



**ST HELENS**  
BOROUGH COUNCIL

**Chief Executive's Office**

Town Hall  
Victoria Square  
St Helens  
Merseyside  
WA10 1HP

Contact: Mrs Joanne Griffiths MBE  
Tel: 01744 673219

Our Ref: KOD/JLG

25 October 2022

Dear Sir or Madam

You are hereby summoned to attend a Meeting of the Council of this Borough, which will be held in the Town Hall, St. Helens, on **Wednesday, 2 November 2022 at 6.15 pm**, to consider and pass any appropriate resolutions relating to items on the Agenda attached.

Any documents referred to in such Agenda may be inspected at my office during office hours.

Yours sincerely

A handwritten signature in black ink, appearing to read 'K O'Dwyer'.

Kath O'Dwyer  
Chief Executive



**ST HELENS**  
BOROUGH COUNCIL

## **Council Meeting**

**Wednesday, 2 November 2022**

## **Agenda**

<b><u>Item</u></b>	<b><u>Title</u></b>	<b><u>Page</u></b>
1.	Minutes of the Meeting held on 12 July 2022	3
2.	Apologies for Absence	
3.	Declarations of Interest from Members	
4.	The Mayor's Communications	
5.	Leader's Announcements	
6.	To hear and respond to any questions submitted by Members in accordance with Council Procedure Rule 9	
7.	To hear and respond to any questions submitted by members of the public in accordance with Council Procedure Rule 10	
8.	To hear any deputations by members of the public in accordance with Council Procedure Rule 11	
9.	Report of Cabinet - Financial Monitoring Report Period 1 2022/23	11
10.	Amendment to the Honorary Alderman/Alderwoman Selection Protocol	73
11.	Report of Audit & Governance Committee: Appointment of Independent Member to Audit & Governance Committee	79
12.	Notice of Motion submitted in accordance with Council Procedure Rule 12	
	(a) Submitted by Councillor Spencer	95

## ST HELENS BOROUGH COUNCIL

At a meeting of the St Helens Borough Council held on  
12 July 2022

**(Present)**            **The Mayor (Councillor Murphy) (Chair)**  
**Councillors Baines, Banks, Begum, Bell, Betts, Bond, Bowden,**  
**Burns, Campbell, Case, Clarke, Collier, Dickinson, Gomez-**  
**Aspron MBE, Greaves, Groucutt, Hattersley, Haw, Hawley,**  
**Hodkinson, Hooton, Laird, D Long, T Long, Maguire, Makin,**  
**Maloney MBE, McCauley, McCormack, McQuade, Mussell,**  
**O'Connor, Osundeko, Peers, Quinn, Richards, Sheldon,**  
**Spencer, Stevenson, Sweeney, Tasker, Uddin and van der Burg.**

**(Not Present)**      **Councillors Charlton, Johnson, Pearl and Sims**  
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### 15      **MINUTES**

- \*            **Resolved that the Minutes of the meeting of the Council held on 25 May 2022 be approved.**

### 16      **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Charlton, Johnson, Pearl and Sims.

### 17      **DECLARATIONS OF INTEREST FROM MEMBERS**

Item	Title	Member(s)	Declaration
10	Report of Cabinet – St Helens Borough Local Plan	Councillor Baines	Personal and non-prejudicial.
12	Community Governance Review	Councillor Gomez-Aspron MBE	Personal and prejudicial.

### 18      **MAYOR'S COMMUNICATIONS**

The Mayor expressed condolences to Councillor Osundeko, on behalf of Council, for the recent loss of her daughter.

The Mayor congratulated the following who had received recognition in the Queen's Birthday Honours:

Friends of St Helens Cemetery who had been awarded The Queen's Award for Voluntary Service;

Ron and Sue Heyes who received a British Empire Medal in recognition of their excellent work with the charity 'African Children in Education'; and

Sally Yeoman, Chief Executive of Halton & St Helens Voluntary and Community Action Who received an MBE for services to the community.

### 19      **LEADER'S ANNOUNCEMENTS**

Councillor Baines, Leader of the Council spoke about the following:

## ST HELENS BOROUGH COUNCIL

- Armed Forces Day;
- St Helens Pride;
- Town Centre Developments;
- Council Supporting Residents with Cost-of-Living Rise;
- Shared prosperity and LCRCA Investment Plan;
- City Fibre Digital Connectivity;
- St Helens Borough Housing Strategy;
- Omega West planning approval granted;
- Local Plan;
- Proposed changes to provision of bus services in the Borough;
- Men's Mental Health;
- New Highways Strategy approved;
- NHS Cheshire & Merseyside Integrated Care Board; and
- The Member Champion for Local Businesses is Councillor Hodgkinson.

**20 TO HEAR AND RESPOND TO ANY QUESTIONS SUBMITTED BY MEMBERS IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 9**

The Mayor reported that there were no questions submitted in accordance with this Procedure Rule.

**21 TO HEAR AND RESPOND TO ANY QUESTIONS SUBMITTED BY MEMBERS OF THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 10**

The Mayor reported that there were no questions submitted in accordance with this Procedure Rule.

**22 TO HEAR ANY DEPUTATIONS BY MEMBERS OF THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 11**

The Mayor reported that no requests to hear a deputation had been received in accordance with this Procedure Rule.

**23 REPORT OF CABINET - REVENUE AND CAPITAL OUTTURN REPORT 2021/22**

A report was submitted which detailed the outturn position in relation to the revenue and capital budget for 2021/22 (subject to audit) and summarised the reserves and balances position.

The report also included details of the 2021/22 use of COVID-19 Emergency Grant Funding and Sales, Fees and Charges Compensation Funding and included the Treasury Management Outturn Report for 2021/22.

\* **Resolved that:**

(1) **the decisions made by Cabinet at its meeting held on 22 June 2022 be noted as follows:**

i) **note the Revenue Outturn position (subject to audit) for 2021/22 as detailed in Section 2;**

## ST HELENS BOROUGH COUNCIL

- ii) approve the proposed carry forward of budget provision as outlined in Section 2.9;
- iii) approve the carry forward of budget provision for continuing earmarked reserve funded schemes, as detailed in Annex B;
- iv) note the earmarking of resources to reserves as outlined in Section 2.6;
- v) approve for there to be no reductions to any Directorate budgets in 2022/23 arising from the outturn position for 2021/22 as detailed in Section 2.8;
- vi) note the use of additional Covid-19 Grant Funding and Sales, Fees and Charges Compensation in 2021/22, as detailed in Section 3;
- vii) note the 2021/22 Capital Outturn position (subject to audit) as summarised in Section 4;
- viii) note the latest reserves and balances position as outlined in Section 5, including the appropriation of general balances to the inflation reserve ; and
- ix) note the Treasury Management Outturn Report 2021/22 as detailed in Annex E

### 24 REPORT OF CABINET – ST HELENS BOROUGH LOCAL PLAN ADOPTION

At its meeting held on 30 June 2022, Cabinet considered the report which outlined the preparation of the St Helens Borough Local Plan up to this point, and set out the reasons for adopting the new St Helens Borough Local Plan to guide and shape the growth of the Borough up to 2037 and beyond.

The St Helens Borough Local Plan and associated Policies Map were Recommended, to Council, for adoption and implementation to replace the Core Strategy (2012) and UDP (1998) to ensure the Borough had an up-to-date policy framework in place, in accordance with legislation and national policy and guidance. Along with the Bold Forest Park Area Action Plan (2017) and the Joint Merseyside and Halton Waste Local Plan (2013), it would form a positive and effective Development Plan for the Borough.

A recorded vote was requested by over one third of the Members present and, therefore, a recorded vote was taken.

For:		Councillors:	Baines, Banks, Begum, Bell, Bond, Bowden, Burns, Campbell, Clarke, Dickinson, Gomez-Aspron MBE, Groucutt, Hattersley, Hodgkinson, Laird, D Long, T Long, Maloney MBE, McCauley, McCormack, McQuade, Murphy, O'Connor, Osundeko, Quinn, Sweeney and Uddin.
Against:		Councillors:	Betts, Case, Collier, Greaves, Haw, Hawley, Hooton, Maguire, Makin, Mussell, Peers, Richards, Sheldon, Spencer, Stevenson, Tasker and van der Burg.

## ST HELENS BOROUGH COUNCIL

- \* **Resolved that the St Helens Borough Local Plan at Appendix A and associated Policies Map at Appendix B, be adopted and become part of the Development Plan for the Borough with immediate effect.**

**25 REPORT OF STANDARDS COMMITTEE – REVISED PROTOCOL FOR COUNCILLORS AND OFFICERS DEALING WITH PLANNING MATTERS AND RELATED CONSTITUTIONAL ISSUES**

A report was submitted which asked Council to consider the recommendation from the Standards Committee held on 4 July 2022.

The Protocol for Councillors and Officers Dealing with Planning Matters (“the Protocol”) aimed to ensure that, within the planning process, there were no grounds for suggesting that a planning decision taken by officers or members had been biased, partial or not well founded in any way. The Protocol was a living document and had been the subject of amendment over the years to ensure it reflected current best practice.

The report recommended amendments to the Protocol in order to reflect recent changes to the Code of Conduct for Elected and Co-opted Members. Minor amendments were also recommended to officer delegations contained at Part 3 of the Constitution and which were to be referenced within the Protocol. Other updates were made to the site visit protocol and public speaking arrangements. The opportunity had also been taken to reflect recent changes to officer job titles and to provide greater clarity with regard to requirement to report excessive lobbying to officers.

At its meeting held on 28 June 2022, Planning Committee had also approved the recommendations.

- \* **Resolved that:**

- (1) **the amendments to the Protocol for Councillors and Officers Dealing with Planning Matters, as set out at Appendix 2 be approved;**
- (2) **the changes to Part 3 of the Constitution (Responsibility for Functions – Council Functions Delegated to Officers – Planning), as set out at Appendix 3 be approved; and**
- (3) **the Monitoring Officer be authorised to amend the Constitution so that it accords with the decision of Council in this regard.**

Councillor Gomez-Aspron MBE here left the meeting.

**26 COMMUNITY GOVERNANCE REVIEW – DRAFT TERMS OF REFERENCE**

A report was submitted which set out the Terms of Reference for approval by Council, which would commence the Community Governance Review (“CGR”) process once published.

Parish councils can, when operating effectively, play an important role in terms of community empowerment at the local level. CGRs provide the opportunity for principal councils (district and unitary councils) to review and make changes to community

## ST HELENS BOROUGH COUNCIL

governance within their areas. They may be undertaken in circumstances such as where there have been changes in population, following a Boundary Commission review of warding patterns (as is the case for St. Helens) or in response to specific or local new issues.

At its meeting held on 3 November 2021, Council agreed to undertake a CGR for the borough following the local and parish elections in 2022. Council also noted a petition received from Newton & Earlestown Community Group in 2020 in relation to a proposal to create a new Town Council for Newton and Earlestown (now known as Newton East and Newton West wards).

**\* Resolved that:**

- (1) **approve the Terms of Reference for a Community Governance Review at Appendix 1;**
- (2) **agree the proposed consultation in respect of the Community Governance Review for the borough;**
- (3) **agree the proposed consultation for the proposal in the petition to create a new Town Council for Newton East and Newton West wards;**
- (4) **agree to establish a cross-party Community Governance Review Working Group to make recommendations to Council in relation to the Review and the proposal in the petition supported by officers; and**
- (5) **the Monitoring Officer, be authorised, in consultation with the Portfolio Holder for Finance & Governance, to take all necessary steps in relation to the Review and the proposal in the petition.**

Councillor Gomez-Aspron MBE here returned to the meeting.

### **27 ANNUAL SCRUTINY REPORT 2021/22**

A report was submitted which informed Council that the Overview and Scrutiny Commission was required to produce an annual report for submission to Council to document the activity of all scrutiny committees during the municipal year.

The report set out the outcome and added value of the work undertaken by scrutiny over the last year, which had been an unprecedented year in terms of challenges from the Covid-19 pandemic.

The content of the Annual Scrutiny Report 2021/22 was approved by the Overview and Scrutiny Commission at its meeting held on 4 April 2022.

**\* Resolved that the Overview and Scrutiny Annual Report 2021/22 be noted.**

### **28 INDEPENDENT REMUNERATION PANEL (IRP) REPORT - REMUNERATION FOR INDEPENDENT MEMBER ON AUDIT & GOVERNANCE COMMITTEE**

A report was submitted which presented a recommendation to Council for consideration from the Independent Remuneration Panel in relation to remuneration for an

## ST HELENS BOROUGH COUNCIL

Independent Person on the Audit & Governance Committee.

**\* Resolved that:**

- (1) **the recommendation of the Independent Remuneration Panel to offer remuneration to the Independent Person on the Audit & Governance of £500 per year be approved; and**
- (2) **the Monitoring Officer be authorised to amend the Members' Allowances Scheme in Part 6 of the Constitution to include a Co-optees Allowance in this regard.**

### 29 CONSTITUTIONAL ISSUES

A report was submitted which set out a number of issues in relation to the Constitution and the governance of the Council, which Council was asked to consider and either note or determine, as appropriate.

It was the responsibility of the Monitoring Officer to monitor and review the operation of the Constitution and to seek approval to any changes necessary due to changes in legislation or changes in the way the Council wishes to operate. This report set out the proposed changes which had been identified.

At Annual Council on 25 May 2022, Council noted the representatives identified on the Cabinet Member Schedule in Appendix 1 to the Appointments to Outside Bodies and Other Bodies 2022/23 report. Included in the report was membership to the Health and Care Partnership Board.

On 1 July 2022, upon the Health and Care Act 2022 coming into force, NHS Cheshire & Merseyside replaced the clinical commissioning group infrastructure, with nine borough 'Places' tasked with working to improve health and care outcomes under the umbrella of the new organisation, a statutory Integrated Care Board. Integrated Care Systems (ICSs) were partnerships that brought providers and commissioners of NHS services across a geographical area together with local authorities and other local partners to collectively plan health and care services to meet the needs of their local population

The new Act moved ICSs onto a statutory footing with the establishment of Integrated Care Boards (ICBs) and Integrated Care Partnerships (ICPs).

The former Health & Care Partnership Board was therefore replaced by the ICP and the Council's representatives were Councillor Baines and Councillor Quinn.

Council was also informed that the Code of Conduct for Employees had been reviewed and updated to reflect best practice, the Council's values and behaviours, a consistent format and changes in post titles. The Code was approved by Delegated Executive Decision on 13 June 2022 as part of a suite of revised People Management policies. Council was invited to note the revised approved Code for inclusion at Part 5 of the constitution.

**\* Resolved that:**

- (1) **the change to the representatives on the Cabinet Member Schedule, namely Councillor Baines and Councillor Quinn on the new**



## ST HELENS BOROUGH COUNCIL

**Integrated Care Partnership in replacement of the former Health & Care Partnership Board be noted; and**

- (2) the revised Code of Conduct for Employees at Appendix 1 for inclusion in Part 5 of the constitution be noted.**

Councillor Osundeko left the meeting during discussion of the following item.

### **30 NOTICE OF MOTION SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 12**

The following Notice of Motion was submitted by Councillor Mussell:

“St Helens is well known for many things, coal mining, glass manufacturing, trains, and rugby league. We, however, recognise the part women from the Borough have played in the country’s heritage and success in sport. These women, in their chosen sports, not only demonstrate the benefit and value of sport and physical activity but act as female role models for current and future generations.

I therefore propose that this Council in recognition of these women’s achievements establish a cross party working group to:

- Identify how these accomplishments can be permanently celebrated publicly to ensure their impact and historical success is remembered but also to act as a positive role model for generations to come; and
- identify funding streams for the erection of a monument in the Borough.”

In accordance with Council Procedure Rule 14.7(a) Councillor Mussell moved the following alteration which was seconded by Councillor Greaves and agreed by Council.

“St Helens is well known for many things, coal mining, glass manufacturing, trains, and rugby league. We, however, recognise the part women from the Borough have played in the country’s heritage and success in sport. These women, in their chosen sports, not only demonstrate the benefit and value of sport and physical activity but act as female role models for current and future generations.

I therefore propose that this Council in recognition of these women’s achievements establish a cross party working group to:

- Identify how these accomplishments can be permanently celebrated publicly to ensure their impact and historical success is remembered but also to act as a positive role model for generations to come; and
- ~~identify funding streams for the erection of a monument in the Borough.~~ Explore how we can commemorate them throughout the Borough.”

**\* Resolved that the altered Motion be approved.**

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**ST HELENS**  
BOROUGH COUNCIL

## Council

**2 November 2022**

<b>Report Title:</b>	<b>Report of Cabinet – Financial Monitoring Report – Period 1 2022/23</b>
<b>Cabinet Portfolio</b>	Finance and Governance
<b>Cabinet Member</b>	Councillor Martin Bond
<b>Exempt Report</b>	No
<b>Reason for Exemption</b>	N/A
<b>Key Decision</b>	No
<b>Public Notice issued</b>	N/A
<b>Wards Affected</b>	All
<b>Report of</b>	Jan Bakewell Director of Legal and Governance janbakewell@sthelens.gov.uk
<b>Contact Officer</b>	Joanne Griffiths Team Manager- Democratic and Scrutiny Services joannegriffiths@sthelens.gov.uk

<b>Borough priorities</b>	Ensure children and young people have a positive start in life	
	Promote good health, independence, and care across our communities	
	Create safe and strong communities and neighbourhoods for all	
	Support a strong, thriving, inclusive and well-connected local economy	
	Create green and vibrant places that reflect our heritage and culture	
	Be a responsible Council	X

## 1. Summary

- 1.1 The Financial Monitoring Report Period 1 2022/23 was submitted to Cabinet on 13 July 2022 and is attached at Appendix 1 to this report for information.

## 2. Recommendations for Decision

**Council is recommended to note the resolutions of Cabinet which were to:**

- i) **note the latest revised budget and forecast revenue position for 2022/23 as detailed in Section 2;**
- ii) **note the impact on the revenue and capital budget from high levels of inflation and the potential for pressures on the 2022/23 budget;**
- iii) **note the latest position with regard to the implementation of the 2022/23 budget savings and 2021/22 savings that were not fully implemented in 2021/22, as detailed in Section 3;**
- iv) **approve the revised capital programme as detailed in Section 4;**
- v) **note the latest Reserves and Balances position in Section 5;**
- vi) **note the Treasury Management Position Statement in Annex G; and**
- vii) **note the Performance Summary for 2021/22 as detailed in Section 8**

## 3. Purpose of this Report

- 3.1 The Council remains committed to the regular monitoring of its financial performance, and this report is provided to update Cabinet on the position of the Council in respect of the general fund revenue budget for 2022/23 and progress in delivering the capital programme.
- 3.2 The report is prepared excluding any financial implications that may arise from other agenda items being considered by Cabinet at its meeting on 13 July 2022.

#### **4. Background /Reasons for the recommendations**

- 4.1 The Council's budget supports all the borough priorities through the allocation of resources and ensuring they are effectively and efficiently managed.

#### **5. Consideration of Alternatives**

- 5.1 None

#### **6. Conclusions**

- 6.1 None

#### **7. Legal Implications**

- 7.1 The purpose of this report is to highlight the forecast financial position of the Council and has no direct legal or other implications unless noted.

#### **8. Community Impact Assessment (CIA) Implications**

- 8.1 N/A

#### **9. Social Value**

- 9.1 N/A

#### **10. Sustainability and Environment**

- 10.1 N/A

#### **11. Health and Wellbeing**

- 11.1 N/A

#### **12. Equality and Human Rights**

- 12.1 There are no outcomes which affect people of different groups and the decision does not discriminate against any particular group of people.

#### **13. Customer and Resident**

- 13.1 There are no direct implications on people accessing Council Services or resident in the borough.

