



**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

10 January 2023

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, 18 January 2023 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.

**Please note that item 14 (Parkside Investment Proposition) is an exempt report as it relates to the financial affairs of the Council and Langtree. This item will therefore be considered at the meeting in private. The report and appendices must be treated in a confidential manner. They must not be copied, distributed or shared in any way with third parties, press or public before or after the Council meeting.**

Yours sincerely

Kath O'Dwyer  
Chief Executive





**ST HELENS**  
BOROUGH COUNCIL

## **Council Meeting**

**Wednesday, 18 January 2023**

## **Agenda**

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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	
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13.	Exclusion of the Public	

Recommended that the public be excluded from the meeting during consideration of the following items for the reason stated:

<u>Item</u>	<u>Reason (under the Local Government Act 1972)</u>
14	(Information relating to the financial or business affairs of any particular person (including the authority holding the information) (Para 3 of Schedule 12A)

### **PRIVATE AGENDA**

- \*\* 14. Parkside Investment Proposition 117
- \*\* Key Decision which is not within the Public Notice of Key Decisions and will therefore be dealt with under the General Exception Provisions within the Constitution.

## ST HELENS BOROUGH COUNCIL

At a meeting of the St Helens Borough Council held on  
2 November 2022

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

**(Not Present)**    **Councillors Bowden, Haw and van der Burg**  
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### 31    **MINUTES**

- \*        **Resolved that the Minutes of the meeting of the Council held on 12 July 2022 be approved.**

### 32    **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Bowden, Haw and van der Burg

### 33    **DECLARATIONS OF INTEREST FROM MEMBERS**

No declarations of interest from Members were made.

### 34    **MAYOR'S COMMUNICATIONS**

The Mayor paid tribute following the death of Her Majesty Queen Elizabeth II in September 2022, as this was the first Council meeting since that time.

The Mayor offered congratulations to St Helens RFC on winning the Super League Grand Final four times in a row and also congratulated Andy Reid MBE, who was the first triple amputee from the UK to scale the 18 thousand feet to the summit of Kilimanjaro.

The Mayor thanked veteran Chris Whittle who had created a poppy cascade for the Council Chamber in the lead up to Remembrance Sunday.

Finally, the Mayor thanked Members for their contributions following a request from the Hope Centre to provide essential supplies for the Food Banks.

Councillor Hattersley entered the meeting during the following item.

### 35    **LEADER'S ANNOUNCEMENTS**

Councillor Baines, Leader of the Council welcomed Councillor Jeanette Banks to the meeting following her election to Moss Bank Ward on 20 October 2022. He then spoke about the following:

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- Cost of Living Crisis;
- Budget Situation;
- Rugby League World Cup and events held around the borough;
- Progression on the Town Centres regeneration;
- Community Governance Review of Parish Councils.

**36     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.

**37     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.

**38     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.

**39     REPORT OF CABINET – FINANCIAL MONITORING REPORT PERIOD 1 2022/23**

A report was submitted which informed Council that the Financial Monitoring Report Period 1 2022/23 was submitted to Cabinet on 13 July 2022.

The Council remained 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.

\*        **Resolved that the resolutions of Cabinet be noted which were:**

- (1)     **note the latest revised budget and forecast revenue position for 2022/23 as detailed in Section 2;**
- (2)     **note the impact on the revenue and capital budget from high levels of inflation and the potential for pressures on the 2022/23 budget;**
- (3)     **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;**
- (4)     **approve the revised capital programme as detailed in Section 4;**
- (5)     **note the latest Reserves and Balances position in Section 5;**
- (6)     **note the Treasury Management Position Statement in Annex G; and**
- (7)     **note the Performance Summary for 2021/22 as detailed in Section 8.**

## ST HELENS BOROUGH COUNCIL

**40      AMENDMENT TO THE HONORARY ALDERMAN/ALDERWOMAN SELECTION PROTOCOL**

A report was submitted which sought approval from Council to amend the Honorary Alderman/Alderwoman Selection Protocol with immediate effect.

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.

