recommendation(s):

It is recommended that Cabinet:

- (1) Note the Business Plan Profit and Loss Statement of Operation based on the Council taking a direct role in management of the Enterprise Arcade; and
- (2) Note that existing budgets will be utilised to allow the project to become operational and deliver the commitments to outputs set out in the Southport Town Deal.

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1. The Rationale and Evidence for the Recommendations

- 1.1 The Enterprise Arcade forms part of the Southport Town Deal Programme and involves the conversion of the vacant former Council operational property Crown Building, Eastbank Street, into a modern shared workspace. Focused on the digital and creative businesses as a key growth sector in the area, the project aims to diversify the town centre and local economy. The building will complete early in 2025 and will incorporate a collaborative ground floor food and drink-based offer, a co-working / hot desk and start-up space on the first floor, three 'grow on' offices on the second floor and a large single office on the third floor identified as suitable for an 'anchor tenant' for the project.
- 1.2 The operation and management of the building was intended to be provided through a third party competent in both building management but also with appropriate experience and expertise in supporting start up and growth businesses in the target sector.
- 1.3 Following a tender process, it has not been possible to identify a suitable commercial operating partner for the project. On this basis in May 2023 Cabinet agreed to progress the project with the Council as the operator of Enterprise Arcade, until and unless an alternative and suitable alternative operator is identified.
- 1.4 In approving this approach for direct management of the project, it was agreed that a Business Plan would be prepared setting out the Profit and Loss statement on how the Enterprise Arcade is to be operated and this report covers the following:
 - Profit and Loss statement for the operation of Enterprise Arcade
 - Specialist Creative and Digital Sector Support
 - General Management Arrangements
 - Marketing and Communications
 - Social Value

2. Profit and Loss statement of operations for Enterprise Arcade

- 2.1 Operational management of this building has been based on the following parameters for the project:
 - The project does not focus purely on profit but aims to break-even in the long term.
 - Assumes a prudent approach in rental assumptions, including potential rent-free space for young people and students etc.
 - The space creates the right mix and ecosystem to support local enterprise and growth in the creative and digital sector.
 - Is commercial in its approach and management to ensure subsidy control compliance.
 - The space provided will aim to appeal to and create the right space to attract young people into this sector.
 - A key anchor tenant will help underpin both the business plan and the "ecosystem" above.

- Wider interdependencies to be reviewed over time with the Atkinson, Southport Town Hall and Gardens and Southport Market.

- 2.2 The Profit and Loss statement of operation report has been prepared in support and as part of the wider Business Plan for Enterprise Arcade. The statement of operation report provides details on the cost and income for the project to provide the most accurate projection possible at this time. It will continue to be developed and refined and where costs are estimated (e.g. energy costs, business rates) these have been estimated based on informed assumptions and technical information available at this time. These may shift in real terms once the building is up and running and will therefore be kept under review.
- 2.3 The uptake from tenants has been estimated prudently with a very selective and gradual growth in occupancy, to allow the project to grow and become established in the market. Rental levels have been estimated against local market evidence and a further formal valuation will be undertaken once the building work is completed.
- 2.4 In summary within the Business Plan Profit and Loss statement of operation, based on the anticipated cost and income per year, the projects is showing a variance across years 1 to 3 as set out in the table below.

	2025-26	2026-27	2027-28
	Year 1	Year 2	Year 3
Variance	-£42,788	-£52,681	-£35,873

Work is ongoing to develop and refine the anticipated costs and income for the project, and this statement will be refined further to aim and get the project to break even by year 5.

- 2.5 Scenario planning and sensitivity analysis has been undertaken on the business plan assumptions, and management's focus will be on meeting or surpassing this prudent scenario herein.

3 Specialist Creative and Digital Sector Support

- 3.1 In the original business case for the project there was recognition of the need to incorporate within the operating model an element of early and ongoing sector expertise in the target creative and digital business sector. This would be in addition to the generic business support, advice and guidance provided through Invest Sefton and the Local Growth Platform.
- 3.2 External support is in place to ensure the venue can achieve the committed outputs in terms of business development and growth. Future specialist support on a part -time basis has been incorporated within the Profit and Loss statement of operations to ensure continuity in the processes of delivering outputs from the project which support the underlying objectives improving skills, diversifying the local economy and supporting local growth.
- 3.3 More generally and in recognising the discrete nature of the Creative and Digital Sector across Sefton, the Invest Sefton Team have now established a Digital

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Huddle for the whole of the Borough. This has provided a useful platform to not only sense check design and delivery of the Enterprise Arcade project but also to promote the opportunity and network to potential tenants of the developing space.

4 General Management Arrangements

- 4.1 As a multi tenanted building with common/shared areas and 24/7 operation there is an identified need for a level of nominated responsibility for day-to-day operations. Provision is made within the Profit and Loss statement of operation for a general management role. Building related property management will be managed through the Council as landlord, via Property Services with costs to be built into the service charge to tenants. This relates to the physical envelope (including mechanical and electrical, lifts etc) of the building and not day to day operational management requirements (e.g. cleaning/general utilities provision and general servicing arrangements).
- 4.2 The intention is to explore this element with the future operator of the ground floor collaborative food and beverage offer but until such time as an operator has been secured there needs to be provision in place independent of such an operator.

5 Marketing and Communications

- 5.1 No specific budget line exists for marketing of the project either through Town Deal or under more general provisions. However, a Communications Plan has been developed to support promotion of the project and associated opportunity, and this will form part of the GM role.
- 5.2 As a Town Deal project, Enterprise Arcade featured as a distinct element in all related communication and is also featured on the bespoke element of the Council's web site and associated digital and social media presence.
- 5.3 A bespoke marketing piece is being developed with the project architects highlighting the ground floor collaborative F&B offer and the unique nature of the remainder of the offer this alongside the wider opportunity developing through the Southport Town Deal. A review of the name and brand for the facility is to be undertaken in partnership with anchor tenants early in 2025.
- 5.4 In house resources are being engaged in the production of bespoke video content for use on-line and for wider marketing purposes on an opportunity basis.
- 5.5 Enterprise Arcade and the Digital and Creative opportunity in Southport is being promoted and supported at a Liverpool City Region level and will be highlighted as part of all ongoing inward investment work co-ordinated through the Invest Sefton Team and Local Growth Platform.

6 Social Value

- 6.1 Alongside the wider value of the project in securing local skills development through business development the opportunity exists for the Enterprise Arcade Project to become a local base for Digital Skills development more generally.
- 6.2 The original project outline envisaged the opportunity that the project presented in co locating creative and digital businesses relative to this becoming a focus for sector skills development on a work-based learning model - for example supporting T Level qualification learning.
- 6.3 The contractor on the building project has been working alongside the Council in exploring ways in which the project can support this aim. The contractor is also a signatory of the Caring Business Charter.
- 6.4 A fuller report on social value will be delivered via the Council's usual reporting to Overview and Scrutiny Committee regarding social value in the growth and strategic investment programme.

7 Financial Implications

- 7.1 The Profit and Loss statement sets out the projected income and expenditure for the project over the first 3 years whilst the concept is being established in the local market. The statement includes a number of informed estimates based on local market rates. In addition, rental levels shown are based on realistic current market values in Southport.
- 7.2 The business Profit and Loss statement of operation will continue to exist as a live operating model, will be monitored and managed in a positive and pro-active manner to ensure the best possible outcome (financially, economically and socially) for the Council, the borough, and those businesses and individuals engaged in the provision of this dedicated digital and creative work space.
- 7.3 This statement will be subject to an ongoing review as tenant occupation, including an anchor tenant are confirmed. The project will be subject to active and ongoing marketing to maximise exposure to potential tenants and customers.
- 7.4 The variance summarised below and identified within the Profit and Loss statement of operation will be managed within existing core budget provision by Economic Growth and Housing.

	Year 1	Year 2	Year 3
Variance	-£42,788	-£52,681	-£35,873

8 Legal Implications

- 8.1 The physical project is being delivered in the manner consistently set out within our approved Southport Town Deal funding agreement. The management arrangements are not prescriptive, and the approach adopted in managing the operation of Enterprise Arcade directly sits within the general scope of authority

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available to the local authority by virtue of the general powers of competence set out within the Localism Act.

- 8.2 Subsidy Control has been considered and in August 2024 the Council received advice from Geldards LLP Legal of compliance of the Southport Town Deal project. The advice provided offered some observations and recommended the Council keep under review the question of whether tenants are receiving subsidies when it agrees terms with each tenant to ensure compliance with the legislation.

9 Risk Implications

- 9.1 Development and delivery of the project has been managed in the appropriate manner through the operation of a live risk register which has been actively managed throughout the development and delivery.

- 9.2 Key operational risks include:

- Market demand for the facility
- Subsidy Control compliance
- Tenant and customer management
- Diluting concept to ensure commercial viability.

