

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 3 November 2022
<b>Subject:</b>	Financial Management 2022/23 to 2024/25 and Framework for Change 2020 - Revenue and Capital Budget Update 2022/23 – Mid-Year Review		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Leader of the Council		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

### Summary:

To inform **Cabinet** of:

- 1 The current position relating to the 2022/23 revenue budget.
- 2 The current forecast on Council Tax and Business Rates collection for 2022/23.
- 3 The monitoring position of the Council's capital programme to the end of September 2023:
  - The forecast expenditure to year end.
  - Variations against the approved budgets and an explanation of those variations for consideration by Members.
  - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.
- 4 The latest performance management information for 2022/23.
- 5 The latest corporate risk management information for 2023/23.
- 6 A proposed update to the scheme relating to the discretionary payments of the Council Tax Energy Rebate.

### Recommendation(s):

**Cabinet** is recommended to:

#### Revenue Budget

- 1) Note the current position relating to the 2022/23 revenue budget.
- 2) Note the actions being taken to offset the budget pressures being faced in 2022/23.
- 3) Recognise the financial risks associated with the delivery of the 2022/23 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.

- 4) Approve the utilisation of up to £0.630m from the Transforming Sefton Reserve to fund the costs in 2022/23 relating to the recruitment of 20 International Social Workers within Children's Social Care.
- 5) Note the current position relating to the High Needs budget and that officers are currently reviewing all options available to the Council to mitigate the additional pressure and to make the overall High Needs budget financially sustainable.

### **Capital Programme**

- 6) Note the spending profiles across financial years for the approved capital programme (paragraph 8.1).
- 7) Note the latest capital expenditure position as at 30 September 2022 of £13.465m (paragraph 7.5); the latest full year forecast is £51.753m (paragraph 8.6).
- 8) Note the programme outputs and progress to September (paragraphs 8.10 – 8.17).
- 9) Approve a supplementary capital estimate of £1m for the Sustainable Warmth Scheme fully funded by grant from the Combined Authority (paragraph 8.18).
- 10) Recommend to Council the approval of a supplementary capital estimate for £0.350m for the essential repairs and maintenance at two Leisure Centres funded by Prudential Borrowing (paragraph 8.23).
- 11) Note that capital resources will be managed by the Executive Director Corporate Resources and Customer Services to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council (paragraphs 7.24-7.26).

### **Performance**

- 12) Note the latest position relating to key performance measures.

### **Risk Management**

- 13) Note the latest position relating to key risk management areas.

### **Council Tax Energy Rebate – Discretionary Fund**

- 14) Approve the proposed change to the scheme relating to the distribution of payments from the Council Tax Energy Rebate Discretionary Fund.

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

To ensure Cabinet are informed of the current position in relation to the 2022/23 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 2022/23 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.

To ensure Cabinet are information of key performance information and risk management areas.

**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 report indicates that for 2022/23 an overspend position of £3.781m is currently forecast and that further mitigating actions will be required to ensure the Council returns to a balanced forecast outturn position.

**(B) Capital Costs**

The Council's capital budget in 2022/23 is £51.673m. As at the end of September 2022 expenditure of £13.465m has been incurred and a full year outturn of £51.753m is currently forecast.

**Implications of the Proposals:**

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

Currently an overspend position of £3.781m is forecast for 2022/23. Therefore, further mitigating actions will be required to ensure the Council returns to a balanced forecast outturn position. However, it should be noted that significant pressure and risk remains, particularly relating to Children's Social Care and energy costs. If these budgets experience further demand and inflationary pressure during the remainder of the year further corresponding savings will need to be identified.

**Legal Implications:**

None

**Equality Implications:**

There are no equality implications.

**Climate Emergency Implications:**

The recommendations within this report will

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

The allocations of 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.

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

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

**Protect the most vulnerable:**

See comment above

**Facilitate confident and resilient communities:**

See comment above

**Commission, broker and provide core services:**

See comment above

**Place – leadership and influencer:**

See comment above

**Drivers of change and reform:**

See comment above

**Facilitate sustainable economic prosperity:**

See comment above

**Greater income for social investment:**

See comment above

**Cleaner Greener:**

See comment above

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

**(A) Internal Consultations**

The Executive Director of Corporate Resources & Customer Services is the author of the report (FD 6995/22)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 5195/22).

**(B) External Consultations**

N/A

## **Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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## **Appendices:**

The following appendix is attached to this report:

APPENDIX A – Capital Programme 2022/23 to 2024/25

## **Background Papers:**

There are no background papers available for inspection.

## 1. **Introduction**

- 1.1 On 3 March 2022, Members approved the Budget for the financial year 2022/23. This budget was developed throughout the preceding nine months and took account of all known issues. Within that report, and as with previous years, the inherent financial risk within the budget, especially with respect to Children's Services, was identified. This was further reflected within the reserves' strategy for the Council.
- 1.2 A report to June's Cabinet and Council on 14 July, provided an update for Members of the financial position with the Council for events that had materialised since the budget was approved in March, including the increased cost of providing Children's Services and the increase in energy costs affecting the Council from global price increases. A remedial action plan was presented in the report and approved by Council.
- 1.3 The report to July's Cabinet outlined that those pressures continued across a number of service areas, that an overspend in the region of £2.2m was forecast. The report to September's Cabinet outlined that pressures had increased further, primarily as a result of the impact of the initial offer for the local government pay award and further pressure within Children's Social Care. A further remedial action plan was presented in the report and approved by Council. This took the total value of pressure that had been met in year to in excess of £20m.
- 1.4 This report includes the latest Council budget monitoring report as at mid-year and thereby updates the revenue forecast outturn position for all services, including the pressures previously identified in the previous reports. In developing a comprehensive mid-year position, this report also includes key performance information and key risk management areas. This is discussed further in the next sections.

## 2. **Development of a Mid-Year Review**

- 2.1 In July 2022 Cabinet considered the outcome of the Local Government Association Peer Review Revisit that took place in April 2022. The peers found that the Council had worked purposefully and had seen an improved approach across all the areas.
- 2.2 The Council could evidence that it had made progress against the key recommendations from the 2018 Peer Challenge. Good relationships with partners across the system was evidenced. Peers believed the Council had a clear sense of direction around commercialisation and the parameters were well understood. The peers also believed that the Council had managed its budget effectively and evidenced improvements in the financial position and stability of the Council. Member development was judged positively, and many examples of good practice were evidenced by the peer team.
- 2.3 The peers made a number of recommendations including "Embed the service level improvements in performance management made recently and establish regular, collective and cross-cutting performance discussions at Cabinet."

- 2.4 The peers also identified that “The senior officer team consider performance, primarily through the risk register which senior officers feel has started to improve and informs subsequent deep dive activity against the key risks.” and “The improvement in the Council’s financial position over the last two years especially is featured later in this report. Key to this improving picture was a collective, corporate effort supported by regular monitoring reports to Cabinet.”
- 2.5 The peers recommended “a combined three-pronged approach which routinely enables an understanding of risk, performance and finance is key.”
- 2.6 As a result, this report presents a Mid-Year Review of finance, performance and risk and it is proposed that this approach is followed at each quarter.

### **3. Revenue Budget 2022/23 – Forecast Outturn Position as at the end of September 2022**

- 3.1 Members are provided with updates of the Council’s forecast financial revenue position each month during the financial year from July.
- 3.2 The report to Cabinet in June 2022 highlighted the significant financial pressures being faced by the Council relating to Children’s Social Care and energy costs that were unforeseen at the time of setting the budget. A remedial action plan was approved to meet these estimated costs during 2022/23. These are included in the forecast outturn position below.
- 3.3 The report to Cabinet in July 2022 outlined that pressures had continued in several service areas and a net overspend of £2.197m was forecast. The report to September’s Cabinet outlined that pressures had increased further, primarily as a result of the impact of the initial offer for the local government pay award and Children’s Social Care. A forecast overspend of £7.743m was reported. A further remedial action plan was approved to meet these estimated costs during 2022/23. At this point the total value of these remedial plans is in excess of £20m for the year. However, it was acknowledged that pressures might increase further, particularly relating to assumptions around high-cost accommodation charges within Children’s Social Care which required further financial modelling in order that a further accurate figure could be provided. It was also outlined that if these pressures materialised additional remedial actions would need to be implemented to ensure a balanced forecast outturn position, potentially including the adoption of financial principles used in previous years.
- 3.4 Since August’s monitoring, there has been a worsening of the position relating to Children’s Social Care as well as additional energy costs. As at the end of September 2022, the forecast outturn shows a net overspend of **£3.781m**. As with all organisations at this time, the Council is operating in a very challenging financial environment. However, it is vital that the Council achieves a balanced forecast outturn position to ensure its financial sustainability. Proposed actions to meet this forecast overspend are outlined in paragraphs 3.8 to 3.11.
- 3.5 The table below highlights the variations across services that make up the £3.781m forecast overspend:

	<b>Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Variance to August</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	
<b>Services</b>				
Strategic Management	4.024	4.035	0.011	-0.001
Adult Social Care	102.090	102.090	0.000	0.000
Children's Social Care	52.069	67.619	15.550	1.827
Communities	17.591	16.807	-0.784	-0.204
Corporate Resources	5.559	5.048	-0.511	-0.243
Economic Growth & Housing	6.583	6.466	-0.117	-0.154
Education Excellence	11.299	12.810	1.511	0.041
Health & Wellbeing	19.349	18.888	-0.461	-0.125
Highways & Public Protection	11.214	10.954	-0.260	-0.143
Operational In-House Services	15.013	15.676	0.663	-0.060
Energy Costs	0.000	4.750	4.750	0.450
Additional Pay Award Provision	0.000	4.100	4.100	0.000
<b>Total Service Net Expenditure</b>	<b>244.791</b>	<b>269.243</b>	<b>24.452</b>	<b>1.388</b>
Council Wide Budgets	0.076	-0.395	-0.471	-0.251
Levies	35.222	35.222	0.000	0.000
General Government Grants	(72.356)	(72.356)	0.000	0.000
Remedial Action Plan - June	0.000	-12.500	-12.500	0.000
Remedial Action Plan – September	0.000	-7.700	-7.700	0.000
<b>Total Net Expenditure</b>	<b>207.733</b>	<b>211.514</b>		
<b><u>Forecast Year-End Deficit</u></b>			<b><u>3.781</u></b>	<b><u>2.601</u></b>

3.6 The key areas relating to the outturn position are as follows:

- **Adult Social Care** – The current forecast assumes that the Adult Social Care budget will break-even during 2022/23. However, there are some significant financial pressures arising due to increases in numbers of clients in nursing and residential as well as overspends in Supported Living and Day Care. Additional pressures including agency and consultancy costs are also being seen. Further work is being undertaken to refine the forecasts, including around client numbers and associated income levels, as well as the achievement of savings from the Demand Management programme.
- **Children's Social Care** – The current forecast shows a potential overspend of £15.550m, a significant increase in the figure of £13.723m reported to Cabinet in October.



As has been regularly reported over the last three years, the cost of accommodation is the largest risk to the Council's budget position. Since the July report a number of additional high-cost placements have had to be entered into which have contributed to the increase in the forecast. Since the budget was set in March there has been an increase in Independent Residential Placements from 69 to 72. In addition, there are now more cases requiring high-cost accommodation and support than previously, and the costs of these have also risen significantly. Some new cases are now initially costing substantial amounts per week. There are currently 607 cared for children and a further 419 children on child protection plans.

The Council is currently working on developing a range of options to address the inherent demand and costs of Looked After Children whilst supporting the most vulnerable residents, but this budget remains under pressure and purely from a financial point of view this is likely to continue during this year and into the next financial year.

Due to issues relating to the recruitment and retention of social workers, which has necessitated the use of agency staff, the service is looking to recruit 20 International Social Workers. It is proposed that the initial recruitment costs (£0.380m) and staffing costs for the remainder of 2022/23 (£0.250m) will be funded by the utilisation of the Transforming Sefton Reserve (unless the final outturn position allows the costs to be met without the need to utilise the reserve). The costs in future years will be met from the service's staffing budget when the requirement to employ agency workers will be reduced.

- **Education Excellence** – The current forecast shows a potential overspend of £1.487m relating to Home to School Transport. There has been an increase in the number of children being transported, especially relating to out of borough placements. In addition, there has been an increase in the cost of providing the transport.
- **Operational In-House Services** The current forecast shows a potential overspend of £0.663m. This relates to a number of areas across the Service, including forecast shortfalls in income on Burials and Cremations, Catering, Green Sefton activities (mainly golf courses) and vehicle maintenance.
- **Energy Costs** – As reported in June, the global increase in energy prices is having a significant impact on the Council's energy and fuel costs. This is currently estimated at £4.750m, an increase of £0.450m since October based on updated information from the Council's framework providers on the fees being paid. This will continue to be closely monitored as more information becomes available, including whether the Council will benefit from any reduction in costs from the energy price cap for organisations. It should be noted that energy is a national issue affecting all local authorities. However, the Government have advised that no additional funding will be made available for local government, despite representations made both nationally and locally.
- **Additional Pay Award Provision** – The approved Base Budget included a provision for the 202/23 pay award of 3%. This was in line with most other local authorities who had budgeted for between 2.5% and 3% (and when the Spending

Review 2021 was published, the Office for Budget Responsibility was forecasting inflation to be 4% in 2022). On 25 July 2022, the National Employers for local government services body made an offer to trade unions of a fixed increase of £1,925 (plus an additional day's annual leave from April 2023). For Sefton, this equates to an increase in the pay bill of about 6.5% or an additional £4.100m above the amount included in the 2022/23 budget. It should be noted that this is the latest offer and has yet to be accepted by Trade Unions – any increase in the offer will therefore require additional resources to be identified. As previously mentioned for energy costs, this is a national issue for local government however Government have made it clear that no additional funding will be made available.

From the above it can be seen that additional pressures of about £24.5m are being experienced and this mainly reflects the pressure in Children's Social Care and that experienced from energy costs and the additional pay award. Although many of the causes of pressures on children services are being seen nationally, there are many which are Sefton specific e.g., increases in numbers of Looked After Children and increases in accommodation and agency costs), however the energy and pay award pressures of £8.9m are impacting on all local authorities. These costs were not reflected in the funding provided as part of the Local Government Finance Settlement for 2022/2023 and the Government has made it clear than no additional funding will be made available, meaning the Council needs to make remedial plans to meet these pressures.