**\*      Resolved that the amended Protocol for the selection of Honorary Alderman/Alderwoman be approved.**

**41      REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE: APPOINTMENT OF INDEPENDENT MEMBER TO AUDIT AND GOVERNANCE COMMITTEE**

A report was submitted which provided an update to Council on the recent recruitment process and a recommendation for a preferred candidate for appointment.

The Audit & Governance Committee carried out an important oversight and assurance role that required its members to be apolitical and objective. To bolster and support this role, the Committee's membership included a non-elected independent member co-opted to the Committee.

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.

The vacancy was advertised again during August 2022 with a publication in the local press and on social media. Two applications were received, and both applicants were interviewed in August 2022.

It was recommended to co-opt Keith Lockhart as an Independent Member to the Committee. As an audit professional with significant private sector experience, he had a range of skills to support the work of the Committee.

**\*      Resolved that Keith Lockhart be co-opted as an Independent member of the Audit and Governance Committee for a period of up to 3 years.**

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

The following Notice of Motion was submitted by Councillor Spencer and seconded by Councillor Pearl:

"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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Councillor McCauley proposed the following amendment which was seconded by Councillor Gomez-Aspron MBE:

“That this Labour Council’s strategic priorities for the transport network are to facilitate economic growth, enable good levels of accessibility between homes, jobs and services, improve air quality and minimise carbon emissions as clearly set out in the recently adopted St Helens Borough Local Plan 2022-2037. Policy LPA06 (Transport and Travel) relates and advises that to achieve these priorities, it will seek to Protect former railway lines and corridors from development that could hinder their future re-use for sustainable modes of transport and the Central/Junction Rail Link is clearly identified on the Local Plan Policies Map. Policy LPA07 (Infrastructure Delivery and Funding) further explains how this Council will seek to ensure satisfactory provision of all forms of infrastructure that are required to serve the needs of the local community.

~~That this Council agrees to carry out an options study to explore the~~ In his 2021 ‘No One Left Behind’ Manifesto Pledge the Labour Metro Mayor for the Liverpool City Region also made a commitment that he will explore the feasibility of re-establishing the link between St Helens Junction Station and St Helens Central Station (formerly Shaw Street Station) which could “deliver direct rail services from St Helens town centre to Manchester City Centre and beyond”. The route is also important to reinstate commuter services between Warrington Bank Quay, Earlestown, St Helens and Wigan as part of the North-South Corridor.

~~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.~~

This Council Resolves to:

- Engage positively with the Liverpool City Region Combined Authority to commission feasibility work before March 2023 for the re-establishment of a transport link between St Helens Junction Station and St Helens Central Station; and
- Thereafter, in accordance with the newly adopted Local Plan Policy LPA07, work with infrastructure providers and other partner organisations to seek to ensure that sufficient infrastructure is available to support new development.”

The amendment to the Motion was put to the vote and the amendment was carried.

The amended Motion therefore became the substantive Motion and was put to the vote.

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

The Mayor informed Council that the following Motion had been received which was not submitted in accordance with Council Procedure Rule 12. She allowed it as a matter of urgency as the change in government direction was announced after the deadline for motions on 24 October 2022.

The following Notice of Motion was submitted by Councillor Baines and seconded by Councillor Bond:

“Like other public services, St Helens Borough Council has suffered drastic cuts in central government funding since 2010. Twelve years ago, the Council received £127m in general funding from central government; this year it was just £15m.



## ST HELENS BOROUGH COUNCIL

Council notes the hard work of officers and members since 2010 in managing the impact of these cuts as best as possible, but further notes the inevitable harm such cuts have done to our ability to support residents and grow the local economy.

Local government faces a funding gap for the financial year 2023/24 of more than £3bn, and for St Helens Borough Council the gap is estimated to be around £14m. This would be in addition to more than £5m in savings already reluctantly agreed.

There is nothing left to cut that won't further harm our ability to support the most vulnerable and provide the services all residents expect and need. Essential services cannot be run on thin air – we need fair funding urgently, or more will be lost.

At a meeting held on 19th October, representatives of local public, faith, and voluntary sectors met to discuss the cost of living emergency and, through St Helens Together, to work together and support people through the months ahead as much as possible. Representatives agreed to write to the Chancellor setting out the challenges we face and asking for urgent support.