#### **14. Asset and Property**

- 14.1 N/A

#### **15. Staffing and Human Resources**

- 15.1 N/A

**16. Risks**

16.1 N/A

**17. Finance**

17.1 As detailed in Appendix 2.

**18. Policy Framework Implications**

18.1 N/A

**19. Impact and Opportunities on Localities**

19.1 N/A

**20. Background Documents**

20.1 N/A

**21. Appendices**

21.1 Appendix 1 – Report to Cabinet on 13 July 2022

21.2 Appendix 2 - Financial Monitoring Report Period 1 2022/23.

 <p><b>ST HELENS</b> BOROUGH COUNCIL</p>	<p><b>Cabinet</b></p> <p><b>13 July 2022</b></p>
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<b>Report Title</b>	<b>Financial Monitoring Report Period 1 2022/23</b>
<b>Cabinet Portfolio</b>	Finance and Governance
<b>Cabinet Member</b>	Councillor Martin Bond
<b>Exempt Report</b>	No
<b>Reason for Exemption</b>	N/A
<b>Key Decision</b>	No
<b>Public Notice issued</b>	N/A
<b>Wards Affected</b>	All
<b>Report of</b>	Executive Director of Corporate Services Cath Fogarty cathfogarty@sthelens.gov.uk
<b>Contact Officer</b>	Asad Mushtaq Director of Finance asadmushtaq@sthelens.gov.uk

<b>Borough Priorities</b>	Ensure children and young people have a positive start in life	
	Promote good health, independence, and care across our communities	
	Create safe and strong communities and neighbourhoods for all	
	Support a strong, thriving, inclusive and well-connected local economy	
	Create green and vibrant places that reflect our heritage and culture	
	Be a responsible Council	x

## **1. Summary**

- 1.1 This report provides the forecast financial position in relation to the revenue and capital budget for 2022/23 and summarises the reserves and balances position.
- 1.2 The report provides details of the inflationary pressures that are crystallising in 2022/23 due to the high levels of inflation within the wider economy.
- 1.3 The report includes details on the progress and delivery of the 2022/23 budget savings and savings from 2021/22 that were not fully implemented last financial year.
- 1.4 The report includes the Treasury Management Outturn Report for 2022/23.

## **2. Recommendations for Decision**

- i) note the latest revised budget and forecast revenue position for 2022/23 as detailed in Section 2
- ii) note the impact on the revenue and capital budget from high levels of inflation and the potential for pressures on the 2022/23 budget
- iii) note the latest position with regard to the implementation of the 2022/23 budget savings and 2021/22 savings that were not fully implemented in 2021/22, as detailed in Section 3
- iv) approve the revised capital programme as detailed in Section 4
- v) note the latest Reserves and Balances position in Section 5
- vi) note the Treasury Management Position Statement in Annex G
- vii) note the Performance Summary for 2021/22 as detailed in Section 8

## **3. Purpose of this report**

- 3.1 The Council remains committed to the regular monitoring of its financial performance, and this report is provided to update Cabinet on the position of the Council in respect of the general fund revenue budget for 2022/23 and progress in delivering the capital programme.
- 3.2 The report is prepared excluding any financial implications that may arise from other agenda items being considered by Cabinet at its meeting on 13 July 2022.



#### **4. Background / Reason for the recommendations**

- 4.1 The Council's budget supports all the borough priorities through the allocation of resources and ensuring they are effectively and efficiently managed.

#### **5. Consideration of Alternatives**

- 5.1 None

#### **6. Conclusions**

- 6.1 None

#### **7. Legal Implications**

- 7.1 The purpose of this report is to highlight the forecast financial position of the Council and has no direct legal or other implications unless noted.

#### **8. Community Impact Assessment (CIA) Implications**

- 8.1 N/A

#### **9. Social Value**

- 9.1 N/A

#### **10. Sustainability and Environment**

- 10.1 N/A

#### **11. Health and Wellbeing**

- 11.1 N/A

#### **12. Equality and Human Rights**

- 12.1 There are no outcomes which affect people of different groups and the decision does not discriminate against any particular group of people.

#### **13. Customer and Resident**

- 13.1 There are no direct implications on people accessing Council Services or resident in the borough.

#### **14. Asset and Property**

- 14.1 N/A

#### **15. Staffing and Human Resources**

- 15.1 N/A

**16. Risks**

16.1 N/A

**17. Finance**

17.1 As detailed in Appendix 1.

**18. Policy Framework Implications**

18.1 N/A

**19. Impact and Opportunities on Localities**

19.1 N/A

**20. Background Documents**

20.1 N/A

**21. Appendices**

21.1 Appendix 1 - Financial Monitoring Report Period 1 2022/23.

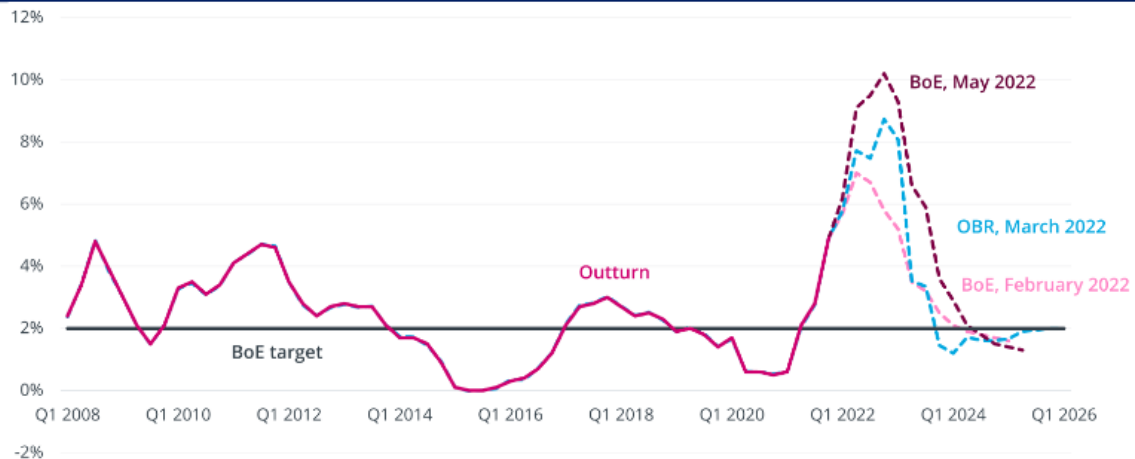
**FINANCIAL MONITORING REPORT - PERIOD 1 2022/23****SECTION 1: SUMMARY****Revenue Budget**

- 1.1 This is the first Financial Monitoring Report of 2022/23 and covers the period from April 2022 to June 2022. This report has been prepared excluding the financial implications of any other reports presented on the same agenda which may have budget implications. However, any such reports may be referenced in this report. There will be a further two monitoring reports covering quarters 2 and 3 and a final outturn report covering the full-year financial performance for 2022/23.
- 1.2 The impact of Covid-19 and ongoing legacy pressures continue to be monitored. In the absence of any specific government funding for 2022/23 and as part of setting the 2022/23 budget, the application of the specific Covid-19 reserve provided some resource in relation to legacy additional expenditure and income losses. This position allowed for the rebasing of portfolio budgets applying forecast legacy costs, and for the purpose of this report, portfolio narratives will incorporate those spending pressures and income loss above the rebased budget, as appropriate.
- 1.3 Based on current forecasting, there is a service overspend of £2.823m against the updated service revenue budget of £164.146m. It should be noted, these forecasts, with the exception of fuel costs, exclude the impact of inflationary increases such as energy, food other commodities and care services. Financial modelling, amid a volatile and uncertain financial outlook, is continuing, to quantify the implications on the revenue budgets.

**Cost of Living and Other Economic Pressures**

- 1.4 Across the local government sector, inflation has been identified as a key risk and the impact on budgets this year and into future years will be significant. The financial pressure the Council is facing cannot be overstated and will require proactive and robust management, including the identification of mitigations that can be put in place to reduce the budget pressures. Strong planning and decision making will be necessary. In the absence of any additional Government support, there is an extremely high likelihood for further reductions in the Council's spending and service offer.
- 1.5 Inflationary pressures are particularly damaging for Council finances, as unlike some other sectors, Councils do not have the ability to passport additional costs pressures on to local residents or business. When faced with such an extreme inflationary environment the Council fully recognises the social responsibility to not expect residents, who are facing the biggest cost of living squeeze for decades, to pay for the essential support which they need. The inflationary pressures facing the Council are a national issue, and collectively, the Council and its partners in the Liverpool City Region have expressed their concerns to the Secretary of State regarding the magnitude and impact of inflation on Council budgets and the ability to deliver key services.
- 1.6 The latest Bank of England forecast has inflation peaking in excess of 10%, and remaining high for the next two years, as illustrated in the following chart.

CPI inflation Q1 2008 to Q1 2026, including successive Bank of England and Office for Budget Responsibility forecasts



The chart also demonstrates the challenge that the Council faces in forecasting the inflationary impact on its budgets with reasonable levels of certainty, with both the Bank of England's (February 2022) and Office of Budget Responsibility's (March 2022) recent and previous estimates being much lower than the May 2022 forecast.

- 1.7 The Institute for Government has projected that local authorities are, collectively, facing funding pressures of up to £2 billion as a result of inflation levels being significantly above those forecast in the Chancellor's Budget and Spending Review forecasts. With a recognition that the inflationary environment remains uncertain and volatile, the Council's exposure could exceed £12 million in 2022/23.
- 1.8 Financial modelling is continuing on service contracts, with particular focus on those which will be impacted more severely by rising inflation (e.g. energy, school meals and maintenance contracts). Some goods and services will be offered some immediate protection against the current volatility, due to the terms of individual contractual arrangements. The position will be closely monitored during the year and reported in subsequent Financial Monitoring Reports and / or other reports as required.
- 1.9 On 22 June 2022, Cabinet approved the outturn report for 2021/22, subject to audit. The outturn position allowed for the opportunity to earmark £1m to the inflation reserve to support inflationary pressures. This provision will offer some temporary financial resource in 2022/23 where service budgets are unable to manage inflationary pressures within existing budget provision. However, it should be noted this is one-off funding for the current year and the use of reserves is not sustainable moving forward.
- 1.10 Further commentary in respect of specific areas of inflation risk is detailed below.

### **General Price Inflation**

- 1.11 The 2022/23 budget was approved by Council on 2 March 2022 and, in setting the budget, estimates were for general price inflation to be in the region of 3% in 2022/23. This assumption was not unrealistic and reflected the Government's inflation forecasts as included in the Autumn Budget and Spending Review 2021. The Local Government Finance Settlement itself used a 3.1% uplift for those elements that were subject to inflationary adjustments.

- 1.12 In addition to allowing for a general inflationary provision, the budget also factored in higher anticipated levels of inflation across specific areas of Council spending, including fuel, energy, and care services. However, the scale and magnitude of the current rate of inflation is unprecedented compared to inflation levels over recent years and is at its highest level since 1982. The impact of inflation being significantly higher than the budget provision will inevitably have an impact on Council revenue budgets and particularly with increased costs being experienced / expected in areas such as fuel, energy, food, materials, care provision and increased wage demands.
- 1.13 The following table provides an indicative analysis of the implications of an additional 1% inflationary increase above the existing budget provision for non-pay related costs. As noted in section 1.8, financial modelling is continuing on service contracts, and specifically those which are more sensitive to rising inflation.

Revenue Sensitivity Analysis	Impact of additional 1% inflation
Energy	£25,000
Fuel	£10,000
Food Provisions	£25,000
Care Services	£600,000
Other General Supplies and Services	£300,000
<b>Total</b>	<b>£960,000</b>

- 1.14 For the areas of spend detailed in the above table here is the potential for there to be significantly different levels of inflation relative to each area. For example, increases in fuel costs have recently been running at 50%, whilst increases in food costs are closer to 10%.
- 1.15 For some services, immediate inflationary pressures are inevitable. For others, existing contract arrangements may mean that the impact is deferred. Management action will be required to alleviate the pressures on the wider Council budget. This may result in decisions to reduce expenditure on certain activities; reduce inputs to reflect the lower real term value of available budget provision (i.e. reduce the level of goods / services purchased for the same total sum); and / or reluctantly cease some activity.
- 1.16 It is further likely that the current inflationary environment sees an increase in business failure, which has the potential to have a knock-on effect to the availability of supplies and results in further price rises as markets adjust to different levels of supply versus demand.
- 1.17 Any local business failures would present further risk to the Council's financial position in terms of reductions in business rate yield and other income receivable via rents, service charges, service contracts and wider fees and charges.

### **Pay Inflation**

- 1.18 The 2022/23 budget was approved by Council on 2 March 2022 and, in setting the budget, provision was made for levels of pay inflation to be in the region of 3% in 2022/23. This assumption was not unrealistic, when considered against the Government's inflation forecasts as included in the Autumn Budget and Spending Review 2021. The Local Government Finance Settlement itself used a 3.1% uplift for those elements that were subject to inflationary adjustments.

- 1.19 The impact of high inflation will not just be experienced in relation to the costs for procurement of goods and services. The local government pay award for 2022/23 has still to be settled. The three local government unions have submitted a pay claim for staff to receive the larger figure out of £2,000 or the current rate of RPI, which hit 11.1% in April. For every additional 1% increase above the budget provision, the financial impact is circa £1m.
- 1.20 The National Living Wage increased by 6.62% in 2022/23, and the budget provision allowed for this. Although any potential further increases do not impact significantly on the Council workforce, it does impact on the rate charged by service providers, particularly in Adult Social Care. For every additional 1% increase above the budget provision the financial impact is approximately £344k.

### **Energy and Fuel**

- 1.21 Energy and Fuel costs are significant contributory factors in the current inflationary environment. Energy prices continue to rise and are extremely sensitive to a number of complex global influences, including the demand for gas increasing as the Covid pandemic eased and the situation in the Ukraine which is disrupting supplies from Russia. Wholesale UK electricity prices are the highest they have been since the market was formed in 1990. Gas prices are the highest they have been for 15 years, up 250% since January 2022.
- 1.22 Financial modelling is continuing, to quantify the implications on the revenue budgets. Based on experience to date, section 2.15.4 outlines the impact of rising fuel costs on the council's 2022/23 budget position. The position will be closely monitored during the year and reported in subsequent Financial Monitoring Reports.

### **Capital & Borrowing**

- 1.23 The inflationary impacts will not only impact on revenue budgets. Capital project expenditure may also increase as contractors face higher prices for raw materials in a competitive market and potentially incur higher wage costs (see Section 4.6 to 4.8). Alongside this is the risk that contractors and service providers, particularly in the social care sector can no longer continue to operate within agreed contracts and their financial viability becomes uncertain. This will present significant challenges to the Council, at a time when the Council continues to support business during the economic recovery from the pandemic.
- 1.24 There will be volatility in gilt yields, and in turn PWLB borrowing rates, as markets digest daily developments in the financial markets and the release of economic data, both domestically and internationally. Whilst movements will not impact on the Council's current borrowing portfolio, which is wholly comprised of fixed rate agreements, inflated rates will mean that servicing of future debt requirements becomes more expensive and future capital investment and borrowing decisions will need to be considered in that light as part of the Council's Medium Term Financial and Capital Investment strategies.

### **Implications on the Medium Term Financial Strategy (MTFS)**

- 1.25 The MTFS was approved by Council on 2 March 2022, and this is a key dynamic Council Strategy, which is underpinned by a number of assumptions relating to funding and spending. These assumptions were based on the government's own forecasts regarding the levels of inflation in 2022 and 2023. The MTFS identified a residual budget gap of £6.436m for 2023/24 increasing to £12.973m in 2024/25. The inflationary pressures the council is facing will inevitably increase the budget gap unless additional government funding is made available and / or mitigations can be put in place to reduce the budget

pressure. During the course of the year, the assumptions within the MTFS are reviewed regularly and the need to update these assumptions becomes even more critical during such times of market volatility and economic uncertainty.

- 1.26 Given the inflationary financial challenges noted above and the current forecast budget overspend position, the delivery of a £6.044m savings programme for 2022/23, unmet savings from 2021/22 and the potential for increasing demand across the social care sector, in addition to the already forecast budget gap for the period 2023-2025 there is more than ever a requirement for strong robust financial management across the whole of the Council, and for management to minimise the financial risk to the Council, not only this year but for future years.
- 1.27 As in previous years, the MTFS will be further developed based on updated assumptions and including well developed financial modelling and sensitivity analysis. The mid-year Medium Term Financial Strategy Report will be brought forward to Cabinet for consideration in coming months and will provide an update on the financial position for the period 2022-2025, including detailed modelling of inflationary, demand and other pressures the Council is facing.

### **Savings Programme**

- 1.28 The 2022/23 budget was approved by Council on 2 March 2022, and in doing so, members agreed to the delivery of £6.044m savings during the year. Section 3 provides a summary of the latest position and portfolio commentaries provide additional information in relation to the progress towards delivering the approved 2022/23 savings.
- 1.29 At this stage, it is forecast that savings of £1.444m (23.89%) may not be fully delivered in the year due to delays in implementation or savings not being achievable. It is critical that action plans continue to be addressed and implemented to ensure savings are managed and delivered or alternative permanent reductions in spend can be achieved.
- 1.30 In addition, the Financial Monitoring Report approved by Cabinet on 23 February 2022 reported savings of £3.669m in relation to 2021/22 were at risk of not being fully deliverable in 2021/22. Management identified one-off savings last financial year to mitigate against savings not deliverable. This report also includes an update on 2021/22 savings which were not fully implemented, and at this stage £0.542m (14.7%) present a risk to the Council's financial position for 2022/23 unless action plans are addressed, or alternative permanent savings are identified.

### **Financial Outlook**

- 1.31 It is recognised that the financial environment within which the Council operates continues to present significant financial challenges that will continue into the foreseeable future, particularly given the high levels of inflation for commodities including fuel, energy, food and materials, increased wage demands, the legacy impact of Covid-19 above reset budgets, and the continued uncertainty surrounding local government funding.
- 1.32 In addition, the delivery of portfolio savings presents key risks across the Council and other financial risks include those pressures from demand led expenditure budgets, particularly within Adults and Children's social care which may be exacerbated by the cost of living crisis as more families face financial difficulties and become increasingly in need of Council support. Within some income budgets there exists the potential for market volatility and also reduced opportunities for income generation as customers and residents' spending patterns change and disposable income reduces.

- 1.33 With uncertainty over the mechanism and timetable of how funding for local government will change, and how the 'Levelling Up' Agenda will translate into policy nationally and at a local level the financial outlook remains extremely challenging and uncertain.

### **Capital Budget**

- 1.34 The capital programme covers a three-year period through to 2024/25. The capital budget has been updated to reflect the outturn position for 2021/22 (subject to audit), as reported to Cabinet on 22 June 2022. Funding confirmations have been received from the Department for Education in relation to a number of school capital grants. The Highways Capital programme has also been updated to reflect the funding detailed in the Cabinet report approved on 22 June 2022. In addition, the programme includes a new scheme at De La Salle High School to create additional places for pupils with autism.
- 1.35 Members will recall that as part of setting the 2022/23 budget a number of potential strategic capital investment schemes were identified and will be subject to detailed feasibility and design work, prior to being further considered for approval. A number of these schemes have been approved and have been included within the programme this quarter. Other pipeline schemes will be added to the programme at quarter 2 and 3 subject to the required approval being secured.
- 1.36 The key revisions to the programme this quarter include:
- (i) External Refurbishment of Earlestown Town Hall
  - (ii) Fleet Replacement Programme
  - (iii) DEFRA Air Quality Grant
  - (iv) Revised Highway and Engineering Programme
  - (v) De La Salle High School expansion to increase capacity for pupils with autism

Further details are included in Annex F alongside commentary on progress on delivery of the most significant capital schemes.

### **Reserves and Balances**

- 1.37 The report provides detail of the position on the Council's reserves and balances. Members will recall that as part of the Medium Term Financial Strategy the Council agreed to rebuild reserves to allow for resources to be available to afford the Council some additional financial resilience from changes in funding, inflationary pressures and unexpected events, whilst at the same time having sufficient resources to support its priorities. In addition, the creation of a new, Pension Reserve and the amalgamation of some reserves was approved. Section 5.2 provides a summary of general and Covid earmarked reserves until March 2023, whilst Annex E provides details on the forecast level of general earmarked reserves to March 2025.
- 1.38 Based on the reported outturn position in Table 1 the projected level of general fund balances at March 2023 is forecast to be £10.313m.