### **Proposed Remedial Actions**

- 3.7 As reported in October, given there is still a forecast deficit it is proposed to undertake a number of remedial actions, including the adoption of financial principles used in previous years, to enable a balanced forecast outturn position to ensure its financial sustainability. The proposed / implemented actions are:

#### **Recruitment Freeze**

- 3.8 The Council has introduced a recruitment freeze until the end of the financial year. This will apply to all services across the Council with the exception of Adult Social Care, Children's Social Care, Cleansing, Early Help and Special Educational Needs and Disability. Savings from non-recruitment of current vacant posts are now built into the forecast outturn position. Savings from the non-recruitment to posts as they become vacant across the remainder of the year will be built into future forecasts.

#### **No Further Overspend in any Service**

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

#### **No Further Growth Items or Additionality**

- 3.10 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

- 3.11 A full review is currently being undertaken of all budgets across the Council to identify any 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. These options / areas of non-essential expenditure identified to date include:
- Health and Wellbeing – the forecast underspend currently reported excludes potential underspends on various contracts agreed for the year. These will be evaluated to assess the potential in-year savings, but it is anticipated this could be in the region of £1.000m.
  - Agile / Hybrid Working – the Council set aside resources to fund changes to office accommodation for the move towards Agile / Hybrid working. As the works are nearly complete it is anticipated that some of these resources can be credited back to the revenue budget – current estimate is that £0.300m can be released.
  - New Burdens funding – the Council has received new burdens funding relating to activity it has been asked to undertake on the Government's behalf. Whilst some has been required to fund additional costs incurred, some is effectively to fund activity undertaken by existing staff. Therefore, £0.100m is available to offset the existing forecast outturn position.
  - Treasury Management – the current high level of interest rates has resulted in increased investment income for the Council. Officers are reviewing current assumptions and it is expected that an additional £0.100m could be generated between now and the end of the financial year.
  - Energy Reductions – given the additional pressures relating to energy costs the Council is reviewing various measures to reduce its energy consumption.

### Summary 2022/23

- 3.12 After the implementation of the previously agreed remedial actions, an overspend of £3.781m is currently forecast. The proposed actions in paragraphs 3.8 to 3.11 will be fully evaluated and their financial impact will be reported to Cabinet in December – at this stage it is anticipated that the actions proposed will meet a proportion of the current forecast overspend, with a balance estimated at up to £1.7m remaining to be funded. However, this represents the current position that has been forecast to the year end- in the event that further pressure is experienced, further remedial action will be required. As a result of using the options previously approved in June and September, there is no flexibility left for the use of existing reserves and general balances- as a result this pressure, and any further pressure, will need to be met from within the existing Council budget and delivery monitored carefully and reported to Cabinet.
- 3.13 Should there still be a residual overspend at year end, this will need to be funded by general balances and as part of the budget process for 2023/24 the Council will need increase these back to the previous level taking into account the risks faced by the Council and the assessment of their adequacy as described in the S151 Officer's Robustness report. As stated, further work will be carried out on the remedial plan and a detailed position will be reported in the next cycle.

#### **4. Medium Term Financial Planning**

- 4.1 The report to Cabinet in June / Council in July highlighted that the pressures in Children's Social Care, as well as increased Energy costs, would have a significant ongoing impact on the Council's budget in 2023/24 and 2024/25. Whilst some of this pressure was considered to be temporary, much would be permanent.
- 4.2 The report also highlighted that there would be additional pressures from 2023/24 as a result of potential increases in the National Living Wage and the impact that this would have on both the Council pay structure as well as external providers, particularly in Adult Social Care. In addition, the current high levels of inflation would lead to significant pressure on many areas of the Council.
- 4.3 The ongoing impact of the current 2022/2023 pay award offer will now also need to be met in 2023/24 given it has been funded from one-off resources in 2022/23. In addition, the Council will need to assess the ongoing impact of the additional pressures reported this month in Children's Social Care as well as other service areas.
- 4.4 Based on all of these issues, the Council's Medium-Term Financial Plan (MTFP) has been refined and updated with the potential scale of the funding gap, in the absence of any further central government funding being clear based on the information in this report. As a result, it is clear that based on this update, budget proposals will need to be developed for implementation from April 2023 (pending further Central Government advice on future funding levels) in order that the Council maintains financial sustainability. This will not be easy with extremely tight financial constraints being in existence and demand for Council services increasing continually (and councils being asked to carry out more functions); however, it is essential that this planning commences from this point. The annual comprehensive Medium-Term Financial Plan is presented elsewhere on this agenda.

#### **5. Council Tax Income – Update**

- 6.1 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 £150.008m for 2022/23 (including Parish Precepts), which represents 84% of the net Council Tax income of £178.590m.
- 6.2 The forecast outturn for the Council at the end of September 2022 is a surplus of -£2.473m. This variation is primarily due to: -
- The surplus on the fund at the end of 2021/22 being higher than estimated (-£0.517m).
  - Gross Council Tax Charges in 2022/23 being higher than estimated (-£0.335m).
  - Exemptions and Discounts (including a forecasting adjustment) being lower than estimated (-£1.621m).

- 6.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2022/23 but will be carried forward to be recovered in future years.
- 6.4 A forecast surplus of £2.022m was declared on the 15 January 2022 of which Sefton's share is £1.699m (84.1%). This is the amount that will be recovered from the Collection Fund in 2022/23. Any additional surplus or deficit will be distributed in 2023/24 and future years.

## **6. Business Rates Income – Update**

- 6.1 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 £56.664m for 2022/23, which represents 99% of the net Business Rates income of £57.236m. Business Rates income has historically been very volatile making it difficult to forecast accurately.
- 6.2 The forecast outturn for the Council at the end of September 2022 is a surplus of -£5.184m on Business Rates income. This is due to:
- The deficit on the fund at the end of 2022/23 being lower than estimated (-£0.091m).
  - Increase in the gross charge on rateable properties (-£0.873m).
  - A number of reliefs announced for 2022/23 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 less than anticipated (-£5.362m).
  - Adjustments to the Appeals Provision relating to prior years (+£1.142m)
- 6.3 When taking into account the lower Section 31 grants due on the additional reliefs, a net surplus of £1.112m is forecast.
- 6.4 Due to Collection Fund regulations, a Business Rates deficit will not be transferred to the General Fund in 2022/23 but will be carried forward to be recovered in future years.
- 6.5 A forecast deficit of £18.702m was declared in January 2022. Sefton's share of this is £18.515m. This is the amount that will be distributed from the Collection Fund in 2022/23. Any additional surplus or deficit will be distributed in 2023/24 and future years.

## **7. High Needs Budget**

- 7.1 A report was presented to Cabinet in July 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.

- 7.2 In light of these factors, the SEND green paper, the commencement of the Delivering Better Value Programme and the potential changes to accounting treatment of these high needs deficits that exist in a substantial number of councils in England, it was proposed that a monthly financial forecast be presented to Cabinet each month that reflects financial performance against budget and remedial planning - this would be considered alongside the wider quarterly performance report that will be presented to Cabinet and Council.
- 7.3 The High Needs Quarterly Update report presented to Cabinet in July outlined that the overspend on the High Needs budget in 2021/2022 was £4.2m resulting in an accumulated deficit of £12.5m at the end of 2021/22. The report also highlighted that a deficit for 2022/23 was forecast to be between £2.3m - £4.0m.
- 7.4 Given the increase in placements in September 2022, the current forecast overspend will be at least £3.3m, despite the provision of additional places at Sefton specialist provision schools from September. Between April and September, there has been an increase of 52 children placed at our specialist schools / SEND resource units, 172 additional EHCPs (total now 2,437 with 150 in progress) and a further 18 out of borough placements. The position is exacerbated by the additional pressures from currently proposed pay awards for 2022/23 which are significantly higher than used for the new SEND Funding Model. Initial calculations show that the current proposed pay awards will add at least an additional £0.900m cost pressure across Specialist SEND placements. There will also be an impact on non-specialist provision schools where any additional cost has to be met from the High Needs budget as schools are only required to make a fixed contribution per qualifying pupil. An accumulative deficit position on the High Needs budget of £16.5m would be in place should this position materialise.
- 7.5 In light of the current position officers are reviewing all options available to the Council to mitigate this additional pressure during the current year and to reduce the impact on the High Needs deficit. This will include accelerating the proposals reported to members in the July Cabinet paper and determining new proposals to improve sufficiency. In addition, discussions as part of the Council's participation in the Delivering Better Value Programme will be assessed as to their impact on the forecast deficit position. An update will be provided to Cabinet as a separate report in December 2022.
- 7.6 In August the Council responded to central government's call for evidence on how High Needs deficits should be considered going forward, especially in respect of the potential for the ringfence of this deficit to the Dedicated Schools Grant (DSG) to come to an end from April 2023. Such a decision obviously presents significant financial risk to all councils if this moves from being a DSG issue to one that could impact on a council's General Fund. The response was shared with relevant Cabinet Members – at the current time there has been no announcement by the Government on this issue.

## 8. Capital Programme 2022/23 – 2024/25

### Capital Budget

8.1 The Capital Budget and profile of expenditure for the three years 2022/23 to 2024/25 is as follows:

<b>2022/23</b>	<b>£51.678m</b>
<b>2023/24</b>	<b>£41.050m</b>
<b>2024/25</b>	<b>£44.629m</b>

8.2 The updates listed below have been made to the Capital Programme budget since the previous budget reported to Cabinet in October:

- **Adult Social Care** – the following projects have been reviewed and rephased into 2023/24:
  - Digitising Social Care £0.455m
  - ICT Development and Transformation £0.200m
  - Care Home Improvements £0.200m
  - Technology Enabled Care £0.150m.
- **Communities** – following a public consultation exercise which was completed at the end of July regarding the proposed £1.2m development at Orrell Mount Park, a decision has been made not to proceed with the plans.
- **Economic Growth and Housing:**
  - £2m for Transformations de Southport has been phased to 2023/24 when the majority of the public realm works is anticipated to be completed.
  - The profiled spend for Marine Lake Events Centre continues to be refined and profiled with greater accuracy in line with the programme. The budgets for the current and subsequent financial years have therefore been adjusted accordingly and are included in the amounts shown above with a further breakdown by year shown in Appendix A. There has been no change to the overall cost of the project.
- **Operational In-House Services:**
  - £0.500m for the Coastal Monitoring programme has been phased to 2023/24 as the programme is behind schedule. There have been several delays in establishing services and service delivery due to impacts related to the Covid pandemic and variation in costs has meant some services are over budget, whilst other have had to be cut to meet the budget. Prioritisation of spend within the programme is being considered and the budget will be reallocated accordingly. One proposal in development will require additional staff resources. Due to the time required to establish new work streams budget allocations have been adjusted to account for this.
  - £0.132m for replacement plant and machinery has been phased to 2023/24.

8.3 In addition to the above capital budgets the following capital grant allocations have been approved by Cabinet and Council for inclusion in the Capital Programme 2022/23 and 2023/24:

<b>Capital Grant</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>£</b>	<b>£</b>
<b>Education Excellence</b>		
Schools Condition Allocation	2,426,403	-
High Needs Provision Capital Allocation	2,062,067	2,908,641
Basic Needs Funding	-	878,823
<b>TOTAL</b>	<b>4,488,470</b>	<b>3,787,464</b>

8.4 Authority has been delegated to Cabinet Member – Education to assign funding to individual capital schemes for the school’s block allocations reported above. The list of schemes for the 2022/23 Schools Condition Allocation and High Needs Provision has been developed and will be presented to Cabinet Member for approval. It is anticipated that these schemes will be delivered in 2023/24 and future years. A full list of the approved capital schemes will be presented in future reports to Cabinet.

### **Budget Monitoring Position to September 2022**

8.5 The current position of expenditure against the budget profile to the end of September 2022 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.

<b>Service Area</b>	<b>Budget to Sep-22</b>	<b>Actual Expenditure to Sep-22</b>	<b>Variance to Sep-22</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Adult Social Care</b>	1.708	1.600	-0.108
<b>Children’s Social Care</b>	0.107	0.108	0.001
<b>Communities</b>	0.480	0.426	-0.054
<b>Corporate Resources</b>	0.370	0.399	0.029
<b>Economic Growth &amp; Housing</b>	4.485	4.684	0.199
<b>Education Excellence</b>	1.782	1.993	0.211
<b>Highways &amp; Public Protection</b>	3.617	3.589	-0.028
<b>In House Operational Services</b>	0.685	0.666	-0.020
<b>Total Programme</b>	<b>13.234</b>	<b>13.465</b>	<b>0.231</b>

### **Capital Programme Forecast Outturn 2022/23**

8.6 The current forecast of expenditure against the budget profile to the end of 2022/23 and the profile of budgets for future years is shown in the table below:

<b>Service Area</b>	<b>Full Year Budget 2022/23</b>	<b>Forecast Out-turn</b>	<b>Variance to Budget</b>	<b>Full Year Budget 2023/24</b>	<b>Full Year Budget 2024/25</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Adult Social Care</b>	6.875	6.816	-0.058	2.984	1.610
<b>Children’s Social Care</b>	0.450	0.450	-	0.100	-



<b>Communities</b>	<b>1.009</b>	<b>1.016</b>	<b>0.006</b>	<b>0.290</b>	<b>-</b>
<b>Corporate Resources</b>	<b>6.145</b>	<b>6.073</b>	<b>-0.072</b>	<b>1.008</b>	<b>-</b>
<b>Economic Growth &amp; Housing</b>	<b>10.750</b>	<b>10.914</b>	<b>0.164</b>	<b>21.494</b>	<b>38.023</b>
<b>Education Excellence</b>	<b>4.145</b>	<b>4.181</b>	<b>0.035</b>	<b>7.401</b>	<b>0.007</b>
<b>Highways &amp; Public Protection</b>	<b>18.356</b>	<b>18.356</b>	<b>-</b>	<b>4.874</b>	<b>3.663</b>
<b>In House Operational Services</b>	<b>3.947</b>	<b>3.947</b>	<b>-</b>	<b>2.900</b>	<b>1.326</b>
<b>Total Programme</b>	<b>51.678</b>	<b>51.753</b>	<b>0.075</b>	<b>41.050</b>	<b>44.629</b>

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

8.7 The current 2022/23 budgeted spend is £51.678m with a budgeted spend to September of £13.234m. The full year budget includes exceptional items such as £2.033m for vehicle replacement, £4.439m for Green Homes and Sustainable Warmth schemes, £9.792m for Growth and Strategic Investment projects, previously approved amounts for essential repairs and maintenance (£1.916m) and a significant scheme to upgrade to LED Street Lighting (£3.887m).

