

CABINET

**MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL,
SOUTHPORT
ON 8 FEBRUARY 2024**

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

ALSO PRESENT: Councillor Sir Ron Watson

125. APOLOGIES FOR ABSENCE

No apologies for absence were received.

126. DECLARATIONS OF INTEREST

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

127. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 1 February 2024 be confirmed as a correct record.

**128. ASSET MANAGEMENT STRATEGY AND ASSET DISPOSAL
POLICY 2024/25**

Further to Minute No. 39 of the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) held on 6 February 2024, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services advising that the Asset Management Strategy and Asset Disposal Policy set out the vision and aspirations for the effective management of the Council's corporate asset portfolio and outlining the role it played in supporting and shaping the Council's agenda for the 2030 vision. Aside from its staff, the Council's next biggest resource was its land and property and it was vital that this resource was managed and used effectively and efficiently to ensure that the Council derived maximum benefit from its assets in support of its strategic aims and priorities. The Asset Management Strategy and Asset Disposal Policy would provide a framework for the planning, prioritisation, management and funding of the Council's asset base. The Asset Management Strategy and Asset Disposal Policy was a statutory document that the Council was required to have in place and would be reviewed on an annual basis.

The following appendices were attached to the report:

- Appendix 1 - Asset Management Strategy
- Appendix 2 - Asset Disposal Policy

Decisions Made:

That the Council be recommended to approve:

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

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None.

129. PRUDENTIAL INDICATORS 2024/25

Further to Minute No. 40 of the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) held on 6 February 2024, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services indicating that the CIPFA Prudential Code for Capital Finance in Local Authorities was introduced following the Local Government Act 2003. It detailed a number of measures / limits / parameters (Prudential Indicators) that were required to be set each financial year. The approval of these limits would provide a benchmark to measure actual performance against, to help ensure that the Council complied with relevant legislation, was acting prudently and that its capital expenditure proposals were affordable.

The following appendix was attached to the report:

- Appendix A – Summary of Prudential Indicators.

Decisions Made:

That the Council be recommended to:

- (1) approve the Prudential Indicators, as detailed in the report, as the basis for compliance with The Prudential Code for Capital Finance in Local Authorities;
- (2) note that relevant Prudential Indicators will be revised as required and that any changes will be submitted to the Cabinet and then to the Council for approval;

- (3) note that the estimates of capital expenditure may change as grant allocations are received; and
- (4) delegate authority to the Executive Director of Corporate Resources and Customer Services in consultation with the Cabinet Member – Regulatory, Compliance and Corporate Services to manage the Authorised Limit and Operational Boundary for external debt, as detailed in section 6 of the report.

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None

130. TREASURY MANAGEMENT POLICY AND STRATEGY 2024/25

Further to Minute No. 41 of the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) held on 6 February 2024, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that set out proposed policy and strategy documents for the Treasury Management Policy; the Treasury Management Strategy; and the Minimum Revenue Provision Policy Statement.

The following appendices were attached to the report:

- Appendix A – Treasury Management Policy 2024/25
- Appendix B – Treasury Management Strategy 2024/25
- Appendix C – Minimum Revenue Provision Policy Statement 2024/25

Decisions Made:

That the Council be recommended to approve:

- (1) the Treasury Management Policy Document for 2024/25;
- (2) the Treasury Management Strategy Document for 2024/25; and
- (3) the Minimum Revenue Provision Policy Statement 2024/25.

Reasons for the Decisions:

The Council had adopted CIPFA's Code of Practice on Treasury Management in the Public Services. The Code required that the Council

set a policy and strategy for the effective operation of the Council's Treasury Management function during the financial year. This would ensure that cash flow was adequately planned, surplus monies were invested commensurate with the Council's risk appetite whilst providing adequate portfolio liquidity, and that the borrowing needs of the Council were properly managed to ensure that the Council could meet its capital spending obligations.

Alternative Options Considered and Rejected:

None.

131. CAPITAL STRATEGY 2024/25

Further to Minute No. 42 of the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) held on 6 February 2024, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services indicating that the Capital Strategy set out the long-term context in which capital expenditure, borrowing and investment decisions were made and considered the impact of these decisions on the priorities within the Council's Core Purpose and the promises made in the 2030 Vision for Sefton. At the heart of the Capital Strategy was the Council's core objective to continue to deliver financial sustainability. As such a flexible capital investment programme was more important than ever as a method to stimulate and enable economic growth and strategic investment, ensuring best use of existing assets and of generating future income streams to pay for and deliver day to day services.