Council notes that since the agenda for tonight's meeting was published, the new Chancellor Jeremy Hunt has scheduled an Autumn Budget Statement for 17th November.

Council therefore resolves:

To support a letter to the Chancellor co-signed by representatives of local public, private, faith and voluntary sector organisations to ask for fair funding for essential services; and

To ask the Chief Executive to write to the Chancellor and the new Prime Minister to set out the challenges faced by the Council in particular and to ask for urgent support."

Prior to the vote Council signified that their names were to be added to the letter to the Chancellor on record.

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

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## ST HELENS BOROUGH COUNCIL

At a Special meeting of the St Helens Borough Council held on  
2 November 2022

**(Present)**            **The Mayor (Councillor Murphy) (Chair)**  
**Councillors Baines, CD Banks, J Banks, Bell, Betts, Bond,**  
**Burns, Campbell, Case, Charlton, Clarke, Collier, Dickinson,**  
**Gomez-Aspron MBE, Groucutt, Hattersley, Hawley, Hodgkinson,**  
**Hooton, Johnson, Laird, D Long, T Long, Maguire, Makin,**  
**Maloney MBE, McCauley, McCormack, McQuade, Mussell,**  
**O'Connor, Osundeko, Pearl, Peers, Quinn, Richards, Sheldon,**  
**Sims, Spencer, Stevenson, Sweeney, Tasker and Uddin.**

**(Not Present)**      **Councillors Bowden, Greaves, Haw and van der Burg**  
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### 43      **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Bowden, Greaves, Haw and van der Burg

### 44      **DECLARATIONS OF INTEREST FROM MEMBERS**

Item	Title	Member(s)	Declaration
3	Conferment of the Title of Honorary Alderman/Alderwoman of the Metropolitan Borough of St Helens	Councillor Johnson	Personal and prejudicial.

### 45      **CONFERMENT OF THE TITLE OF HONORARY ALDERMAN/HONORARY ALDERWOMAN OF THE METROPOLITAN BOROUGH OF ST HELENS**

A Motion was submitted by Councillor Baines and seconded by Councillor Gomez-Aspron to confer the title of Honorary Alderwoman of the Metropolitan Borough of St Helens on Patricia Jackson

**\*            Resolved that:**

- (1)            in pursuance of Section 249 of the Local Government Act, 1972, the title of Honorary Alderwoman of the Borough be conferred on Patricia Jackson;**
- (2)            the Common Seal of the Council be affixed to the Enrolment of Patricia Jackson on the said Alderman's Roll and to the scroll to be presented to her on her admission as Honorary Alderwoman of the Metropolitan Borough of St Helens; and**
- (3)            there be delegated to the Chief Executive, in consultation with the Leader of the Council, all the powers of the Council to make the necessary arrangements to confer the award.**

A Motion was submitted by Councillor Baines and Seconded by Councillor Gomez-Aspron MBE to confer the title of Honorary Alderman of the Metropolitan Borough of St Helens on Joseph Pearson.

## ST HELENS BOROUGH COUNCIL

## \* Resolved that:

- (1) in pursuance of Section 249 of the Local Government Act, 1972, the title of Honorary Alderman of the Borough be conferred on Joseph Pearson;
- (2) the Common Seal of the Council be affixed to the Enrolment of Joseph Pearson on the said Alderman's Roll and to the scroll to be presented to him on his admission as Honorary Alderman of the Metropolitan Borough of St Helens; and
- (3) there be delegated to the Chief Executive, in consultation with the Leader of the Council, all the powers of the Council to make the necessary arrangements to confer the award.

Councillor Johnson here left the meeting.

A Motion was submitted by Councillor Baines and seconded by Councillor Gomez-Aspron MBE to confer the title of Honorary Alderman of the Metropolitan Borough of St Helens on Anthony Johnson.

## \* Resolved that:

- (1) in pursuance of Section 249 of the Local Government Act, 1972, the title of Honorary Alderman of the Borough be conferred on Anthony Johnson
- (2) the Common Seal of the Council be affixed to the Enrolment of Anthony Johnson on the said Alderman's Roll and to the scroll to be presented to him on his admission as Honorary Alderman of the Metropolitan Borough of St Helens; and
- (3) there be delegated to the Chief Executive, in consultation with the Leader of the Council, all the powers of the Council to make the necessary arrangements to confer the award.