- 9.3 The risk implications of the council not moving forward with the direct management and operation of the building at this time and based on the projected Profit and Loss statement of operations for Enterprise Arcade would be for the project not to open on completion of the contracted works. If the building did not move to an operational phase the following risks might be involved:

- Claw back of grant funding.
- Failure to address the fundamental problems and opportunities identified within the project/business case and Southport Town Deal
- 'Moth balling' costs associated with the asset

10 Staffing HR Implications

- 10.1 The Profit and Loss statement of operation identifies part time staffing requirement under general management arrangements due to the nature of the building in both physical and operational context.

Conclusion

Enterprise Arcade is delivering an important element of the Southport Town Deal seeking to increase the sector representation of Creative and Digital businesses in Southport and across the Borough as a whole. In this way Enterprise Arcade will provide a focus for the sector, a hub for collaboration and a base for skills and learning development in a work-based environment. In addition, it will help diversify the town centre and local economy.

The business Profit and Loss statement of operation will continue to exist as a live operating model, will be monitored and managed in a positive and proactive manner to ensure the best possible outcome (financially, economically and socially) for the Council, the borough, and those businesses and individuals engaged in the provision of this dedicated digital and creative work space.

Next steps for this project involve ongoing dialogue with prospective tenants and marketing of the facility to the market. Further refinement of the operational cost associated with the facility will be undertaken to refine estimated figures.

Alternative Options Considered and Rejected

- i) Commercial Lease to Digital and Creative Operator - The original intention with this project was to lease the entire building and associated operation to an external provider. Tender for an external provider was not successful due to a number of reasons including a limited number of operators in this specialist area and changes within this market. The Council were unable to identify a suitable operator and consequently agreed to operate the facility direct, in the short term, to ensure the facility could open on completion. The Council will however continue to explore a partner to work with so the building can operate in the original manner envisaged, but this may not be necessary for the successful operation of the asset and the opportunity.
- ii) Keep in Council Use - An alternative approach could be for the Council not to progress with letting out the space in the building. This could result in the risk of clawback from the funders as the project was not delivered as intended, reputational risk and a reduced town centre regeneration impact.
- iii) Lease to a non-digital/creative 3rd Party or sell the building on completion – This would result in non-compliance of the Town Deal grant and could result in grant clawback. Depending on the use, town centre diversification and growth of the local economy might not result.

Equality Implications:
There are no equality implication in the nature of the operator model for the building.
Impact on Children and Young People:
There are benefits for Children and Young people as a consequence of the Council's operation of the building as opposed to any other external operator. The facility will be used to develop digital and creative business enterprise and skills and in particular will look to attract young people looking to work or develop skills in this key growth sector. It will be a safe space and, with the proximity to the Atkinson centre, is hoped to assist with engagement and attraction of young people and talent into the facility and encourage networking opportunities.
Climate Emergency Implications:
The recommendations within this report will have a Positive impact. Once in operation which it is the objective of this report to facilitate, the regeneration of the former Crown Building to create the Enterprise Arcade project involved the removal

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of gas heating systems, the more sustainable replacement systems can be managed more effectively across the whole of the building footprint across various future independent occupiers. In addition, lighting within the specification meets modern standards for efficiency. Similarly, this applies to the installation of the new passenger lift. The project and all works have been carried out to current building regulations standards and these approved by and through Sefton Council Building Control. The Enterprise Arcade is close to easily accessible, high quality, bus and rail provision in Southport town centre and has no dedicate parking provision within the development which will help encourage more sustainable transport use and active travel.

(A) Internal Consultations

The Executive Director of Corporate Services & Commercial (FD 7816/24) and the Chief Legal and Democratic Officer (LD 5916/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

From a project development and delivery perspective extensive consultation took place on the Southport Town Deal and submission to government, including the Enterprise Arcade project. The consultation process and all associated comments and feedback are available online through the Councils web site.

A listed buildings application was necessary in progressing the project for the Bank Building elements and this was open to public comment where there were no objections recorded.

The Councils InvestSefton Team established and operate the Sefton Huddle, a forum for Creative and Digital businesses across Sefton. This Group have been important to the conversations that have helped shape the final content of the project through regular updates and the sharing of ideas and information.

On the specifics of the operator model and the Councils direct involvement, the project opportunity itself and the operation of the Enterprise Arcade was soft market tested on the Chest procurement platform and subsequently openly advertised in the same manner. This approach allowed for dialogue with a range of providers helping to inform the approach to design and delivery of the project.

Implementation Date for the Decision :

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

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Appendices:

None

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Background Papers:

Sefton Council Cabinet Report 25th May 2023 - Crown Buildings and the Enterprise Arcade Project Update

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Cabinet Report



ICT Managed Service

Date of meeting:	5 December 2024
Report to:	Cabinet
Report of:	Executive Director of Corporate Services and Commercial
Portfolio:	Corporate Services
Wards affected:	All Wards
Included in Forward Plan:	Yes
Is this a key decision:	Yes
Exempt/confidential report:	No

Summary:

This report provides a summary of the procurement process completed for the provision of ICT Managed Services to Sefton Council from the 1st of October 2025 and provides the rationale for the award recommendation.

Recommendation(s):

- (1) Authority be granted to award the contract detailed in the report under Crown Commercial Services (CCS) Framework Technology Services Lot 3b, Operational Services, for a period of four plus one optional contract year to Agilisys Ltd and delegated authority be granted to the Executive Director of Corporate Services and Commercial in consultation with the Cabinet Member for Corporate Services to grant the optional contract extension if deemed appropriate.

Alternative Options Considered and Rejected:

There are no viable alternatives.

1. The Rationale and Evidence for the Recommendations

- 1.1 In 2018 Agilisys Ltd took over as the ICT Managed Service provider for Sefton following a 10-year agreement with Arvato. The redesigned contract was awarded for 5 years with two optional 12-month extension periods. This contract comes to an end on the 30th of September 2025.

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- 1.2 In a report presented to Cabinet in March 2024 it was outlined how the current operational model has allowed Sefton Council to move at pace, from having an aging ICT infrastructure and rolling contracts, to a well-managed modern ICT estate. The same report outlined a proposed operating model with minor changes to the current model to improve the service to the authority, these changes being focused upon
- Improvements to Cyber Incident Event Management and Security Operations
 - The move of Applications Support and Development services to within the ICT Client Function
 - Changes to the administration of the schools SLA provision
- 1.3 At the Cabinet meeting on the 7th of March authority was provided for the Executive Director of Corporate Services and Commercial (previously Corporate Resources and Customer Services) to conduct a procurement compliant exercise, using Crown Commercial Services CCS Technology Services 3 Lot 3b Operational Management, to source a service provider for the provision of ICT Managed Services to Sefton Council, with the resulting recommendation being brought to Cabinet for an award decision.
- 1.4 In April this year, procurement activity commenced. There was one minor change to the proposals above, in that following external legal advice it was determined that the authority should continue to administer the SLAs agreements with schools, this was not deemed to be a material change to the scope of the contract provision and was communicated to all parties interested in bidding for the contract.
- 1.5 The procurement activity was completed as a CCS Supported Procurement, in that Crown Commercial Services (CCS) provided technical and administrative support for the procurement activity. Due to the size and strategic importance of this contract a multi-disciplinary team was established. Internal resource included Officers from, Legal services, the ICT Client team, Finance, the Central Procurement team, Human Resources and the Executive Leadership Team. This was supplemented by external legal advice regarding contractual schedules and associated terms and conditions.

2 Procurement Stages

- 2.1 To ensure transparency and fairness across all interested parties Sefton held an open day in April 2024 inviting all listed within the CCS framework to attend. Slides and supporting information were also made available to any suppliers that were interested in the opportunity but could not attend, thirteen suppliers attended with a further five receiving copies of the information presented and associated questions and answers.
- 2.2 In May 2024 the authority wrote to all suppliers on the Framework to request that those interested in bidding for the contract completed a formal request for information form so that they could receive the Invitation to Tender Documents and associated Contract Schedules at the end of June. Eleven suppliers expressed an interest in bidding for the contract at this stage.

2.3 Tender documents were released to all interested suppliers during June 2024, with a period of three weeks allowed for suppliers to ask clarification questions, 127 clarifications were received and responded to during this time. The deadline for tender submissions was set as the 8th of August 2024. Bids were to be evaluated on the following basis

- Quality 50%
- Social Value 10% (included within quality submission)
- Price 40%

2.4 Evaluation of quality questions took place over the summer with moderation scheduled for September 2024. Quality aspects included.

- Working relationships
- Implementation proposals
- Operational Management
- Contract Commencement and TUPE
- Performance Indicators and Monitoring
- Future developments
- Change control and Change Management
- Information Security and Management
- Strategic ICT and Digital Roadmap
- Core ICT Delivery and Management
- Resource and Demand Management
- Services to Schools
- Social Value

2.5 The financial aspect of the bids were then reviewed, this covered four key areas:

- Core Operational Costs (fixed for the duration of the contract)
- Implementation costs (one off costs)
- Ad Hoc Day rates for project work (optional)
- School services (optional for schools)

2.6 It must also be noted that any ad hoc work commissioned from the successful supplier will be granted only if the supplier can evidence their ability, experience and ensure value for money. Sefton reserves the right to commission projects from alternative suppliers if this would be in the best interests of the authority.