8.8 The current forecast from project managers is that the above projects could be fully delivered in 2022/23. In a typical year however, the capital programme spends in the region of £25m. Given this typical annual level of spend it is likely that some further reprofiling of spend into 2023/24 will occur as the year progresses and in light of current economic conditions.

8.9 A budget variance of £0.164m has been forecast on the Economic Growth and Housing budget for 2022/23. The following explanations are provided for the key elements of the variance:

- Cambridge Road Centre Redevelopment £0.127m – further resources are required to complete the project, and these have been identified from within the Council's current budget pending approval by Head of Service. An application to the Liverpool City Region Combined Authority for further grant funding has also been made. A supplementary capital estimate will be presented for approval once confirmation of the grant offer has been received.

### **Capital Programme Outputs and Progress to September**

8.10 The Council has spent £13.465m on its Capital Programme to the end of September 2022. The paragraphs below summarise the key areas of delivery and progress to date:

#### **8.11 Adult Social Care – Disabled Facilities Grant Core Programme**

8.11.1 From 1<sup>st</sup> April to 30<sup>th</sup> September, 140 adaptations were certified as complete on behalf of clients including items such as stair lifts, vertical lifts, bathroom adaptations, extensions, and hoists. This is a significant improvement on the previous year when the number reported as complete as of September 2021 was 59.

## 8.12 Growth and Strategic Investment Programme

8.12.1 Crosby Lakeside Redevelopment – shell and fit-out works were completed to enable the hospitality business, The Lake House, to open in late August 2022. Works included an extension wall completion, flooring, bar installation, kitchens fit out, landscaping, furniture, painting, alarm systems installation and till system installation.

8.12.2 Marine Lake Events Centre (MLEC):

- The MLEC project continues to make good progress, RIBA Stage 2 is complete, and RIBA Stage 3 is nearing completion.
- ASM Global have been selected as the preferred operator, the biggest events venue operator in the world.
- The procurement of the build contractor is underway, with a view to appoint by December 2022.
- Full planning application has been submitted.
- The business case has been submitted to Government for final approval of the Town Fund, and all information has also been submitted to the Liverpool City Region Combined Authority in respect of the match funding.
- The project is planning to be on site in the first quarter of 2023.

## 8.13 Education Excellence

8.13.1 The following school's schemes have been completed during the summer 2022:

- Christchurch CEP – resurfaced playground, roof repairs and replacement windows, phase two.
- Farnborough Road Juniors – window replacement.
- Lydiate CP – concrete repairs.
- Hudson Primary – additional phase of heating improvements scheme (ongoing).
- Lydiate CP – rewire, phase two.
- Kings Meadow Primary – rewire, phase one.
- Farnborough Road Juniors – rewire, phase two.
- Melling Primary – office extension and nursery block.
- Waterloo CP – bay window take down and make good.
- Netherton Moss – roof repairs and toilet refurbishment.
- Marshside CP – rewire.

8.13.2 Mobile classrooms have been installed during the summer as part of the Special Educational Needs and Disabilities programme at the following schools:

- Crosby High
- Rowan High
- Rowan Park

## 8.14 Highways and Public Protection

8.14.1 Scarisbrick Avenue Public Realm Scheme – the project in support of the Southport Townscape Heritage Project is substantially complete, with some outstanding works to be completed in the New Year.

8.14.2 Highway Maintenance – the Surface Dressing, Microasphalting and Extended patching programmes have been completed. The Marine Drive Phase Three resurfacing scheme is currently on site and the remainder of the carriageway resurfacing programme will be completed in February/ March.

8.14.3 LED Street Lighting Project - the Contractor has continued to undertake work as efficiently and effectively as possible, however with more and more people working from home, in some cases this has slowed delivery of the project due to parked vehicles etc, with revisits needing to be arranged and managed accordingly. LED unit supply has been maintained with limited warranty failures (0.25%). Bearing this in mind over 6,000 LED units have been installed since April 22 and over 1,500 new columns installed over the same period. Over 1,000 column units have been delivered to date, following our agreed contractual compensation event due to steel supply issues, from a new supplier which is going to plan.

### 8.15 In House Operational Services

8.15.1 Coastal Monitoring Programme – the regional coastal monitoring programme collects coastal change data along the Northwest coast and funds three staff within Green Sefton and one based in other local authorities. Over the last six months the programme has collected beach profile data, oblique aerial photographs and radar imagery of coastal processes. It continues to maintain two wave buoys in Morecambe Bay. Coastal defence inspections have taken place across all the coastal frontages with the majority of these being delivered by the staff funded through the programme.

8.15.2 Runnels Lane Park – the park is a small plot of grassed land in Thornton with two steel goal posts and a fenced MUGA pitch. A new young children's play area has been installed in Runnels Lane Park, using Section 106 funds as match funding for a Veolia Environment Trust grant of £75k. The project created a surfaced and fenced children's play area with a mix of items such as springers, swings etc. Some landscaping work has already taken place including the planting of a Jubilee Tree. Further tree planting is due to take place before Spring next year.

8.15.3 Vehicle Replacement Programme – the replacement programme has continued with twelve new transit vans being purchased in the first quarter of 2022/23.

### **Sustainable Warmth Programme**

8.16 Sustainable Warmth Funding was secured in December 2021 to deliver retrofit upgrades for the least energy efficient homes in the borough, for people with a household income of under £30k gross per year. The funds were spread between those with gas central heating (LAD) and those without (HUG). Sefton were awarded funding to upgrade 307 properties, with 75 HUG and 232 LAD. To date all LAD works have been completed or work allocated, and HUG is progressing.

8.17 Sefton closed the LAD element of the scheme on 26 August 2022, as the Council had over 500 applications and was oversubscribed. As part of the mid-term analysis Sefton reported the ability to continue work should additional funding be available. The Department for Business Energy & Industrial Strategy have indicated

this is probable but have delayed a decision on the award. To ensure works can continue a decision was made at the Liverpool City Region Combined Authority Growth Board, to approve the advance of £1m funding (100 properties worth of work).

- 8.18 Cabinet is requested to approve a supplementary capital estimate of £1m fully funded by external grant funding, to continue the Sustainable Warmth Funding work (in line with the recommendations set out in the report to Council “Sustainable Warmth Funding 2022-2023” 20 in January 2022), pending formal confirmation of the award and receipt of the Grant Funding Agreement from the Combined Authority.

### **Leisure Centres – Essential Repairs and Maintenance**

- 8.19 Sefton’s six leisure centres are now of an age where large cost items are reaching end of life. These items are not scheduled to be replaced as part of the existing repairs and maintenance cycle and relate to both Health & Safety and compliance with the Equalities Act (EA). Furthermore, the increasing age of the buildings and the absence of building lifestyle plans and sinking funds is placing increasing pressure on maintenance budgets. There are two centres that require urgent works to be completed: Bootle Leisure Centre (BLC) and Netherton Activity Centre (NAC).
- 8.20 The roof at BLC is leaking in a number of places which results in the sports hall being out of order, this obviously affects income. The roof has a number of photovoltaic (PV) panels fitted and it is believed that some of the leaks have been caused by these panels. The panels are old and there is little or no technical knowledge about them. Several roofing contractors have been approached to carry out repairs, but they are unwilling to do any work whilst the PV panels remain. A number of options are currently being reviewed around the panels to remove, replace, do not replace or re-site. Given the age of the roof and its realistic lifespan it is recommended that the roof be replaced at an estimated cost of £202k with some potential additional cost relating to the PV panels.
- 8.21 Secondly the lift at BLC has failed. The lift was installed in 1993/94 and due to the length of time the lift has been in situ the parts needed to repair it have become obsolete and the company that installed it are no longer trading. The only option is to replace the lift with a new replacement at an estimated cost of £38k which will ensure continued EA compliance.
- 8.22 The rebound boards that surround the 3G football pitches at NAC have failed. Over time they have crumbled and split and require replacing. There have been significant issues sourcing the materials and prices have risen significantly over the last 12 months. The estimated cost to replace all boards and keep this valuable income generating facility open will be £103k. This will involve replacing the boards with fencing which also has a significantly increased life span.
- 8.23 Cabinet is recommended to recommend to Council to approve a supplementary capital estimate of £350,000 financed by Prudential Borrowing for the essential repairs and maintenance listed above at BLC and NAC. The cost of borrowing will be funded by an increase to Leisure Centre income targets. It is believed that a nationally benchmarked external analysis of Leisure Centre income and

expenditure could highlight opportunities to generate increased revenues that could not only be utilised to cover the cost of borrowing, but also pay for the cost of a marketing function and the longer-term preservation of the assets.

### **Programme Funding**

8.24 The table below shows how the capital programme will be funding in 2022/23:

<b>Source</b>	<b>£m</b>
Grants	38.986
Prudential Borrowing	7.528
Capital Receipts	2.300
Contributions (incl. Section 106)	2.864
<b>Total Programme Funding</b>	<b>51.678</b>

8.25 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.

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

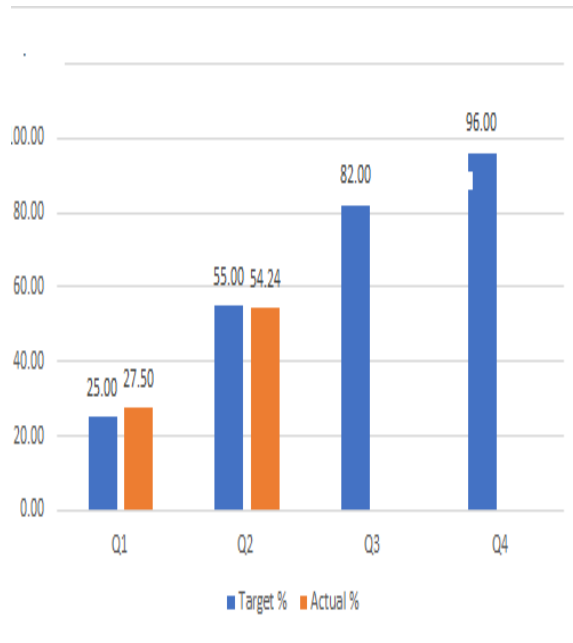
## **9. Performance**

9.1 As stated earlier, the Council recognises the importance of performance management and service areas report regularly to Cabinet Members, Health & Wellbeing Board and Overview and Scrutiny on service-related performance and key corporate activity.

9.2 Members will also be aware that a detailed, comprehensive Corporate Performance is reported annually to Cabinet in July as part of the Financial Outturn report. Such an approach is the basis for reporting quarterly performance to Members as set out as follows:

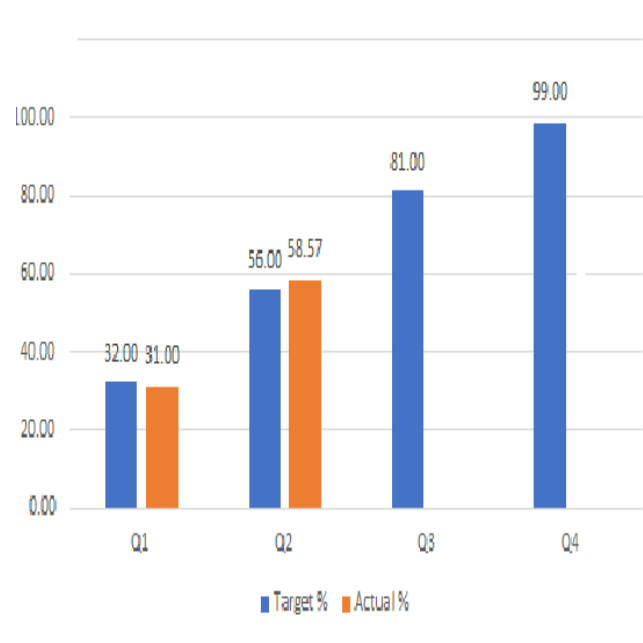


### Council Tax Collection Rates %



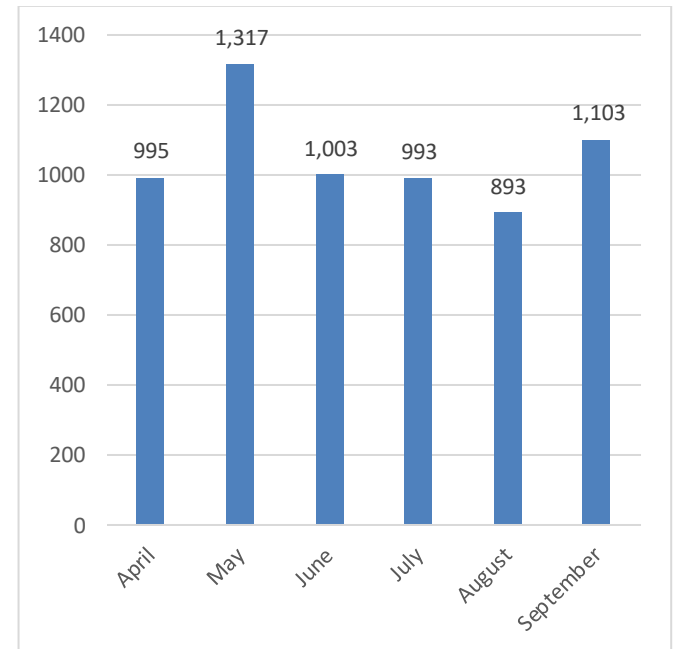
Council Tax collection is on target to reach the budgeted level by year end. At the current time performance is marginally behind the profile however this is expected to increase

### Business Rates Collection Rates %



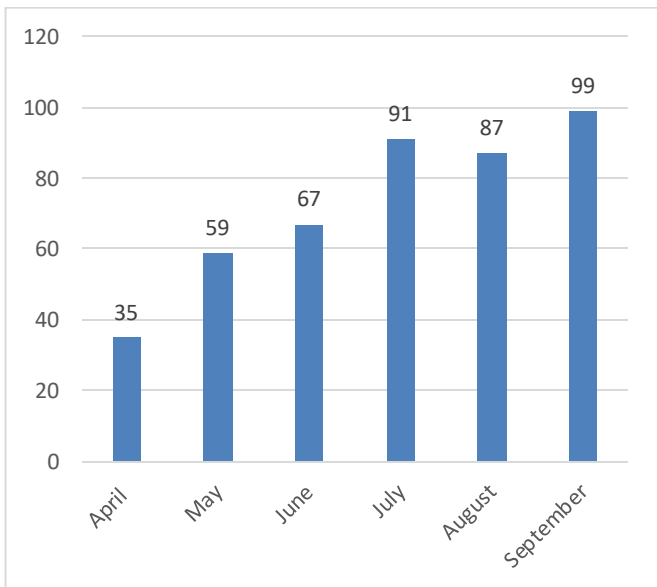
Business Rates collection is currently exceeding that budgeted for this year and is ahead of the profile at mid year review. As such the year end annual target is expected to be reached.