Councillor Johnson here returned to the meeting.

A Motion was submitted by Councillor Mussell and seconded by Councillor Case to confer the title of Honorary Alderman of the Metropolitan Borough of St Helens on Allan Jones.

## \* Resolved that:

- (1) in pursuance of Section 249 of the Local Government Act, 1972, the title of Honorary Alderman of the Borough be conferred on Allan Jones;
- (2) the Common Seal of the Council be affixed to the Enrolment of Allan Jones on the said Alderman's Roll and to the scroll to be presented to him on his admission as Honorary Alderman of the Metropolitan Borough of St Helens; and
- (3) there be delegated to the Chief Executive, in consultation with the Leader of the Council, all the powers of the Council to make the necessary arrangements to confer the award.

**ST HELENS BOROUGH COUNCIL**

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## Council

**18 January 2023**

<b>Report Title:</b>	<b>Report of Cabinet – Financial Monitoring Report – Period 2 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 2 2022/23 was submitted to Cabinet on 9 November 2022 and is attached at Appendix 2 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 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;**
- iii) **note the impact of inflation, demand, non-delivery of savings and other matters on the Council's budget position;**
- 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 Interim Treasury Management Strategy 2022/23 at Annex G.**

## 3. Purpose of this Report

- 3.1 The Council remains committed to the regular monitoring of its financial performance, and this report is to provide an update on the position of the Council in respect of the general fund revenue budget for 2022/23 and progress in delivering the capital programme.

## 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 Given the extraordinary inflationary pressures and increased demand for services, and in the absence of any Government support, the report highlights the impact on the current year's budget and the requirement for actions to be implemented to address the budget position to ensure a sustainable and financially balanced position.

## **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 Whilst there are no implications directly arising from this report, the financial challenge is such that potential adverse impacts will need to be considered and understood when implementing actions necessary to ensure sustainability of the Council's financial position.

## **9. Social Value**

9.1 As detailed in the report in Appendix 2.

## **10. Sustainability and Environment**

10.1 As detailed in the report in Appendix 2.

## **11. Health and Wellbeing**

11.1 As detailed in the report in Appendix 2.

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

12.1 As detailed in the report in Appendix 2.

## **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 None arising directly from this report.

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

15.1 As detailed in the report in Appendix 2.

**16. Risks**

16.1 As detailed in the report in Appendix 2.

**17. Finance**

17.1 As detailed in the report in Appendix 2.

**18. Policy Framework Implications**

18.1 As detailed in the report in Appendix 2.

**19. Impact and Opportunities on Localities**

19.1 As detailed in the report in Appendix 2.


**20. Background Documents**

20.1 N/A

**21. Appendices**

21.1 Appendix 1 – Report to Cabinet on 9 November 2022

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

 <p><b>ST HELENS</b> BOROUGH COUNCIL</p>	<p><b>Cabinet</b> <b>9 November 2022</b></p>
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<b>Report Title</b>	<b>Financial Monitoring Report Period 2 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 <a href="mailto:cathfogarty@sthelens.gov.uk">cathfogarty@sthelens.gov.uk</a>
<b>Contact Officer</b>	Asad Mushtaq Director of Finance <a href="mailto:asadmushtaq@sthelens.gov.uk">asadmushtaq@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 This report provides Cabinet with the forecast financial position in relation to the revenue budget and highlights the significant financial challenges being faced by the Council during this period of volatile economic uncertainty.
- 1.2 The inflationary pressures detailed in this report, along with service demand pressures, particularly within children's social care, and the delays in the delivery of some budget savings demonstrate the extraordinary financial challenges facing the Council . Many commentators are forecasting a period of recession and austerity, which will only compound the financial risks highlighted in this report.
- 1.3 These financial challenges will not only impact on this year's position but the knock on effect will be experienced into future years' budgets. Given the scale of the challenge and the forecast budget position, delivering a balanced budget in 2022/23 is highly unlikely and strong management action and leadership will be required to reduce the impact of inflation and demand on the forecast budget position. A range of mitigating actions are required to reduce the forecast overspend, to minimise the potential use of reserves to achieve a balanced budget position, as, wherever possible, reserves need to be protected to ensure the Council remains strong, robust and sustainable.
- 1.4 In addition, the report updates Cabinet on the capital budget for 2022/23 and summarises the reserves and balances position.
- 1.5 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.
- 1.6 The report includes the Interim Treasury Management Strategy 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 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
- iii) note the impact of inflation, demand, non-delivery of savings and other matters on the Council's budget position
- 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 Interim Treasury Management Strategy 2022/23 at Annex G