2.7 Only one bid was received by the authority at the closing date, this being from the incumbent supplier Agilisys Ltd.

2.8 Agilisys Ltd scored well on all quality aspects as outlined within section 2.4 of the main report, with no failures.

2.8.1 Social value was assessed based on two areas

- Creating skills, ambition and opportunities for young people in Sefton
- Supporting increased supply chain resilience and capacity

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The bid from Agilisys Ltd was strong on both counts, with commitments to supporting pupils and schools with school talks, technology boot camps and work experience placements. Further commitment was given to helping school leavers to be ready for work. The supplier also provided a clear commitment to supporting Care Experienced Young People, including priority placements and work experience opportunities.

In relation to supply chain resilience an offer was clearly articulated in relation to supporting business across Sefton to becoming more cyber resilient, this offer included Workshops and Webinars for Sefton businesses, Cyber Security Health checks, discounted access to Cyber Security tools and Cyber resilience certification for those who needed it. This offer can be tailored to meet the requirements of Sefton and would complement the work of the Invest Sefton team.

2.9 A clear offer has been provided for schools who wish to take services, this comprises of a number of individual service packages including

- Fully Managed services
- MIS (managed information system) Services
- Connectivity Services
- Telephony Services
- Google Support Services

All schools will be contacted in January 2025 regarding the revised contract allowing ample time for decisions to be made within schools before the new arrangements commence on the 1st of October 2025.

3 Financial Implications

Core operational costs quoted within the bid received from Agilisys Ltd can be contained within the budget allocated to the contract and meets the requirements of the authority.

3. Legal Implications

The Council has a statutory duty under Public Contract Regulations (PCR) 2015. Whilst this will soon be the Procurement Act 2023, this procurement has been awarded in line with PCR2015 as the Framework was established prior to the new Act coming into force.

4. Corporate Risk Implications

None directly, any operational risks linked to onboarding will be captured within the relevant project documentation and escalated in line with corporate risk management procedures as required.

Performance of the new Contract will be closely managed with governance established within the contract for both transition activities and operational performance against industry leading key performance indicators monthly, with financial penalties for non-compliance.

Key performance measures will not only cover system availability but will also include key measures relating to; response time, fix time, compliance with corporate policies (such as starters, movers and leavers) ICT security and customer satisfaction. A full list of all of the performance indicators including the triggers for service credits can be found in Appendix A.

The governance for the new contract includes the following obligations (as set out in a binding contractual schedule)

- A Service Management Board responsible for the executive management of all Services, which meets monthly and is attended by the Snr Manager for ICT and Digital, along with relevant internal officers and the Operational Delivery Management for the Managed Service and appropriate officers. This board is responsible for the oversight of all services, including performance, project management change management.
- A programme board which provides senior level guidance, leadership and strategy for the overall delivery of the services with the key remit to determine technology and business strategy and guidance on matters of policy, this board will meet quarterly and be attended by the Cabinet Member for Corporate Policy, the Executive Director for Corporate and Commercial Services, the Snr Manager for ICT and Digital , Directors from the Managed Services Provider and other officers as required. This board will also manage any escalations from Service Management Board.

In addition to the above an annual report will be taken to Overview and Scrutiny each year in relation to the performance of the Managed Services Contract.

5 Staffing HR Implications

The award of a new contract will involve the TUPE of Application Development and Support staff from successful supplier to the Council, consultation is already underway in line with formal HR procedures.

The proposed supplier has advised that there will be minimal staffing changes with the managed service with a minor restructure which will have a small impact on the number of staff employed to support the Sefton estate.

6 Conclusion

The authority has completed a PCR2015 compliant procurement process and recommends the award of the Contract for ICT Managed Services to Agilisys Ltd from October 2025 for a period of four plus one optional year. This recommendation ensures the delivery of a contract in line with both the quality and cost requirements of the tender and in addition allows the authority to build on its existing good relationship with Agilisys Ltd.

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Equality Implications: There are no equality implications.
Impact on Children and Young People: No
Climate Emergency Implications: This decision will have a neutral impact given there is no significant redesign of the ICT estate included within the contract scope.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services and Commercial (FD 7861/24) and the Chief Legal and Democratic Officer (LD 5961/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision :

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

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Appendices:

Appendix A – Key Performance Indicators

Background Papers:

[Cabinet Report - ICT Managed Service Contract March 2024](#)

Appendix A - Key Performance Indicators

No	Title	KPI obligation	KPI Measurement	Measurement Period	Performance Level Threshold	Performance Level Achieved	Service Points
KPI1(a)	System Availability (excepting the Cloud Services)	The Supplier shall ensure that the Council System (not including the Cloud Services) is always (other than at times that are permitted for Permitted Maintenance under this Agreement) Available. For the purposes of this KPI1(a) only, the term "Council System" does not include Databases or Applications.	The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula: $PL = \frac{(A - B)}{A} \times 100$ A = the total number of minutes in the relevant Service Period, excluding minutes that are permitted for Permitted Maintenance under this Agreement; and B = the total number of minutes in the relevant Service Period, excluding minutes that are permitted for Permitted Maintenance under this Agreement, where all the requirements of this KPI1(a) are not met.	Service Period	Target Performance Level	<u>98.5%</u> [1]	0
					Serious KPI Failure	≥95% but < 98.5%	30
					Severe KPI Failure	≥85% but < 95%	35
					KPI Service Threshold	<85%	40
KPI1(b)	System Availability (Cloud Services)	The Supplier shall ensure that the Cloud Services are always (other than at times that are permitted for Permitted Maintenance under this Agreement) Available.	The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula: $PL = \frac{(A - B)}{A} \times 100$ where: A = the total number of minutes in the relevant Service Period, excluding minutes that are permitted for Permitted Maintenance under this Agreement; and	Service Period	Target Performance Level	99.50%	0
					Serious KPI Failure	≥95% but < <u>99.5%</u> [1]	30
					Severe KPI Failure	≥85% but < 95%	35

			B = the total number of minutes in the relevant Service Period, excluding minutes that are permitted for Permitted Maintenance under this Agreement, where all the requirements of this KPI1(b) are not met.		KPI Service Threshold	<85%	40
KPI2	Responding to Incidents	The Supplier shall Respond to all Incidents within ten (10) minutes of notification of the Incident to the Service Desk by any method, including (but not limited to) telephone, Self Service Portal, and Web Chat.	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A}{B} \times 100$ <p>where:</p> <p>A= the total number of Incidents reported to the Service Desk in the relevant Service Period which were Responded to in accordance with all the requirements of this KPI 2 as stated in column (3) of this table; and</p> <p>B = the total number of Incidents reported to the Service Desk in the relevant Service Period.</p>	Service Period	Target Performance Level	100%	0
					Minor KPI Failure	≥99.5% but < 100%	1
					Serious KPI Failure	≥95% but < 99.5%	5
					Severe KPI Failure	≥85% but < 95%	20
					KPI Service Threshold	≥99.5% but < 100%	40
KPI3	Responding to Requests	The Supplier shall Respond to all Requests within ten (10) minutes of notification of the Request to the Service Desk. By any method, including (but not limited to) telephone, Self Service Portal and Web Chat.	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A}{B} \times 100$ <p>where:</p> <p>A = the total number of Requests made to the Service Desk in the relevant Service Period which were Responded to in accordance with all the requirements of this KPI 3 as stated in column (3) of this table; and</p>	Service Period	Target Performance Level	100%	0
					Minor KPI Failure	≥99.5% but < 100%	1
					Serious KPI Failure	≥95% but < 99.5%	5
					Severe KPI Failure	≥85% but < 95%	20

			B = the total number of Requests made to the Service Desk in the relevant Service Period.		KPI Service Threshold	<85%	40
KPI3b	First time Fix (FTF)	The Supplier shall resolve 80% of all calls resolvable by the Service Desk at first point of contact.	<p>Where:</p> <ul style="list-style-type: none"> -All calls are resolved within 15 minutes of being logged; and -The call remains within the service desk and is not referred to a subsequent resolver group. <p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A}{B} \times 100$ <p>where:</p> <p>A= the total number of calls resolved within 15 minutes by the Helpdesk and have not been referred to another resolver group in the relevant Service Period; and</p> <p>B = the total number of calls logged by the service desk and have not been referred to another resolver group in the relevant Service Period.</p>	Service Period	Target Performance Level	80%	0
					Minor KPI Failure	≥80% but < 75%	1
					Serious KPI Failure	≥75% but < 70%	2
					Severe KPI Failure	≥70% but < 65%	10
					KPI Service Threshold	<60%	20
KPI4a	Answering telephone calls made to the Service Desk	The Supplier shall answer all calls made by telephone to the Service Desk with a human operator in a non-automated manner within 60 seconds of the telephone call first being made.	<p>The actual Performance Level achieved shall be calculated by applying the following formula:</p> $PL = \frac{A}{B}$ <p>where:</p> <p>A= the total wait time from the total number of telephone calls made to the Helpdesk in the relevant Service Period; and</p>	Service Period	Target Performance Level	<60s	0
					Minor KPI Failure	≥61s but <70s	1
					Serious KPI Failure	≥71s but <80s	3