The following appendix was attached to the report:

- Appendix A – Capital Strategy 2024/25

Decision Made:

That the Council be recommended to approve the Capital Strategy as set out at Appendix A to the report.

Reasons for the Decision:

The Capital Strategy was a key policy document for Sefton Council and followed guidance issued in the Prudential Code for Capital Finance in Local Authorities (2021 Edition). Local authorities were required by regulation to have regard to the Prudential Code when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003.

Alternative Options Considered and Rejected:

None.

132. ROBUSTNESS OF THE 2024/25 BUDGET ESTIMATES AND THE ADEQUACY OF RESERVES – LOCAL GOVERNMENT ACT 2003 - SECTION 25

Further to Minute No. 43 of the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) held on 6 February 2024, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services indicating that, to comply with statute, the Chief Financial Officer was required to report to Council prior to the approval of the budget and the setting of the Council Tax, to give assurance that the budget was robust and that there were adequate reserves and balances. The report was based on the proposals presented. The Local Government Act 2003, (section 25 as amended) required the Chief Financial Officer to report formally on the following issues:

- a) An opinion as to the robustness of the estimates made and the tax setting calculations; and
- b) The adequacy of the proposed financial reserves.

Decisions Made:

That

- (1) it be noted that the Local Government Act 2003, (Section 25 as amended) requires the Chief Financial Officer to report formally the issues of an opinion as to the robustness of the estimates made and the tax setting calculations; and the adequacy of the proposed financial reserves; and
- (2) **the Council be recommended to** have regard to the matters raised in the report during the final stages of determining the budget for 2024/25.

Reasons for the Decisions:

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

Alternative Options Considered and Rejected:

None.

133. REVENUE AND CAPITAL BUDGET PLAN 2024/25 – 2026/27 AND COUNCIL TAX 2024/25

Further to Minute No. 44 of the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) held on 6 February 2024, the Cabinet considered the report of the Executive Director of Corporate Resources and Customer Services that set out:

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- An assessment of the Council's current financial position and approach to the 2024/25 Budget Plan and preparation for the additional two-year budget period 2025/26 to 2026/27.
- An update on the Government's announcement of resources that are available to the Council for 2024/25.
- The Council's current financial position and the assumptions built into the Medium-Term Financial Plan.
- The proposed Budget for 2024/25; and,
- The proposed Capital Programme for 2024/25 to 2026/27.

The report also set out the financial strategy of the Council and the national and local financial context within which it was operating. The Council had a statutory requirement to remain financially sustainable and to balance its budget every year.

The following appendices were attached to the report:

- Individual School Budgets 2024/25
- Budget Saving Proposals
- Draft Council Budget Summary 2024/25
- Capital Programme 2024/25 – 2026/27

Members of the Cabinet thanked Finance Officers for their on-going work on the Council's budget.

Decisions Made:

That the Council be recommended to:

- (1) note the update of the Medium-Term Financial Plan for the period 2024/25 to 2026/27;
- (2) approve the Budget Plan for 2024/25, including the Revenue Budget, allocation of specific grants, as set out at section 13 of the report, and the Capital Programme, as set out at Appendix D to the report, and authorise officers to undertake the necessary actions to implement the recommendations.
- (3) note the Schools' Forum decisions on the Dedicated Schools Grant and Individual School Budgets, as set out at section 12 of the report;
- (4) approve a supplementary capital estimate for £7.387m for the Corporate Essential Maintenance Programme Phase 2 funded by capital receipts, as set out at section 17 of the report; and
- (5) approve a supplementary capital estimate for £1.865m for Green Sefton Equipment and Machinery funded by prudential borrowing, as set out at section 17 of the report.

Reasons for the Decisions:

The recommendations in the report provided the basis on which the Budget Plan would be balanced for the financial year 2024/25 and would ensure that the Council's statutory obligations were met. In addition, it began the planning for the financial strategy for the following two years to give the Council sufficient time to identify specific proposals to deliver financial sustainability over that period.

Alternative Options Considered and Rejected:

The Council was legally required to set a balanced budget each year and the report had taken due consideration of all financial issues in its development. No additional options were available for inclusion.