### Number of Emergency Limited Assistance Claims



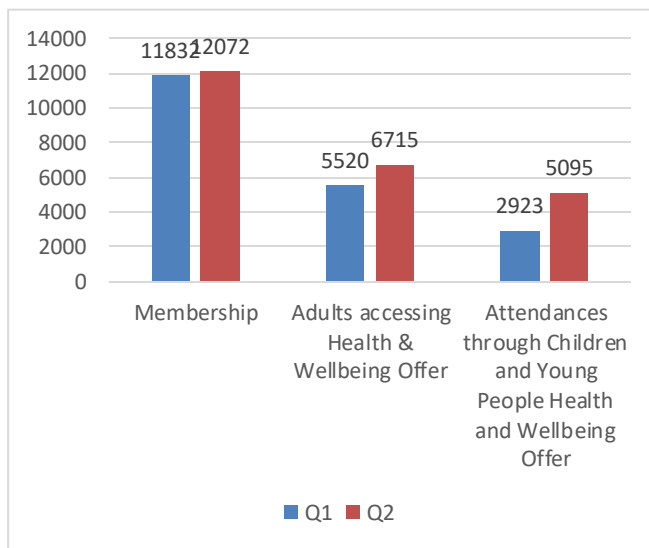
Sefton's Emergency Limited Assistance Scheme (ELAS) is available to support local people. This is for if those experiencing severe hardship, a disaster or emergency. So far this year 2121 food vouchers have been provided which is an increase of 69% on the same point last year and utility awards have increased by 83% with a total of 3176 awards being made. Demand is expected to continually increase.

### Welfare Rights Open Cases



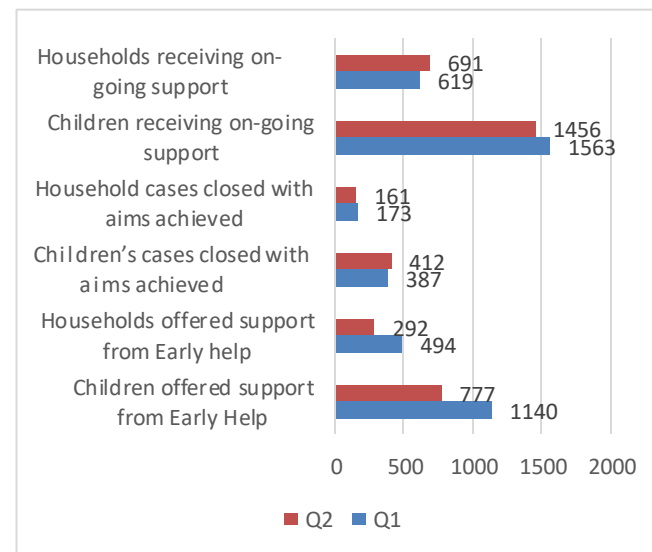
The Welfare Rights Team provide advice and guidance for people who live or work in Sefton to access welfare benefits. Between Apr-Sept 2022 the confirmed income generated to Sefton residents as a result of the support provided is in excess of £450k (per annum) and an average of an extra £115 per week per person.

### Leisure Memberships/ Number of Adults accessing leisure’s health and wellbeing offer /Number of attendances across Children and Young People Programmes



Active Sefton is the brand name used to describe Sefton’s Leisure Centres and health & wellbeing programmes. Despite the cost-of-living crisis and the impact of COVID, fitness memberships and leisure facility usage continue to show positive signs of recovery. The same applies to all health & wellbeing programmes, which includes GP Referral, Weight Management, Falls Prevention, NHS Health Checks, MOVE IT, 121 and Active

### Early Help (EH)cases held & EH case closed with positive outcomes achieved



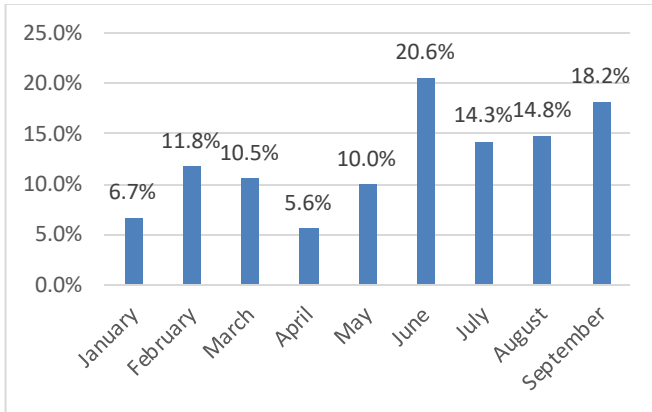
Early Help is a partnership approach to supporting children and families as soon as the need for help is identified. Based upon information gained through an assessment process, the right professionals work with the children and families to improve outcomes. Plans are put in place and reviewed regularly to ensure progress is measured and improvements stay on track. Families also benefit from signposting, advice and guidance through various community and voluntary services that provide a comprehensive



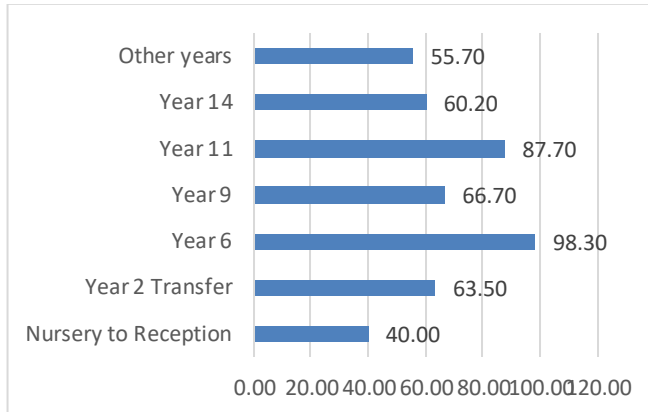
Schools, alongside seasonal delivery of children and young people's programmes, including Be Active and Park Nights.

offer. The number of referrals and caseloads fluctuate, and new children and families are received daily. Support plans are kept open until the identified needs are met and as such the service will always show as having open cases.

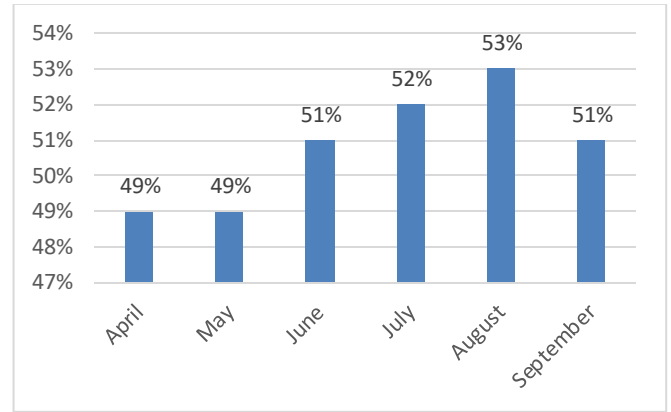
**SEND Education Health & Care Plans % completed within 20 Weeks**



**SEND Education, Health & Care Plan Reviews**



**% of Care Experienced Young People In Education, Employment or Training**

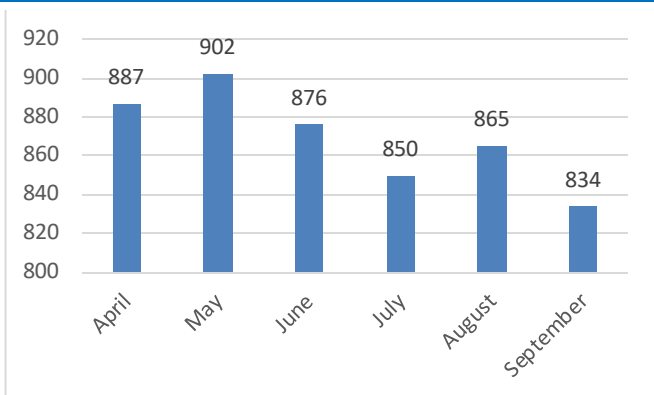


An education, health and care (EHC) plan is for children and young people aged up to 25 who need additional support from education, health and/or social care. Over the last year there has been an exponential increase in the number of EHCP requests, coupled with staffing issues this has resulted in a decline in EHCPs being finalised within the 20 week time frame. A new interim service manager started in September and has reviewed and reorganised the team as well as driving recruitment. As a result case officers are now clearer in their roles and the expectations in delivering a high quality service that supports the children and their families. The numbers of completions within timescale will increase over the next few months as well as the numbers of overdue reports being completed.

Over the last year there has been a greater focus on completing reviews for children and young people especially in the transition years. As a result the numbers of reviews being completed has risen and is now in line with national.

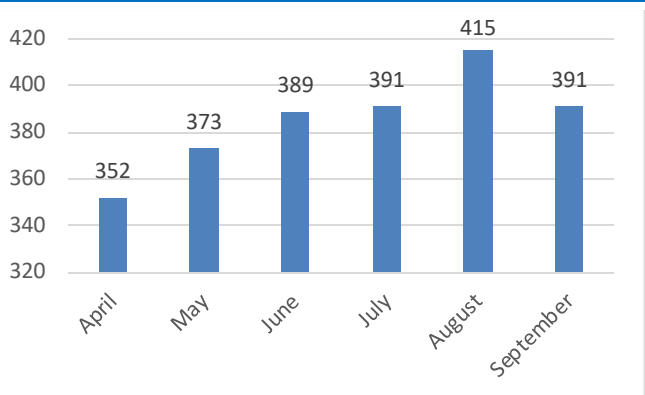
The percentage of care leavers (cared experienced) aged 19-21yrs who are in Education, Employment, or Training is 51%. Using the the most recent comparative data, this is an improvement on the percentage in 2021, which was 43%, below the statistical neighbour and northwest performances of 50% and the national performance of 52%.

### Number of Children on a Children In Need Plan



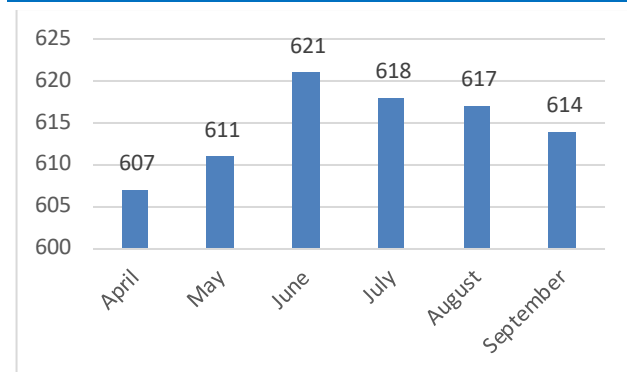
There are no direct performance comparators with other Local Authorities as the number of children in need with a plan is not published nationally or regionally. However, despite the trend showing a slight decline in the number of children in need (0-17yrs) with a child in need plan, the number is significant with consideration to caseloads and resources. A child in need is one who has been assessed by children's social care as being in need of services, including family support, leaving care support, adoption support or disabled children's services. Typically, we would compare the rate of children in need with other LAs at a national and regional level. The rate of children in need per 10,000 children aged 0-17yrs in Sefton is 433. Using the most recent comparative data, the rate in 2021 was 400/10,000, which was above the national rate of 321/10,000 and the statistical neighbour rate of 360/10,000. The rate of children in need aged 0-17 in Sefton has been above the national rate since 2016.

### Number of Children on a Child Protection Plan



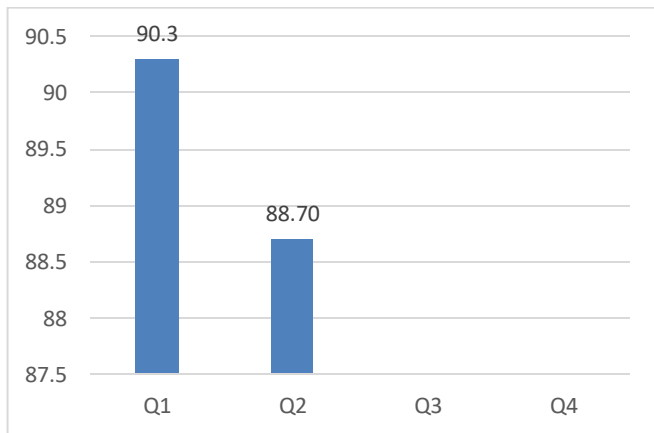
There are currently 391 children who are the subject of a child protection plan, which represents a rate of 71/10,000 children aged 0-17yrs in Sefton. Using the most recent comparative RIG data, the rate of children aged 0-17 on a Child Protection Plan in Sefton at the end Q1 (June 2022) was 66.4/10,000, compared with the Northwest rate of 48.2/10,000. Since 2013 the rate of children who are the subject of a child protection plan in Sefton has been marginally above the national comparable rate, but below the rates seen across statistical neighbours and LA's in the Northwest.

### Open Episodes of Cared for Children



There are currently 614 cared for children (CLA) with an open episode of care, which represents a rate of 11/10,000 children under 18yrs in Sefton. Using the most recent comparative RIG data, the rate of children looked after in Sefton at the end Q1 (June 2022) was 116.1/10,000 aged under 18yrs, compared with the Northwest rate of 97.8/10,000. Between 2013 and 2019 the rate of children cared for in Sefton has been broadly consistent with the rates seen across the Northwest and statistical neighbours, but above the national rate. However, since 2020, the rate of children cared for in Sefton has been above the Northwest and statistical neighbours and significantly above the national rate. At the end of 2021 Sefton's rate of cared for children was 113/10,000 children under 18yrs, compared with 97/10,000 in the Northwest, 88.7/10,000 across statistical neighbours and 67/10,000 across England. Whilst actual numbers have fluctuated slightly over recent months, the trend is still showing an increase, which represents further demand on Council services and resources.