			B = the total number of telephone calls made to the Helpdesk in the relevant Service Period.		Severe KPI Failure	≥81s but <90s	10
					KPI Service Threshold	<90s	20
KPI4b	Responding to Web Chat Enquires made to the Service Desk	The Supplier shall respond to all web chats made to the Service desk within 90 seconds of the webchat being initiated.	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A}{B} \times 100$ <p>where: A= the total number of web chats made to the Service Desk in the relevant Service Period which were answered in accordance with all the requirements of this KPI 4b as stated in column (3) of this table; and B = the total number of web chats made to the Service Desk in the relevant Service Period.</p>	Service Period	Target Performance Level	<90secs	0
					Minor KPI Failure	≥81s but <90s	1
					Serious KPI Failure	≥91s but <100s	3
					Severe KPI Failure	≥101 but <110s	10
					KPI Service Threshold	<110	20
KPI5(a)	Resolving Priority 1 Incidents	<p>The Supplier shall:</p> <p>(a) Resolve all Priority 1 Incidents reported via web chat or telephone that are capable of being Resolved remotely by the Service Desk during (and before terminating) the initial telephone call, web-chat contact or other initial contact when the Priority 1 Incident was first reported to the Service Desk ; and</p> <p>(b) subject to paragraph (a) of this KPI</p>	Performance against this KPI 5(a) will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 6 and 7 of this table	Service Period	Target Performance Level	One (1) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	0
					Minor KPI Failure	Two (2) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	25

		5(a), shall ensure that all Priority 1 Incidents are Resolved within two (2) hours of the Incident first being reported to the Service Desk.			Serious KPI Failure	Three (3) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	30
					Severe KPI Failure	Four (4) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	35
KPI 5(b)	Resolving Priority 2 Incidents	<p>The Supplier shall:</p> <p>(a) Resolve all Priority 2 Incidents that are capable of being Resolved remotely during (and before terminating) the initial telephone call, web-chat contact or other initial contact when the Priority 2 Incident was first reported to the Helpdesk; and</p> <p>(b) subject to paragraph (a) of this KPI 5(b), ensure that Priority 2 Incidents are Resolved within six (6) hours of the Incident first being reported to the Helpdesk.</p>	Performance against this KPI 5(b) will be measured by reference to the number of instances of non-compliance in each Service Period as set out in the 'Performance Level Achieved' column of this table:	Service Period	Target Performance Level	One (1) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	0
					Minor KPI Failure	Two (2) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	25
					Serious KPI Failure	Three (3) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	30
					Severe KPI Failure	Four (4) Priority 2 Incidents not Resolved in accordance with the requirements of this KPI5(b)	35
KPI 5(c)	Resolving Priority 3 Incidents	The Supplier shall:	The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:	Service Period	Target Performance Level	100%	0

		<p>(a) Resolve all Priority 3 Incidents that are capable of being Resolved remotely during (and before terminating) the initial telephone call, web-chat contact or other initial contact when the Priority 3 Incident was first reported to the Service Desk ; and</p> <p>(b) subject to paragraph (a) of this KPI 5(c), ensure that Priority 3 Incidents are Resolved within eight (8) hours of the Incident first being reported to the Service Desk .</p>	<p>$PL = \frac{A}{B} \times 100$</p> <p>B</p> <p>where:</p> <p>A = the total number of Priority 3 Incidents reported to the Service Desk in the relevant Service Period which were Resolved in accordance with all the requirements of this KPI 5(c) as stated in column (3) of this table; and</p> <p>B = the total number of Priority 3 Incidents reported to the Service Desk in the relevant Service Period.</p>				
KPI 5(d)	Resolving Priority 4 Incidents	<p>The Supplier shall:</p> <p>(a) Resolve all Priority 4 Incidents that are capable of being Resolved remotely during (and before terminating) the initial telephone call, web-chat contact or other initial contact when the Priority 4 Incident was first reported to the Service Desk ; and</p> <p>(b) subject to paragraph (a) of this KPI 5(c), ensure that Priority 4 Incidents are Resolved within twenty (20) hours of the Incident first being reported to the Service Desk .</p>	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> <p>$PL = \frac{A}{B} \times 100$</p> <p>B</p> <p>where:</p>	Service Period	Minor KPI Failure	≥99.5% but < 100%	2
					Serious KPI Failure	≥95% but < 99.5%	4
					Severe KPI Failure	≥85% but < 95%	6
					KPI Service Threshold	<85%	8
					Target Performance Level	99%	0
					Minor KPI Failure	≥96% but < 99%	1
					Serious KPI Failure	≥91% but < 96%	2

			<p>A = the total number of Priority 4 Incidents reported to the Service Desk in the relevant Service Period which were Resolved in accordance with all the requirements of this KPI 5(d) as stated in column (3) of this table.</p> <p>B = the total number of Priority 4 Incidents reported to the Service Desk in the relevant Service Period</p>		Severe KPI Failure	≥85% but < 91%	3
					KPI Service Threshold	<85%	4
KPI6(a)	Closing Priority 1 Requests	The Supplier shall ensure that all Priority 1 Requests, which are not Requests for the delivery and/or installation of Catalogue items, are Closed within thirty (30) minutes of the Request being made to the Service Desk .	Performance against this KPI 6(a) will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 6 and 7 of this table	Service Period	Target Performance Level	Zero (0) Priority 1 Requests not Closed in accordance with the requirements of this KPI6(a)	0
					Minor KPI Failure	One (1) Priority 1 Request not Closed in accordance with the requirements of this KPI6(a)	25
					Serious KPI Failure	Two (2) Priority 1 Requests not Closed in accordance with the requirements of this KPI6(a)	30
					Severe KPI Failure	Three (3) Priority 1 Requests not Closed in accordance with the requirements of this KPI6(a)	35
					KPI Service Threshold	Four (4) or more Priority 1 Requests not Closed in accordance with the requirements of this KPI6(a)	40
KPI 6(b)	Closing Priority 2 Requests	The Supplier shall ensure that all Priority 2 Requests, which are not Requests for the delivery and/or installation of Catalogue items, are	The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula: $PL = \frac{A}{B} \times 100$	Service Period	Target Performance Level	99%	0

		Closed within twenty-four (24) hours of the Request being made to the Service Desk .	<p>B</p> <p>where:</p> <p>A = the total number of Priority 2 Requests made to the Service Desk in the relevant Service Period which were Closed in accordance with all the requirements of this KPI 6(b) as stated in column (3) of this table.</p> <p>B = the total number of Priority 2 Requests made to the Service Desk in the relevant Service Period</p>				
					Minor KPI Failure	≥96% but < 99%	2
					Serious KPI Failure	>91 but <96%	4
					Severe KPI Failure	>85% but <91%	6
					KPI Service Threshold	<85%	8
KPI7	Starters Movers and Leavers	The Supplier shall ensure that at all times it complies with each of its obligations contained at paragraph 5.1 of Part A of the Services Description	Performance against this KPI 7 will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 7 and 8 of this table	Service Period	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	1 – 2 instances of non-compliance	4
					Serious KPI Failure	3 – 6 instances of non-compliance	8
					Severe KPI Failure	7 – 10 instances of non-compliance	12
					KPI Service Threshold	>10 instances of non-compliance	16
KPI8	Installation Services	The Supplier shall, following any Request for the provision of Installation Services, provide such Services in compliance with the requirements of the Service Description	Performance against this KPI 8 will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 7 and 8 of this table	Service Period	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	1 – 2 instances of non-compliance	4
					Serious KPI Failure	3 – 6 instances of non-compliance	8
					Severe KPI Failure	7 – 10 instances of non-compliance	12
					KPI Service Threshold	>10 instances of non-compliance	16

KPI 9	Resolution of Problems	<p>The Supplier shall Resolve all Problems within fifty-five (55) hours of:</p> <p>(a)the date on which the first Incident manifesting the Problem was Resolved; or</p> <p>(b)if such Incident was not Resolved within the timescale required for such Resolution in accordance with this Agreement, the time it should have been so Resolved in accordance with this Agreement.</p>	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A}{B} \times 100$ <p>where:</p> <p>A = the total number of Problems which were Resolved in accordance with all the requirements of this KPI 9 as stated in column (3) of this table; and</p> <p>B = the total number of Problems which occurred in the relevant Service Period.</p>	Service Period	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	1 – 2 instances of non-compliance	4
					Serious KPI Failure	3 – 6 instances of non-compliance	8
					Severe KPI Failure	7 – 10 instances of non-compliance	12
					KPI Service Threshold	>10 instances of non-compliance	16
KPI 10	Core Enabling Technologies Availability	<p>The Supplier shall ensure that each Core Enabling Technology is at all times, excluding any time permitted for Permitted Maintenance under this Agreement, Available.</p>	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A - B}{A} \times 100$ <p>where:</p> <p>A = the total number of minutes in the relevant Service Period, excluding minutes that are permitted for Permitted Maintenance under this Agreement; and</p> <p>and</p>	Service Period	Target Performance Level	99.5%	0
					Serious KPI Failure	≥95% but < 99.5%	30
					Severe KPI Failure	≥85% but < 95%	35