**Treasury Management**

- 1.39 This report provides details of the Treasury Management position at the end of the current period. No new borrowing has been taken out since the start of the financial year. Annex G provides further details.

**Performance**

- 1.40 The link that exists between budgets, business planning and delivery and performance targets is critical to the achievement of the Council's desired outcomes for both the organisation and the borough's residents and business.
- 1.41 This report and future Financial Monitoring Reports will include a high-level performance summary. For this report an overview of the 2021/22 performance outturn position is provided at Section 8. The full 2021/22 performance outturn report is on the same Cabinet agenda as this report. A detailed performance report will continue be provided to Cabinet on a quarterly basis.

**SECTION 2: REVENUE BUDGET**

- 2.1 The Budget and Forecast Outturn positions for 2022/23 are summarised in Table 1. At this stage of the year there is a potential portfolio budget pressure of £2.823m.
- 2.2 For each portfolio, a commentary is provided detailing the progress in delivering budget savings, alongside an overview of the forecast portfolio budget position highlighting other significant variances against the current budget.
- 2.3 At this early stage in the year, it is forecast portfolio spending will exceed the current budget. It must be recognised that the impact of inflationary pressures (for which more expansive commentary is provided in Section 1 of this report) will also have the potential to impact adversely on this position. Work is ongoing to quantify the level of inflationary pressures and will be reported in future Financial Monitoring Reports. There is full recognition of the requirement for management to take actions to minimise the financial risk to the Council not only this year, but in future years including those pressures arising from increasing demand, delivery of savings and other prevailing budget pressures.
- 2.4 It should be noted that the assumptions in setting the 2022/23 were not unrealistic as they reflected the Government's own inflation forecasts.
- 2.5 The figures detailed in Table 1 exclude any implications of a local government pay settlement for 2022//23 which exceeds the current budget provision. The three local government unions have submitted a pay claim for staff to receive the larger figure out of £2,000 or the current rate of RPI, which hit 11.1% in April. For every additional 1% increase above the budget provision the financial impact is just less than £1m.
- 2.6 The progress towards the delivery of £6.044m 2022/23 portfolio savings is detailed in Section 3. Matters relating to the delivery of £3.669m savings from 2021/22 which were not implemented in full during the last financial year is also detailed in Section 3.

<b>Table 1 – Revenue Budget 2022/23</b>	<b>Current Budget (a) £000</b>	<b>Forecast outturn at Q1 (b) £000</b>	<b>Variance at Q1 + / - (b)-(a) £000</b>	<b>Section Reference</b>
Inclusive Economy, Business and Skills	13,142	13,142	0	2.9
Children and Young People	46,884	47,649	+765	2.10
Integrated Care	56,488	57,169	+681	2.11
Wellbeing, Culture and Heritage	5,050	5,728	+678	2.12
Finance and Governance	6,504	6,434	(70)	2.13
Transformation	1,464	1,451	(13)	2.14
Environment and Transport	21,553	22,060	+507	2.15
Regeneration and Planning	4,037	4,290	+253	2.16
Safer, Stronger Communities	9,024	9,046	+22	2.17
<b>Net Portfolio Budgets</b>	<b>164,146</b>	<b>166,969</b>	<b>+2,823</b>	
Levies & Precepts	22,718	22,718	0	
Treasury Management	11,254	11,254	0	
Restructuring Costs	1,002	1,002	0	
Transfers to / (from) Earmarked Reserves - General	(696)	(696)	0	
Transfers to / (from) Earmarked Reserves - Covid	(11,076)	(11,076)	0	
Capital Charges	(14,826)	(14,826)	0	
<b>Net Corporate Items</b>	<b>8,376</b>	<b>8,376</b>	<b>0</b>	
Council Tax / Retained Business Rates	(134,411)	(134,411)	0	
Collection Fund Deficit	8,682	8,682	0	
Top Up	(21,070)	(21,070)	0	
Section 31 Grant	(13,685)	(13,685)	0	
2022/23 Services Grant	(3,186)	(3,186)	0	
Covid Additional Relief Fund (CARF) Grant	(3,189)	(3,189)	0	
Other Funding	(5,376)	(5,376)	0	
<b>Funding</b>	<b>(172,235)</b>	<b>(172,235)</b>	<b>0</b>	
<b>NET POSITION 2022/23</b>	<b>287</b>	<b>3,110</b>	<b>+2,823</b>	

2.7 The original approved budget has been revised to include adjustments arising from the outturn position for 2021/22 (subject to audit) which was considered by Cabinet on 22 June 2022. The revision to the original budget includes:

- (i) Acceleration of £39k of earmarked reserve funded schemes from 2022/23 into 2021/22
- (ii) Carry forward of earmarked reserve funded schemes of £952k into 2022/23 from 2021/22
- (iii) Carry forward of £211k budget provision from 2021/22 where specific service commitments are continuing into 2022/23

(iv) Carry forward of unconditional grants and CCG Funding of £879k from 2021/22

(v) Approved use of earmarked reserves in the period

(vi) Neutral 'technical adjustments' between portfolios (e.g. recharges)

- 2.8 Details of portfolio budget movements can be found in Annex A. This report also provides details of the forecast outturn position on a priority basis at Annex B.

### **Portfolio Budget Position**

For 2022/23 an in-year overspend of £2.823m against the current service budgets is being projected based on the respective forecast outturn positions, as shown in table 1.

Commentary in relation to the key portfolio variations is detailed in sections 2.9 to 2.17.

### 2.9 Inclusive Economy, Business and Skills

<b>Inclusive Economy, Business and Skills</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q1 2022/23 £000 (e) =(d)-(c)</b>
<b>Children &amp; Young People Department</b>					
<b>Schools - Devolved Budget</b>					
School's Dedicated Budget	115,500	(115,500)	0	0	0
<b>Schools Total</b>	<b>115,500</b>	<b>(115,500)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non Schools</b>					
Other Expenditure Attributable to Schools	8,202	(2,901)	5,301	5,275	(26)
Early Years Development (incl. PVI's)	8,124	(7,813)	311	311	0
SEND Support for Children	8,807	(7,056)	1,751	1,751	0
Behaviour Support Services	3,659	(3,607)	52	52	0
Home to School/College Transport	3,496	(85)	3,411	3,437	+26
Youth Service	150	(30)	120	120	0
Management & Other Support Services	3,860	(2,177)	1,683	1,683	0
<b>Non Schools Total</b>	<b>36,298</b>	<b>(23,669)</b>	<b>12,629</b>	<b>12,629</b>	<b>0</b>
<b>Total Children &amp; Young People Department</b>	<b>151,798</b>	<b>(138,169)</b>	<b>12,629</b>	<b>12,629</b>	<b>0</b>
<b>Place Services Directorate</b>					
Employment and Skills Initiatives	1,402	(1,033)	369	369	0
Place and Economic Delivery	144	0	144	144	0
<b>Total Place Services</b>	<b>1,546</b>	<b>(1,033)</b>	<b>513</b>	<b>513</b>	<b>0</b>
<b>Total (excl. Schools)</b>	<b>37,844</b>	<b>(24,702)</b>	<b>13,142</b>	<b>13,142</b>	<b>0</b>

- 2.9.1 The 2022/23 budget contains agreed savings totalling £420k and at this stage the portfolio anticipates that in overall terms these efficiencies will be delivered. It is currently forecast that there will be a pressure in respect of Home to School Transport (£26k). However, this will be temporarily mitigated by an underspend in respect of historical retirement costs associated with school-based staff.

- 2.9.2 In recent years the portfolio has seen significant financial pressures in respect of the high needs block of the ring-fenced Dedicated Schools Grant (DSG). This funding provides financial support for pupils with Statements or Education, Health and Care Plans. This is a situation faced by many local authorities and the Department of Education have allocated additional resources nationally to help alleviate this. The portfolio will closely monitor the position to identify any financial challenges at the earliest opportunity.
- 2.9.3 Following the SEND (Special Educational Need Disabilities) Review commissioned in September 2019, the government have launched a consultation to provide stakeholders with the opportunity to help reform the system. The proposals brought forward include reforms to the funding system to help ensure this additional investment is targeted where it is most needed.
- 2.9.4 It is currently forecast that the portfolio will deliver a balanced budget.

## 2.10 Children and Young People

<b>Children and Young People</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q1 2022/23 £000 (e) =(d)-(c)</b>
Social Care and Commissioning Teams	10,807	(391)	10,416	10,416	0
Children Looked After	32,165	(3,994)	28,171	28,356	+185
Child Protection	2,197	(91)	2,106	2,106	0
Children's Centres / Early Help Service	2,141	(674)	1,467	1,467	0
Support for Disabled Children	1,976	(260)	1,716	1,716	0
Family Support Services	2,913	(562)	2,351	2,951	+600
Management & Other Support Services	1,928	(1,829)	99	99	0
Youth Offending Teams	1,311	(753)	558	538	(20)
<b>Total</b>	<b>55,438</b>	<b>(8,554)</b>	<b>46,884</b>	<b>47,649</b>	<b>+765</b>

- 2.10.1 The 2022/23 budget contains a programme of efficiencies totalling £2.739m in relation to the delivery of services associated with looked after children, early help / children's centres and family support. The portfolio continues to closely monitor and assess the delivery of agreed savings alongside identifying temporary mitigating efficiencies to address any pressures that may arise.
- 2.10.2 It is forecast that there will be a budget pressure of approximately £185k in respect of costs associated with the care of children looked after including those young people being supported by the Leaving Care Service. The 2022/23 budget includes efficiencies totalling over £1.560m for these services but the current profile of children and young people being accommodated is resulting in a projected budget pressure. Expenditure in relation to children looked after can be volatile and is impacted by the needs and demographics of service users as the complexity of support required can impact significantly on placement costs. There is also a pressure on family support packages (£600k) designed to help young people remain in the family environment and avoid the need to be brought into more expensive fostering or residential care.

2.10.3 It is currently forecast that there is an overall budget pressure of £765k for the portfolio.

2.10.4 Subject to Cabinet approval (see separate report on this agenda), additional temporary social worker capacity is being engaged to ensure caseloads are manageable in the short-term. The cost of this additional support is £979k, which is proposed to be funded from the Council's Transformation Reserve as a one-off cost necessary for essential service delivery and improvement. On approval the budget provision will be transferred from reserves into the revenue budget.

2.10.5 A children's social care workforce strategy has been developed to address the challenges in respect of the recruitment and retention of qualified social care staff and Delegated Executive Decisions have been submitted in respect of the pay and grading review of social care staff and the creation of assistant social worker posts to relieve the workload pressures of qualified social workers. The associated costs are £345k and £350k respectively, to be funded initially from existing budget provision and available grant funding. The table at 2.10 reflects the costs of these proposals.

## 2.11 Integrated Care

Integrated Care	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q1 2022/23 £000 (e) =(d)-(c)
Physical Support - Frail & Elderly	34,055	(19,715)	14,340	14,905	+565
Sensory Support	1,236	(224)	1,012	1,022	+10
Support with Memory & Cognition	13,243	(5,056)	8,187	8,213	+26
Learning Disability Support	32,070	(9,619)	22,451	22,509	+58
Mental Health Support	4,480	(851)	3,629	3,651	+22
Assistive Equipment & Technology	2,978	(2,247)	731	731	0
Care Management - Assessment & Review	8,824	(2,686)	6,138	6,138	0
Transport and Generic Services	1,440	(1,440)	0	0	0
Management & Support Services	5,156	(5,156)	0	0	0
<b>Total</b>	<b>103,482</b>	<b>(46,994)</b>	<b>56,488</b>	<b>57,169</b>	<b>+681</b>

2.11.1 Early estimates of service demand and package costs show an anticipated pressure for the portfolio of £681k.

2.11.2 The pressure reflects estimates of on-going demand mainly within Domiciliary Care services due to the continued high level of hospital discharge activity. Occupancy in residential and nursing for the over 65 age group remains lower than pre-pandemic levels. However, this is being replaced by higher care activity in community settings.

2.11.3 At this point in the year, it is anticipated that budget provision will be adequate to support demand in other service areas and savings across the portfolio, including those outstanding from 2021/22, are expected to be achieved. Work is underway, in conjunction with specific project support, to further develop / revise the demand management strategy further to address in-year pressures.

- 2.11.4 However, there are risks to this position during 2022/23 due to uncertainty in some areas outside of the portfolio's control. The reported position assumes that funding from Health partners to support the initial four weeks of care following hospital discharge will continue throughout the year and that government funding is adequate to deliver both the results of the Fair Cost of Care exercise and the implementation of the Social Care Reforms.
- 2.11.5 The Integrated Care Board (ICB) will be in place from the 1 July 2022. It is expected that 2022/23 will be a year of stability with no changes to Health contributions. As an integrated function, the portfolio continues to work closely with Health colleagues to ascertain any financial impact in future years and in particular continued funding for hospital discharge in 2022/23.
- 2.11.6 A sub-regional approach is being taken to the Fair Cost of Care exercise, the results of which will be known at the half year point, with a level of funding for 2022/23 already having been confirmed. Funding for the implementation of the Social Care Reforms is less certain at this point in the year. A cross-discipline working group has been set up within the portfolio and support is being provided regionally and nationally to understand the potential impact on finances, resources and working practices that these complex set of reforms will bring.
- 2.11.7 There is significant concern across the sector that funding will be insufficient to fully fund the government's plans for social care reforms and this presents a very real risk to the Council's future financial position. In the absence of adequate government funding, campaigns for increased minimum wages for care workers would add further pressure if they prove to be successful.
- 2.11.8 The portfolio has also secured additional funding from Health partners to deliver specific programmes of work during 2022/23. This funding was earmarked at the end of 2021/22 and will be drawn down during the year and reported in subsequent Financial Monitoring Reports.

2.12 Wellbeing, Culture and Heritage  
(i) Public Health Services

Public Health Services	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q1 2022/23 £000 (e) =(d)-(c)
Sexual Health	2,028	0	2,028	2,028	0
Primary Care	101	0	101	101	0
Public Health Advice	613	0	613	613	0
Obesity	1,036	0	1,036	1,036	0
Physical Activity	1,492	0	1,492	1,492	0
Substance Misuse	2,673	0	2,673	2,673	0
Stop Smoking Services and Interventions	549	0	549	549	0
Healthy Child Programme	4,720	0	4,720	4,720	0
Miscellaneous Public Health Services	1,953	(100)	1,853	1,853	0
Management & Support Services	2,056	(2,056)	0	0	0
Public Health Grant	0	(15,065)	(15,065)	(15,065)	0
<b>Total</b>	<b>17,221</b>	<b>(17,221)</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 2.12.1 The uplift to the Public Health Grant for 2022/23 enabled the majority of outstanding savings for 2021/22 to be achieved and the rest of the savings programme is largely on track, with £177k alternative savings to be identified during the year.
- 2.12.2 A small team continues to support the on-going response to the pandemic resourced from the balance of Covid-19 grants paid in previous years.
- 2.12.3 The portfolio has also secured additional funding from Health partners to deliver specific programmes of work during 2022/23. This funding was earmarked at the end of 2021/22 and will be drawn down during the year and reported in subsequent Financial Monitoring Reports.
- 2.12.4 Funding has been made available by the Department for Health and Social Care commencing in 2022/23 to deliver the National Drugs Strategy in St Helens, which the Public Health Team will manage and for which a Cabinet report will follow (see also section 6.1.6).

(ii) Culture and Heritage

<b>Culture and Heritage</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q1 2022/23 £000 (e) =(d)-(c)</b>
<b>Children's Services Department</b>					
Adult Community Learning	637	(617)	20	20	0
<b>Place Services Department</b>					
Arts Development & Support	485	(40)	445	445	0
Archiving	341	(153)	188	188	0
Sports Development	665	(406)	259	197	(62)
Indoor Sports & Recreation	4,613	(3,332)	1,281	1,844	+563
Outdoor Sports & Recreation	471	(146)	325	325	0
Library Services	2,410	(143)	2,267	2,444	+177
Tourism & Events	291	(26)	265	265	0
<b>Total</b>	<b>9,913</b>	<b>(4,863)</b>	<b>5,050</b>	<b>5,728</b>	<b>+678</b>

- 2.12.5 This area of the portfolio is currently projecting a pressure of £678k.
- 2.12.6 The main area of unachieved saving in the portfolio relates to the implementation of the Localities model (£640k) for both 2021/22 and 2022/23. Vacant posts (£200k) are being held within Libraries and Leisure pending completion of Libraries Strategy and Phase 3 restructure to partly mitigate against the delay in implementation. The Libraries Strategy Adoption Report is scheduled to be on the same agenda as this report and the delivery of the locality hubs is phased over 1-5 years.
- 2.12.7 In addition, Indoor Sports & Recreation are currently projecting an income shortfall of £365k across membership and causal income. Fitness classes are below numbers, and it is anticipated that as class numbers return this forecast position may improve. Savings from the closure of Parr (£122k) partly offset the income shortfall.



## 2.13 Finance and Governance

Finance and Governance	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q1 2022/23 £000 (e) =(d)-(c)
Local Tax Collection	2,419	(847)	1,572	1,562	(10)
Emergency Planning	117	0	117	117	0
Local Welfare Assistance Schemes	192	0	192	192	0
Grants & Donations	50	-3	47	47	0
Non-Distributed Costs	2,105	0	2,105	2,045	(60)
Finance	8,117	-8,117	0	0	0
Audit & Risk	748	(748)	0	0	0
Coroners Court Services	220	0	220	220	0
Registration of Births, Deaths & Marriages	261	(199)	62	62	0
Democratic Representation & Management	1,721	0	1,721	1,721	0
Elections	471	(3)	468	468	0
Human Resources	2,916	(2,916)	0	0	0
Legal Services	1,546	-1,546	0	0	0
Governance & Administration	234	(234)	0	0	0
<b>Total</b>	<b>21,117</b>	<b>(14,613)</b>	<b>6,504</b>	<b>6,434</b>	<b>(70)</b>

2.13.1 Based upon current vacancies within the portfolios the slippage budgets for some services would not be met. However, from previous years' experience, it is expected that vacancies will arise as the year progresses due to staff movement and therefore targets will be met.

2.13.2 There is a forecast underspend of £60k for historical pension costs.

2.13.3 Savings within the portfolio are linked to the outcome of the Phase 3 restructure which will be quantified during 2022/23. In the interim, mitigating actions will be taken to minimise spend on supplies and services through improved procurement processes and review of non-essential expenditure to meet the savings target.

## 2.14 Transformation

Transformation	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q1 2022/23 £000 (e) =(d)-(c)
Corporate Management	1,464	0	1,464	1,464	0
I.T.	9,939	(9,939)	0	0	0
Press and Public Affairs	1,005	(1,005)	0	0	0
Policy Development	2,100	(2,100)	0	(13)	(13)
Other Services	129	(129)	0	0	0
Corporate Training	887	(887)	0	0	0
<b>Total</b>	<b>15,524</b>	<b>(14,060)</b>	<b>1,464</b>	<b>1,451</b>	<b>(13)</b>

- 2.14.1 Based upon current vacancies within the portfolios the slippage budgets for some services would not be met. However, from previous years' experience, it is expected that vacancies will arise as the year progresses due to staff movement and therefore targets will be met.
- 2.14.2 Savings within the portfolio are linked to the outcome of the Phase 3 restructure which will be quantified during 2022/23. In the interim, mitigating actions will be taken to minimise spend on supplies and services through improved procurement processes and review of non-essential expenditure to meet the savings target.

