

Report to:	Council	Date of Meeting:	Thursday 15 July 2021
Subject:	Financial Management 2021/22 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2021/22 including the Financial Impact of COVID-19 on the 2021/22 Budget – Additional Revenue and Capital Estimates		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	All Wards
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report sets out a new scheme for approval in the Council's revenue budget and two new schemes for approval in the Capital Programme following recommendations for approval by Cabinet on 24 June 2021.

Authority is also requested to accept the Restart contract from G4S Ltd, the prime contractor appointed by the Department of Work and Pensions for Restart in the North West.

Recommendation(s):

Council is asked to approve:

- 1) That authority be given to enter into a contract with G4S Ltd for the delivery of the DWP Restart Employment programme and that the Chief Executive, in consultation with the Cabinet Member for Regeneration and Skills, be authorised to finalise the terms of the contract.
- 2) A supplementary revenue estimate of £1.576m in 2021/22 fully funded by income from Restart. Future years' allocations will be included in the associated budget report.
- 3) A supplementary capital estimate of £1.128m for the grant funded scheme to provide a new football pitch at Orrell Mount.
- 4) A supplementary capital estimate of £0.795m for the Bootle Strand Shopping Centre Business Plan. The cost of external borrowing will be met from income from the centre and this is included within the approved 3 year business plan.

Reasons for the Recommendation(s):

To approve updates to the 2021/22 revenue budget, the 2021/22 and future year's Capital Programme and associated funding resources so that they can be applied to the schemes in the delivery of the Council's overall financial strategy.

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

N/A

What will it cost and how will it be financed?

(A) Revenue Costs

The Restart Employment Programme will cost £1.576m fully funded by income generated by the contract for delivery.

The capital scheme for the Bootle Strand Scheme will be funded via borrowing, with the ongoing revenue costs being met from income from the centre and this is included within the approved 3 year business plan.

(B) Capital Costs

The total capital cost of the schemes identified in this report is £1.923m funded by £0.778m in external grant, £0.350m from Section 106 monies and £0.795m in external borrowing that will be met from income receipts.

Implications of the Proposals:

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

Sefton@Work will need to recruit additional fixed term staff to carry out the Restart contract. However, there is an implementation phase before the contract reaches full delivery levels. Staff currently funded under ESF will be protected by transferring them across to Restart as key milestones are met and caseload numbers expand. Delivery costs for the Restart programme will be fully covered by the contract and no additional resource such as match-funding will be required from the Council to operate Restart.

Legal Implications:

A contract has been received from G4S which has been fully assessed by the Legal team. Specific risks and mitigations have been captured in a risk management plan using corporate risk methodology.

Equality Implications:

The equality implications of the Restart Scheme are positive since it relieves hardship, promotes equal access to employment and removes barriers to progression for economically disadvantaged people. This proposal will improve the lives of people from

across Sefton who have been affected by COVID-19 and have lost their employment. This scheme specifically targets people over 18 years old who have been workless and claiming benefits such as Universal Credit for more than one year when they commence Restart.

Climate Emergency Implications:

The recommendations within this report will

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

Delivery of Restart is judged to have the potential for a positive impact on climate change for the following reasons:

- We have budgets to reimburse clients travelling to see their employment advisers using public transport only – contributing to reduced car travel.
- We will be working with local employers to seek employment for clients. We will be particularly seeking out opportunities for employment within Sefton and within a ten-mile travel to work radius across the city region, thereby helping to reduce commuting distances.
- We will be producing travel to work plans for participants, promoting public transport by train and bus.
- We will be promoting understanding of the ecology & local environment by working with Green Sefton on an employment pathway for our participants
- We will be working with employers in a range of sectors but will be particularly targeting those opportunities for jobs in the Clean and Green sectors.

We are also required as part of the Restart contract terms to produce a Sustainable Development Policy statement which will include provisions related to:

- The disposal of contract waste
- Reducing energy consumption
- Promoting waste management including recycling
- Promoting green or public transport
- Promoting corporate social responsibility
- Commit to continuous improvement on sustainability for the project.
- During the scheme we will also seek opportunities with the contractor to minimise carbon, reduce waste (including Single Use Plastics) and request/gather regular

information to form part of the reporting on actions taken.

The additional allocations of capital funding outlined in this report may be spent on projects that will have a high climate change impact as they could relate to new build, rebuild, refurbishment, retrofit and demolition proposals. Environmental consideration will be taken into account when the projects are designed and tendered – which will help to mitigate negative impacts.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

The Restart scheme allows the Council to assist workless residents whose employment has been lost as a result of COVID-19 and who have found themselves workless for a period of 12 months or more and claiming welfare benefits.

The Strand provides essential amenities that are accessible for local people including the most vulnerable.

Facilitate confident and resilient communities:

Employment is a key indicator in improving resilience within our communities, and Restart will enable more people in Sefton to be supported with building back their confidence, employability and skills to re-enter the job market.

The Strand provides essential amenities that are accessible for local people and the football pitch will contribute to the health and wellbeing of Sefton residents.