			B = the total number of minutes in the relevant Service Period, excluding minutes that are permitted for Permitted Maintenance under this Agreement, where all the requirements of this KPI 10(a) were not met.		KPI Service Threshold	<85%	40
KPI 11(a)	Security Testing	<p>The supplier shall ensure that any actual or potential Breach or Security or weakness (including unpatched vulnerabilities, poor configuration and/or incorrect system management) , identified in a security test are remediated within the following timescales.</p> <p>(a) within no more than twenty-four (24) Helpdesk Hours [0730 to 1830 on a Working Day] where such failure or weakness categorised as Critical(CVSS >9) during the Security Test and</p> <p>(b) any failures or weakness categorised as High (CVSS >7 -9) during the Security Test are to be rectified within 14 working days; or</p> <p>(c) as soon as reasonably practicable in any other circumstances in accordance with any reasonable timetable agreed with the Council</p>	<p>Performance against this KPI 11(a) will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 7 and 8 of this table that remaining outstanding in line with the defined time periods.</p>	Service Period	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	1 instance of non-compliance	20
					Serious KPI Failure	2 instances of non-compliance	40
					Severe KPI Failure	3 instances of non-compliance	60
					KPI Service Threshold	4 or more instances of non-compliance	80
KPI 11(b)	Security Management	<p>The Supplier shall ensure that:</p> <p>(a) all required changes to the ISMS and the Security management Plan are updated annually</p>	<p>Performance against this KPI 11(b) will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 7 and 8 of this table</p>	Service Period	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	1 instance of non-compliance	8
					Serious KPI Failure	2 instances of non-compliance	16

KPI11(c)	End User device Patching	<p>The supplier shall ensure that.</p> <p>(a) all critical security patches for end user devices are released in a timely manner as agreed with the Council.</p> <p>(b) Critical Security patches from Microsoft to be released to end user devices within 10 days of released from Microsoft.</p>	<p>Performance against this KPI 11(c) will be measured by reference to the number of instances of non-compliance within each Service Period as set out within Columns 7 and 8 of this table.</p>	Service Period	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	1 instance of non-compliance	2
					Serious KPI Failure	2 instances of non-compliance	4
					Severe KPI Failure	3 instances of non-compliance	6
					KPI Service Threshold	4 or more instances of non-compliance	8
KPI 12	Service Desk access	<p>Without prejudice to the requirements of paragraph 2 of Part A of Schedule 2.1, the Supplier shall ensure that Council Users are able at all times during Service Desk Hours and Limited Support Hours to properly access and engage with the Service Desk via the following methods:</p> <p>(a) by telephone</p> <p>(b) through the Self-Service Portal and</p> <p>(c) Via Web Chat</p>	<p>The actual Performance Level achieved, expressed as a percentage, shall be calculated by applying the following formula:</p> $PL = \frac{A - B}{A} \times 100$ <p>where:</p> <p>A = the total number of minutes in the relevant Service Period ; and</p> <p>B = the total number of minutes in the relevant Service Period, where all the requirements of this KPI 12 were not met.</p>	Service Period	Target Performance Level	100%	0
					Minor KPI Failure	≥99.5% but < 100%	4
					Serious KPI Failure	≥95% but < 99.5%	8
					Severe KPI Failure	≥85% but < 95%	12
					KPI Service Threshold	<85%	16
KPI 13	Performance Monitoring reports	<p>The Supplier shall ensure that each report required to be submitted under this Agreement (including each Performance Monitoring Report and each Balanced Scorecard Report) shall:</p>	<p>Performance against this KPI 13 will be measured by reference to the number of instances of non-compliance in each Service Period as set out in Columns 7 and 8 of this table</p>	Quarterly	Target Performance Level	0 instances of non-compliance	

		<p>(a) be submitted within the time period required by this Agreement;</p> <p>(b) be complete, fully accurate, free from errors and not misleading; and</p> <p>(c) fully comply with all the requirements of this Agreement.</p>					
					Minor KPI Failure	N/A	N/A
					Serious KPI Failure	1 instance of non-compliance	20
					Severe KPI Failure	2 instances of non-compliance	25
					KPI Service Threshold	3 instances of non-compliance	35
KPI 14	Communication of Incident status	The Supplier shall, in respect of any on-going Priority 1 Incident, update the Council no less than once per hour on the progress toward the Resolution of that Incident. The update shall be provided by telephone from a suitably qualified and knowledgeable member of Supplier Personnel.	Performance against this KPI 14 will be measured by reference to the number of instances of non-compliance with the requirement set out in column 3 in each Service Period, as set out in Columns 7 and 8 of this table	Quarterly	Target Performance Level	0 instances of non-compliance	0
					Minor KPI Failure	2 instances of non-compliance	2
					Serious KPI Failure	3 instances of non-compliance	4
					Severe KPI Failure	4 instances of non-compliance	6
					KPI Service Threshold	5 instances of non-compliance	8
KPI15	Customer Satisfaction	Maintain a Customer Satisfaction Score (CSAT) above 70%	<p>To calculate:</p> <p>The total of all survey responses is divided by the total number of survey responses. The percentage total of Detractors (scores 6 and below) is then subtracted from the percentage total of Promoters (scores 9 to 10) to provide the CSAT value.</p>		Target Performance Level	70%	0
					Minor KPI Failure	≥68% but < 70%	1
					Serious KPI Failure	≥66% but < 68%	2
					Severe KPI Failure	≥64% but < 66%	3
					KPI Service Threshold	<64%	4

Cabinet Report



Financial Management 2024/25 to 2027/28 - Revenue and Capital Budget Update 2024/25 – December Update

Date of meeting:	5 December 2024
Report to:	Cabinet
Report of:	Executive Director – Corporate Services and Commercial
Portfolio:	Corporate Services
Wards affected:	All
Included in Forward Plan:	Yes
Is this a key decision:	Yes
Exempt/confidential report:	No

Summary:

To inform **Cabinet** of:

- 1) The current position relating to the 2024/25 revenue budget.
- 2) The current forecast on Council Tax and Business Rates collection for 2024/25.
- 3) The monitoring position of the Council's capital programme to the end of October 2024:
 - The forecast expenditure to year end.
 - Variations against the approved budgets and an explanation of those variations for consideration by Members.
 - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects.

Recommendation(s):

Cabinet is recommended to: -

Revenue Outturn

- 1) Note the current position relating to the 2024/25 revenue budget.
- 2) Note the actions being taken to refine forecasts and identify mitigating efficiencies to ensure each service achieves a balanced position.
- 3) Note the remedial action plan measures previously approved by Cabinet on 7th November 2024 (outlined in section 3).

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- 4) Recognise the financial risks associated with the delivery of the 2024/25 revenue budget and acknowledge that the forecast outturn position will continue to be reviewed, and remedial actions put in place, to ensure a balanced forecast outturn position and financial sustainability can be achieved.

Capital Programme

- 5) Note the spending profiles across financial years for the approved capital programme (paragraph 8.1).
- 6) Note the latest capital expenditure position as at 31 October 2024 of £28.498m (paragraph 7.3); the latest full year forecast is £83.015m (paragraph 7.4).
- 7) Note that capital resources will be managed by the Executive Director Corporate Service and Commercial to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council (paragraphs 7.7-7.9).

1. The Rationale and Evidence for the Recommendations

To ensure Cabinet are informed of the current position in relation to the 2024/25 revenue budget.

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

To keep members informed of the progress of the Capital Programme against the profiled budget for 2024/25 and agreed allocations for future years.

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

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

1. Introduction

- 1.1 On 29 February 2024, Members approved the Budget for the financial year 2024/25. This budget was developed throughout the preceding nine months and took account of all known issues with services identifying and agreeing the resources that they would require for the following year, especially those with demand led budgets. Within that report, and as with previous years, the inherent financial risk within these budgets, especially with respect to Adult Social Care, Children's Services and Education Excellence (Home to School Transport), was identified. This was further reflected within the reserves' strategy for the Council, as reported in the Robustness Report also presented to Budget Council.
- 1.2 This report is the fifth of the Council's monthly budget monitoring reports for 2024/25 and provides the forecast outturn position for all services following a continuing review of forecasts, including the pressures that have materialised since the budget was set.
- 1.3 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.

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1.4 The capital section of the report informs Members of the latest estimate of capital expenditure for 2024/25 and forecast expenditure for 2025/26 and 2026/27. The capital budget to date is presented in paragraph 7.1. Paragraphs 7.2 to 7.6 review progress of the capital programme. Finally, paragraphs 7.7 to 7.9 confirm that there are adequate levels of resources available to finance the capital programme.