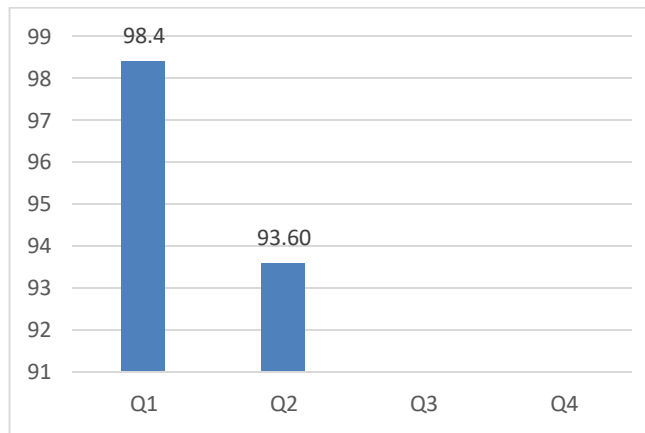
**Proportion of older people 65 and over who were still at home 91 days after discharge from hospital into reablement/rehabilitation services effectiveness of the service (2B1) (%)**



The Adult Social Care Outcomes Framework (ASCOF) measures nationally how well care and support services achieve the outcomes that matter most to most people. The three metrics included for Adult Social Care are part of the ASCOF.

Supporting people to return home and regain their independence after a period in hospital is a key area of work for Adult Social Care. Upon leaving hospital individuals are supported at home receiving reablement and rehabilitation services who help people get back to their optimum so they can regain their confidence and independence. Sefton continues to perform well in in this area.

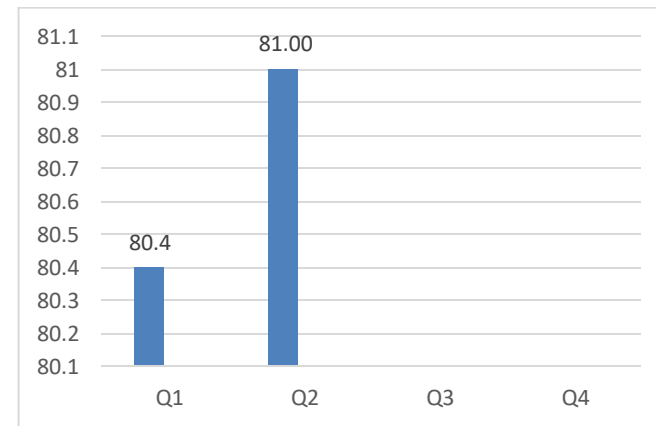
**Proportion of Adult Social Care Safeguarding Enquiries concluded where people's preferred stated outcomes were fully or partially met (%)**



Adult Social Care has a responsibility to safeguard vulnerable people who have care and support needs. Making Safeguarding Personal (MSP) is a national initiative' aiming to encourage an outcome focused and a person-centred approach in safeguarding work.

We ask those involved in a safeguarding episode what their preferred outcome would be, MSP indicates the percentage of people who had their preferred outcome fully or partially met. Whilst specific circumstances may mean that it is not always possible for an individuals desired outcomes to be achieved this is a key aspect of our safeguarding work.

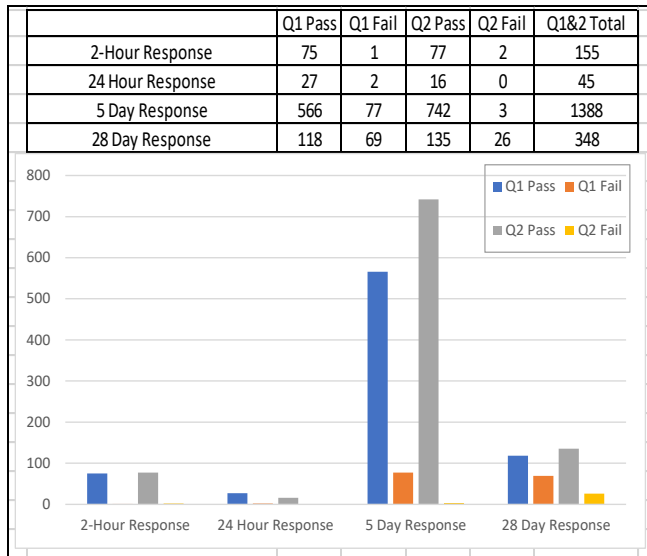
**Proportion of people whose initial service was short term who did not go on to long term services (%)**



Where ever possible Adult Social Care aim to support people to be as independent as possible, living at home and having strong links with their communities.

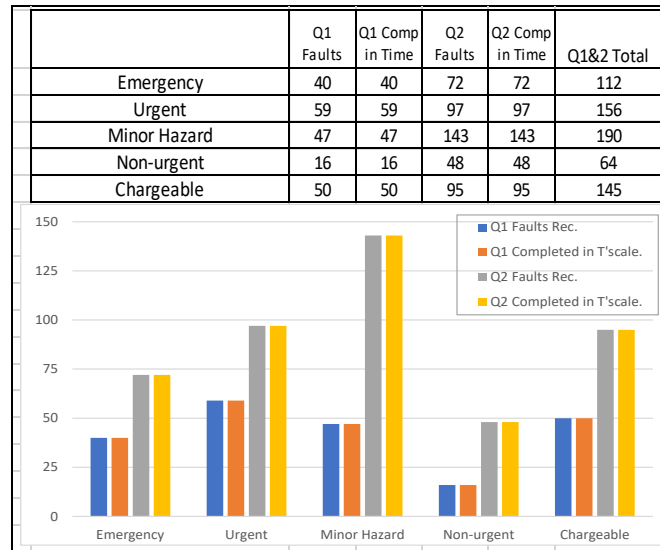
Whilst it is recognised that some people may well need long term services, this measure specifically shows the proportion of people whose short-term service resulted in a reduced, or no ongoing, need for support. A key responsibility of Adult Social care is to ensure early help and intervention helping people to delay the need for long term services.

## Street Lighting – response to notified faults



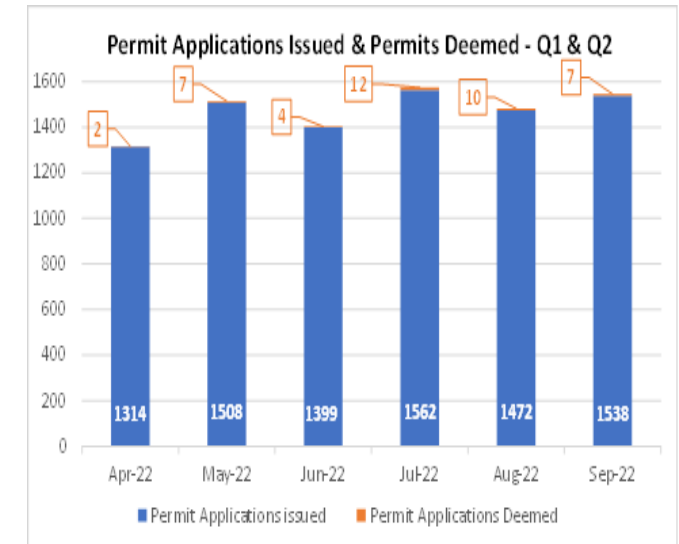
The Council has approximately 37,000 streetlights on its highways and recognises the importance of keeping them working well. When we are notified of faults, we assess the urgency of repair (e.g. 2-hours; 24 hours, 5 days etc.) allocate a target time for repair and pass it on to our appointed Contractor. We then monitor their performance against the targets. The contract includes financial penalties that can be applied if they fail to meet the required level of performance.

## Urban Traffic Control – response to notified faults



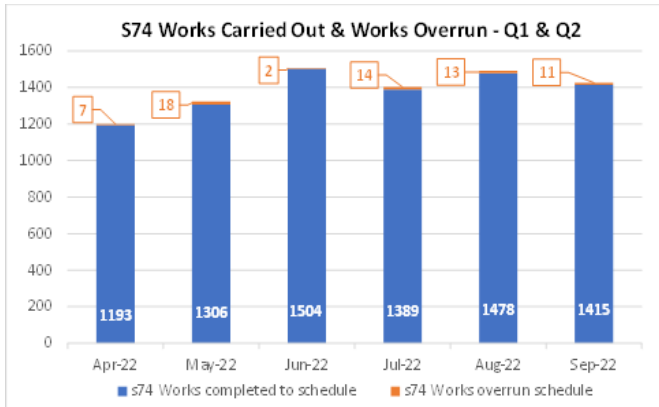
Urban Traffic Control (UTC) refers to our connected network of Traffic Lights and signal-controlled pedestrian crossings. Keeping these working well is essential for keeping people safe and the highway network flowing. When we are notified of faults, we assess the urgency of repair (e.g. emergency; urgent; minor hazard etc.) allocate a target time for repair and pass it on to our appointed Contractor. We then monitor their performance against the targets. The contract includes financial penalties that can be applied if they fail to meet the required level of performance.

## Network Management Permit Approvals



Minimising disruption caused by works on the highway is important for managing the network and keeping traffic moving. For this reason, anyone wishing to excavate part of the highway requires permission and a permit for the work. We have a set time to deal with requests (the time period differs depending upon the length of time the works will take) and either accept, challenge or amend the permit requested. If we do not deal with these requests in time, the permission is automatically granted (a Deemed Permit). This data shows how effectively we manage this important function. The Deemed Permits will also include requests we receive for roads that are not our responsibility.

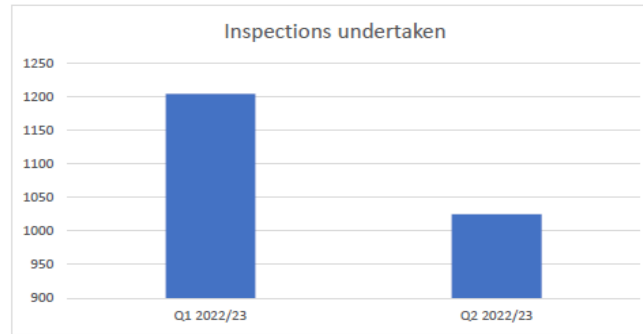
## Network Management Permit Overruns



Anyone wishing to excavate part of the highway requires permission and a permit for the work. When we issue a permit, it allows a set time to complete the works and remove the obstruction. We monitor compliance with the permits and charge companies if they overrun the time allowed. This helps to minimise disruption and ensure that the works are dealt with efficiently.

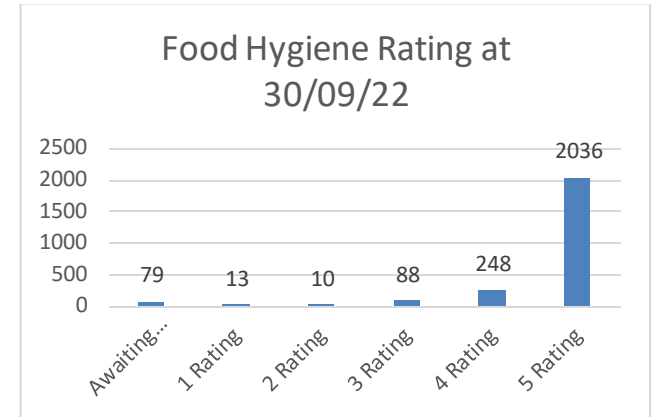
## Public Protection Inspections Undertaken

	Q1 2022/23	Q2 2022/23	Grand Total
Inspections undertaken	1204	1025	2229



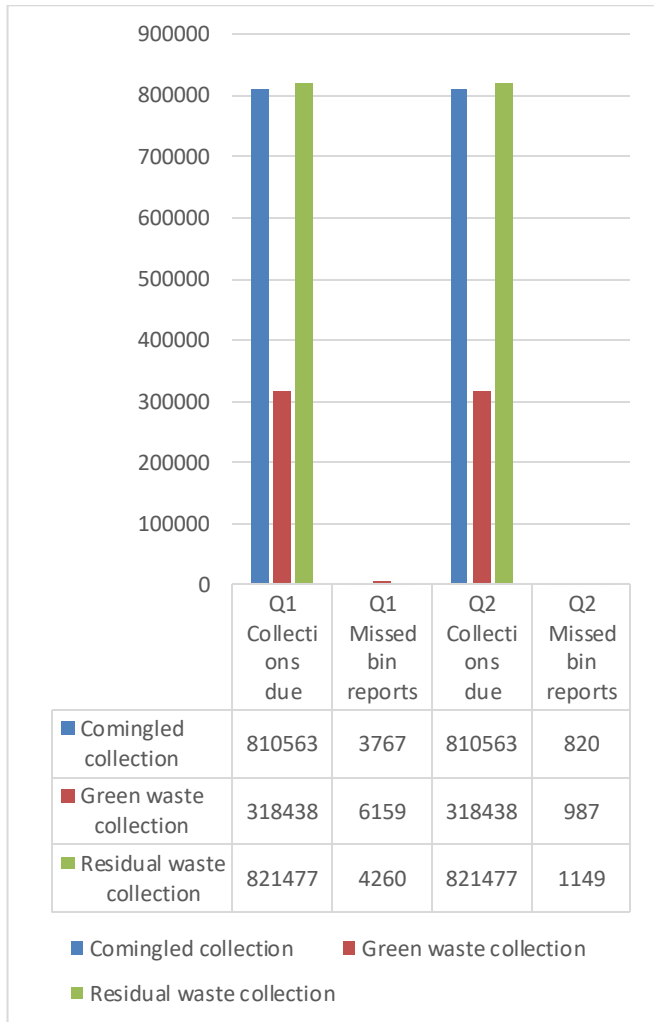
The Public Protection service undertakes a range of Food Safety, Health and Safety, Pollution Control, Trading Standards and Licensing inspections. These inspections enable us to monitor businesses, provide them with advice and guidance on legal requirements, and to take enforcement action when necessary. The Inspection programmes are an important activity for maintaining standards and ensuring that people are protected from harm and protect good businesses from unfair competition by those who try to cut corners with compliance.