### **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 9 November 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. Given the extraordinary financial environment and the pressures facing the Council, and the significant financial risks highlighted in the report, a series of actions will be required to ensure the Council's sustainability and financially balanced position.

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

- 5.1 None

### **6. Conclusions**

- 6.1 Given the extraordinary inflationary pressures and increased demand for services, and in the absence of any Government support, the report highlights the impact on the current year's budget and the requirement for actions to be implemented to address the budget position to ensure a sustainable and financially balanced position.

### **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 Whilst there are no implications directly arising from this report, the financial challenge is such that potential adverse impacts will need to be considered and understood when implementing actions necessary to ensure sustainability of the Council's financial position.

## **9. Social Value**

- 9.1 Whilst there are no implications directly arising from this report, the financial challenge is such that potential adverse impacts on local economy spend / procurement will need to be considered and understood when implementing actions necessary to ensure sustainability of the Council's financial position.

## **10. Sustainability and Environment**

- 10.1 None arising directly arising from this report.

## **11. Health and Wellbeing**

- 11.1 None arising directly from this report but, in the current environment, it is anticipated that the demand for essential Council support in a number of services aligned to health and wellbeing will continue to rise.

## **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 from this report, but due to the extreme financial challenge the potential adverse impacts will need to be understood when implementing actions necessary to ensure financial sustainability of the Council's financial position.

## **14. Asset and Property**

- 14.1 None arising directly from this report.

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

- 15.1 There are no direct implications on staffing from this report but due to the extreme financial challenge the potential adverse impacts upon staffing will need to be understood when implementing actions necessary to ensure financial sustainability of the Council's financial position.

## **16. Risks**

- 16.1 This report outlines the forecast budget position of the Council and highlights a number of the risks that exist in relation to the Council's ongoing financial position and sustainability.

## **17. Finance**

- 17.1 As detailed in Appendix 1.

**18. Policy Framework Implications**

- 18.1 The Council's approved Budget is to provide, within the overarching constraints that exist, the most appropriate balance of resources to deliver the Council's statutory responsibilities and to set a foundation for, and facilitate, the delivery of, the Council's key ambitions and its existing and emerging corporate priorities and borough level strategic objectives, as set out within the Council's "Our Borough Strategy 2021-2030".

**19. Impact and Opportunities on Localities**

- 19.1 None arising directly from this report.

**20. Background Documents**

- 20.1 Medium Term Financial Strategy 2022-2025 and Revenue & Capital Budget 2022- 23 (Cabinet 23 February 2022, Council 2 March 2022).
- 20.2 Financial Monitoring Report Period 1 2022/23 (Cabinet 13 July 2022, Council 2 November 2022)

**21. Appendices**

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

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**FINANCIAL MONITORING REPORT - PERIOD 2 2022/23****SECTION 1: SUMMARY****Revenue Budget**

- 1.1 This is the second Financial Monitoring Report of 2022/23 and covers the period from April 2022 to September 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 one further monitoring report covering quarter 3 and a final outturn report covering the full-year financial performance for 2022/23.
- 1.2 At this stage in the year there is a forecast service overspend of £10.795m against the current net revenue budget of £166.326m. This position includes a forecast of £3.700m in respect of the Local Government Pay Offer. Corporate variances will offset this by £3.099m resulting in a net budget overspend variation of £7.696m.
- 1.3 The Corporate variations are one off in nature for 2022/23. Without these variations the overall forecast position would have been significantly worse and resulted in a lower forecast level of general fund balances.
- 1.4 There are adverse forecast movements in a number of portfolios since the last report was considered by Cabinet on 14 July 2022:
  - (i) Integrated Care and Health (+£0.871m)
  - (ii) Children and Young People (+£3.846m)
  - (iii) Environment and Transport (+£0.912m)
  - (iv) Regeneration and Planning (+£0.619m)