2. Revenue Budget 2024/25 – Forecast Outturn Position as at the end of October 2024

2.1 Members are provided with updates of the Council’s forecast financial revenue position each month during the financial year from July. As would be expected as the forecast develops through the year, they become more robust and can inform decision making. The Council adopted this approach by developing its in year remedial budget actions on the back of the mid-year review position and this report is the first step that will lead to that.

2.2 As at the end of October 2024, the forecast outturn shows a net overspend of £11.976m, including the impact of mitigating actions approved at Cabinet on 7th November 2024. The forecast overspend relates to additional pressures within Adult Social Care, Children’s Social Care and Education Excellence (Home to School Transport). It should be noted that the majority of services are reporting a balanced position or are implementing local remedial actions to return a balanced position at this stage.

2.3 The table below highlights the variations across services that make up the £11.976m forecast overspend:

	Budget	Forecast Outturn	Forecast Variance	Variance to September
	£m	£m	£m	£m
Services				
Strategic Management	3.996	3.996	0.000	0.000
Adult Social Care	121.738	123.992	2.254	1.236
Children's Social Care	81.226	92.198	10.972	4.235
Communities	11.387	11.667	0.280	0.000
Corporate Resources	10.466	10.216	-0.250	0.000
Economic Growth & Housing	6.882	6.882	0.000	0.000
Education Excellence	17.931	20.477	2.546	-0.059
Health & Wellbeing	19.870	19.497	-0.373	-0.139
Highways & Public Protection	10.886	10.636	-0.250	0.000
Operational In-House Services	17.614	17.364	-0.250	0.000
Property and Building Services	-0.528	-0.528	0.000	0.000
Total Service Net Expenditure	301.468	316.397	14.929	5.373
Council Wide Budgets	15.462	14.009	-1.453	0.000
Levies	37.290	37.290	0.000	0.000
Recruitment Freeze	0.000	-1.000	-1.000	0.000
Non-Essential Expenditure cessation / deferral	0.000	-0.500	-0.500	0.000
General Government Grants	-95.740	-95.740	0.000	0.000
Total Net Expenditure	258.480	270.456		

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<u>Forecast Year-End Deficit</u>			<u>11.976</u>	<u>5.373</u>
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2.4 The key areas relating to the outturn position are as follows:

- **Adult Social Care** – Current forecasts are that the Adult Social Care budget will overspend by £2.3m during 2024/25 and reflects an assumption that there will be full achievement of savings proposed by the Service for the year (see below). However, there are a number of significant assumptions and uncertainties that could impact on this position before the year-end. As stated previously, the service has committed to a number of efficiencies and savings that amount to £4.8m, in order to meet the savings approved as part of the approved 2024/25 budget, plus additional savings to meet the additional budgetary pressures arising from the increases in provider fees approved at Cabinet meetings in May 2024. The achievement of these savings will be carefully monitored throughout the year. As at the end of October, £2.4m of the £4.8m of savings have been delivered. The current position reflects the delivery of these savings in full during this year which the Service has confirmed.

Like all councils, the Service is experiencing growth pressure with demand for services and are seeking to meet the cost of this within the resources available. As would be expected with a budget of this size and volatility, this remains a key risk during the current year, with the added uncertainty of whether additional winter pressures or other grant funding would be received in year. Work will continue to be undertaken throughout the year to understand the pressures arising and refine forecasts. As an adverse forecast outturn position is currently forecast work will continue to be undertaken to explore options to ensure that any potential overspend is mitigated. Initial work has identified potential mitigations of £0.7m which are reflected in the forecast overspend reported above.

- **Children’s Social Care** – The previous forecast reported to Cabinet in November 2024 assumed that the Children’s Social Care budget would overspend by £6.7m during 2024/25. The current forecast for the service shows a potential overspend of £11.0m (see below). However, there are a number of significant assumptions and uncertainties that could impact on this position before the year-end. Further work continues to be undertaken to understand the pressures and refine forecasts.

Members will be aware that the 2023/24 approved budget included an additional £21m of investment in the service based on the requirement for additional staffing (including temporary funding for additional agency costs whilst more permanent staff are recruited to, including International Social Workers and from staff coming through the social work academy) as well as additional resources to reflect the number of packages at the time, some potential growth as well as resource for inflationary pressures. The 2024/25 approved budget included a further additional £3m to reflect the number of packages at the time as well as resource for inflationary pressures.

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The current forecast for staffing is an overspend of £3.9m. A report to Cabinet in May 2024 approved a new staffing structure within the Service, with the cost of the new structure being £2.450m more than the existing staffing budget. Cabinet approved the virement of £2.450m, to fund the increased cost of the new structure, from the Residential Care budget to the staffing budget based on the forecast reduction in packages across the year provided by the Service based on the improvement work that they are undertaking and the performance information that they produced. However, as the new structure is recruited to with permanent staff, significant numbers of existing high-cost agency placements have continued to be required, resulting in a significant overspend being forecast.

Certain areas of accommodation and support packages are now forecast to overspend by £8.8m. The report to Cabinet in May 2024 outlined that budget realignment would be undertaken to ensure budgets reflected the packages in place at the start of 2024/25 as well as the anticipated reduction in Residential Care packages across the year. This was possible because of continuing improvements in practice which have resulted in more children being placed in more appropriate settings at a lower cost. However, the Service has seen additional children having to be placed in a residential setting resulting in a forecast overspend of £6.2m. In addition, the costs of packages for Children with Disabilities had increased, although specialist work continues to be undertaken to ensure health are making the appropriate contributions to the cost of care. These were the two main areas driving the initial forecast overspend.

It was previously assumed that the increase in Residential Care packages would be short-term. However, further work has been undertaken to assess each case and the assumptions made which has identified that some placements will continue for longer than originally assumed. In addition, some further placements, and increases in package costs, have resulted in further spending pressure. At the start of the financial year there were 80 children in residential placements, and this was forecast to decrease to 74 by the end of October (and to 65 at the end of the financial year). However, at the end of October there are 92 children in residential placements. With an average placement cost of approximately £0.3m per year, it is clear what is driving the budget pressure. There has also been an increase in the number of packages for Children with Disabilities.

Further work has also been undertaken to assess each individual case across the different care settings. This forensic analysis will continue each month to ensure forecasts for each individual case are as robust as possible.

As an adverse forecast outturn position is currently forecast work will continue to be undertaken to explore options to ensure that any potential overspend is mitigated. Initial work has identified potential mitigations of £0.5m which are reflected in the forecast overspend reported in the table above.

In considering this forecast, work will also be undertaken to determine if any of this pressure is temporary or permanent in nature and needs reflecting in future budget setting processes. At present it is considered that some of the increase in cost of Residential Care packages is short-term in 2024/25 due to forecast activity in 2025/26, and so it is estimated that the future years impact will be less significant at this stage. Together with Adult Social Care and Home to School Transport this is clearly the biggest risk to the Council's budget and a comprehensive review of all residential and other placements, and all agency staff, will continue to be undertaken in order to inform revised forecasts in future months.

This is the most significant budget issue within the Council with pressure of £11m. Whilst some mitigations are possible, this will require a substantial call on the Council's General Balances. The Service, in working within this environment, are undertaking the following to

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ensure that children receive the right support, to enable the right outcomes and invariably deliver the service at a lower cost:

- The DCS signing off on all residential placements after following the key stages of an agreed process.
 - Consideration of residential placements at a weekly External Placement Panel
 - Consideration of care packages at a fortnightly Care Package Review Meeting.
 - A review of applications into care at a weekly SARC Panel
- **Education Excellence** - The current forecast shows a potential net overspend of £2.5m, which mainly relates to Home to School Transport. Members will recall that in this budget, and in previous years' budgets, substantial funding was added to the Home to School Transport budget. However, this budget has come under further pressure due to the significant increase in the number of EHCPs being completed which result in travel support, including more expensive travel relating to out of borough placements.
 - **Other Service Areas** – Most other service areas are currently showing a balanced position. However, based on the initial monitoring undertaken some services are forecasting minor overspends. Work will continue to refine forecasts as more information on expenditure and income becomes available. Services will need to ensure that additional cost control measures are in place between now and the end of the year, and mitigating savings are made to offset any forecast overspend, to ensure each service delivers a balanced position. As part of the remedial action plan approved by Cabinet in November 2024, four services had identified mitigating actions within their areas that could partially contribute to the Council's overall position. These have now been built into individual service forecasts shown in the table above (see paragraph 3.6). In addition, the remedial action plan included savings from a recruitment freeze and a cessation / deferral of non-essential expenditure (see paragraphs 3.4 and 3.8). The impact of these actions has yet to be built into individual service forecasts.
 - **Corporate Budgets** – The Council continues to achieve positive investment returns on its cash balances. It is forecast that this will achieve additional income of £0.2m in 2024/25. However, due to the impact on cash balances of the High Needs deficit, the Council has had to take out additional borrowing earlier than previously planned for, which is significantly impacting on the forecast surplus that would otherwise be achieved.

