

CABINET

**MEETING HELD AT THE BALLROOM, TOWN HALL, BOOTLE
ON THURSDAY 10TH FEBRUARY, 2022**

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

101. APOLOGIES FOR ABSENCE

No apologies for absence were received.

102. DECLARATIONS OF INTEREST

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

103. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the Meeting held on 3 February 2022 be approved as a correct record.

104. ANNUAL REVIEW OF ASSET MANAGEMENT STRATEGY AND ASSET DISPOSAL POLICY

Further to Minute No. 29 of the meeting of the Overview and Scrutiny Committee held on 8 February 2022 the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services advising that the Asset Management Strategy and Asset Disposal Policy set out the vision and aspirations for the effective management of the Council's corporate asset portfolio and the role it played in supporting and shaping the Council's agenda for the 2030 vision; that aside from its staff the Council's next biggest resource was its land and property and therefore, it was vital that this resource was managed and used effectively and efficiently to ensure that the Council derived maximum benefit from its assets in support of its strategic aims and priorities; that the Asset Management Strategy and Asset Disposal Policy would provide a framework for the planning, prioritisation, management and funding of the Council's asset base and that this was a statutory document that the Council was required to have in place and would be reviewed on an annual basis.

The Asset Management Strategy and Asset Disposal Policy were attached as appendices to the report.

Decision Made:

That the Council be recommended to approve the updated:

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

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None.

105. PRUDENTIAL INDICATORS 2022/23

Further to Minute No. 30 of the meeting of the Overview and Scrutiny Committee held on 8 February 2022 the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services which explained that the CIPFA Prudential Code for Capital Finance in Local Authorities was introduced following the Local Government Act 2003; and detailed measures / limits / parameters (Prudential Indicators) that were required to be set each financial year; and that the approval of these limits would provide a benchmark to measure actual performance against, to help ensure that the Council complied with relevant legislation, was acting prudently and that its capital expenditure proposals were affordable.

Decision Made:

That Council be recommended to:

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

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None.

106. TREASURY MANAGEMENT POLICY AND STRATEGY 2022/23

Further to Minute No. 31 of the meeting of the Overview and Scrutiny Committee held on 8 February 2022 the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that set out the following proposed policy and strategy documents:

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

Decision Made:

That Council be recommended to approve the:

- (1) Treasury Management Policy Document for 2022/23;
- (2) Treasury Management Strategy Document for 2022/23; and
- (3) Minimum Revenue Provision Policy Statement 2022/23

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None.

107. CAPITAL STRATEGY 2022/23 TO 2026/27

Further to Minute No. 32 of the meeting of the Overview and Scrutiny Committee held on 8 February 2022 the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that advised that the Capital Strategy set out the long-term context in which capital expenditure, borrowing and investment decisions were made and considered the impact of these decisions on the priorities within the Council's Core Purpose and Framework for Change Programme and the promises made in the 2030 Vision for Sefton; that at the heart of the Capital Strategy was the Council's core objective to continue to deliver financial sustainability; and that as such a flexible capital investment programme was more important than ever as a method to stimulate and enable economic growth and strategic investment, ensuring best use of existing assets and of generating future income streams to pay for and deliver day to day services.

Attached as Appendix 1 to the report was the Capital Strategy 2022/23 to 2026/27

Decision Made:

That Council be recommended to approve the Capital Strategy 2022/23 to 2026/27.

Reasons for the Decision:

The Capital Strategy is a key policy document for Sefton Council and follows guidance issued in the Prudential Code for Capital Finance in Local Authorities (2017 Edition).

Alternative Options Considered and Rejected:

None.

108. ROBUSTNESS OF THE 2022/23 BUDGET ESTIMATES AND THE ADEQUACY OF RESERVES – LOCAL GOVERNMENT ACT 2003 - SECTION 25

Further to Minute No. 33 of the meeting of the Overview and Scrutiny Committee held on 8 February 2022 the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that advised that to comply with statute, the Chief Financial Officer was required to report to Council prior to the approval of the budget and the setting of the Council Tax, to give assurance that the budget was robust and that there were adequate reserves and balances.

Decision Made:

That:

- (1) it be noted that the Local Government Act 2003, (section 25 as amended) requires the Chief Financial Officer to report formally the issues of an opinion as to the robustness of the estimates made and the tax setting calculations; and the adequacy of the proposed financial reserves; and
- (2) the Council be recommended to have regard to the matters raised in this report during the final stages of determining the budget for 2022/23.

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None.

109. REVENUE AND CAPITAL BUDGET PLAN 2022/23 – 2024/25 AND COUNCIL TAX 2022/23

Further to Minute No. 34 of the meeting of the Overview and Scrutiny Committee held on 8 February 2022 the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that provided:

- An assessment of the Council's current financial position and approach to the 2022/23 Budget Plan and preparation for the additional two-year budget period 2023/24 to 2024/25.
- An update on the Government's announcement of resources that are available to the Council for 2022/23.
- The Council's current financial position and the assumptions built into the Medium-Term Financial Plan.
- The proposed Budget for 2022/23; and
- The proposed Capital Programme for 2022/23.

The report set out the financial strategy of the Council and the national and local financial context within which it is operating; indicated that the Council had a statutory requirement to remain financially sustainable and to balance its budget every year; and that the Council's Framework for Change Programme was a comprehensive and ambitious programme that sought to support the delivery of the Council's core purpose. As would be expected with a programme of this size and complexity that spanned a number of financial years, the detailed proposals had been and would

continue to be the subject of change as they were developed and ultimately implemented.

The following appendices were attached to the report:

- Appendix A Individual School Budgets 2022/23
- Appendix B Draft Council Budget Summary 2022/23
- Appendix C Capital Programme 2022/23 – 2024/25

Decision Made:

That:

- (1) the update of the Medium-Term Financial Plan for the period 2022/23 to 2024/25 be noted;
- (2) the Budget Plan for 2022/23, including the Revenue Budget, allocation of specific grants (section 12), and Capital Programme (Appendix C), be recommended to Council and that officers be authorised to undertake the necessary actions to implement the recommendations;
- (3) the Schools' Forum decisions on the Dedicated Schools Grant and Individual School Budgets (Section 11) be noted; and
- (4) the commencement / continuation of all appropriate activity within Framework for Change 2020, as detailed in the report, including, for example, consultation with employees and engagement with partners about contractual and policy changes be approved.

Reasons for the Decisions:

The recommendations in this report provide the basis on which the Budget Plan will be balanced for the financial year 2022/23 and will ensure that the Council's statutory obligations are met. In addition, it begins the planning for the financial strategy for the following two years to give the Council sufficient time to identify specific proposals to deliver financial sustainability over that period.

Alternative Options Considered and Rejected:

The Council is legally required to set a balanced budget each year and this report has taken due consideration of all financial issues in its development. No additional options are available for inclusion.