## 2.15 Environment and Transport

<b>Environment and Transport</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q1 2022/23 £000 (e) =(d)-(c)</b>
Parks & Open Spaces	2,360	(79)	2,281	2,470	+189
Street Cleansing	1,809	(170)	1,639	1,647	+8
Cemetery and Crematorium	1,629	(2,506)	(877)	(875)	+2
Waste Collection	3,035	(654)	2,381	2,304	(77)
Recycling	6,525	(2,765)	3,760	3,960	+200
Climate Change	187	(25)	162	162	0
Parking Services	1,409	(1,150)	259	262	+3
Highway Maintenance	11,042	(1,859)	9,183	8,874	(309)
Street Lighting	2,110	(158)	1,952	1,947	(5)
Traffic Management & Road Safety	836	(211)	625	688	+63
Direct Services	18,329	(18,365)	(36)	397	+433
Management & Support Services	1,761	(1,761)	0	0	0
Councillor Improvement Fund	224	0	224	224	0
<b>Total</b>	<b>51,256</b>	<b>(29,703)</b>	<b>21,553</b>	<b>22,060</b>	<b>+507</b>

- 2.15.1 The portfolio is currently projecting an overspend of £507k.
- 2.15.2 The non-achievement of staffing savings is currently being partly offset by vacant posts across the portfolio being held to mitigate the impact of the delay in the implementation of the Phase 3 restructure.
- 2.15.3 There is currently a projected shortfall in income (£270k) for the Grounds Maintenance Service which is due to limited capacity to deliver external contract work. It is anticipated that this position may improve following the implementation of Phase 3 restructure and recruitment is undertaken.
- 2.15.4 There is a forecast pressure within the transport service of £226k due to the increasing cost of fuel. In June 2021 the price per unit for diesel was £0.94, this has increased by 50% to an average price per unit in May 2022 of £1.41. This forecast assumes a similar level of throughput to 2021/22 and prices remain at the current level.
- 2.15.5 Volatility in the market caused by inflation and the conflict in the Ukraine is expected to impact on service budgets, particularly in relation to food costs and the availability of other commodities, for example vehicle parts. Whilst the pressure remains unquantified at this

stage, expenditure will be closely monitored throughout the coming months and any financial impact will be included in future Financial Monitoring Reports.

#### 2.16 Regeneration and Planning

<b>Regeneration and Planning</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q1 2022/23 £000 (e) = (d)-(c)</b>
Building Control	692	(359)	333	333	0
Development Control	1,458	(936)	522	573	+51
Planning Policy	814	(175)	639	639	0
Estates - Industrial & Commercial Premises (including Town Centre)	5,446	(4,961)	485	555	+70
Market Undertakings	838	(357)	481	513	+32
Economic Development	420	(140)	280	380	+100
Growth Delivering Prosperity	858	0	858	858	0
Management & Support Services	1,213	(1,213)	0	0	0
Transport Planning, Policy & Strategy	439	0	439	439	0
Building Support Services	6,366	(6,336)	0	0	0
Estates Management	668	(668)	0	0	0
<b>Total</b>	<b>19,212</b>	<b>(15,175)</b>	<b>4,037</b>	<b>4,290</b>	<b>+253</b>

2.16.1 The portfolio is currently projecting an overspend of £253k. The non-achievement of staffing savings is currently partly being offset by vacant posts being held to mitigate the impact of the delay in the implementation of the Phase 3 restructure.

2.16.2 The impact of increased energy costs will be monitored during the year, and it is anticipated the current budget provision will not be sufficient to meet rising costs. The portfolio will monitor this closely and an updated position will be provided in the next Financial Monitoring Report.

#### 2.17 Safer, Stronger Communities

<b>Safer, Stronger Communities</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q1 2022/23 £000 (e) = (d)-(c)</b>
Housing Services	2,598	(1,940)	658	669	+11
Homelessness	727	(454)	273	273	0
Housing Benefit Administration	49,668	(49,684)	(16)	(16)	0
Supporting People	5,074	0	5,074	5,010	(64)
Community Safety	1,967	(600)	1,367	1,360	(7)
Environmental Health	1,625	(504)	1,121	1,225	+104
Trading Standards	598	(15)	583	533	(50)
Licencing & Land Charges	628	(664)	(36)	(8)	+28
<b>Total</b>	<b>62,885</b>	<b>(53,861)</b>	<b>9,024</b>	<b>9,046</b>	<b>+22</b>

- 2.17.1 The portfolio is currently projecting an underspend of £22k. The non-achievement of staffing savings is currently being offset by vacant posts being held to mitigate the impact of the implementation of the Phase 3 restructure.
- 2.17.2 The budget saving against the supporting people programme (£245k) has been achieved as a result of the awarding of two-year contracts to providers for the period 2021- 2023. In addition, based on current forecast activity levels there is a budget underspend of £64k.
- 2.17.3 There is a forecast income shortfall within the Environmental Health Service of £105k which is in relation to the failure to meet income targets in the Environmental Warden Service.

### **SECTION 3: IMPLEMENTATION OF 2022/23 SAVINGS PROPOSALS AND OUTSTANDING 2021/22 SAVING PROPOSALS**

- 3.1 The Council's 2022/23 budget was approved by Council on 2 March 2022, and in setting the budget members agreed to the delivery of £6.044m savings during the year across all portfolios.
- 3.2 At this stage it is forecast, savings of £1.444m (23.89%) may not be fully delivered in the year due to delays in implementation or savings not being achievable. Management is reviewing the plans for these savings to either ensure the savings are made or to identify alternative options to address that risk. Table 2 below details the forecast position with regard to the deliverability of 2022/23 savings.

<b>Table 2- Progress of Budget Savings Proposals 2022/23</b>	<b>Total Saving 2022/23 £000</b>	<b>Saving Achievable 2022/23 £000</b>	<b>Slippage on Saving 2022/23 £000</b>	<b>Saving not Achievable 2022/23 £000</b>
Children's Services	3,159	2,369	790	-
Integrated Care	733	733	-	-
Public Health	752	621	68	63
Place Services	1,191	770	421	-
Corporate Services	209	107	102	-
<b>Total</b>	<b>6,044</b>	<b>4,600</b>	<b>1,381</b>	<b>63</b>

- 3.3 It must be noted that savings considered deliverable in the year would present a significant financial risk should the saving fail to be implemented. It is critical that action plans continue to be identified, reviewed and implemented to ensure all savings are managed and delivered during 2022/23.
- 3.4 There is one saving (£63k) within the Public Health Service considered not achievable which is linked to support for the affordable Warmth Service. Given the current increases in energy costs and the impact on the borough's residents funding for this service is required at the current level. Options for a permanent alternative saving are being explored.
- 3.5 Within Children's Services, there is some forecast slippage (£790k) against savings targets, most notably in relation to Early Help and Family Support services. Sections 2.9 and 2.10 provide additional commentary. The department continues to actively progress service reviews and is seeking to limit and mitigate the financial pressures arising from delays in implementation.
- 3.6 Within Place Services, there has been a delay in the delivery of some savings, particularly in relation to the delivery of a localities model and service reviews and reductions in staffing costs. Vacant posts are being held to mitigate the impact pending the implementation of the Phase 3 structure. Sections 2.12, 2.15, 2.16 and 2.17 provide further detail.
- 3.7 There is a potential delay in the delivery of savings within the two Corporate Services portfolios as these are linked to the outcome of the Phase 3 restructure. Management have identified mitigating actions to manage the savings target during 2022/23 and Sections 2.13 and 2.14 provide further commentary.
- 3.8 Annex C details the deliverability of savings for 2022/23 by type of saving proposal.

- 3.9 In addition to the delivery of the 2022/23 savings, it should be noted that there was a delay in the implementation of a number of 2021/22 savings. For 2021/22 management identified one-off savings to mitigate the full financial impact on the 2021/22 outturn position. Table 3 below provides a summary of the anticipated impact on the 2022/23 budget position.

<b>Table 3 - Progress of Budget Savings Proposals 2022/23</b>	<b>Total Saving 2022/23 £000</b>	<b>Saving Achievable 2022/23 £000</b>	<b>Slippage on Saving 2022/23 £000</b>	<b>Saving not Achievable 2022/23 £000</b>
Children's Services	799	799	-	-
Integrated Care	917	717	-	200
Public Health	389	343	-	46
Place Services	1,594	1,298	296	-
<b>Total</b>	<b>3,699</b>	<b>3,157</b>	<b>296</b>	<b>246</b>

- 3.10 At this stage, 14.7% of unachieved 2021/22 savings (£0.542m), continue to present a degree of risk to the Council's financial position and it is crucial that action plans are addressed and implemented to ensure savings are delivered in full during 2022/23 or alternative savings identified for those now considered to be unachievable.
- 3.11 The unachievable savings in Integrated Care and Public Health relate to commissioned services, particularly within the voluntary sector. Work is ongoing to identify permanent alternative savings.
- 3.12 Within Place Services the slippage on savings relates to the delivery of a locality model. Section 2.12 provides additional commentary.

## **SECTION 4: CAPITAL PROGRAMME 2022/23 to 2024/25**

- 4.1 The capital budget has been updated to reflect the outturn position for 2021/22 (subject to audit), as reported to Cabinet on 22 June 2022. In addition, other key revisions to the programme this quarter relate to:
- (i) Confirmations in relation to a number of school capital grants from the Department for Education
  - (ii) Updates to the Highways Capital programme to reflect the funding detailed in the Cabinet report approved on 22 June 2022
  - (iii) Creation of additional places for pupils with autism at De La Salle High School as detailed in the Cabinet report approved on 23 March 2022
- 4.2 In setting the 2022/23 budget, a number of potential strategic pipeline capital investment schemes were identified and would be subject to detailed feasibility and design work, prior to being further considered for approval. A number of these schemes have been approved and have been included within the programme this quarter. Funding for these schemes is by borrowing. The following schemes have been added to the capital programme:
- (i) Chalon Way  
Delegated Executive Decision 0098 2021/22 approved £185k to progress future use for the former Chalon Way car park site
  - (ii) External Refurbishment of Earlestown Town Hall  
Delegated Executive Decision 0090 2021/22 approved £87k additional funding for External Repairs at Earlestown Town Hall. Cabinet had previously approved the scheme at its meeting on 2 February 2022
  - (iii) Land Remediation Works  
Land remediation works were approved via Delegated Executive Decision 0084 2021/22 in the sum of £241k
  - (iv) Fleet Replacement Programme  
Cabinet approved additional £3.788m investment for vehicle and plant replacement at its meeting on 20 April 2022
- 4.3 Other pipeline schemes will be added to the programme at quarter 2 and 3 subject to the required approval being secured.
- 4.4 Other Capital Funding
- (i) DEFRA Air Quality  
At its meeting on 23 March 2022 Cabinet approved acceptance of £650k from the Department for Environment, Food and Rural Affairs (DEFRA) following a successful bid for funding to set up a programme to provide business grants to retrofit or replace high polluting vehicles with low or zero emission alternatives.

- 4.5 Table 4 presents a summary of the Council's current 3-year capital programme. The detailed programme is provided at Annex F.

<b>Table 4 - Capital Programme 2022/23 to 2024/25</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
Inclusive, Economy, Business and Skills	19,384	4,060	1,300
Children and Young People	19	0	0
Integrated Care	25	0	0
Wellbeing, Culture and Heritage	485	0	0
Transformation	1,112	180	0
Environment and Transport	50,860	25,520	6,900
Regeneration and Planning	3,841	20	20
Safer, Stronger Communities	5,237	4,296	3,148
<b>Total</b>	<b>80,963</b>	<b>34,076</b>	<b>11,368</b>
<b>FINANCED BY</b>			
Grants and Other Contributions	62,468	19,174	10,648
Capital Receipts	2,898	592	20
Revenue Contribution	2,028	0	0
Borrowing	13,569	14,310	700
<b>Total</b>	<b>80,963</b>	<b>34,076</b>	<b>11,368</b>

- 4.6 The increasing level of inflation presents a significant financial challenge on the approved capital programme and for the potential 'pipeline' capital investment schemes which have been identified and are subject to detailed feasibility and design work prior to further consideration for approval.
- 4.7 For the period March 2021 to March 2022 the percentage increase for public (excluding housing) construction costs increased by 6%. The extent to which inflation will impact on capital contracts is subject to continued financial modelling and further detailed analysis. Whilst RPI and CPI are standard measures based on a typical basket of goods, a detailed analysis per capital scheme will enhance robust forecasting based on the specific nature of costs and the contractual position for each scheme.
- 4.8 For a number of schemes within the current capital programme grant income is the only or most significant form of funding. Grant income maybe for specific one-off projects or an annual allocation of funding, for example, school condition funding or disabled facilities grants. In the absence of additional funding being made available from central government, in the current inflationary environment, existing and potential additional schemes may require redesign to stay within budget, and there is a risk some projects will have to be deferred to future years due to lack of funding / resource availability in a period of inflated costs.



## **SECTION 5: RESERVES AND BALANCES**

### **5.1 General Balances**

The general balances position at 31 March 2022 is forecast to be as follows, having regard to the net current forecast outturn position as detailed in Table 1.

<b>Table 5 – General Balances</b>	<b>Original Estimate £000</b>	<b>Forecast Outturn £000</b>
General Balances at 1 April 2022	12,000	13,423
Net Position 2022/23	-	(3,110)
<b>General Balances at 31 March 2023</b>	<b>12,000</b>	<b>10,313</b>

The Council recognises that the level of reserves it should maintain must be set having regard to its future sustainability, priorities, and the operational and financial risks facing the authority. The Council's Reserve Strategy is included within the *Medium-Term Financial Strategy 2022-2025 and Revenue and Capital Budget 2022/23* report considered by Cabinet on 23 February 2022 and approved by Council on 2 March 2022.

### **5.2 General Earmarked Balances**

The forecast position in relation to General Earmarked Balances at 31 March 2023 is provided in Table 6. The position with regard to Covid-19 balances is provided in table 7. Annex D details approved use of General Earmarked Balances during the period and Annex E provides details of General Earmarked Balances to 2024/25.

<b>Table 6 – General Earmarked Balances</b>	<b>£000</b>
General Earmarked Balances at 1 April 2022	48,675
Transfer to / (from) during the year	(696)
<b>Forecast General Earmarked Balances at 31 March 2023</b>	<b>47,979</b>

- 5.2.1 The Medium Term Financial Strategy 2022-2025 and Revenue and Capital Budget 2022/23 approved by Council on 2 March 2022 detailed the creation of a new Pensions Reserve to provide the opportunity to realise future savings from the prepayment of pension liabilities to Merseyside Pension Fund (MPF) following the actuarial revaluation of the Pension Fund. Work on the revaluation is ongoing between MPF and their appointed actuary.
- 5.2.2 In addition, the MTFS allowed for a number of reserves to be rationalised in order to focus on the delivery of the Council's priorities in the medium to longer term.
- 5.2.3 Annex E provides further details on the forecast level of general earmarked reserves to March 2025.

<b>Table 7 – Covid Earmarked Balances</b>	<b>Collection Fund £000</b>	<b>Other £000</b>
Covid Earmarked Balances at 1 April 2022	8,565	9,336
Transfer to / (from) during the year	(8,076)	(3,000)
<b>Forecast Covid Earmarked Balances at 31 March 2023</b>	<b>489</b>	<b>6,336</b>

### 5.3 Schools Balances

The projected position reflects schools' current spending plans for the financial year, as approved by the individual governing bodies.

<b>Table 8 – School Balances</b>	<b>£000</b>
School Balances at 1 April 2022	12,648
Forecast Net Position 2022/23	452
<b>Forecast School Balances at 31 March 2023</b>	<b>13,100</b>

### 5.4 Usable Capital Receipts

<b>Table 9 – Usable Capital Receipts</b>	<b>£000</b>
Capital Receipts brought forward at 1 April 2022	20,817
Receipts generated in year to date from land, property and fleet sales	0
Receipts set-aside for the Land and Property Acquisition Fund	(10,000)
Receipts set aside to resource the Transformation Programme where the use of flexibilities can be applied (Council 2 March 2022)	(1,000)
Receipts from the repayment of Council grants and loans ring-fenced for future years' Housing Programme	(148)
Required to fund Capital Programme 2022/23 to 2024/25 *	(3,510)
<b>Available Balance (after taking commitments into account)</b>	<b>6,159</b>

\* Excludes building demolition costs at Redbank School site as detailed in the Cabinet Report of the 8<sup>th</sup> January 2019. The costs of demolition subsequently being reimbursed to the capital receipts reserve upon any future disposal of the site by Redbank Schools Ltd.

## **SECTION 6: OTHER FINANCIAL MONITORING MATTERS**

### **6.1 External Grant Funding**

#### **6.1.1 Local Authority Domestic Abuse Duty**

The Domestic Abuse Act 2021 places new duties on local authorities for the provision of safe accommodation. The Council has been awarded £438k for 2022/23. Further details are provided in Delegated Executive Decision 0107 2021/22.

#### **6.1.2 Council Tax Rebate**

The Department for Levelling Up, Housing and Communities (DLUHC) have provided an initial New Burdens payment of £104k to fund Councils for the early set up costs related to the implementation of the scheme.

#### **6.1.3 Household Support Fund**

A report was approved by Cabinet on 30 June 2022 regarding the extension of the Household Support Fund until 30 September 2022. The purpose of the funding is to provide help to residents who would otherwise struggle to buy food, pay essential utility bills or meet other essential living costs. St Helens has received a grant allocation from the Department for Work and Pensions of £1,780k for the 6 month period.

#### **6.1.4 Independent Living Fund (ILF)**

The Medium Term Financial Strategy 2022-2025 and Revenue and Capital Budget 2022/23 reported that there had been no Government confirmation as to whether ILF funding would continue for 2022/23. Confirmation has now been received that the grant will continue at the same levels as 2021/22, with St Helens allocated £1.082m.

#### **6.1.5 Adult Social Care Charging Reform - Implementation Support Grant**

A grant of £98k has been provided to support councils to prepare for the social care charging reform to be introduced from October 2023. It has been stated that further funding will be made available in 2023/24.

#### **6.1.6 Drug and Alcohol Treatment Funding**

In 2022/23, additional grant funding is being made available to support Councils and partners to enhance drug and alcohol treatment systems. St Helens will receive a total of £700k, including £58k for inpatient detoxification. It has been advised that further funding will be made available in future years, and confirmation of the allocations are to be confirmed by the Department of Health and Social Care. A separate Cabinet report will be presented in relation to this matter.

### **6.2 Hardshaw Shopping Centre**

Following acquisition of the Hardshaw Centre in January of this year, agents were instructed to engage with all tenants to progress vacant possession of the Centre. Over the past 6 months, progress has been made with several business having agreed relocations to Church Square Shopping Centre, whilst other negotiations are ongoing and are likely to extend the vacant possession timescales. There will be a financial impact of any delays and work is currently on-going to determine the full impact during 2022/23, whilst the MTFS will be updated to reflect the future forecast financial position.

## **SECTION 7: TREASURY MANAGEMENT POSITION STATEMENT**

- 7.1 A summary of the Council's Treasury position at the end of the reporting period is included in Table 10. The Treasury Management Position Statement is included in Annex G.