## Food Hygiene Rating Scores

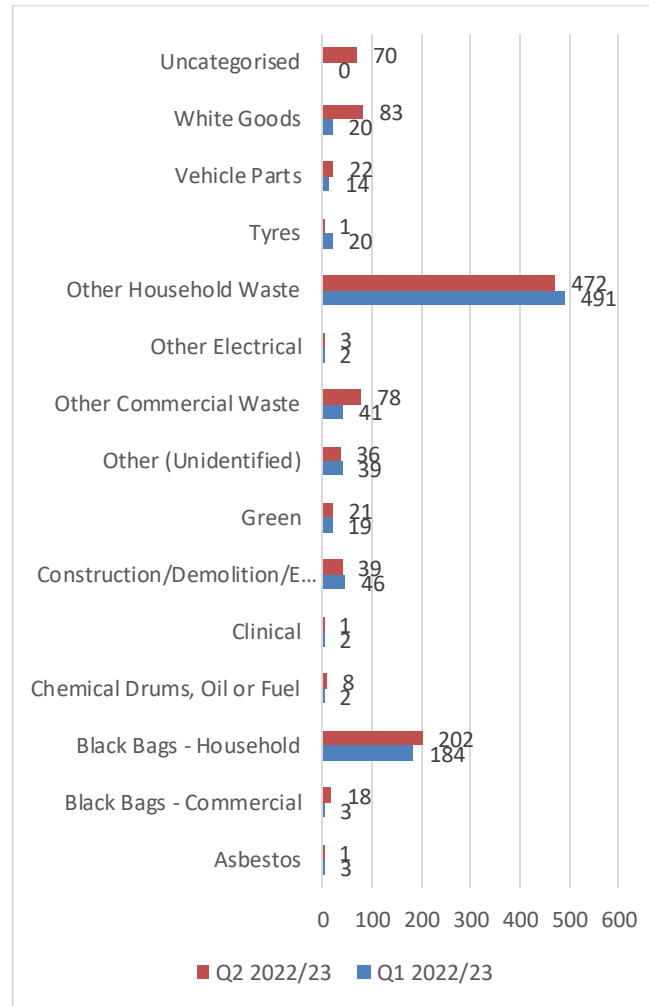


After inspecting a business, our officers use the national Food Hygiene Rating Scheme to award them a rating. The business must display this rating for customers to see and it is also published on the Food Standards Agency website. This provides potential customers with a simple way of understanding the businesses' hygiene standards. The ratings range from 0 (urgent improvement is required) to 5 (hygiene standards are very good), with 3 indicating that hygiene standards are generally satisfactory. Whilst the food business is ultimately responsible for the standards they maintain, the Council's monitoring, advice and enforcement activities play a crucial role, and enable customers to make informed choices about where to shop and eat.

## Bins Collected



## Fly Tipping Reports by Waste Type



The Council has approximately 130,000 residential properties where collections of both residual and recycling waste are undertaken, predominately on an alternative weekly collection model. Of those properties, approximately 110,000 also participate in green waste collections, which is a non-statutory collection provision. We know the value of a robust and effective waste collection service however, on

occasions collections are delayed by traffic, inclement weather conditions or unforeseen circumstances. We aim to resolve complaints regarding missed collections for residual and recycling bins within 5 working days. Green bin collections are addressed within 10 working days. Our Q1 data displays a higher than average number of complaints received regarding green waste collections. This is reflective of significant operational issues that were experienced during that period. However, we are fully aware that the statistical data shown will not have captured all of the missed green bin collections experienced during that period as the majority of residents will have followed information shared via social media and our website regarding catch up collection arrangements rather than log individual complaints.

### Planning Services

Performance indicator	Target National/Local	Q1 outturn	Q2 outturn
P1	63% of major applications to be determined within 13 weeks	81% (+18%)	100% (+27%) ↑9%
P2	68% of minor applications to be determined within 8 weeks	75% (+7%)	87% (+19%) ↑12%
P3	83% of other applications determined within 8 weeks	93% (+10%)	95% (+12%) ↑2%
P8	95% of all planning applications approved	96% (+1%)	91% (-4%) ↓5%
P9	95% building regulation applications approved	97% (+2%)	98% (+3%) ↑1%

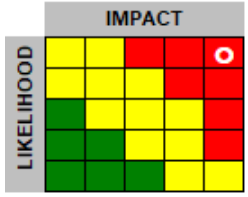
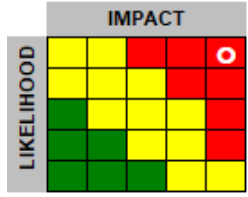
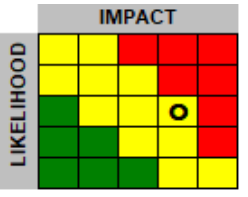
The Service is performing well in relation to the first quarter of the year (Q1) in relation to all of its nominated targets. This has been achieved, notwithstanding the pressures brought to bear on the service as a result of Covid 19, which included new ways of working, and the introduction of special measures to assist with economic recovery. This represents an improvement on last year's performance, which has been enabled as a result of investment within the service and the new culture of working being embedded. This demonstrates that Planning

Services continues to have a positive impact on achieving both the Council and Directorate visions and objectives.


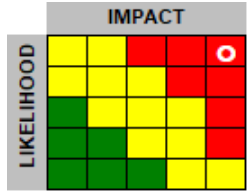
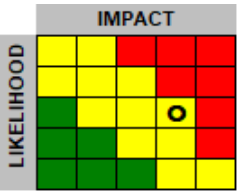


## 10. **Corporate Risk Management**


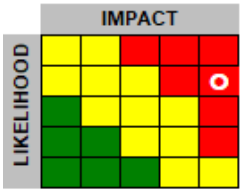
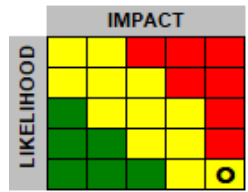
10.1 The Council has an established approach to risk management. As part of that a Corporate Risk Register is maintained and is reported at each quarterly meeting of the Audit and Governance Committee. This Corporate Risk Register has been updated for this Mid-Year Review report and the top scoring risks are set out as follows. These risks should be considered and aligned to the key financial and performance issues within this report.


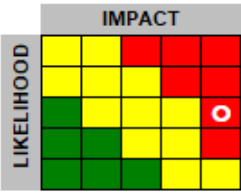
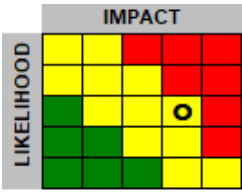
Risk Description	Previous risk score	Current risk score	Target risk score
Financial sustainability beyond 2022/23			
<b>Causes</b>	<p>The national review of local government funding that was expected to be completed during 2022/23, the 2021 Comprehensive Spending Review and potential financial settlements for 2023/24 and 2024/25 places further strain on the Council's overall medium-term budget.</p> <p>Due to the scale of budget reductions since 2010 there is a risk that further suitable cost-saving/income generating measures will be difficult to identify.</p> <p>. The impact of the current cost of living crisis will also have an impact on the Council's finances with increased demand for services, a reduction in income and reductions in Collection Fund income.</p> <p>Significant additional pressures, including Children's Social Care demand, energy costs, pay awards, increases to national living wage levels and especially substantial inflationary pressures that are forecast to last over the next 2 years, will all place demands on the in-year budget as well as future years' budgets.</p>		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Degradation of service could have an adverse impact on residents and communities</li> <li>• The reputation of the Council may be compromised</li> <li>• Financial sustainability could be compromised</li> <li>• With inflation reaching 10%, in the absence of further government support, the Council will be in the position of having to make budget cuts and reductions to existing services, deliver less for the budget it holds, put in remedial action plans and for income charging services understand the cost of delivering services and update prices.</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• The financial sustainability of the Council in the next two-year period after 2022/23 will be driven by the support offered by central government via the spending review and subsequent local government financial settlements.</li> <li>• The 2021 Spending Review indicated there would be no additional government funding nationally in these years, with only additional Council Tax available to support increases in costs.</li> <li>• It was previously forecast that the Review of Relative Needs and Resources would be completed in time to influence the 2023/24 settlement and it is estimated that this will have a negative impact on resources, however as at the start of October 2022 this consultation has not commenced and many commentators feel that it will not be in place for next year, thus increasing the uncertainty in the sector. As such developing the financial envelope to inform the Council's two-year budget from 2023/24 is difficult at this stage.</li> <li>• The Council's revised MTFP, based on the CSR announcement, was presented at the Budget Council meeting in March 2022 and this takes account of all known information to inform decision making-due to changes in global markets an update was provided to Council in July 2022.</li> <li>• Future budget assumptions will take account of the latest estimates and will also be sufficiently prudent to ensure financial sustainability is maintained.</li> </ul>		

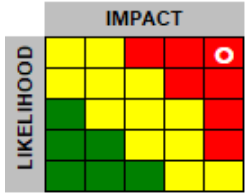
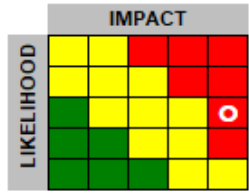
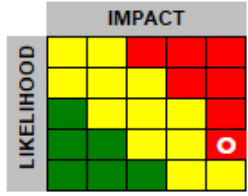
<b>Risk owner</b>	ED CR&CS
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• Deliver the Councils Budget Plan for 2022/23 that was approved on 3 March 2022</li> <li>• Respond to all consultations in respect of the reform of local government finance and lobby for the best possible financial outcome for the Council - using the latest information from these consultations all 3-year budget assumptions will be updated accordingly. Consideration of the impact of inflation and both pay and prices will be critical</li> <li>• Ensure the rigorous approach to budget monitoring continues through 2022/23</li> <li>• Inflation reflects one of the key emerging issues to financial sustainability and is reflected in the latest financial reports that have been considered by Cabinet and Council. Assistant Directors have been asked to review all budgets and understand the impact on core service delivery and those services for which a charge is levied- these will then be considered by members as part of budget management and budget setting. In addition to this lobbying has commenced of central government to seek additional financial support in respect of mitigating the impact of inflation, potential salary growth, potential impact of increases in national living wage rates and energy price increases- all of these factors are included in the June Cabinet report and lobbying at a LCR level is currently underway. Ensure the rigorous approach to budget monitoring continues through 2022/23.</li> <li>• All of these factors will impact on budget setting for 23/24 and 24/25 also with full detail being provided in the medium term plan report that is on the Cabinet agenda for November.</li> </ul>

Risk Description	Previous risk score	Current risk score	Target risk score
<p>Dedicated Schools Grant High Needs Funding for Special Educational Needs is inadequate to meet requirements.</p>			
<p><b>Causes</b></p>	<ul style="list-style-type: none"> <li>• High Needs budgets are under considerable pressure from increasing numbers of children being diagnosed with complex and life-long SEND related issues.</li> <li>• National funding allocations are not increasing annually at a rate to reflect increases in local population demand and so any additional commissioned places need to be financed from within existing budget envelope.</li> <li>• The number and value of requests from mainstream schools for "top-up" funding (for children with SEND) continues to increase year on year as schools face financial pressures to meet the first £6k of any SEN Support.</li> <li>• Maintained special school provision is full and more children are being placed in independent provision which is more expensive. Whilst this issue is being addressed through extra in-house provision, there remain risks that external placements may continue at high additional cost.</li> <li>• Central Government have advocated parental preference for SEND provision - which has added to the number of children being placed in independent provision - with no additional funding.</li> <li>• The current accounting override, whereby the HNF deficit is ringfenced, will come to an end meaning the Council, working with central government will need to identify how the existing £12m deficit will be funded</li> </ul>		
<p><b>Result</b></p>	<ul style="list-style-type: none"> <li>• Sefton's High Needs cumulative budget deficit is £12m at the end of 2021/22.</li> <li>• The estimated deficit on the high needs block will be held on the Council's Balance Sheet. Whilst the current DfE regulations do not expect the Local Authority's General Fund to cover accumulated deficits, this is currently the basis of review, with a call for evidence being conducted to inform ministerial discussions in the autumn. This is a significant financial risk to the Council as reported to Cabinet in July 2022.</li> </ul>		
<p><b>Current treatments and controls</b></p>	<ul style="list-style-type: none"> <li>• Report to Cabinet on work programme, timescales, and objectives</li> <li>• Engagement by Assistant Director Children's Services (Education) and the SEN team Managers on how costs can be contained.</li> <li>• Sufficiency statement produced that will drive future strategy and financial sustainability</li> <li>• Lobbying and engagement of both DfE and MCCLG on financial impact and the need for increased support</li> <li>• Engagement with special schools actively working with individual schools to review impact of any proposed changes to their funding, reviewing three-year financial plans, identifying any strategic savings to mitigate high calls on DSG High Needs funding.</li> <li>• Review of place and top up levels of funding.</li> <li>• In addition, further work is being undertaken on alleviating the barriers to inclusivity within mainstream settings and assessment of effectiveness of capital spend to maximise mainstream settings for children and young people.</li> <li>• Council now part of DfE Delivering Better Value Programme</li> </ul>		

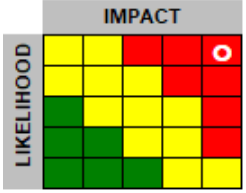
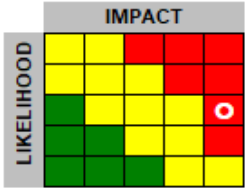
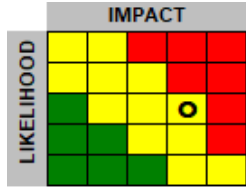
	<ul style="list-style-type: none"> <li>Comprehensive quarterly reports to be presented to Cabinet on sufficiency, in house provision, funding and deficit in order to provide rigour, transparency and inform decision making</li> </ul>
<b>Risk owner</b>	Assistant Director Children's Services (Education)
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>Lobbying of Government has been successful, and Sefton will be working in partnership with the DfE in 2022/23 to develop solutions to bring the High Needs Budget into a more financially secure position going forward and help to reduce the accumulated deficit over a set period.</li> <li>Through the High Needs Review the LA has been working on two specific workstreams with School representatives working on a number of key areas: <ul style="list-style-type: none"> <li>Developing a new funding model to support children with EHCPs.</li> <li>Clarifying high needs funding outside of the EHCP process.</li> <li>Reviewing provision and placement sufficiency.</li> <li>Considering new ways of working with SEN children in schools, making them more cost effective and with good outcomes.</li> <li>Review of the graduated response and supporting SEN leadership in schools.</li> </ul> </li> </ul>