Commission, broker and provide core services:

The Restart scheme allows the Council to work with those in our communities most at risk of longer-term exclusion and disadvantage by supporting residents into employment who may otherwise require interventions from core services such as health, housing and social care.

The scheme at Orrell Mount will provide services in line with the delivery of Sefton's Playing Pitch Strategy.

Place – leadership and influencer:

The Restart scheme will underline the Council's economic leadership role, particularly in relation to our relationships with businesses in recovery from COVID-19, in developing a better skilled and motivated local workforce and promoting inclusive growth.

The Strand is a key asset at the heart of Bootle critical to the town's physical, economic and social regeneration.

Drivers of change and reform:

The Council will help bring about real structural change for people coping with unemployment through the provision of attractive and high-quality, accessible

support. Restart will support people who need to prepare for re-entry into a changed labour market, supporting adults to make informed choices in their chosen careers.

Facilitate sustainable economic prosperity:

Restart reflects the requirement to achieve sustainable employment through a payment structure which recognises and rewards real progression into work and sustained earnings. This allows businesses to generate prosperity from recruiting our residents from this programme, where they will be well supported, motivated and prepared to add value in the workforce. Moving more of our residents into employment also has a positive impact on disposable incomes which will benefit our local business culture and town centres.

The continued success of The Strand is essential to maintain and increase its significant contribution to the local economy, including creating local employment and providing essential facilities required to help attract inward investment.

Greater income for social investment:

Sefton@Work will be engaging with a full range of employers including those engaged in social investment. The Council will therefore seek out opportunities for community based employment, thereby contributing towards the stability and viability of our social trading sector.

Cleaner Greener

There are numerous opportunities for Restart to positively influence sectors which have a direct and measurable impact on our environmental sustainability agenda and these jobs will be promoted to residents. There are specific requirements within the contract regulations for Restart which focus on carbon reduction.

All capital development proposals will be compliant with the Building Regulations and other Planning and Habitat regulations meaning Sefton builds cleaner and greener.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6447/21) and the Chief Legal and Democratic Officer (LD.4648/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

N/A

Implementation Date for the Decision

Immediately following the Council meeting.

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1. This report seeks approval, following recommendation by Cabinet, for the inclusion of supplementary estimates for three schemes – two schemes in the Council's capital programme for 2021/22 and future years – and one within the Council's revenue budget 2021/22 with future years estimates to be included within the associated revenue budgets.

2. Delivery of the Restart Programme for Sefton

- 2.1. A report on the delivery of the Restart Programme for Sefton was presented to Cabinet on 24 June 2021.
- 2.2. Restart is the main employment support activity to be commissioned by the Department for Work and Pensions for the next five-year period, announced in the Plan for Jobs in July 2020. Sefton Council has been identified as one of the subcontractors to deliver these employment support services within the borough via Sefton@Work. The cost of delivering this service is estimated to be £1.576m in 2021/22 and this is anticipated to be fully funded via the scheme.
- 2.3. Council is therefore asked to approve a supplementary revenue estimate for £1.576m in 2021/22 fully funded from income from the Restart contract, for inclusion in the revenue budget 2021/22. Future years allocations will be included in the associated budget report.

3. Orrell Mount Football Pitch

- 3.1. Sefton last reviewed its playing pitch strategy (PPS) in 2019. Following this review, it was identified that there was an approximate shortage of 17 artificial playing pitches in the borough. The Orrell Mount site, formerly known as Silcocks playing fields, was identified as a potential site to deliver an additional playing pitch in line with the PPS.
- 3.2. An application to the Football Foundation (FF) was made in 2020 for a grant to support the scheme. In addition to the FF grant, Section 106 monies from the St Wilfrids site in the adjacent Litherland ward has been identified to act as match funding for the scheme.
- 3.3. The project will deliver a brand new 3G football pitch, floodlights and a modular changing room facility as well as improved access and parking. The facility will be managed by an external provider who will pay £25k per annum into a Sefton managed sinking fund to meet future repair, refurbishment and replacement costs.
- 3.4. The total capital cost of the project is £1,128,047. This is made up of £778,047 grant from the Football Foundation and £350,000 of Section 106 funding. Council is therefore requested to approve a supplementary capital estimate for this scheme for inclusion in the 2021/22 capital programme.

4. Bootle Strand Shopping Centre Business Plan

- 4.1. A three-year Business Plan for the fiscal years 2021/22 to 2023/24 for the Strand Shopping Centre, Bootle was presented to Cabinet on 24 June 2021. As well as forecasts for each of these periods, the Business Plan includes an outline strategy and short-term action plans for the future of the asset.
- 4.2. The Business Plan contains capital costs of £0.795m (£0.640m in 2021/22, £0.115m in 2022/23 and £0.040m in 2023/24) required to maintain and improve the performance of the centre. This will be financed by borrowing and the associated repayments have been factored into the business plan projections and will be met from income receipts.
- 4.3. Council is therefore asked to approve a supplementary capital estimate for £0.795m, funded from borrowing, for inclusion in the capital programme 2021/22 to 2023/24.