<b>Table 10 – Treasury Management Position</b>	<b>As at 1 April 2022</b>	<b>As at Current Period</b>
Investments Outstanding	£154.1m	£171.0m
Investment Returns (average for the year to date)	-	0.66%
Benchmark Returns	-	1.48%
Borrowing	£140.6m	£140.6m

## **SECTION 8: PERFORMANCE 2021/22**

- 8.1 The link that exists between budgets, business planning and delivery and performance targets is critical to the achievement of the Council's desired outcomes for both the organisation and the community.
- 8.2 In 2021/22, performance management in the Council was driven by and focused around achieving the six strategic priorities and related outcomes outlined in the Our Borough Strategy 2021-30.
- 8.3 The Council's Performance Outturn for 2021/22 demonstrates areas of strong performance whilst highlighting areas where the Council is not yet meeting ambitious targets to deliver its high aspirations.
- 8.4 In summary, 64% of performance indicator targets have been either exceeded, met fully, or met within 95% of target. Although the majority of performance indicators have been impacted to varying degrees by the Covid-19 pandemic, over 61% of all indicators saw an improved performance trend or maintained the same level of performance in 2021/22 compared to the previous year. Performance improvement in relation to the children's services priority was particularly strong with 3 quarters of indicators demonstrating improved performance.
- 8.5 St Helens' inter-authority performance compared to other similar councils demonstrates a mixed picture with 43% of performance indicators in the top or second quartile, but more than a third in the bottom quartile. The position reflects some of St Helens ongoing challenges, largely in relation to public health within the borough and children's services. However, it is anticipated that the ongoing improvement demonstrated over the course of 2021/022 will improve St Helens' performance position relative to others.
- 8.6 The detailed Council's Performance Outturn report for 2021/22 is scheduled as an agenda item for the same Cabinet meeting as this report. The first quarter's Performance Report for 2022/23 is scheduled to be presented to Cabinet on 4 September 2022 and a summary of this will report will be included in Quarter 2 Financial Monitoring Report.

**Budget Movements since the previous reporting period****Annex A**

PORTFOLIO	Approved Budget £000 *1	Carry Forward/ RCCO £000 *2	Carry Forward/ Acceleration of Earmarked Reserves £000 *3	Release of Grants / CCG Funding £000 *4	Use of Reserves in Period £000 *5	*Technical & Accounting Adjustments £000 *6	Current Budget £000
Inclusive Economy, Business and Skills	12,663	211	158	-	-	110	13,142
Children and Young People	46,857	-	12	-	-	15	46,884
Integrated Care	56,452	-	0	-	-	36	56,488
Wellbeing, Culture and Heritage	4,714	-	215	89	25	7	5,050
Finance and Governance	6,443	-	(36)	-	-	97	6,504
Transformation	1,448	-	61	150	-	(195)	1,464
Environment and Transport	21,392	-	58	80	-	23	21,553
Regeneration and Planning	3,483	30	431	117	-	(24)	4,037
Safer, Stronger Communities	8,513	46	14	443	-	8	9,024
<b>TOTAL DIRECTORATE BUDGETS</b>	<b>161,965</b>	<b>287</b>	<b>913</b>	<b>879</b>	<b>25</b>	<b>77</b>	<b>164,146</b>
Council Wide Budgets	(161,965)	-	(913)	(879)	(25)	(77)	(163,859)
<b>Net Position 2022/23</b>	<b>0</b>	<b>287</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>287</b>

\*1 Approved budget – Council, 2 March 2022

\*2 Approved budget carry forward from 2021/22 for revenue and capital commitments continuing into 2022/23 (see Section 2.7)

\*3 Approved earmarked reserve carry forward from 2021/22 into 2022/23 and acceleration of earmarked reserves from 2022/23 into 2021/2221 (see Section 2.7)

\*4 Approved earmarking of unconditional grants / CCG Funding for commitments in 2022/23 (See section 2.7)

\*5 Use of earmarked reserves during the period (see Annex D)

\*6 Neutral technical and accounting adjustments (e.g. recharges)

**Annex B****Portfolio Budgets on a Priority Basis**

	<b>Current Net Budget 2022/23 £000</b>	<b>Forecast Outturn 2022/23 £000</b>	<b>Variance 2022/23 £000</b>
Priority 1 – Ensure children and young people have a positive start in life	59,513	60,278	+765
Priority 2 – Promote good health, independence, and care across our communities	56,488	57,169	+681
Priority 3 – Create safe and strong communities and neighbourhoods for all	9,024	9,046	+22
Priority 4 – Support a strong, thriving, inclusive and well-connected local economy	4,829	5,085	+256
Priority 5 – Create green vibrant places that reflect our heritage and culture	26,977	28,157	+1,180
Priority 6 – Be a responsible Council	7,315	7,234	(81)
<b>Total</b>	<b>164,146</b>	<b>166,969</b>	<b>+2,823</b>

## Annex C

Nature of Saving Proposal 2022/23	Total 2022-23 £000	Green £000	Amber £000	Red £000
<b>Integrated Care Service Reviews</b>				
- Learning Disability Service Reviews	417	417	-	-
- Commissioned Services	191	191	-	-
- Care Packages	125	125	-	-
<b>Total Integrated Care</b>	<b>733</b>	<b>733</b>	<b>-</b>	<b>-</b>
<b>Children's Social Care Service Reviews</b>				
- Residential and Foster Care Placement /Young People Leaving Care	1,560	1,560	-	-
- Children's Centres and Early Help Services	700	415	285	-
- Family Support Services	479	-	479	-
<b>Total Children's Social Care</b>	<b>2,739</b>	<b>1,975</b>	<b>764</b>	<b>*</b>
<b>Children's Services Service Reviews</b>				
- Education Services	145	119	26	-
- Young People's Services	150	150	-	-
- Department Wide	125	125	-	-
<b>Total Children's Services</b>	<b>420</b>	<b>394</b>	<b>26</b>	<b>-</b>
<b>Public Health Service Reviews</b>				
- Review of Public Health Funded Programmes	752	621	68	63
<b>Total Public Health</b>	<b>752</b>	<b>621</b>	<b>68</b>	<b>63</b>
<b>Place Service Reviews</b>				
- Councillor Improvement Fund	75	75	-	-
- Department Wide Service Reviews	771	400	371	-
- Supporting People	245	245	-	-
- Other	100	50	50	-
<b>Total Place Services</b>	<b>1,191</b>	<b>770</b>	<b>421</b>	<b>-</b>
<b>Corporate Service Reviews</b>				
- Department Wide	209	107	102	-
<b>Total Corporate Services</b>	<b>209</b>	<b>107</b>	<b>102</b>	<b>-</b>
<b>TOTAL</b>	<b>6,044</b>	<b>4,600</b>	<b>1,381</b>	<b>63</b>



# Utilisation of Earmarked Reserves during the period

## Annex D

This table details the approved decisions to utilise Earmarked Reserves in 2022/23 during the period

Portfolio / Corporate Items	Reserve	Detail	Decision Reference	Cash Limit Change 2022/23 £000
Wellbeing, Culture and Heritage	Transformation Reserve	Undertake a feasibility study for a locality hub.	ENVP002310	+25
Wellbeing, Culture and Heritage	Funding Reform and Volatility Reserve & Transformation Reserve	Release of Unringfenced Grants and Contributions earmarked in March 2022 to support specific programmes of work	Cabinet 22 June 2022	+89
Transformation				+150
Safer, Stronger Communities				+443
Environment and Transport				+80
Regeneration and Planning				+117
<b>Total</b>				<b>+904</b>

## EARMARKED BALANCES 2022/23 to 2024/25

Reserve	Balance at 31 March 2022 £000	Balance at 1 April 2022 £000	Balance at 31 March 2023 £000	Balance at 31 March 2024 £000	Balance at 31 March 2025 £000
Transformation Reserve <sup>1 3</sup>	17,859	8,056	6,109	5,602	5,852
Growth Reserve	5,930	5,930	6,009	6,057	7,113
Essential Equipment Fund	1,305	0	0	0	0
Councillor Improvement Fund	576	576	452	452	452
Insurance & Contingent Liability Reserve	5,208	3,208	3,208	3,208	3,208
Waste Management Development Fund	1,204	1,204	312	312	312
Inflationary Reserve	3,000	3,000	4,000	5,000	6,000
Community Improvement Reserve	892	0	0	0	0
Restructuring Reserve	3,707	3,707	3,707	3,707	3,707
Funding Reform Volatility Reserve <sup>1</sup>	8,994	2,994	4,181	6,181	8,181
Pension Reserve <sup>3</sup>	0	20,000	20,000	0	10,000
<b>Subtotal - General Earmarked Balances</b>	<b>48,675</b>	<b>48,675</b>	<b>47,978</b>	<b>30,519</b>	<b>44,825</b>
Covid-19 Reserve - Collection Fund <sup>2</sup>	<b>8,565</b>	<b>8,565</b>	<b>489</b>	<b>0</b>	<b>0</b>
Covid-19 Reserve - Other	<b>9,336</b>	<b>9,336</b>	<b>6,336</b>	<b>4,336</b>	<b>0</b>
<b>TOTAL</b>	<b>66,576</b>	<b>66,576</b>	<b>54,803</b>	<b>34,855</b>	<b>44,825</b>

<sup>1</sup> The balance as at 31 March 2022 includes earmarking of unconditional grants and contributions and other previously approved requests for use in 2022/23 to deliver specific programmes of work (£1,833k). At the time of drafting this report, £879k has been released into revenue budgets in 2022/23, as detailed in Annex D) and £954k remains in earmarked reserves.

<sup>2</sup> The table above includes the sum required to be set aside in the Covid-19 reserve as at 31 March 2022 to compensate the Council for the Collection Fund deficit arising from the Government introducing additional Business Rate reliefs, and a consequent reduction in the Council's Business Rate income in 2021/22.

<sup>3</sup> The Transformation Reserve balance at 31 March 2022 is higher than that projected in previous financial reports, including the MTFS 2022-2025 and Revenue and Capital Budget 2022/23.

Originally, it was anticipated that temporary use of reserve balances would be required to facilitate an early payment of Pension Liabilities to the Merseyside Pension Fund in 2021/22, which would generate savings to the Council. The use of the reserve was subsequently not required.

The table above is prepared on the basis that use of the Pension Reserve will be required to facilitate early payment of Pension Liabilities in 2023/24, with subsequent repayment in 2024/25 & 2025/26.

CAPITAL PROGRAMME SUMMARY 2022/23 TO 2024/25

51

PORTFOLIO	Capital Programme				Funding			
	2022/23	2023/24	2024/25	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
	£000	£000	£003	£000	£000	£000	£000	£000
Inclusive Economy, Business and Skills	19,384	4,060	1,300	24,744	2,830	784	154	20,976
Children and Young People	19	0	0	19	0	0	0	19
Integrated Care	25	0	0	25	0	0	0	25
Wellbeing, Culture and Heritage	485	0	0	485	483	0	2	0
Transformation	1,112	180	0	1,292	0	528	764	0
Environment and Transport	50,860	25,520	6,900	83,280	20,469	1,696	1,032	60,083
Regeneration and Planning	3,841	20	20	3,881	3,741	110	30	0
Safer, Stronger Communities	5,237	4,296	3,148	12,681	1,056	392	46	11,187
<b>TOTAL</b>	<b>80,963</b>	<b>34,076</b>	<b>11,368</b>	<b>126,407</b>	<b>28,579</b>	<b>3,510</b>	<b>2,028</b>	<b>92,290</b>

INCLUSIVE ECONOMY,BUSINESS & SKILLS PORTFOLIO	Capital Programme				Funding			
	2022/23	2023/24	2024/25	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Primary Schools</b>								
Ashurst Primary Rebuild	6,586	750	0	7,336	0	0	0	7,336
Bleak Hill Roof Repairs	50	0	0	50	0	0	0	50
Legh Vale Heating Replacement	50	0	0	50	0	0	0	50
Longton Lane Rebuilding Programme	150	0	0	150	0	0	0	150
Queens Park Window Replacement	92	0	0	92	0	0	0	92
Queens Park Roof Replacement	100	0	0	100	0	0	0	100
Robins Lane Health & Safety Works	50	0	0	50	0	0	0	50
Sutton Manor Health & Safety Works	50	0	0	50	0	0	0	50
SEND base Wargrave/Grange Valley Partnership	172	0	0	172	0	0	62	110
Other Schemes less than £50k	260	0	0	260	0	0	0	260
<b>Secondary Schools</b>								
Cowley Roof Replacement	60	0	0	60	0	0	0	60
De La Salle SEND Base	944	0	0	944	0	0	0	944
Other Schemes less than £50k	13	0	0	13	0	0	7	6
<b>Special &amp; Other Schools</b>								
Launchpad Roof Renewal	100	0	0	100	0	0	0	100
Penkford Relocation	3,691	0	0	3,691	2,822	784	85	0
Other Schemes less than £50k	67	0	0	67	8	0	0	59
<b>Other Schemes</b>								
Various Schools Fire Risks	89	0	0	89	0	0	0	89
Other Schemes less than £50k	86	0	0	86	0	0	0	86
<b>Uncommitted Grant Funding</b>								
Healthy Pupils Capital Funding	125	0	0	125	0	0	0	125
School Devolved Formula Capital	752	300	300	1,352	0	0	0	1,352
Higher Needs Provision Capital	1,654	2,010	0	3,664	0	0	0	3,664
Basic Need Uncommitted	738	0	0	738	0	0	0	738
School Condition Funding Uncommitted	3,505	1,000	1,000	5,505	0	0	0	5,505
<b>TOTAL</b>	<b>19,384</b>	<b>4,060</b>	<b>1,300</b>	<b>24,744</b>	<b>2,830</b>	<b>784</b>	<b>154</b>	<b>20,976</b>
<b>CHILDREN AND YOUNG PEOPLE PORTFOLIO</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2025/26</b>	<b>Total</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Children and Families Accommodation	19	0	0	19	0	0	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
<b>INTEGRATED CARE PORTFOLIO</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2025/26</b>	<b>Total</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Unallocated Community Capacity Grant	25	0	0	25	0	0	0	25
<b>TOTAL</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>

WELLBEING, CULTURE AND HERITAGE PORTFOLIO
Astro-Turf Pitch St Augustines
Libraries ICT Refresh
Newton Le Willows Health and Fitness Centre Equipment
Sutton Leisure Centre - Swimming Provision
<b>TOTAL</b>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
2	0	0	2
44	0	0	44
65	0	0	65
374	0	0	374
<b>485</b>	<b>0</b>	<b>0</b>	<b>485</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
0	0	2	0
44	0	0	0
65	0	0	0
374	0	0	0
<b>483</b>	<b>0</b>	<b>2</b>	<b>0</b>

TRANSFORMATION PORTFOLIO
ICT Device Refresh
<b>TOTAL</b>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
1,112	180	0	1,292
<b>1,112</b>	<b>180</b>	<b>0</b>	<b>1,292</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
0	528	764	0
<b>0</b>	<b>528</b>	<b>764</b>	<b>0</b>

ENVIRONMENT AND TRANSPORT PORTFOLIO
<b>Highway Schemes</b>
A49 to M6 Junction 22 Link Road
A58 Liverpool Rd/A580 East Lancs Rd Junct.Impvts (Pewfall). KRN (Employment Hubs)
Accessibility Improvements Supporting Regeneration
Active Travel Fund - Tranche 1
Active Travel Fund - Tranche 2
Active Travel Fund - Tranche 3
Bridge Strengthening & Maintenance
Carriageway Maintenance
Highways Challenge Fund
Highway / Road Investment
Key Route Network
LCR Sustainable Urban Development
Local Safety Schemes
Local Transport Plan Unallocated (CRSTS)
CRSTS- Active Travel-City Region
CRSTS- Strategic Maintenance
CRSTS - Bridges
CRSTS - Technology & Comms Upgrade
CRSTS - Potholes
CRSTS - Flooding / Drainage
Safer Routes to Schools
SCP - Amber Flashing Lights
Section 106 Arrangements
St. Helens Southern Gateway Package
Street Lighting
Traffic Calming & Restraint
Traffic Signal Improvements on A58 and A572
Walking & Cycling Measures
<b>Environmental Schemes</b>
Air Quality
Climate Change Emergency Response Fund
Haydock KGV Playing Field- Site Improvements
Recycling & Waste Collection
Section 106 Arrangements (Non-Highway Schemes)
St. Helens Cemetery-Drainage Scheme
Play Equipment (S.106) Rainhill
<b>Other Schemes</b>
Fleet Replacement Programme
<b>TOTAL</b>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
25,664	18,620	0	44,284
13	0	0	13
38	0	0	38
24	0	0	24
551	0	0	551
2,329	0	0	2,329
210	0	0	210
44	0	0	44
94	0	0	94
453	0	0	453
578	0	0	578
115	0	0	115
165	0	0	165
0	6,200	6,200	12,400
600	0	0	600
3,200	0	0	3,200
600	0	0	600
900	0	0	900
300	0	0	300
600	0	0	600
152	0	0	152
10	0	0	10
81	0	0	81
4,642	0	0	4,642
77	0	0	77
31	0	0	31
497	0	0	497
30	0	0	30
650	0	0	650
59	0	0	59
151	0	0	151
489	0	0	489
53	0	0	53
11	0	0	11
40	0	0	40
7,409	700	700	8,809
<b>50,860</b>	<b>25,520</b>	<b>6,900</b>	<b>83,280</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
13,180	0	0	31,104
13	0	0	0
0	0	0	38
0	0	0	24
0	0	0	551
0	0	0	2,329
0	0	0	210
44	0	0	0
0	0	0	94
142	311	0	0
0	0	0	578
0	0	0	115
0	0	0	165
0	0	0	12,400
0	0	0	600
0	0	0	3,200
0	0	0	600
0	0	0	900
0	0	0	300
0	0	0	600
35	0	15	102
0	0	10	0
0	0	0	81
0	0	0	4,642
0	0	0	77
0	0	0	31
0	0	0	497
0	0	0	30
0	0	0	650
59	0	0	0
0	0	79	72
0	45	444	0
0	0	0	53
11	0	0	0
0	0	0	40
6,985	1,340	484	0
<b>20,469</b>	<b>1,696</b>	<b>1,032</b>	<b>60,083</b>

<b>REGENERATION AND PLANNING PORTFOLIO</b>
Chalon Way Meanwhile Use
Ground Conditions Survey
St Helens Town Centre Masterplan
Hardshaw Brook Depot Review
Modernisation of St Helens Crematorium
Registry Office Demolition
Land Remediation Works
The Gamble Building and Earlestown Town Hall
The Gamble Building (External works)
Earlestown Town Hall (External Refurbishment)
<b>TOTAL</b>

<b>2022/23</b>	<b>2023/24</b>	<b>2025/26</b>	<b>Total</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
185	0	0	185
81	20	20	121
500	0	0	500
365	0	0	365
426	0	0	426
30	0	0	30
241	0	0	241
10	0	0	10
972	0	0	972
1,031	0	0	1,031
<b>3,841</b>	<b>20</b>	<b>20</b>	<b>3,881</b>

<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
185	0	0	0
21	100	0	0
500	0	0	0
365	0	0	0
426	0	0	0
0	0	30	0
241	0	0	0
0	10	0	0
972	0	0	0
1,031	0	0	0
<b>3,741</b>	<b>110</b>	<b>30</b>	<b>0</b>

<b>SAFER, STRONGER COMMUNITIES PORTFOLIO</b>
<b>Community Safety Schemes</b>
Replacement of Housing & Regulatory Services Case Management System
<b>Housing Schemes</b>
Disabled Facilities Grants and Adaptations
General Fund Housing (Housing Assistance)
Housing Clearance and Enforcement
Insulation Measures and Fuel Poverty
<b>TOTAL</b>

<b>2022/23</b>	<b>2023/24</b>	<b>2025/26</b>	<b>Total</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
209	72	0	281
4,366	3,604	3,148	11,118
140	100	0	240
80	50	0	130
442	470	0	912
<b>5,237</b>	<b>4,296</b>	<b>3,148</b>	<b>12,681</b>

<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
235	0	46	0
70	130	0	10,918
190	50	0	0
130	0	0	0
431	212	0	269
<b>1,056</b>	<b>392</b>	<b>46</b>	<b>11,187</b>

<b>TOTAL</b>
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<b>80,963</b>	<b>34,076</b>	<b>11,368</b>	<b>126,407</b>
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<b>28,579</b>	<b>3,510</b>	<b>2,028</b>	<b>92,290</b>
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## CAPITAL PROGRAMME 2022/23