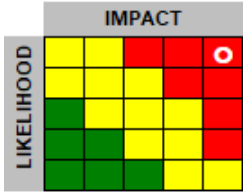
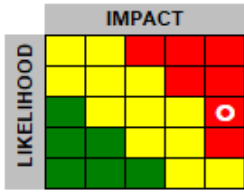
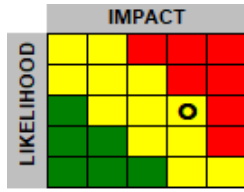
Risk Description	Previous risk score	Current risk score	Target risk score
<p>Failure to adequately invest in the Highway network and associated assets.</p>			
<b>Causes</b>	<p>Inadequate funding to meet need; budget reductions; inflationary cost pressures; insufficient internal staffing resource; insufficient market capacity, contractor availability and contractor capacity; insufficient availability of materials and/or labour; delayed lead-in times for materials or services; rising prices for services, materials, and equipment.</p>		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Deterioration of highway assets</li> <li>• Potential increase in claims</li> <li>• Financial and reputational risks</li> <li>• Potential increase in accidents resulting in injury and/or death</li> <li>• Reduction in amount of work able to be done within budget</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Essential work is prioritised within available budget. Regular inspections of most assets to monitor and guide prioritisation of works in order to mitigate risk.</li> <li>• Regular updates provided to Cabinet Member.</li> <li>• Preventive surface treatments used to prolong the life of the network and to treat more of it than if more long-term maintenance solutions were used (i.e., resurfacing)</li> <li>• Increased Capital funding received through City Region Sustainable Transport Settlement (CRSTS) for 2022-24. Will require additional staffing resource to deliver.</li> </ul>		
<b>Risk owner</b>	<p>Assistant Director Highways &amp; Public Protection</p>		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• Actively pursue opportunities for additional external funding via LCRCA and others to maintain and improve network.</li> <li>• Work with Contractors and suppliers to manage risk, mitigate for price rises, material, and labour shortages, and manage supply chain.</li> <li>• Undertake recruitment to vacant posts; create and recruit to additional posts and/or commissions where funding available to do so</li> <li>• Further refine and strengthen project planning, delivery, and governance measures</li> </ul>		

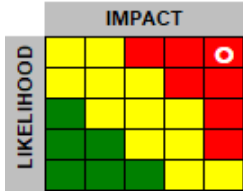
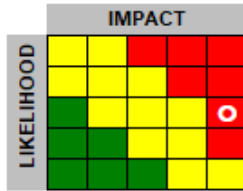
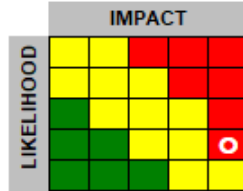
Risk Description	Previous risk score	Current risk score	Target risk score
Financial sustainability beyond 2022/23			
<b>Causes</b>	The Council has a wholly owned Housing Development Company- due to the prevailing economic conditions at present and the issues that surround supply chains (which are worldwide) there is a risk that there could be a financial impact on the Council.		
<b>Result</b>	<p>There are 3 key issues that could materialise from this risk</p> <ul style="list-style-type: none"> <li>• The Council's potential dividend may not be received at the level previously reported and this would have an impact on the MTFP for 2024/25</li> <li>• The Council provides a debt facility to the company that based on the recent Cabinet report amounts to £8.3m- this is due to be fully repaid in 2024.</li> <li>• The Council's ambition to provide high quality Housing maybe compromised</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• The Council has (October 2021) received a detailed update report on all aspects of the Company's activities including building programmes, grant funding and financial implications. The new financial implications received by members were subsequently approved at Cabinet in December 2021 following the receipt from the company of an updated exit strategy.</li> <li>• Within that report members were provided with details of how the business plan was revised to inform more accurate financial projections that reflect a more accurate build, completion, and sales programme.</li> <li>• That report also provided details of the risk management approach that the company administers</li> <li>• The Company has utilised the Council's internal audit team to undertake a work programme during 2021/22</li> <li>• An update on governance arrangements for the company was approved by Cabinet in July 2022.</li> <li>• An annual report will be presented to Overview and Scrutiny Committee in November 2022</li> <li>• A self-assessment against the local partnerships guidance re. management of wholly owned companies will be completed.</li> </ul>		
<b>Risk owner</b>	CEX/ ED CR&CS		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• The governance arrangements and current controls will continually be updated- there is a lot of coverage nationally in respect of the management of wholly owned companies and as the guidance and best practice is updated on how these should be governed and managed is published, this will be taken into account by the Council.</li> <li>• A business plan update for 2023/24 will be provided to Cabinet in December 2022</li> </ul>		

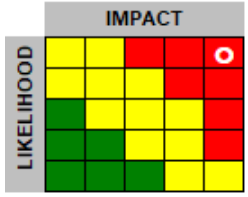
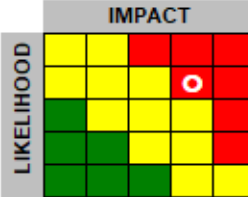
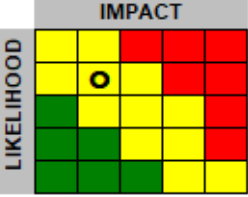
Risk Description	Previous risk score	Current risk score	Target risk score
The Council is the victim of a cyber-attack.			
<b>Causes</b>	Malware, ransomware, or another virus infects the Council's systems.		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Services will not have access to systems and data as standard and will have to fall back on non-ICT delivery methods, albeit without access to key data.</li> <li>• Data breach occurs.</li> <li>• Financial impact of ransom.</li> <li>• Reputational damage</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Cyberattack prevention measures are in place, including <ul style="list-style-type: none"> <li>- Upgraded Council firewalls and active SIEM monitoring service.</li> <li>- Anti malware tools</li> <li>- New Acceptable use policy</li> <li>- LGA Stocktake completed</li> <li>- PSN Accreditation achieved and reviewed annually</li> <li>- New security standards for email encryption implemented</li> <li>- Further network security in place to reduce risk</li> </ul> </li> <li>• Back-up disaster recovery facility is in place at a separate site, allowing Agilisys to restore the top 20 critical systems.</li> <li>• Agilisys has a Business Continuity-Disaster Recovery plan in place which covers an action plan for this priority restoration, and the subsequent restoration of all other systems</li> <li>• Ongoing monitoring in in place via ICT governance arrangements</li> <li>• Windows Defender anti-virus software is constantly updated alongside ESET also deployed</li> <li>• Communication to employees regarding the rise in malware attacks is in place, with plans to roll out better user education on this topic.</li> <li>• Review of Cyber Incident planning completed and revised policy released</li> <li>• Removal of unsupported systems from the network</li> </ul>		
<b>Risk owner</b>	ED CR&CS		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• The ongoing ICT Transformation programme will see the majority of systems and data migrated to Microsoft Azure cloud hosting, which will reduce the overall risk; and improve Business continuity however further work is underway to improve the current security posture further.</li> <li>• Education programme for phishing to continue and this will be linked to the annual information security training.</li> <li>• Ongoing Cyber Security Improvement plan in place, including plans to bring all systems in the support of the existing ICT Contract.</li> <li>• External validation and assurance on-going, linked to improvement plan.</li> </ul>		



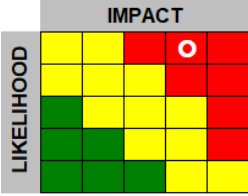
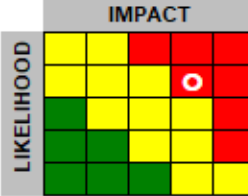
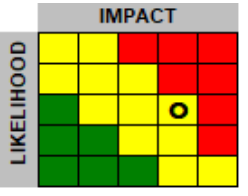
Risk Description	Previous risk score	Current risk score	Target risk score
Impact of Cost-of-Living Crisis on Residents and Demand for Council Services			
<b>Causes</b>	As residents become more vulnerable there is an increased demand for Council services - this increases pressure on teams and available resources.		
<b>Result</b>	<p>Increased demand will create:</p> <ul style="list-style-type: none"> <li>• Increased waiting time for some services</li> <li>• Issues around the capacity of the workforce to meet this demand</li> <li>• Budget pressure that cannot be contained</li> <li>• The requirement for the Council to administer central government support to residents in a tight timescale</li> <li>• Community cohesion will be compromised.</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Continual review of impact of cost-of-living crisis will be made based on demand for services, feedback from ward Councillors and performance information- this will lead to an agreed response with Cabinet both in terms of direct support and impact on financial sustainability</li> <li>• In the event that the Council is asked to administer support to residents, the resource requirement will be evaluated and will be supported by new burdens funding and Cabinet will be engaged on the most effective and efficient manner of providing that support</li> </ul>		
<b>Risk owner</b>	All Assistant Directors		
<b>Proposed actions</b>	<p>The Council will continue to lobby central government for support for residents impacted by the cost-of-living crisis and will continue to direct resources and support to those who need it most reflecting the core purpose objective of protecting the most vulnerable.</p> <p>A specific Child Poverty Strategy was approved by Cabinet in October 2022 and will be launched in December 2022 with partners and stakeholders. The Cabinet has considered regular reports on Cost of Living and the Health and Well Being Board has requested the matter be a standing item on the Board agenda going forward.</p>		

Risk Description	Previous risk score	Current risk score	Target risk score
Data breach resulting in the wrongful release of personal and/or sensitive information			
<b>Causes</b>	Policies and processes coordinated by Information Management and Governance Executive Group are not adhered to, resulting in a higher incidence of breaches caused by human error System error occurs		
<b>Result</b>	Failure to comply with legal requirements; loss of privacy, distress, or harm to the data subject; damage to Council's reputation; loss of public confidence; and significant financial penalties.		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>Information management and governance, including data breaches and actions to prevent data breaches, is overseen by the Information Management and Governance Executive Group (IMGEG), which consists of Heads of Service with lead responsibilities for key aspects of IMG (i.e., Data Protection Officer/IG Lead, Senior Information Risk Owner, and Lead officer for ICT infrastructure) supported by other officers with key roles relating to IMG.</li> <li>Each service has designated Information Asset Owners and Information Asset Administrators. Policies, procedures, process, and issues are communicated to these officers through the Information Management and Governance Tactical Group.</li> <li>Support, co-ordination, advice, and guidance is provided corporately, and appropriate training/refresher training is in place.</li> <li>The Council has implemented policies, procedures, and processes to prevent, manage and respond to potential and actual data breaches.</li> </ul>		
<b>Risk owner</b>	All Assistant Directors		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>Appropriate resourcing, prioritisation and focus on information management and governance across the Council include the following:</li> <li>Regular monitoring and review by IMGEG of policies, procedures, and processes to prevent, manage and respond to potential and actual data breaches.</li> <li>Ongoing review of information systems to ensure no inappropriate or unforeseen data linkages exist within systems or reports. Review of systems ahead of updates to identify any unintended changes.</li> <li>Ongoing education of staff and monitoring of activity by IAOs and IAAs to identify and prevent areas of human error.</li> <li>Regular review of information contained to ensure information is accurate and any information that should be removed is removed.</li> <li>Regular reporting by IMGEG to SLB and Audit and Governance Committee, as necessary.</li> <li>Maximise the opportunities from the Council's ICT Transformation to increase and embed effective information management and governance.</li> </ul>		


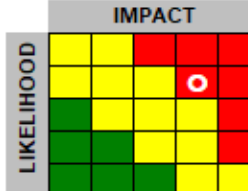
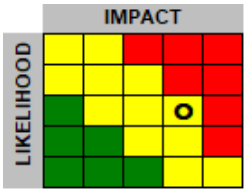
Risk Description	Previous risk score	Current risk score	Target risk score
<p>Inadequate capability to prepare for and respond effectively to a major incident affecting the Council or occurring in Sefton as per the Council's responsibilities under the Civil Contingencies Act 2004.</p>			
<b>Causes</b>	A major incident occurs affecting the Council or the Borough		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Loss of human life, illness, or serious injury</li> <li>• Major damage or destruction to infrastructure, property and/or the environment</li> <li>• Disruption or loss of critical services such as transport, communications, utility services</li> <li>• Reputational or financial harm to the authority</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Emergency Response Manual and Major Incident Guidance in place.</li> <li>• Revised Command and Control structure in place which defines Strategic and Tactical level officers.</li> <li>• Emergency Duty Co-ordinators (EDCs) are able to access Resilience Direct containing incident response plans.</li> <li>• Relevant training provided to Emergency Duty Co-ordinators and volunteers on an ongoing basis.</li> <li>• Five EDCs have now completed Multi Agency Gold Incident Commander (MAGIC) accredited training.</li> <li>• Attendance and participation in Merseyside Resilience Forum and joint planning across Merseyside.</li> <li>• Humanitarian volunteers in place and regular meetings and training now offered.</li> <li>• Continuous development and review of supporting plans.</li> <li>• Service Level Business Continuity plans now completed. Business Continuity eLearning package available to all staff</li> <li>• Business Continuity risk register completed and review on quarterly basis</li> <li>• Business Continuity Policy and strategy have been devised and approved.</li> </ul>		
<b>Risk owner</b>	All Assistant Directors		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• A Business Continuity Management System has been devised and is currently being implemented. This includes the following:</li> <li>• Six monthly review of BC plans and activation exercise undertaken to confirm accuracy of contact details included.</li> <li>• External provider to undertake a BC exercise in Autumn 2022.</li> <li>• Review and update of BC manual ongoing.</li> </ul>		

Risk Description	Previous risk score	Current risk score	Target risk score
Market failure of Social Care provision across Adult and Children's			
<b>Causes</b>	<ul style="list-style-type: none"> <li>• Capability and capacity of the available workforce to provide domiciliary care</li> <li>• Lack of diversity of supply in the market to provide choice and control</li> <li>• Impact of Covid-19 and need for mandatory vaccination</li> <li>• Capability and capacity of the available workforce within the care home market</li> <li>• National and regional pressures in Social Work recruitment and available workforce</li> <li>• Sufficiency in children's residential provision</li> </ul>		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Inability to provide packages of care for service users and fulfil statutory duty of care</li> <li>• Lack of alternative providers able to support social care</li> <li>• Poor quality service provision and high costs</li> <li>• Significant increase in unmet needs of service users due to a fragile market that is not developing</li> <li>• Inability to meet sufficiency duty</li> <li>• Growing number of children placed out of borough with more LA's placing young people within Borough, placing additional pressure on ASC markets linked to transitions</li> <li>• Reliance on high cost out of borough residential provision for children and young people</li> <li>• Reliance on high cost agency market to maintain staffing levels in Children's Social Care</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Market Position Statement and refresh of Children's Sufficiency strategy 22-25</li> <li>• Strengthen governance - Executive Commissioning Group/Strategic Commissioning Group</li> <li>• Strategic Commissioning Team - increased interim capacity</li> <li>• Commissioning priorities reset and improvement plan in place</li> <li>• Health and Wellbeing Strategy 2020-2025</li> <li>• Winter Planning/checklist</li> <li>• Robust supply chain review undertaken</li> <li>• Demand Management Programme in Adults and Children's</li> <li>• Local Dynamic Purchasing system - approved by Cabinet</li> <li>• Cost of Care exercise now in process and on track to meet national reporting requirements</li> <li>• Re-procurement framework development has now commenced and update scheduled for Cabinet. Timescale for procurement has been completed.</li> <li>• Extension of arrangements for block purchasing of hours in place to support hospital discharge and other opportunities to adopt similar arrangement being explored in the South</li> <li>• Fees 22/23 report completed and implemented</li> </ul>		