3. Revenue Budget Summary 2024/25

- 3.1 An overspend of £11.976m is currently forecast. However, as mentioned in section 2, this is a forecast based on a number of uncertainties and assumptions, particularly around Adult Social Care, Children's Social Care, and Education Excellence (Home to School Transport), which all remain volatile. Additional work will continue to be undertaken across service areas to refine the forecasts and identify mitigating efficiencies to ensure each service achieves a balanced budget position.
- 3.2 As mentioned, the Council must strive to achieve an overall balanced position to ensure its financial sustainability. Given the overall forecast overspend, a remedial action plan to reduce the residual balance was approved by Cabinet on 7th November 2024, and with the budget position having worsened by over £5m in a month it is essential that this is delivered without exception.

Remedial Action Plan

- 3.3 Cabinet on 7th November 2024 approved a number of remedial actions, including the adoption of financial principles used in previous years, to reduce the forecast overspend position to ensure its continued financial sustainability. Based upon the forecast pressure

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increasing by over £5m in a month, it is critical that these measures are delivered without exception. The approved actions are:

Recruitment Freeze

- 3.4 The Council has implemented a recruitment freeze until the end of the financial year. This will apply to all services across the Council with the exception of Children's Social Care. Savings from non-recruitment of current and future vacant posts are estimated to be £1.0m before the end of the financial year.

No Further Overspend in any Service.

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

Remedial Measures within Services.

- 3.6 Measures to achieve savings have been proposed within certain service areas to help to mitigate the financial pressures being experienced by the Council. The anticipated savings from these measures are:

Service:	Proposed Savings:
	£m
Corporate Resources	0.250
Health & Wellbeing	0.100
Highways & Public Protection	0.250
Operational In-House Services	0.250
	0.850

No Further Growth Items or Additionality

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

Non-Essential Expenditure

- 3.8 A full review is currently being undertaken of all budgets across the Council to identify areas of non-essential spend that could be stopped. This includes reviewing progress on spending in all areas to identify options for where additional expenditure commitments could be paused. This will identify further underspends that can be used to contribute to mitigating the Council's overall financial position. It is estimated that savings of £0.5m can be achieved before the end of the financial year.

Earmarked Reserves

- 3.9 In the previous report, it was outlined that a further review of Earmarked Reserves had identified a reserve that could now be released to support the forecast outturn position (£0.320m). Following the deterioration of the forecast a further review will be undertaken and any reserves that do not come with a specific legal requirement to hold or are not grant funding with no flexibility for use, will be presented to Members for decision on releasing to support the in-year position. This will mean that activity previously assumed to be funded will need to be met from service budgets in future years or funded in an alternative way. Based on initial work this may release £2-£2.5m to support the forecast outturn position.

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- 3.10 Any additional in-year funding that is made available by the Government will be utilised to offset the spending pressures being experienced.

Summary 2024/25

- 3.11 After the implementation of these remedial actions an overspend of **£11.976m** is currently forecast. Whilst remedial actions will continue to be explored to reduce this further, a residual overspend is expected at year-end. Based on this forecast, and in advance of any review of earmarked reserves, this would need to be funded by General Balances. This would reduce these General Balances from the budgeted **£30.3m** to **£18.3m**, which is a 40% reduction and is not sustainable in the immediate or medium term. The Council in 2024/25 increased its General Balances by £14m to improve its financial sustainability as it acknowledged that the environment within which it was working continued to pose increased risk and it held at that time a lower level of balances and reserves than many comparator authorities. This increase took account of that forecast risk, benchmarking against other councils, together with best practice and put the Council in a much more robust financial position. In potentially using this level of General Balances, the overall level will reduce to the previous value and will therefore place the Council at increased financial risk, hence the need for this forecast position provided by services to be worked to and delivered in the current year in order that there is no further call on the residual amount. Any further demand on General Balances will further compromise the Council's financial sustainability hence the importance of robust monitoring between now and the end of the year, recruitment and expenditure cessation and critically ensuring expenditure control in those demand led budgets.
- 3.12 As part of the budget setting process for 2025/26 to 2027/28, the Council will need to develop a strategy to increase General Balances back to the level they would have been if they hadn't been utilised to fund an overspend and this may include the repayment of balances by services who have utilised them where appropriate. This strategy will need to take into account the risks faced by the Council and the assessment of their adequacy as described in the S151 Officer's Robustness report.

4. Council Tax Income – Update

- 4.1 Council Tax income is shared between the billing authority (Sefton Council) and the three major precepting authorities (the Fire and Rescue Authority, the Police and Crime Commissioner and the Combined Authority – Mayoral Precept) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £169.759m for 2024/25 (including Parish Precepts), which represents 84% of the net Council Tax income of £202.200m.
- 4.2 The forecast outturn for the Council at the end of October 2024 is a surplus of £0.605m. This variation is primarily due to: -
- The surplus on the fund at the end of 2023/24 being higher than estimated (-£0.312m).
 - Gross Council Tax Charges in 2024/25 being higher than estimated (-£0.895m).
 - Exemptions and Discounts (including a forecasting adjustment) being higher than estimated (+£0.602m).
- 4.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2024/25 but will be carried forward to be recovered in future years.

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4.4 A forecast surplus of £1.548m was declared on the 16 January 2024 of which Sefton's share is £1.299m (83.9%). This is the amount that will be recovered from the Collection Fund in 2024/25.

5. Business Rates Income – Update

5.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £65.692m for 2024/25, which represents 99% of the net Business Rates income of £66.356m. Business Rates income has historically been very volatile making it difficult to forecast accurately.

5.2 The forecast outturn for the Council at the end of October 2024 is a deficit of +£1.834m on Business Rates income. This is due to:

- The surplus on the fund at the end of 2024/25 being lower than estimated (+£2.620m).
- Increase in the gross charge on rateable properties (-£1.172m).
- A number of reliefs announced for 2024/25 were assumed in the NNDR1 return with the loss of income as a result of these reliefs covered by Section 31 grant payments. It is now forecast that the value of these reliefs will be more than anticipated (+£0.672m).
- Adjustments relating to prior years (-£0.286m)

5.3 When taking into account the change in Section 31 grants due on the additional reliefs, a net deficit of £1.775m is forecast.

5.4 Due to Collection Fund regulations, a Business Rates deficit will not be transferred to the General Fund in 2024/25 but will be carried forward to be recovered in future years.

5.5 A forecast surplus of £11.119m was declared in January 2024. Sefton's share of this is £11.008m. This is the amount that will be distributed from the Collection Fund in 2024/25. Any additional surplus or deficit will be distributed in 2025/26 and future years.

6. High Needs Budget

6.1 Cabinet and Council have agreed to receive regular reports from the Executive Director of Children's Social Care and Education and the Assistant Director of Children's Services (Education) with regard to the High Needs budget and the changes that are proposed, details of sufficiency planning, the Council's engagement on the Delivering Better Value Programme and the current high needs deficit and the risk around future central government decision making in respect of this deficit.

6.2 A separate report on the High Needs funding position of the Council was presented to Cabinet in July 2024, with the next report due in the first quarter of 2025.

7. Capital Programme 2024/25 – 2026/27

Capital Budget

7.1 The Capital Budget and profile of expenditure for the three years 2024/25 to 2026/27 is as follows:

2024/25	£83.077m
2025/26	Page 119
	£62m

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2026/27

£42.817m

7.2 The following updates have also been made to the capital programme budget since the previous budget report to Cabinet in November:

- **Adult Social Care** – £0.546m has been rephased into 2025/26 and £0.546m into 2026/27 for the Short-Term Assessment Unit due to delays on site. Expected end date is January 2027.
- **Corporate Resources** – £0.090m has been added to the programme for the Community Recovery Fund externally funded by grant from MHCLG and approved under delegated authority.
- **Education Excellence**
 - £0.665m has been added to the budget for new Special Educational Needs and Disabilities capital projects at Merefield (£0.215m in 2024/25) and Marshside Primary (£0.450m in 2024/25) funded from the High Needs Provision Capital Allocation (HNPCA) grant from DfE and approved by Cabinet Member under delegated authority.
- **Highways & Public Protection:**
 - Cabinet Member - Housing and Highways has approved the 2024/25 Highways Capital Programme funded by the City Region Sustainable Transport Settlement. The updated budget allocations for are shown in Appendix A.
 - Two new major schemes have been added to the programme externally funded by grant from the Liverpool City Region Combined Authority and approved by Council in November:
 - Southport Eastern Access £19.970m
 - Maritime Corridor £12.300m
 - £1.067m has been added to the 2025/26 budget for the Local Electric Vehicle Charging project externally funded by grant from the Liverpool City Region Combined Authority and approved by Council in November.
- **Operational In-House Services**
 - £0.217m has been rephased into 2025/26 for the Crosby Flood and Coastal scheme due to works being unable to be completed during the winter months.
 - £2.644m has been rephased into 2025/26 for Food Waste Collection as orders are expected to be placed in January with a possible lead time of up to ten months.