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
<b>Primary Schools</b>						
Ashurst Primary Rebuild	6,586	0	0	0	6,586	Work commenced on site in January 2022 and is currently expected to complete in February 2023. Phase 2 of the scheme, demolition of the existing buildings, will commence immediately after. Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Bleak Hill Roof Repairs	50	0	0	0	50	
Broad Oak Primary Playing Field Drainage	3	0	0	0	3	
Grange Valley Primary - Remodel Staff Room	6	0	0	0	6	Required works are currently being tendered. The scheme is scheduled to be delivered during the summer holiday period. The overall rebuilding scheme is being delivered externally by the Education & Skills Funding Agency. Proposals are currently at the design stage.
Legh Vale Heating Replacement	50	0	0	0	50	
Longton Lane Rebuilding Programme	150	0	0	0	150	
Merton Bank Structural Works	30	0	0	0	30	The scheme has been designed and will be delivered during the summer holiday period. Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Newton Le Willows Primary Heating	15	0	0	0	15	
Queens Park Window Replacement	92	0	0	0	92	
Queens Park Roof Replacement	100	0	0	0	100	The scheme has been designed and will be delivered during the summer holiday period. Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Queens Park H&S Works	30	0	0	0	30	
Rivington Boiler Replacement	30	0	0	0	30	
Robins Lane Health & Safety Works	50	0	0	0	50	The scheme has been designed and will be delivered during the summer holiday period. Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Sutton Manor Health & Safety Works	50	0	0	0	50	
Sutton Oak Boiler Replacement	40	0	0	0	40	
Thatto Heath Structural Works	25	0	0	0	25	The scheme was completed by the summer 2022 half-term break. Operational Decision ENVP002313 and ENVP002314 -allocation of additional school resources.
The District Primary - Nursery Provision	41	0	0	0	41	
The District Primary - Roof Replacement	40	0	0	0	40	
SEND base Wargrave/Grange Valley Partnership	110	62	0	62	172	

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
<b>Secondary Schools</b>						<p>Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.</p> <p>New scheme to expand the resourced provision at De La Salle as approved by Cabinet on 23rd March 2022.</p> <p>Delivery of the scheme has been paused pending identification and evaluation of the optimal solution, in terms of both the existing building and the needs of the service.</p> <p>The Authority is currently working with the contractor to try to ensure completion of the scheme on schedule in September 2022 following some delays during construction due to adverse weather conditions and assessment of fencing requirements.</p> <p>Funding is committed to fire door replacement schemes at The District CE Primary and Sutton Oak CE Primary, fire alarm panel replacement at Lansbury Bridge and an escape ramp at Queens Park CE/URC Primary. Works are currently expected to complete this financial year.</p>
Cowley Roof Replacement	60	0	0	0	60	
Cowley Drainage Works	5	0	0	0	5	
Cowley Room Conversion	7	0	0	0	7	
Haydock High Sports Hall Lighting	1	0	0	0	1	
De La Salle SEND Base	0	944	0	944	944	
<b>Special &amp; Other Schools</b>						
Lansbury Bridge Roof Repairs	8	0	0	0	8	
Mill Green Key Stage 5 Base	8	0	0	0	8	
	100	0	0	0	100	
Launchpad Roof Renewal						
Penkford Refurbishment	11	0	0	0	11	
Penkford Relocation	3,691	0	0	0	3,691	
Pupil Referral Heating	40	0	0	0	40	
<b>Other Schemes</b>						
Harnessing Technology	5	0	0	0	5	
Taylor Park Youth Service Base - Condition Works	30	0	0	0	30	
Various Schools Roller Shutters	1	0	0	0	1	
Various Schools Fire Risks	89	0	0	0	89	
Various Schools Heating	49	0	0	0	49	
Various Schools Asbestos Removal	1	0	0	0	1	



INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
<b>Uncommitted Grant Funding</b>					
Healthy Pupils Capital Funding	125	0	0	0	125
School Devolved Formula Capital	756	(4)	0	(4)	752
Higher Needs Provision Capital	514	1,140	0	1,140	1,654
57 Basic Need Uncommitted	727	11	0	11	738
School Condition Funding Uncommitted	2,683	822	0	822	3,505
<b>TOTAL</b>	<b>16,409</b>	<b>2,975</b>	<b>0</b>	<b>2,975</b>	<b>19,384</b>

Narrative
<p>Funding to improve and increase availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions for children and young people.</p> <p>The 2022/23 Devolved Formula Capital budget provision reflects the estimated expenditure during the current financial year on schemes and equipment that schools have identified in their own plans as being priorities for them.</p> <p>Funding is intended to support the capital costs associated with providing new places and improving existing provision for children and young people with SEND and those who require alternative provision. Options to ensure that the required capacity is available are being considered and schemes will be brought forward as appropriate.</p> <p>Basic Need capital grant is made available to ensure there are adequate numbers of school places available. Officers work closely with schools and their governing bodies to deliver schemes required to ensure adequate availability and further schemes will be brought forward at the appropriate time should the need for works to deliver additional capacity be identified.</p> <p>School Condition capital grant is received for the purpose of supporting the Authority to ensure that school buildings are appropriately maintained. Further schemes are currently being developed and will be brought forward in due course.</p>

CHILDREN AND YOUNG PEOPLE PORTFOLIO	Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Children and Families Accommodation	19	0	0	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>

Narrative

INTEGRATED CARE PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Unallocated Community Capacity Grant	25	0	0	0	25
<b>TOTAL</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>

Narrative

WELLBEING, CULTURE AND HERITAGE PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Astro-Turf Pitch St Augustines	2	0	0	0	2
Libraries ICT Refresh	44	0	0	0	44
Newton Le Willows Health and Fitness Centre Equipment	65	0	0	0	65
Sutton Leisure Centre - Swimming Provision	374	0	0	0	374
<b>TOTAL</b>	<b>485</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>485</b>

Narrative

TRANSFORMATION	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
ICT Device Refresh	1,112	0	0	0	1,112
<b>TOTAL</b>	<b>1,112</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,112</b>

Narrative

ENVIRONMENT AND TRANSPORT PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
<b>Highway Schemes</b>						
A49 to M6 Junction 22 Link Road	25,664	0	0	0	25,664	Parkside Link Road has progressed to construction stage.
A58 Liverpool Rd/A580 East Lancs Rd Junct.Impvts (Pewfall). KRN (Employment Hubs)	13	0	0	0	13	
Accessibility Improvements Supporting Regeneration	38	0	0	0	38	
Active Travel Fund - Tranche 1	24	0	0	0	24	
Active Travel Fund - Tranche 2	551	0	0	0	551	
Active Travel Fund - Tranche 3	0	2,329	0	2,329	2,329	Cabinet Report 22 June 2022. To deliver cycling & walking network improvements within the borough. Parr St. Active Travel Improvements; Cowley Hill Liveable Neighbourhood; and detailed design for 3 future routes (Carr Mill to Haydock, Lea Green to Whiston Hospital & Jubits Lane to Warrington Rd).
Bridge Strengthening & Maintenance	210	0	0	0	210	
Carriageway Maintenance	44	0	0	0	44	
Highways Challenge Fund	94	0	0	0	94	
Highway / Road Investment	453	0	0	0	453	
Key Route Network	24	554	0	554	578	Cabinet Report 22 June 2022. Ring fenced for works on the Key Route Network (A580 East Lancs Rd / A570 Rainford Bypass / A570 St. Helens Linkway).
LCR Sustainable Urban Development	115	0	0	0	115	
Local Safety Schemes	165	0	0	0	165	
Local Transport Plan Unallocated (CRSTS)	6,200	(6,200)	0	(6,200)	0	
CRSTS- Active Travel-City Region	0	600	0	600	600	
CRSTS- Strategic Maintenance	0	3,200	0	3,200	3,200	
CRSTS - Bridges	0	600	0	600	600	
CRSTS - Technology & Comms Upgrade	0	900	0	900	900	Cabinet Report 22 June 22. The CRSTS consolidates funding from the previous allocations of Highway Maintenance Block, Integrated Transport Block and Pothole funding.
CRSTS - Potholes	0	300	0	300	300	
CRSTS - Flooding / Drainage	0	600	0	600	600	
Safer Routes to Schools	152	0	0	0	152	
SCP - Amber Flashing Lights	10	0	0	0	10	
Section 106 Arrangements	81	0	0	0	81	
St. Helens Southern Gateway Package	4,642	0	0	0	4,642	
						The scheme aims to increase accessibility by all transport modes to Lea Green Rail Station, with proposals to provide 6 cycle routes and a Cycle Optimised Protected Signals (CYCLOPS) junction.
Street Lighting	77	0	0	0	77	
Traffic Calming & Restraint	31	0	0	0	31	

ENVIRONMENT AND TRANSPORT PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Traffic Signal Improvements on A58 and A572	497	0	0	0	497
Walking & Cycling Measures	30	0	0	0	30
<b>Environmental Schemes</b>					
Air Quality	0	650	0	650	650
Climate Change Emergency Response Fund	59	0	0	0	59
Haydock KGV Playing Field- Site Improvements	151	0	0	0	151
Recycling & Waste Collection	800	(311)	0	(311)	489
Section 106 Arrangements (Non-Highway Schemes)	53	0	0	0	53
St. Helens Cemetery-Drainage Scheme	11	0	0	0	11
Play Equipment (S.106) Rainhill	40	0	0	0	40
<b>Other Schemes</b>					
Fleet Replacement Programme	3,310	4,099	0	4,099	7,409
<b>TOTAL</b>	<b>43,539</b>	<b>7,321</b>	<b>0</b>	<b>7,321</b>	<b>50,860</b>

Narrative
Junction upgrades at Boardmans Lane/Chancery Lane and Parr St/ Park Rd/Ashcroft St.
As detailed in the Cabinet Report of 23 March 2022. DEFRA grant award to set up a programme to provide business grants to retrofit or replace highly polluting vehicles to low or zero emission alternatives.
£311k transferred to Fleet Replacement scheme as per Cabinet Report 20 April 2022.
As detailed in the Cabinet Report 20 April 2022.

REGENERATION AND PLANNING PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Chalon Way Meanwhile Use	0	185	0	185	185
Ground Conditions Survey	81	0	0	0	81
St Helens Town Centre Masterplan	500	0	0	0	500
Hardshaw Brook Depot Review	365	0	0	0	365
Modernisation of St Helens Crematorium	426	0	0	0	426
Registry Office Demolition	0	30	0	30	30
Land Remediation Works	0	241	0	241	241
The Gamble Building and Earlestown Town Hall	10	0	0	0	10
The Gamble Building (External works)	972	0	0	0	972

Narrative
As detailed in Delegated Executive Decision 0098 2021/22.
Operational Decision ENVP002224.
Delegated Executive Decision 0084 2021/22 (previously included as part of the SAIG Schemes).

REGENERATION AND PLANNING PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Earlestown Town Hall (External Refurbishment)	944	87	0	87	1,031
<b>TOTAL</b>	<b>3,298</b>	<b>543</b>	<b>0</b>	<b>543</b>	<b>3,841</b>

Narrative
Cabinet on 2 February approved funding of £987k for the procurement of the External Repairs project at Earlestown Town Hall. In addition, Delegated Executive Decision 0090 2021/22 approved an additional £87k. The Medium Term Financial Strategy 2022-2025 and Revenue and Capital Budget 2022/23 included a total sum of £2m for Earlestown Town Hall including the pipeline strategic investment schemes. The funding for external fabric works is to be drawn down from this provision and funded from borrowing.

SAFER, STRONGER COMMUNITIES PORTFOLIO	Budget post Outturn 2021/22	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
<b>Community Safety Schemes</b>					
Replacement of Housing & Regulatory Services Case Management System	163	46	0	46	209
<b>Housing Schemes</b>					
Disabled Facilities Grants and Adaptations	4,366	0	0	0	4,366
General Fund Housing (Housing Assistance)	140	0	0	0	140
Housing Clearance and Enforcement	80	0	0	0	80
Insulation Measures and Fuel Poverty	442	0	0	0	442
<b>TOTAL</b>	<b>5,191</b>	<b>46</b>	<b>0</b>	<b>46</b>	<b>5,237</b>

<b>TOTAL ALL PORTFOLIOS</b>	<b>70,078</b>	<b>10,885</b>	<b>0</b>	<b>10,885</b>	<b>80,963</b>
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Narrative

## CAPITAL PROGRAMME 2022/23 FINANCING

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Revised Budget	FINANCING ELEMENTS					Total Funding
		Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	
	£000	£000	£000	£000	£000	£000	£000
<b>Primary Schools</b>							
Ashurst Primary Rebuild	6,586	0	0	0	6,586	0	6,586
Bleak Hill Roof Repairs	50	0	0	0	50	0	50
Legh Vale Heating Replacement	50	0	0	0	50	0	50
Longton Lane Rebuilding Programme	150	0	0	0	150	0	150
Queens Park Window Replacement	92	0	0	0	92	0	92
Queens Park Roof Replacement	100	0	0	0	100	0	100
Robins Lane Health & Safety Works	50	0	0	0	50	0	50
Sutton Manor Health & Safety Works	50	0	0	0	50	0	50
SEND base Wargrave/Grange Valley Partnership	172	0	0	62	110	0	172
Other Schemes less than £50k	260	0	0	0	260	0	260
<b>Secondary Schools</b>							
Cowley Roof Replacement	60	0	0	0	60	0	60
De La Salle SEND Base	944	0	0	0	944	0	944
Other Schemes less than £50k	13	0	0	7	6	0	13
<b>Special &amp; Other Schools</b>							
Launchpad Roof Renewal	100	0	0	0	100	0	100
Penkford Relocation	3,691	2,822	784	85	0	0	3,691
Other Schemes less than £50k	67	8	0	0	59	0	67
<b>Other Schemes</b>							
Various Schools Fire Risks	89	0	0	0	89	0	89
Other Schemes less than £50k	86	0	0	0	86	0	86
Uncommitted Grant Funding							
Healthy Pupils Capital Funding	125	0	0	0	125	0	125
School Devolved Formula Capital	752	0	0	0	752	0	752
Higher Needs Provision Capital	1,654	0	0	0	1,654	0	1,654
Basic Need Uncommitted	738	0	0	0	738	0	738
School Condition Funding Uncommitted	3,505	0	0	0	3,505	0	3,505
<b>TOTAL</b>	<b>19,384</b>	<b>2,830</b>	<b>784</b>	<b>154</b>	<b>15,616</b>	<b>0</b>	<b>19,384</b>

CHILDREN AND YOUNG PEOPLE PORTFOLIO	Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
	£000	£000	£000	£000	£000	£000	£000
Children and Families Accommodation	19	0	0	0	19	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>19</b>
INTEGRATED CARE PORTFOLIO	Budget	New Schemes	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
	£000	£000	£000	£000	£000	£000	£000
Unallocated Community Capacity Grant	25	0	0	0	25	0	25
<b>TOTAL</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>25</b>
WELLBEING, CULTURE AND HERITAGE PORTFOLIO	Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
	£000	£000	£000	£000	£000	£000	£000
Astro-Turf Pitch St Augustines	2	0	0	2	0	0	2
Libraries ICT Refresh	44	44	0	0	0	0	44
Newton Le Willows Health and Fitness Centre Equipment	65	65	0	0	0	0	65
Sutton Leisure Centre - Swimming Provision	374	374	0	0	0	0	374
<b>TOTAL</b>	<b>485</b>	<b>483</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>485</b>
TRANSFORMATION PORTFOLIO	Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
	£000	£000	£000	£000	£000	£000	£000
ICT Device Refresh	1,112	0	348	764	0	0	1,112
<b>TOTAL</b>	<b>1,112</b>	<b>0</b>	<b>348</b>	<b>764</b>	<b>0</b>	<b>0</b>	<b>1,112</b>



ENVIRONMENT AND TRANSPORT PORTFOLIO	Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
	£000	£000	£000	£000	£000	£000	£000
<b>Highway Schemes</b>							
A49 to M6 Junction 22 Link Road	25,664	0	0	0	0	25,664	25,664
A58 Liverpool Rd/A580 East Lancs Rd Junct.Impvts (Pewfall). KRN (Employment Hubs)	13	13	0	0	0	0	13
Accessibility Improvements Supporting Regeneration	38	0	0	0	0	38	38
Active Travel Fund - Tranche 1	24	0	0	0	0	24	24
Active Travel Fund - Tranche 2	551	0	0	0	0	551	551
Active Travel Fund - Tranche 3	2,329	0	0	0	0	2,329	2,329
Bridge Strengthening & Maintenance	210	0	0	0	0	210	210
Carriageway Maintenance	44	44	0	0	0	0	44
Highways Challenge Fund	94	0	0	0	0	94	94
Highway / Road Investment	453	142	311	0	0	0	453
Key Route Network	578	0	0	0	0	578	578
LCR Sustainable Urban Development	115	0	0	0	58	57	115
Local Safety Schemes	165	0	0	0	0	165	165
CRSTS- Active Travel-City Region	600	0	0	0	0	600	600
CRSTS- Strategic Maintenance	3,200	0	0	0	0	3,200	3,200
CRSTS - Bridges	600	0	0	0	0	600	600
CRSTS - Technology & Comms Upgrade	900	0	0	0	0	900	900
CRSTS - Potholes	300	0	0	0	0	300	300
CRSTS - Flooding / Drainage	600	0	0	0	0	600	600
Safer Routes to Schools	152	35	0	15	0	102	152
SCP - Amber Flashing Lights	10	0	0	10	0	0	10
Section 106 Arrangements	81	0	0	0	0	81	81
St. Helens Southern Gateway Package	4,642	0	0	0	0	4,642	4,642
Street Lighting	77	0	0	0	0	77	77
Traffic Calming & Restraint	31	0	0	0	0	31	31
Traffic Signal Improvements on A58 and A572	497	0	0	0	497	0	497
Walking & Cycling Measures	30	0	0	0	0	30	30
<b>Environmental Schemes</b>							
Air Quality							
Climate Change Emergency Response Fund	650	0	0	0	650	0	650
Haydock KGV Playing Field- Site Improvements	59	59	0	0	0	0	59
Recycling & Waste Collection	151	0	0	79	0	72	151
Section 106 Arrangements (Non-Highway Schemes)	489	0	45	444	0	0	489
St. Helens Cemetery-Drainage Scheme	53	0	0	0	0	53	53
Play Equipment (S.106) Rainhill	11	11	0	0	0	0	11
	40	0	0	0	0	40	40

ENVIRONMENT AND TRANSPORT PORTFOLIO		Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
		£000	£000	£000	£000	£000	£000	£000
<b>Other Schemes</b>								
Fleet Replacement Programme		7,409	5,585	1,340	484	0	0	7,409
<b>TOTAL</b>		<b>50,860</b>	<b>5,889</b>	<b>1,696</b>	<b>1,032</b>	<b>1,205</b>	<b>41,038</b>	<b>50,860</b>
REGENERATION AND PLANNING PORTFOLIO		Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
		£000	£000	£000	£000	£000	£000	£000
Chalon Way Meanwhile Use		185	185	0	0	0	0	185
Ground Conditions Survey		81	21	60	0	0	0	81
St Helens Town Centre Masterplan		500	500	0	0	0	0	500
Hardshaw Brook Depot Review		365	365	0	0	0	0	365
Modernisation of St Helens Crematorium		426	426	0	0	0	0	426
Registry Office Demolition		30	0	0	30	0	0	30
Land Remediation Works		241	241	0	0	0	0	241
The Gamble Building and Earlestown Town Hall		10	0	10	0	0	0	10
The Gamble Building (External works)		972	972	0	0	0	0	972
Earlestown Town Hall (External Refurbishment)		1,031	1,031	0	0	0	0	1,031
<b>TOTAL</b>		<b>3,841</b>	<b>3,741</b>	<b>70</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>3,841</b>
SAFER, STRONGER COMMUNITIES PORTFOLIO		Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	Total Funding
		£000	£000	£000	£000	£000	£000	£000
<b>Community Safety Schemes</b>								
Replacement of Housing & Regulatory Services Case Management System		209	163	0	46	0	0	209
<b>Housing Schemes</b>								
Disabled Facilities Grants and Adaptations		4,366	70	0	0	4,287	9	4,366
General Fund Housing (Housing Assistance)		140	140	0	0	0	0	140
Housing Clearance and Enforcement		80	80	0	0	0	0	80
Insulation Measures and Fuel Poverty		442	173	0	0	269	0	442
<b>TOTAL</b>		<b>5,237</b>	<b>626</b>	<b>0</b>	<b>46</b>	<b>4,556</b>	<b>9</b>	<b>5,237</b>
<b>TOTAL ALL PORTFOLIO'S</b>		<b>80,963</b>	<b>13,569</b>	<b>2,898</b>	<b>2,028</b>	<b>21,421</b>	<b>41,047</b>	<b>80,963</b>

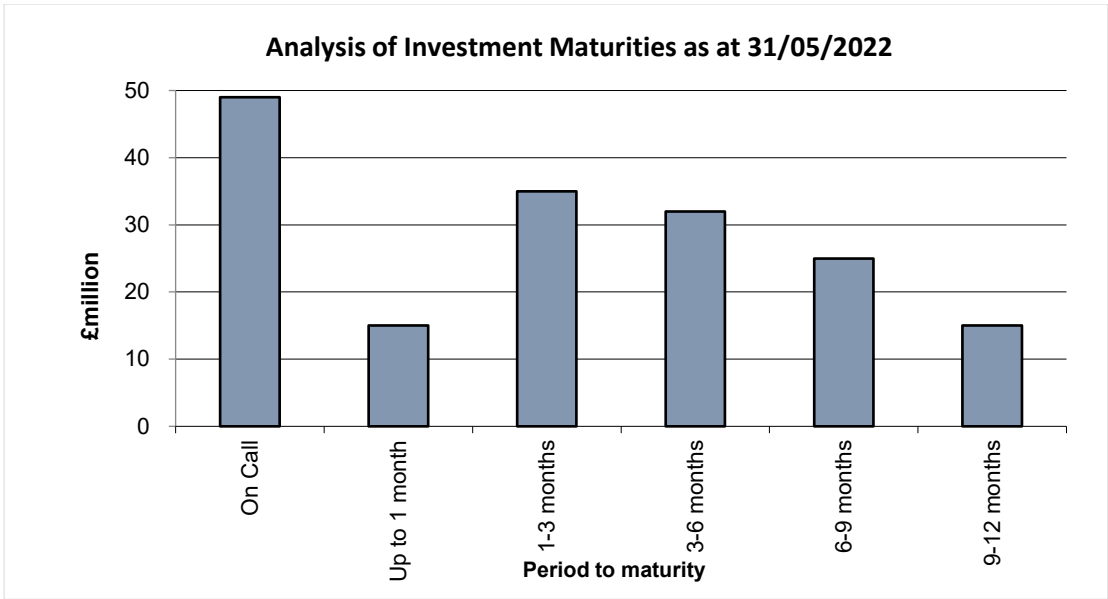
**Annex G****TREASURY MANAGEMENT POSITION STATEMENT**

- 1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that Members be updated on treasury management activities regularly. This Section therefore ensures the Council is implementing best practice in accordance with the Code.