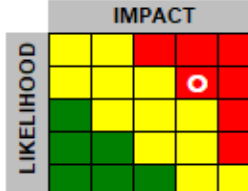
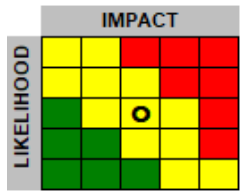
	<ul style="list-style-type: none"> <li>• Weekly escalation meetings with HOS and to DASS in place</li> <li>• Market position for ASC reporting now embedded into system calls</li> <li>• Links maintained across C&amp;M DASS group with key areas of focus on Market Sustainability, Home First and Discharge</li> <li>• LGA Peer challenge completed in July 2022 which will consider market oversight and sustainability</li> </ul>
<b>Risk owner</b>	ED ASC&H, ED CSC&E
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• Strengthened oversight of Quality Assurance with dedicated Senior Manager support will add the ability to refocus quality assurance resources on identified areas of risk in the market and gather intelligence to inform risks and ensure resilience and capacity.</li> <li>• Continue to focus on strategic plans to current contracts to ensure Value for Money and objectives are met.</li> <li>• Development of new opportunities through Sefton Place Based Partnership development</li> <li>• Children's High Risk/High-Cost Project, Commissioning priorities and full work plan in progress with extension</li> <li>• Recruitment for Senior Commissioning Leadership post in process</li> <li>• Recruitment campaign developed with Market with ongoing input from Sefton at Work</li> <li>• Development of contingency plans for provider failure - risk escalation process</li> <li>• Cost of care exercises for care homes (65+) and Domiciliary Care (18+) concluded in line with DHSC requirements and outcomes to be submitted to DHSC by 14 Oct 2022.</li> <li>• Links maintained with LCR on key market risks (capacity, workforce, cost of living, ceasing of covid funding, demand)</li> <li>• New Procurement for Domiciliary Care to commence in October 2022 (with new framework in place from April 2023) -agreed at June Cabinet</li> <li>• Integrated commission arrangements will develop via new place arrangement. Market Sustainability Plan and Fair Cost of Care Exercise to be sent to Central Government mid October. National Government Market Sustainability funding applied to Dom Care and care homes 65+</li> <li>• Winter planning continues and work to mobilise a rapid and reablement expansion continues</li> <li>• Explore inhouse provision of Children's residential care</li> </ul>

Risk Description	Previous risk score	Current risk score	Target risk score
Inflation and cost of care impact on budget availability			
<b>Causes</b>	<ul style="list-style-type: none"> <li>• National Care Crisis reflected at regional and local level</li> <li>• Increasing provider costs – CPI etc</li> <li>• Impact of national decisions such as increase to National Living Wage</li> <li>• Increased pressure to implement Real Living Wage – including to mirror approach adopted by other regional Local Authorities</li> <li>• Workforce issues – recruitment, retention, pay and conditions</li> <li>• Affordability</li> </ul>		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Budgetary impact / Council overspend</li> <li>• Failure to meet statutory obligations</li> <li>• Provider failure</li> <li>• Needs of the population being unmet</li> <li>• Contracts being handed back – leading to potential increased use of non-contracted Providers</li> <li>• Reputational damage</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Cost of Care exercise commissioned externally, and work is now in progress with external provider</li> <li>• Market management by strategic commissioning re increased efficiencies</li> <li>• Establishment of Local Framework Agreements to manage costs in process</li> <li>• Establishment of Strategic Partnerships with providers</li> <li>• Utilisation of workforce grants to support the market</li> <li>• Involvement with regional forums e.g., NW ADASS Operational Commissioners Group to ensure collaborative approach, updates on key developments</li> <li>• Collaborative fee setting exercise complete- paper to Cabinet imminent</li> </ul>		
<b>Risk owner</b>	ED ASC&H		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• Cost of Care Exercise in process across all market sectors</li> <li>• Use of bespoke cost of care tools to calculate costs</li> <li>• Implementation of Local Frameworks to control costs (in process)</li> <li>• Benchmarking with regional authorities</li> <li>• Enhance pooled budget arrangements with Health in development in line with Place arrangements</li> <li>• Integrated approach to commissioning further enhanced (Intermediate care, market sustainability)</li> </ul>		

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|--|--|
|  | <ul style="list-style-type: none"><li>• Ongoing Demand Management programme – realignment / redistribution of expenditure across service sectors to reflect actual/desired changes in demand</li><li>• Strategic review of budget in process as part of Sector Led Improvement offer</li><li>• LGA Peer review completed July 2022</li><li>• Care Cap reform work commenced – paper submitted to ELT</li></ul> |
|--|--|

Risk Description	Previous risk score	Current risk score	Target risk score
<p>Failure to meet the targets set out in the Council's declared climate emergency</p>			
<b>Causes</b>	<p>The Council has declared a climate emergency with a view to becoming a net zero contributor by 2030- the aim of this declaration is to improve the lives of residents, make the Borough a more attractive place to live and work, contribute to addressing the global impact of climate change contribute to stopping the deterioration of the Sefton environment.</p>		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Further deterioration in air quality</li> <li>• Extensive Coastal Erosion</li> <li>• Further deterioration in overall Sefton Environment</li> <li>• Sefton fails to support the drive to reduce carbon emissions that are having a significant impact on climate change</li> <li>• Reduced life expectancy</li> <li>• Reputational damage having declared an emergency and agreed a strategy and implementation plan</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Council has declared a climate emergency</li> <li>• Council has agreed the Strategy to meet this Declaration</li> <li>• Initial activities all completed</li> <li>• 3-year implementation place agreed by Council</li> <li>• Pathway to net zero articulated in latest annual report including residual amount that maybe left and financial support that will be required from central government for decarbonisation</li> <li>• Annual Reports track progress and are reported to Cabinet and Council</li> <li>• Initial projects in 3-year period include- move to agile working for staff, street lighting energy scheme, decarbonation work at Bootle and Southport Town Halls and procurement of 100% renewable electricity</li> </ul>		
<b>Risk owner</b>	<p>ED CR&amp;CS and ED People</p>		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• Introduce 100% renewable electricity</li> <li>• Ensure completion of initial 3-year implementation place</li> <li>• Identify and bid for external funding to support change initiatives as without such financial support this will compromise the Council's ability to meet its target</li> <li>• Work with Combined Authority on communication strategy and leverage the CA to identify external funding and align with their programme of works</li> <li>• Work with the voluntary sector who have also declared a climate emergency - this will support delivery of schemes, external funding generation and community engagement for both organisations. Work on-going with Multi Agency Partnership to galvanise alignment with Partners activity in this area and influence delivery in line with Sefton's Strategy.</li> </ul>		



Risk Description	Previous risk score	Current risk score	Target risk score
Demand and Cost of Home to School Transport – Impact on the Financial Sustainability of the Council			
<b>Causes</b>	<p>Increasing expenditure is being driven by:</p> <ol style="list-style-type: none"> <li>1) The rising number of children and young people with an Education Health and care plan.</li> <li>2) The rising number of children and young people whose needs are not met in local mainstream provision and placed in educational provision outside the local area</li> <li>3) The rising cost of fuel and living</li> <li>4) Driver and escort shortages, competing for scarce resources</li> </ol>		
<b>Result</b>	<ul style="list-style-type: none"> <li>• Supply unable to match demand</li> <li>• Increased waiting time for users, impact on school attendance</li> <li>• Financial and reputational risks, financial sustainability of Council could be compromised, budget pressure cannot be contained</li> <li>• Capacity of the workforce to meet this demand</li> <li>• Potential for poor service delivery</li> <li>• Negative socio-economic impact</li> <li>• High level of media and public interest in the Council's actions</li> <li>• Loss of reputation</li> </ul>		
<b>Current treatments and controls</b>	<ul style="list-style-type: none"> <li>• Report to Leadership Team and Cabinet</li> <li>• Engagement with SEND on how demand can be contained</li> <li>• Review of In-House Fleet and post 16 charging policy</li> <li>• Monthly finance reports</li> <li>• On-going review of all provision</li> <li>• Personal travel budgets</li> </ul>		
<b>Risk owner</b>	Assistant Director of Education Excellence		
<b>Proposed actions</b>	<ul style="list-style-type: none"> <li>• Expand personal travel budget programme</li> <li>• Explore expansion of in-house fleet</li> <li>• Engagement with SEND on how demand can be contained</li> <li>• Review of travel solutions, focus on Post 16, out of borough, single occupancy and personal assistants</li> </ul>		

## 11. **Council Tax Energy Rebate Scheme – Discretionary Fund**

- 11.1 Cabinet in June 2022 approved a scheme relating to the distribution of payments from the Council Tax Energy Rebate Discretionary Fund. The total funding available for distribution was £708,150, with all payments having to be made by 30 November 2022.
- 11.2 The approved scheme meant that a significant part of the Discretionary Fund was awarded directly to specific groups, with no requirement for an application process. It was estimated that once the direct awards were made, £111,420 would be available to fund discretionary payments for certain groups who had not qualified for a payment previously.
- 11.3 However, only 23 applications were received, with only 8 approved as many of these had already received support. Therefore, the Council still has £109,040 available.
- 11.4 In the approved scheme, one of the groups to receive further support from the discretionary fund were Council Taxpayers whose sole or main residence is in a band A-D or E-H property and on 1st April 2022 they are in receipt of (means tested) Council Tax Reduction, which includes children in their household at that property. The additional award was £20 for 2 or less children or £30 for 3 or more children.
- 11.5 To ensure that as much funding as possible is distributed by the deadline it is proposed to make a further award to each household mentioned in paragraph 11.4 - £18 for 2 or less children or £22 for 3 or more children. Again, this would be an automatic award with no requirement to make an application.

## APPENDIX A – Capital Programme 2022/22 to 2024/25

Capital Project	Budget		
	2022/23 £	2023/24 £	2024/25 £
<b>Adult Social Care</b>			
Digitising Social Care	50,000	405,000	-
Core DFG Programme	2,000,000	-	-
Occupational Therapy Support for DFGs	603,774	-	-
ICT Development & Transformation	668,556	260,000	-
Care Home Improvements	787,559	200,000	-
Changing Places	92,507	-	-
Retail Model within Health and Wellbeing Hubs	450,000	-	-
Extra Care Housing	-	750,000	750,000
Short Term Assessment Unit	860,000	860,000	860,000
New Directions Programme	195,000	195,000	-
Technology Enabled Care	270,806	163,750	-
Sefton Carers Centre	30,000	-	-
Community Equipment Provision	300,000	-	-
Double to Single Handed Care Equipment	150,000	-	-
Community Equipment Stores	250,000	100,000	-
Programme Support	166,625	50,000	-
<b>Children's Social Care</b>			
Support for Fostering Placements	100,000	100,000	-
Community Equipment – Children's	250,000	-	-
Springbrook Refurbishment	100,000	-	-
<b>Communities</b>			
Dunes Splashworld – Essential Repairs	463,133	101,874	-
Dunes Splashworld – Health and Safety Works	270,000	-	-
Libraries - Centres of Excellence	90,000	188,019	-
Section 106 Funded Projects	185,990	-	-
<b>Corporate Resources</b>			
Council Wide Essential Maintenance	1,051,028	1,007,707	-
STCC Essential Maintenance	54,650	-	-
Victoria Baths Essential Works	76,960	-	-
Bootle & Southport Town Hall Retrofit Energy Saving	29,950	-	-
Green Homes Grant Sustainable Warmth Schemes	4,438,882	-	-
ICT Transformation	493,281	-	-
<b>Economic Growth &amp; Housing</b>			
Strategic Acquisitions - Bootle	17,620	-	-
Cambridge Road Centre Development	53,930	-	-
Crosby Lakeside Development	1,715,913	-	-
Town Centre Commission Bootle Canal Side	240,263	-	-
Bootle Canal Side Business Plan	556,862		
Southport Market Redevelopment	47,335	-	-
Strategic Acquisitions - Ainsdale	90,600	836,423	-
Marine Lake Events Centre	6,369,392	13,268,773	37,948,199

	2022/23 £	2023/24 £	2024/25 £
Enterprise Arcade	660,000	834,000	-
Transformations De Southport	-	2,500,000	-
Strand Business Plan	40,000	375,000	75,000
Strand Repurposing Project	-	680,000	-
Housing Investment	33,960	-	-
Brownfield Fund for Housing Development	537,790	-	-
Social Housing Allocations Scheme	65,000	-	-
Southport Pier	321,822	3,000,000	-
<b>Education Excellence</b>			
Schools Programme	3,377,472	7,400,536	7,055
Planned Maintenance	197,617	-	-
Special Educational Needs & Disabilities	570,083	-	-
<b>Highways and Public Protection</b>			
Accessibility	989,402	-	-
Healthy Lifestyles	790,000	-	-
Road Safety	120,000	-	-
A565 Route Management Strategy	2,349,041	-	-
A59 Route Management Strategy	839,000	-	-
Strategic Planning	1,510,634	-	-
Traffic Management & Parking	55,000	-	-
Highway Maintenance	5,600,454	-	-
Bridges & Structures	517,921	-	-
Drainage	337,340	-	-
Street Lighting Maintenance	327,400	-	-
LED Street Lighting Upgrade	3,886,920	3,605,580	3,662,630
Urban Traffic Control	902,830	-	-
Transport Growth Schemes	-	1,268,620	-
Completing Schemes / Retentions	130,000	-	-
<b>In House Operational Services</b>			
Burials & Cremation Service – Vehicles & Equipment	47,713	-	-
Coastal Erosion and Flood Risk Management	908,473	2,252,701	1,306,000
Parks Schemes	110,426	102,989	-
Tree Planting Programme	134,505	19,769	19,769
Golf Driving Range Developments	9,988	280,280	-
Ainsdale Coastal Gateway	327,712	-	-
Crosby Marine Lake Improvements – Phase 1	30,339	-	-
Green Sefton – Plant & Machinery	-	131,152	-
Vehicle Replacement Programme	2,033,329	113,000	-
Wheeled Bins	345,000	-	-
<b>TOTAL PROGRAMME</b>	<b>51,677,787</b>	<b>41,050,173</b>	<b>44,628,653</b>