Budget Monitoring Position to October 2024

7.3 The current position of expenditure against the budget profile to the end of October 2024 is shown in the table below. It should be noted that budgets are profiled dependent upon the timing of when works are to be carried out and the anticipated spend over the financial year. The budget to date in the table below reflects the profiles of each individual scheme.

	Budget to October	Actual Expenditure to October	Variance to October
	£m	£m	£m
<u>Services</u>			

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Adult Social Care	2.730	2.621	-0.108
Children's Social Care	0.213	0.260	0.047
Communities	0.576	0.360	-0.216
Corporate Resources	0.902	0.726	-0.175
Economic Growth & Housing	6.928	6.818	-0.111
Education Excellence	2.513	2.503	-0.010
Highways & Public Protection	8.718	7.645	-1.073
Operational In-House Services	2.479	2.607	0.128
Property and Building Services	4.980	4.956	-0.023
<u>Total Programme</u>	30.039	28.498	-1.541

Capital Programme Forecast Outturn 2024/25

- 7.4 The current forecast of expenditure against the budget profile to the end of 2024/25 and the profile of budgets for future years is shown in the table below:

	Budget 2024/25	Forecast Outturn	Variance	Budget 2025/26	Budget 2026/27
	£m	£m	£m	£m	£m
<u>Services</u>					
Adult Social Care	8.519	8.911	0.392	2.393	0.546
Children's Social Care	2.633	2.633	-	-	-
Communities	1.767	1.764	-0.003	0.101	-
Corporate Resources	1.686	1.686	-	0.090	-
Economic Growth & Housing	19.470	19.417	-0.054	45.876	27.947
Education Excellence	9.119	8.983	-0.136	7.815	-
Highways & Public Protection	26.455	26.194	-0.261	29.007	10.421
Operational In-House Services	5.627	5.627	-	6.681	1.515
Property and Building Services	7.799	7.799	-	2.500	2.387
<u>Total Programme</u>	83.077	83.015	-0.062	94.462	42.817

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

- 7.5 The current 2024/25 budgeted spend is £83.077m with a budgeted spend to October of £30.039m. The full year budget includes exceptional items such as £13.611m for Growth and Strategic Investment projects, £3.377m for new Council Housing schemes, £10.487m for major Highways projects, a £2.707m project for Southport Pier Decking, a one-off budget for a major property acquisition (£4.775m), a scheme to upgrade to LED Street Lighting (£3.459m), and £2.000m for Transformation Projects.

- 7.6 It should be noted that based on evidence from previous years, it is likely that further reprofiling of spend into 2025/26 will occur as the year progresses, as £83m of capital expenditure would be a significant programme delivered in year- it is therefore essential that all projects are reviewed in a robust manner in order that informed decision making in respect of financial management and member decision making can be undertaken.

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Programme Funding

7.7 The table below shows how the capital programme will be funding in 2024/25:

<u>Source</u>	<u>£m</u>
Grants and Other Contributions	58.362
Prudential Borrowing	16.887
Capital Receipts	7.615
Revenue Contributions	0.213
<u>Total Programme Funding</u>	83.077

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

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

2. Financial Implications

All financial implications are reflected within the report.

3. Legal Implications

None

4. Corporate Risk Implications

This report highlights the financial position of the Council in 2024/25, which supports its Financial Sustainability in 2024/25 and future years.

5 Staffing HR Implications

None

6 Conclusion

Based on current forecasts, the Council is again faced with a challenging financial environment during 2024/25 as a result of pressures within Adult Social Care, Children's Social Care and Education Excellence (Home to School Transport). A revenue overspend of £11.976m is currently forecast.

Alternative Options Considered and Rejected

None

Equality Implications:

There are no equality implications.

Impact on Children and Young People:

None

Climate Emergency Implications:

The recommendations within this report will have a **Neutral** impact.

The allocations of capital funding outlined in section 8 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.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services and Commercial is the author of this report (FD7871/24).

The Chief Legal and Democratic Officer (LD5971/24) has been consulted and any comments have been incorporated into the report.

(B) External Consultations

None

Implementation Date for the Decision:

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

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Appendices:

The following appendices are attached to this report:

APPENDIX A – Capital Programme 2024/25 to 2026/27

Background Papers:

None

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APPENDIX A – Capital Programme 2024/25 to 2026/27

<u>Capital Scheme</u>	Budget		
	2024/25 £	2025/26 £	2026/27 £
Adult Social Care			
Disabled Facilities Grants	3,500,000	-	-
Occupational Therapist Support	636,359		
ICT Development & Transformation	1,006,022	-	-
ICT Connectivity in Care Homes and Support Living	20,000	-	-
Care Home Improvements	529,038	-	-
Integrated Health and Wellbeing on the High Street	100,000	-	-
Short Term Assessment Unit	500,000	2,393,034	546,034
New Directions Programme	515,010	-	-
Technology Enabled Care	330,250	-	-
Programme Support	127,900	-	-
Changing Places	36,071	-	-
Falls Prevention Schemes	100,000	-	-
Digitising Social Care	136,393	-	-
Mobile Clinic	89,000	-	-
Community Equipment	893,000	-	-
Children’s Social Care			
Support for Fostering Placements	50,000	-	-
Special Guardianship Order – Property Purchase Grant	100,000		
Community Equipment	410,000	-	-
Springbrook Works and Vehicle	73,017	-	-
Children's Social Care Transformation	2,000,000	-	-
Communities			
Atkinson Arts Centre – Infrastructure & Windows	169,555	-	-
Local Authority Housing Fund	1,297,000	-	-
Leisure Centres – Essential Works	151,011	-	-
Libraries Projects	124,999	100,807	-
Neighbourhoods Schemes	24,869	-	-
Corporate Resources			
ICT Development & Transformation	688,498	-	-
ICT Data Centre Relocation	400,000	-	-
ICT Equipment Refresh	360,000	90,000	-
Committee Meeting Live Streaming System	147,806	-	-
Community Recovery Fund	90,000	-	-
Economic Growth & Housing			
Cambridge Road Centre Redevelopment	170,983	-	-
Strategic Acquisitions – Ainsdale	155,000	469,303	-
Marine Lake Events Centre	5,651,282	37,866,796	21,280,701
Enterprise Arcade	1,252,977	35,418	-
The Strand – Maintenance & Improvements	120,330	-	-
The Strand – Repurposing Programme	6,097,159	6,666,667	6,666,666
Changing Places Facilities	109,168	-	-

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	2024/25 £	2025/26 £	2026/27 £
Brownfield Housing Fund	1,032,281	-	-
Council Housing Early Acquisitions Scheme	-	750,000	-
Council Housing at Buckley Hill Lane	2,080,462	1,150	-
Southport Pier	2,706,736	86,580	-
Town Centre Vacant Sites	54,016	-	-
Red Rose Park Works	40,000	-	-
Education Excellence			
Early Years	534,202	-	-
General Planned Maintenance	397,262	-	-
Schools Programme	3,881,331	6,545,501	-
Sporting Betterment of Schools	654,045	667,343	-
Special Educational Needs & Disabilities	3,652,132	602,001	-
Highways and Public Protection			
Accessibility	452,304	200,000	-
Healthy Lifestyles	485,345	-	-
Road Safety	194,956	-	-
A565 Route Management and Parking	300,500	-	-
A565 Northern Key Corridor Improvements	96,369	-	-
A59 Route Management Strategy	1,280,000	4,563,357	-
Strategic Planning	3,368,053	3,084,779	-
Traffic Management & Parking	39,000	1,067,000	-
Southport Eastern Access	2,285,636	8,879,030	8,805,334
Maritime Corridor	4,771,239	7,531,761	-
Highway Maintenance	5,526,036	-	-
Bridges & Structures	685,143	1,750,000	-
Drainage Improvement	278,672	-	-
Street Lighting	300,000	-	-
Street Lighting LED Upgrade	3,458,748	-	-
Urban Traffic Control	1,317,160	315,018	-
Highways Capitalisation	1,616,000	1,616,000	1,616,000
Operational In-House Services			
Coastal Erosion and Flood Risk Management	1,603,392	1,551,809	1,420,273
Countryside Stewardship	1,740	-	-
Parks Schemes	282,643	729,017	-
Tree Planting Programme	574,072	94,879	94,879
Golf Driving Range Developments	2,197	280,280	-
Ainsdale Coastal Gateway	543,739	-	-
Green Sefton – Vehicles, Plant & Machinery	1,670,000	326,237	-
Refuse Collection & Recycling	345,000	2,644,182	-
Vehicle Replacement Programme	604,610	1,054,494	-
Property and Building Services			
Acquisition of Magdalen House	4,775,400	-	-
Council Wide Essential Maintenance	524,070	-	-
Council Wide Essential Maintenance Phase 2	2,500,000	2,500,000	2,387,372
Total Programme	83,077,188	94,462,443	42,817,259

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