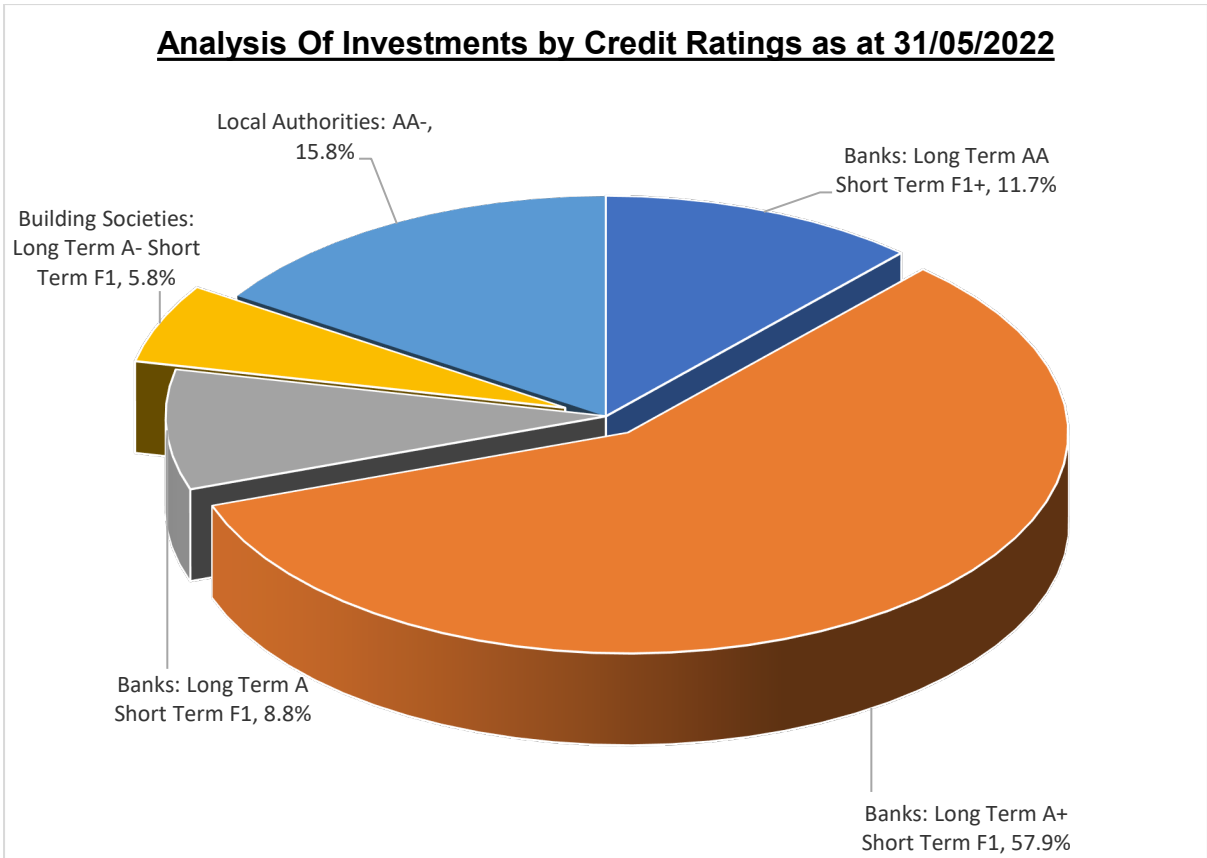
**Investments**

- 1.2 As detailed in the Council's Annual Investment Strategy (which is incorporated into the annual Treasury Management Strategy Statement) the Council's investment priorities are the security of capital and liquidity of funds. The Council's investment dealings in the period, therefore, have been undertaken in order to achieve the optimum return on its investments, commensurate with the proper levels of security and liquidity and having properly assessed all inherent risks.
- 1.3 It is necessary to ensure that all investments are placed with highly credit rated financial institutions in line with the Council's authorised Counterparty List (i.e. those institutions with whom we invest monies). It has also been deemed appropriate to ensure that the Council maintains a high degree of liquidity with its investments, to ensure cash is available to deal with emerging pressures due to the current inflation environment.
- 1.4 The Council has sought to maintain a mix of investments with the Counterparties who meet the Council's criteria. However, the profile of maturities has been influenced by a number of factors:
- i) the availability of advantageous call rates from some high-quality Counterparties
  - ii) limits on the duration of investments with certain counterparties
  - iii) availability of investment opportunities in excess of one year with a number of Counterparties.

The following chart provides an overview of the split in the Authority's investment by maturity as at 31 May 2022.



1.5 At the time of drafting this report, the Council has investments of £170.998m. The chart below details the split of the Council's investment by type and the credit rating assigned to the different groups of Counterparties.



These investments include funds (circa. £25.1m) held in relation to Schools and Merseyside Recycling and Waste Authority.

1.6 Of the institutions identified in the pie chart above, 11.7% of funds are invested with counterparties which have a Long Term credit rating of AA or above, all of these institutions are Banks. Of the remaining investments, 88.3% are held with counterparties with a Long Term credit rating of at least A- but below AA.

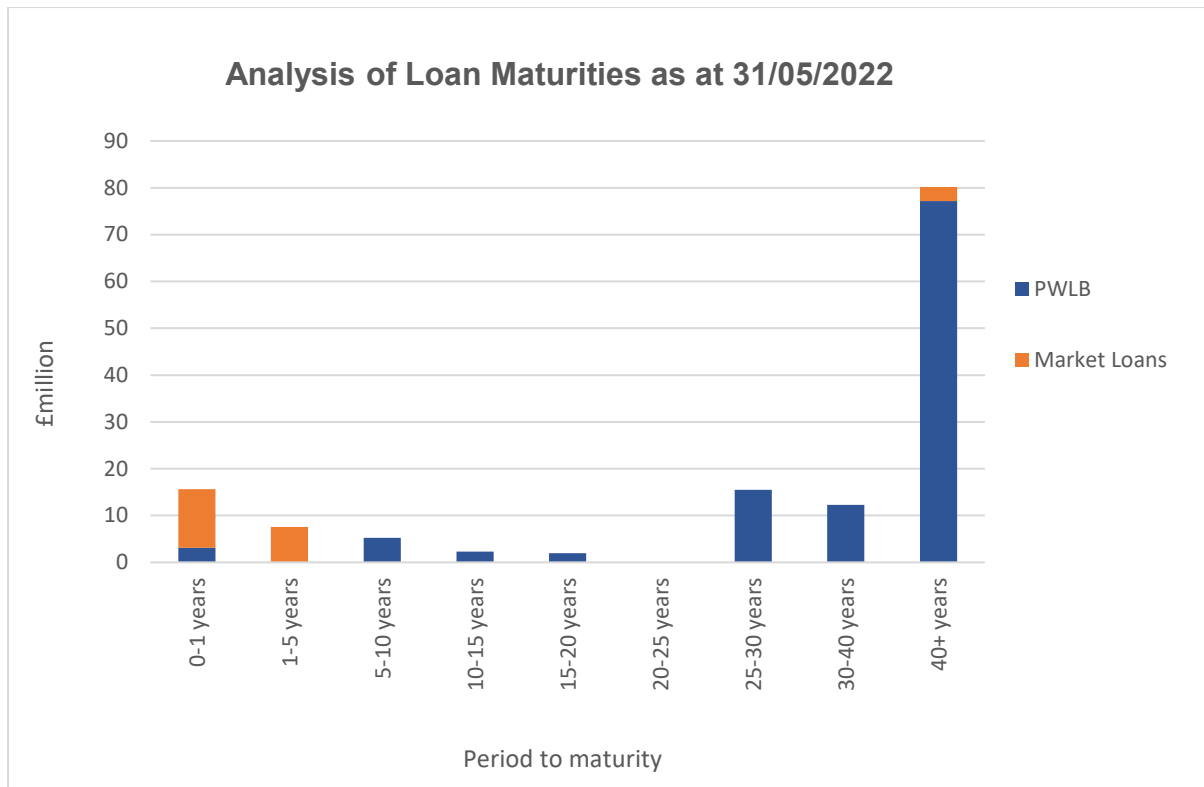
- 1.7 The average level of funds available, for investment purposes, for the period April to May 2022 was £168.881m. Investment rates available in the market have increased sharply over the past six months due to underlying economic conditions, as a result of the recovery from the Covid-19 pandemic and the war in Ukraine. Any sudden changes in rates will impact upon performance against benchmarks as investment decisions need to be made based upon ensuring the security of investments, managing the liquidity of the authorities' investments for cashflow purposes and achieving the best return on investments that are available at the time. For a number of years, where possible, the Council has taken advantage of favourable rates and locked into investment deals for longer periods.

<b><u>Investment Returns 2022/23 up to 31/05/2022</u></b>									
	<b><u>Returns Achieved</u></b>			<b><u>Benchmark Returns</u></b>			<b><u>Performance relative to Benchmarks</u></b>		
	Fixed Term Investments	Call Accounts	<b>Combined Return</b>	1 Year SONIA	Overnight SONIA	<b>Combined SONIA</b>	Fixed Term	Call	<b>Overall +/- return</b>
April	0.729%	0.430%	0.636%	1.730%	0.690%	1.406%	(1.001%)	(0.260%)	(0.771%)
May	0.805%	0.409%	0.676%	1.870%	0.910%	1.556%	(1.065%)	(0.501%)	(0.881%)

- 1.8 Cash holdings are currently above the forecast levels in the Treasury Management Strategy Statement, which is primarily due to the timing of income being received and expenditure being incurred and the levels of MRWA balances .

#### **Borrowing**

- 1.9 At the time of drafting this report, the Council has outstanding debt of £140.627m. No new borrowing has been taken during the period.
- 1.10 The following chart shows the maturity profile of the Council's loan portfolio as at 31 May 2022.



- 1.11 In accordance with the revised Prudential Code, the maturity of borrowing should be determined by reference to the earliest date on which the lender can require payment. If the lender does have the right to increase the interest rate payable (as is the case with a Market Loan (LOBO – Lender Option Borrower Option loan), then this should be treated as a right to require payment. In accordance with this guidance, the maturity dates of the Council's LOBO loans have been profiled as the next call date for each loan. This has made the Council's position look much more short term when all of these loans have maturity dates of 26+ years.
- 1.12 The current economic conditions mean that there will be volatility in gilt yields, and in turn PWLB borrowing rates. Whilst movements will not impact on the Council's current borrowing portfolio, which is wholly comprised of fixed rate agreements, inflated rates will mean that servicing of future debt requirements becomes more expensive and future capital investment and borrowing decisions will need to be considered in that light, as part of the Council's Medium Term Financial and Capital Investment strategies.

### Bank Rate

- 1.13 The Treasury Management Strategy Statement included a forecast for future changes in Bank Rate, with predicted increases over the course of the year. Due to the underlying economic conditions, including the highest level of inflation for forty years, the current Bank Rate is higher than forecast at 1.25%. The latest forecasts predict the Bank Rate will continue to rise steadily throughout the rest of the year.

### Prudential Indicators


- 1.14 In line with the revised Prudential Code for Capital Finance in Local Authorities (2021), the Council produces updated prudential indicators every quarter and the indicators for the first quarter are included in Annex 1.

## Annex 1

<b><u>Treasury Limits and Prudential Indicators 2022/23</u></b>			2022/23 Estimates	2023/24 Estimates	2024/25 Estimates	2025/26 Estimates
1(i)	Proposed capital expenditure that the Council plans to commit to during the forthcoming and subsequent two financial years.	<b>Capital Expenditure (£m)</b>	80.963	34.076	11.368	0.700
1(ii)	Additional in-year borrowing requirement for capital expenditure.	<b>In Year Capital Financing Requirement (CFR) (£m)</b>	10.132	10.209	(3.951)	(3.983)
2	The CFR is an aggregation of historic and cumulative capital expenditure, which has yet been paid for by either revenue or capital resources.	<b>Capital Financing Requirement as at 31 March (£m)</b>	202.019	212.228	208.278	204.295
3	The “net borrowing” position represents the net of the Authority’s gross external borrowing and investments sums held.	<b>Net Borrowing Requirement:</b>  External Borrowing (£m)  Investments Held (£m)  Net Requirement (£m)	137.520  <u>(120.000)</u>  (17.520)	137.507  <u>(115.000)</u>  (22.507)	137.494  <u>(115.000)</u>  (22.494)	137.481  <u>(115.000)</u>  (22.481)
4	Identifies the impact and trend of the revenue costs of capital financing decisions will have on the General Fund Budget over time.	<b>Ratio of financing cost to net revenue stream</b>	5.51%	6.69%	7.66%	7.15%

5	The Council's Budget Strategy with regards to unsupported borrowing is such that there is no incremental impact to Council Tax.	<b>Incremental impact of capital investment decisions (increase in Council Tax Band D equivalent)</b>	Nil	Nil	Nil	Nil
6	This represents an absolute limit of borrowing at any one point in time. It reflects the level of external debt, which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.	<b>Authorised Limit for External Debt (£m)</b>	205.454	209.743	213.957	211.165
7	This is the limit beyond which external debt is not normally expected to exceed.	<b>Operational Limit for External Debt (£m)</b>	193.312	195.502	194.273	193.156
8	These limits seek to ensure that the authority does not expose itself to an inappropriate level of interest rate risk, and has a suitable proportion of debt.	<b>Upper Limit for Fixed Interest Rate Exposure</b>	100%	100%	100%	100%
		<b>Upper Limit for Variable Interest Rate Exposure</b>	50%	50%	50%	50%
9	This limit seeks to ensure liquidity and reduce the likelihood of any inherent or associated risk.	<b>Upper Limit for Sums Invested over 365 Days</b>	60%	60%	60%	60%
10	This indicator is used to highlight where an authority may be borrowing in advance of need	<b>Gross Debt and the CFR (£m)</b>	(43.750)	(54.741)	(51.688)	(48.528)



 <p><b>ST HELENS</b> BOROUGH COUNCIL</p>	<p style="text-align: center;"><b>Council</b></p> <p style="text-align: center;"><b>2 November 2022</b></p>
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<b>Report Title:</b>	<b>Amendment to the Honorary Alderman/ Alderswoman Selection Protocol</b>
<b>Cabinet Portfolio</b>	Finance and Governance
<b>Cabinet Member</b>	Councillor Martin Bond
<b>Exempt Report</b>	No
<b>Reason for Exemption</b>	N/A
<b>Key Decision</b>	No
<b>Public Notice issued</b>	N/A
<b>Wards Affected</b>	All
<b>Report of</b>	Jan Bakewell Director of Legal and Governance <a href="mailto:janbakewell@sthelens.gov.uk">janbakewell@sthelens.gov.uk</a>
<b>Contact Officer</b>	Joanne Griffiths Team Manager- Democratic and Scrutiny Services <a href="mailto:joannegriffiths@sthelens.gov.uk">joannegriffiths@sthelens.gov.uk</a>

<b>Borough priorities</b>	Ensure children and young people have a positive start in life	
	Promote good health, independence, and care across our communities	
	Create safe and strong communities and neighbourhoods for all	
	Support a strong, thriving, inclusive and well-connected local economy	
	Create green and vibrant places that reflect our heritage and culture	
	Be a responsible Council	X

## 1. Summary

- 1.1 The Alderman/Alderwoman Selection Protocol did not include any time restrictions for past members of the Council to be nominated. At a Cross Party Selection Panel meeting held on 18 July 2022, it was agreed that the Protocol be strengthened to include a time limit of two years for nominees to be put forward for consideration.

## 2. Recommendations for Decision

Council is recommended to:

- 1) approve the amended Protocol for the selection of Honorary Alderman/Alderwoman at Appendix 1.

## 3. Purpose of this Report

- 3.1 To seek approval from Council to amend the Honorary Alderman/Alderwoman Selection Protocol with immediate effect.

## 4. Background /Reasons for the recommendations

- 4.1 At its meeting held on 4 March 2020, Council approved the adoption of a Protocol for the selection of Honorary Alderman/Alderwoman. Section 249(1) of the Local Government Act 1972 permits the Council to confer the title of "Honorary Alderman" or "Honorary Alderwoman" on a person who has, in the opinion of the Council, rendered eminent service to the Council as a past member of the Council.
- 4.2 The status of an Honorary Alderman and Honorary Alderwoman is a purely honorary one in recognition of previous service and does not give any special status to attend or to address meetings of the Council or any committee or sub-committee.
- 4.3 Prior to 4 March 2020, the Council had not had a formal selection process in place.

- 4.4 The Protocol did not include any time restrictions for past members of the Council to be nominated. At a Cross Party Selection Panel held on 18 July 2022, it was agreed that the Protocol be strengthened to include a time limit of two years for nominees to be put forward for consideration. This has been included in paragraph 3.2 of the amended Protocol attached at Appendix 1.

## **5. Consideration of Alternatives**

- 5.1 None

## **6. Conclusions**

- 6.1 Members are recommended to approve the amended Protocol for the selection of Honorary Alderman/Alderwoman.

## **7. Legal Implications**

- 7.1 None

## **8. Community Impact Assessment (CIA) Implications**

- 8.1 None

## **9. Social Value**

- 9.1 None

## **10. Sustainability and Environment**

- 10.1 None

## **11. Health and Wellbeing**

- 11.1 None

## **12. Equality and Human Rights**

- 12.1 None

## **13. Customer and Resident**

- 13.1 None

## **14. Asset and Property**

- 14.1 None

## **15. Staffing and Human Resources**

- 15.1 None

## **16. Risks**

16.1 None

## **17. Finance**

17.1 None

## **18. Policy Framework Implications**

18.1 None

## **19. Impact and Opportunities on Localities**

19.1 None

## **20. Background Documents**

20.1 Minutes of the Cross Party Selection Panel

## **21. Appendices**

Appendix 1 – Protocol for the Selection of Honorary Alderman/Alderwoman.

## **Protocol for Selection of Honorary Alderman/Alderwoman**

### **1.0 Background Information**

- 1.1 Section 249(1) of the Local Government Act 1972 states that the Council “may confer the title of Honorary Alderman on any person who, in the opinion of the Council, has rendered eminent services to the Council as a past member of the Council”.
- 1.2 The award must be the subject of a resolution passed by not less than two thirds of the Members present at a meeting specially convened for that purpose.

### **2.0 The Role of Honorary Alderman/Alderwoman**

- 2.1 Being an Honorary Alderman/Alderwoman does not carry any right to attend meetings of the Council or its committees or to claim any allowances payable to Members.
- 2.2 An Honorary Alderman/Alderwoman of the Council may attend and take part in such civic ceremonies as the Council may from time to time decide.
- 2.3 Those elected to the Roll of Honorary Alderman/Alderwoman are entitled to use the title of ‘Honorary Alderman/Alderwoman of the Borough of St Helens’.
- 2.4 Following notification of the death of an Honorary Alderman/Alderwoman, the Borough flag will be flown at half-mast over the Town Hall on the date of the funeral.

### **3.0 Criteria for appointment**

- 3.1 Nominations for Honorary Aldermen/Alderwomen will be considered by the Council as and when they are received.
- 3.2 Nominations may be received by the Chief Executive from any Member of the Council **within two years of the nominee ceasing to be a councillor.**
- 3.3 A Cross Party Panel, chaired by the Chief Executive, will be arranged to discuss nominations.
- 3.4 The appointment of Honorary Alderman/Alderwoman is to confer recognition on Members who, over a period of time, made a significant contribution to the Council in particular, and public service in general.
- 3.5 Any person nominated must meet the following criteria:
  - i) Has made significant contribution to public life;
  - ii) Has given notable service on behalf of the Council, which has enhanced the reputation of Councillors and the Council itself;
  - iii) Has served the Borough for 12 years or three terms or more as a Borough Councillor, or with service in another role (e.g. Metro Mayor); and
  - iv) Is no longer seeking election to St Helens Borough Council.

#### 4.0 **Special Councils**

- 4.1 A first Special Council shall be set up. The Mayor shall preside.
- 4.2 During the meeting a Notice of Motion will be put forward to confer the title of Honorary Alderman/Alderwoman on the Nominees to recognise their services to the Council and the community.
- 4.3 The Motion shall be seconded, and the resolution passed by not less than two thirds of the Members present.
- 4.4 If the Resolution is passed, arrangements will be made by the Democratic Services Manager to order the scrolls and arrange a second Special Council so that those being awarded the title of Honorary Aldermen/Alderwomen will be presented with:  
  
A 'Certificate of Conferral of the Status of Honorary Alderman/Alderwoman' which will carry the Council's Coat of Arms and the Common Seal of the Council, witnessed by the Mayor and the Chief Executive. The certificate will be framed for presentation.
- 4.5 Following the presentation, those appointed Honorary Alderman/Alderwoman will be asked to sign the 'Roll of Honorary Aldermen/Alderwomen'.

#### 5.0 **The Roll of Honorary Aldermen/Alderwomen**

- 5.1 The Roll of Honorary Aldermen/Alderwomen is held and maintained by the Democratic Services Manager.
- 5.2 Included in the Roll of Honorary Aldermen/Alderwomen is the name and title, and date of election to the Roll.

#### 6.0 **Precedence**

- 6.1 In Civic processions, Honorary Alderman/Alderwoman shall take precedence immediately after Honorary Freemen. Precedence shall be according to number of years' service as a St Helens Borough Councillor.



**ST HELENS**  
BOROUGH COUNCIL

## Council

**2 November 2022**

<b>Report Title:</b>	<b>Report of Audit and Governance Committee – Appointment of Independent Member to Audit &amp; Governance Committee</b>
<b>Cabinet Portfolio</b>	Finance and Governance
<b>Cabinet Member</b>	Councillor Martin Bond
<b>Exempt Report</b>	No
<b>Reason for Exemption</b>	N/A
<b>Key Decision</b>	No
<b>Public Notice issued</b>	N/A
<b>Wards Affected</b>	All
<b>Report of</b>	Jan Bakewell Director of Legal and Governance janbakewell@sthelens.gov.uk
<b>Contact Officer</b>	Joanne Griffiths Team Manager- Democratic and Scrutiny Services joannegriffiths@sthelens.gov.uk

<b>Borough priorities</b>	Ensure children and young people have a positive start in life	
	Promote good health, independence, and care across our communities	
	Create safe and strong communities and neighbourhoods for all	
	Support a strong, thriving, inclusive and well-connected local economy	
	Create green and vibrant places that reflect our heritage and culture	
	Be a responsible Council	X

## 1. Summary

- 1.1 A report to co-opt an Independent Member to the Audit and Governance Committee was submitted to Audit and Governance Committee on 28 September 2022 and is attached at Appendix 1 to this report for information.

## 2. Recommendations for Decision

**Council is recommended to:**

- i) **co-opt Keith Lockhart as an Independent Member of the Audit & Governance Committee for a period of up to 3 years.**

## 3. Purpose of this Report

- 3.1 The report provides an update to Council on the recent recruitment process and a recommendation for a preferred candidate for appointment.

## 4. Background /Reasons for the recommendations

- 4.1 The Audit & Governance Committee carries out an important oversight and assurance role that requires its members to be apolitical and objective. To bolster and support this role, the Committee's membership includes a non-elected independent member co-opted to the Committee.
- 4.2 At its Annual Council meeting on 30 September 2020, Council considered a report on constitutional issues with recommendations to amend the Terms of Reference for the Audit & Governance Committee and to amend the membership of the Committee to include an Independent Member. Council agreed to commence the recruitment process to co-opt an Independent Member to the Committee for a fixed term of up to 3 years.
- 4.3 CIPFA's Publication - Practical Guidance for Local Authorities and Police (2018 Edition) sets out guidance on the function and operation of audit committees in local authorities and police bodies and represents CIPFA's view of best practice for audit committees in local authorities throughout the UK. The revised and updated 2018 edition includes additional guidance and



resources to support those acting as audit committee members in local authorities and those working with and supporting the Committee's development. The key changes contained within CIPFA's latest guidance include, amongst other things, the recommendation for the inclusion of an independent person on the Committee.

- 4.4 At its meeting on 23 November 2020, the Committee agreed the recruitment process, including a role description (Appendix 2).
- 4.5 A recruitment process took place in December 2020 which did not attract any suitable candidates at that time with relevant skills and experience. It was therefore agreed to undertake a second recruitment exercise following the pandemic.
- 4.6 The vacancy was advertised again during August 2022 with a publication in the local press and on social media. Two applications were received, which were shared with the Chair of the Committee and the Portfolio Holder for Finance & Governance for oversight of the process. Both applicants were interviewed on 15 August 2022 by the Executive Director of Corporate Services and the Director of Legal & Governance.
- 4.7 It is recommended to co-opt Keith Lockhart as an Independent Member to the Committee. As an audit professional with significant private sector experience, he has a range of skills to support the work of the Committee. He is employed by AXA as an Audit Manager. He is also currently the Independent Chair of the Audit Committee for Hugh Baird Sixth Form College in Liverpool and therefore has experience of acting as an independent member.
- 4.8 Having demonstrated he has no conflicts of interest or link with the Council, along with a positive reference from the Director of Governance at Hugh Baird College to support his application, he is recommended for appointment.

## **5. Consideration of Alternatives**

- 5.1 Beyond the CIPFA guidance, there are no other 'best practice' options to be considered.

## **6. Conclusions**

- 6.1 Good practice shows that co-option of independent members is beneficial to audit committees.

## **7. Legal Implications**

- 7.1 At present, there are no statutory requirements on local authorities in England to appoint an independent person to an audit committee. Audit committees for combined authorities in England must have at least one independent person.

## **8. Community Impact Assessment (CIA) Implications**

- 8.1 N/A

## **9. Social Value**

- 9.1 None

**10. Sustainability and Environment**

10.1 None

**11. Health and Wellbeing**

11.1 None

**12. Equality and Human Rights**

12.1 The application process complied with the Council's existing procedures.

**13. Customer and Resident**

13.1 None

**14. Asset and Property**

14.1 None

**15. Staffing and Human Resources**

15.1 None

**16. Risks**

16.1 Guidance from CIPFA notes both positive and cautionary reasons for such appointments and decisions of this nature need to take account of each local authority's own circumstances. It is therefore important to ensure the role description and person specification set out the Council's requirements.

**17. Finance**

17.1 Following a recommendation from the Independent Remuneration Panel (IRP), Council agreed at its meeting on 12 July 2022 to offer £500 remuneration per year for this role for attendance at Committee meetings and training/briefings.

**18. Policy Framework Implications**

18.1 None

**19. Impact and Opportunities on Localities**

19.1 None

**20. Background Documents**

20.1 CIPFA Publication: Audit Committees - Practical Guidance for Local Authorities and Police 2018 Edition

20.2 Annual Council Report on Constitutional Issues – 30 September 2020

20.3 Audit & Governance Committee Report – 23 November 2020

20.4 Council Report – 12 July 2022

## **21. Appendices**

21.2 Appendix 1 – Report to Audit and Governance – 28 September 2022

21.1 Appendix 1a – Independent Member Role Description

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 <p><b>ST HELENS</b> BOROUGH COUNCIL</p>	<h2 style="text-align: center;">Audit &amp; Governance Committee</h2> <h3 style="text-align: center;">28 September 2022</h3>
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<b>Report Title</b>	<b>Appointment of Independent Member to Audit &amp; Governance Committee</b>
<b>Cabinet Portfolio</b>	Finance & Governance
<b>Cabinet Member</b>	Councillor Martin Bond
<b>Exempt Report</b>	No
<b>Reason for Exemption</b>	N/A
<b>Key Decision</b>	No
<b>Public Notice issued</b>	N/A
<b>Wards Affected</b>	All
<b>Report of</b>	Cath Fogarty Executive Director of Corporate Services cathfogarty@sthelens.gov.uk
<b>Contact Officer</b>	Jan Bakewell Director of Legal and Governance janbakewell@sthelens.gov.uk

<b>Borough Priorities</b>	Ensure children and young people have a positive start in life	
	Promote good health, independence, and care across our communities	
	Create safe and strong communities and neighbourhoods for all	
	Support a strong, thriving, inclusive and well-connected local economy	
	Create green and vibrant places that reflect our heritage and culture	
	Be a responsible Council	X

## 1. Summary

- 1.1 To report the outcome of the recent recruitment process to appoint an Independent Member to the Committee.

## 2. Recommendation for Decision

The Committee is invited to recommend to Council:

- i. to co-opt Keith Lockhart as an Independent Member of the Audit & Governance Committee for a period of up to 3 years.

## 3. Purpose of this report

- 3.1 The report provides an update to the Committee on the recent recruitment process and a recommendation for a preferred candidate for appointment.

## 4. Background / Reason for the recommendations

- 4.1 The Audit & Governance Committee carries out an important oversight and assurance role that requires its members to be apolitical and objective. To bolster and support this role, the Committee's membership includes a non-elected independent member co-opted to the Committee.
- 4.2 At its Annual Council meeting on 30 September 2020, Council considered a report on constitutional issues with recommendations to amend the Terms of Reference for the Audit & Governance Committee and to amend the membership of the Committee to include an Independent Member. Council agreed to commence the recruitment

process to co-opt an Independent Member to the Committee for a fixed term of up to 3 years.

- 4.3 CIPFA's Publication - Practical Guidance for Local Authorities and Police (2018 Edition) sets out guidance on the function and operation of audit committees in local authorities and police bodies and represents CIPFA's view of best practice for audit committees in local authorities throughout the UK. The revised and updated 2018 edition includes additional guidance and resources to support those acting as audit committee members in local authorities and those working with and supporting the Committee's development. The key changes contained within CIPFA's latest guidance include, amongst other things, the recommendation for the inclusion of an independent person on the Committee.
- 4.4 At its meeting on 23 November 2020, the Committee agreed the recruitment process, including a role description (Appendix 1).
- 4.5 A recruitment process took place in December 2020 which did not attract any suitable candidates at that time with relevant skills and experience. It was therefore agreed to undertake a second recruitment exercise following the pandemic.
- 4.6 The vacancy was advertised again during August 2022 with a publication in the local press and on social media. Two applications were received, which were shared with the Chair of the Committee and the Portfolio Holder for Finance & Governance for oversight of the process. Both applicants were interviewed on 15 August 2022 by the Executive Director of Corporate Services and the Director of Legal & Governance.
- 4.7 It is recommended to co-opt Keith Lockhart as an Independent Member to the Committee. As an audit professional with significant private sector experience, he has a range of skills to support the work of the Committee. He is employed by AXA as an Audit Manager. He is also currently the Independent Chair of the Audit Committee for Hugh Baird Sixth Form College in Liverpool and therefore has experience of acting as an independent member.
- 4.8 Having demonstrated he has no conflicts of interest or link with the Council, along with a positive reference from the Director of Governance at Hugh Baird College to support his application, he is recommended for appointment.

## **5. Consideration of Alternatives**

- 5.1 Beyond the CIPFA guidance, there are no other 'best practice' options to be considered.

## **6. Conclusions**

- 6.1 Good practice shows that co-option of independent members is beneficial to audit committees.

## **7. Legal Implications**

- 7.1 At present, there are no statutory requirements on local authorities in England to appoint an independent person to an audit committee. Audit committees for combined authorities in England must have at least one independent person.

**8. Community Impact Assessment (CIA) Implications**

8.1 N/A

**9. Social Value**

9.1 None.

**10. Sustainability and Environment**

10.1 None.

**11. Health and Wellbeing**

11.1 None.

**12. Equality and Human Rights**

12.1 The application process complied with the Council's existing procedures.

**13. Customer and Resident**

13.1 None.

**14. Asset and Property**

14.1 None.

**15. Staffing and Human Resources**

15.1 None.

**16. Risks**

16.1 Guidance from CIPFA notes both positive and cautionary reasons for such appointments and decisions of this nature need to take account of each local authority's own circumstances. It is therefore important to ensure the role description and person specification set out the Council's requirements.

**17. Finance**

17.1 Following a recommendation from the Independent Remuneration Panel (IRP), Council agreed at its meeting on 12 July 2022 to offer £500 remuneration per year for this role for attendance at Committee meetings and training/briefings.

**18. Policy Framework Implications**

18.1 None.

**19. Impact and Opportunities on Localities**

19.1 None.

**20. Background Documents**



20.1 CIPFA Publication: Audit Committees - Practical Guidance for Local Authorities and Police 2018 Edition

20.2 Annual Council Report on Constitutional Issues – 30 September 2020

20.3 Audit & Governance Committee Report – 23 November 2020

20.4 Council Report – 12 July 2022

## **21. Appendices**

21.1 Appendix 1 – Independent Member Role Description

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## CO-OPTED INDEPENDENT PERSON

### ROLE DESCRIPTION

The Committee comprises 10 elected members and meets around 4 times per year. Committee meetings are scheduled for the municipal year and currently take place remotely due to the Covid-19 pandemic. You will also need to attend briefings and training as and when required outside of the Committee's scheduled meetings.

The role of a co-opted member would undertake an independent, non-voting role on the Audit & Governance Committee, providing external challenge, support and advice, promote good governance and to bring additional knowledge and expertise to the Committee and reinforce its political neutrality and independence.

#### Tasks:

As a co-opted Independent Member of the Council's Audit & Governance Committee, which is tasked with reviewing:

Financial statements;  
Internal Audit Reports;  
External Audit Reports;  
Other evidence of the Council's risk management and internal control systems.

#### Responsibilities:

1. To engage fully in collective consideration of the issues before the Committee, taking into account a full range of relevant factors, including legislation and supporting regulation, professional guidance and the advice of the Council's Executive Director of Corporate Services (Section 151 Officer).
2. To participate fully in the discharge of all the Committee's functions, as set out in the Committee's terms of reference and the constitution.
3. To promote the concept of proportionate, effective risk management and internal control throughout the organisation; and to champion the work of Internal Audit, External Audit and Risk Management.
4. To participate in periodic review of the overall effectiveness of the Audit & Governance Committee, and of its terms of reference.
5. To attend briefings and training from Council officers and external providers in order to continuously improve the effectiveness of the Committee and understand forthcoming issues;

#### Role & Purpose

The role and purpose of the Audit & Governance Committee is to provide:

- independent assurance of the adequacy of the risk management framework and the associated control environment;

- independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment;
- assurances that issues arising from the preparation on the authority's financial accounts are properly dealt with, e.g. check of compliance with the authority's accounting policies, issues arising from the annual audit, assurance surrounding the compilation of the Statement of Internal Control.

A copy of the Terms of Reference for the Committee is available on the Council website.

## PERSON SPECIFICATION - Skills and Competencies

### Indicators:

1. Demonstrates up to date knowledge, skill and a depth of experience in the fields of audit, accounting, risk management and performance management.
2. Operates consistently and without bias and/or pre-determination.
3. Is an effective role model; supports appropriate behaviours and challenges opinions and advice where appropriate, separating major issues from minor ones.
4. Contributes proactive, proportionate and independent thought, and collaboration with officers to temper the opinions of Committee members.
5. Works sensitively with people inside and outside committee.
6. Listens to and balances advice.

<b>Experience</b>	Knowledge / experience in matters of an audit nature	Essential
	Knowledge / experience of risk management, performance management and financial governance	Essential
	Working to high behavioural standards, demonstrating honesty, probity and the highest level of integrity in conduct.	Essential
	Experience gained working in a large, or public sector, organisation.	Desirable
	Serving on a committee	Desirable
<b>Skills</b>	Ability to weigh / sort complex evidence and reach rational conclusions, incorporating appropriate advice	Essential
	Ability to be objective, independent and impartial	Essential

	Ability to make reasoned decisions	Essential
	Strong strategic awareness and ability to identify emerging external factors that may impact on strategy, implementation of plans, or reputation with key stakeholders	Essential
	A good communicator with excellent interpersonal skills, able to both empower and challenge supportively	Essential
<b>Knowledge</b>	Knowledge of the locality of St Helens, and knowledge of its communities	Desirable
	Knowledge of the Council's strategic priorities and objectives	Desirable
	Understanding of the complexity of issues surrounding audit and risk management in local government.	Desirable
	Understanding of committee procedures	Desirable
<b>Other</b>	Live or work in St Helens or its surrounding areas	Desirable
	Must not be a serving local government officer or councillor	Essential
	Must not have been an officer or member of St Helens Council within the previous 5 years, from date of appointment	Essential
	Must have no personal, legal or contractual relationship with St Helens Council (including employees or members or former staff), or any other relationship / activity which might represent a conflict of interest	Essential

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Submitted by Councillor Spencer:

That this Council agrees to carry out an options study to explore the feasibility of re-establishing the link between St Helens Junction Station and St Helens Central Station (formerly Shaw Street Station). This study shall include the consideration of a heavy rail line, a light rail line, a bus corridor an active travel corridor, or other innovative transport option. This would be consistent with Priority 4 of the St Helens Borough Strategy and also the Third Local Transport Plan for Merseyside.

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