Other portfolios are showing a favourable movement since the previous report.
- 1.5 The Financial Monitoring Report approved by Cabinet on 13 July 2022 identified the extraordinary inflationary risks to the Council this year and into the future. On 5 October 2022, Cabinet approved an Interim Budget Report providing forecasts of the inflationary implications including a sensitivity analysis for 2022/23. The inflationary financial modelling forecast pressures of £7.5m based on a series of revised assumptions with a risk that the upper exposure could be circa £12m. It must be noted that these figures exclude pressures arising from demand and the implementation of approved budget savings.
- 1.6 Financial modelling, amid a volatile and uncertain financial outlook, is an ongoing process, to quantify and refine the implications on the revenue budgets. However, this report includes estimates of the current impact of increases in pay, fuel, energy, food, and other commodities. It should be noted some goods and services will be offered some immediate protection against the current volatility, due to the terms of individual contractual arrangements.
- 1.7 The 2022/23 approved budget allowed for pay inflation to be in the region of 3%. This report includes a forecast in respect of the additional pay costs on portfolio budgets based on the

employer pay offer and the financial implication of the government's decision to reverse the 1.25% increase in National Insurance contributions for 2022/23 from 6 November 2022.

- 1.8 On 22 September 2022 the Health and Social Care Levy (Repeal) Bill was introduced and as a consequence of this measure the 1.25% Health and Social Care Levy introduced by the Health and Social Care Levy Act 2021 will not come into force in April 2023.
- 1.9 As noted in the Cabinet Report on 5 October 2022, commentaries from respected economists and organisations in relation to forecast inflation vary widely both in terms of the level of inflation and the timeframe over which such elevated levels will be experienced. Such uncertainty and economic volatility demonstrate the financial challenge the Council faces in forecasting the inflationary impact on its budgets with any degree of reasonable certainty.
- 1.10 At this stage with the exception of funding available through eligibility to the Energy Bill Relief scheme, for which further clarification is required, no further additional government funding has been made available. In the absence of the requisite level of government funding proactive and robust management will be required to identify mitigations that can be put in place to reduce budget pressures and these actions will inevitably need to include further reductions in service provision, which brings consequential impact on the residents of the Borough.
- 1.11 In addition, it is further likely that the current inflationary environment will see an increase in business failure, which would present further risks 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.
- 1.12 Inflationary pressures are particularly damaging for Council finances, as unlike some other sectors, councils do not have the ability to pass on additional costs pressures on to local residents or businesses. 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.
- 1.13 The gravity of this position cannot be overstated and the Council's ability to absorb the inflationary pressures detailed within this report alongside pressures from increasing demand and the delivery of savings is extremely challenging. Cessation of non-essential expenditure and recruitment freezes remain in place and a series of additional actions to address the forecast budget position are critical in order to reduce the significant financial risks facing the Council and ensure its ongoing financial sustainability and resilience.
- 1.14 The outlook for the future is one of concern with a number of economists forecasting a period of recession and the likelihood that a period of austerity will follow as the government develops its policies, with the potential for protection of services such as Health and Defence with other government departments facing a reduction in their budgets.
- 1.15 The Mid-Year Medium Term Financial Strategy Update 2022-2025 is being presented on the same agenda as this report and includes an update on the financial position for the period 2022-2025, including modelling of inflationary, demand, funding and other pressures, uncertainties and risks the Council is facing.

### **Savings Programme**

- 1.16 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. 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. Section 3 provides a summary of the latest position and portfolio commentaries provide additional information in relation to the progress towards delivering approved budget savings.
- 1.17 At the midpoint in the year, £3.396m of savings are either not achievable or there is a delay in full implementation. One-off mitigating actions of £1.172m have been identified for 2022/23. However, at this stage £2.224m of approved savings (2022/23 and 2021/22) have no identified mitigations and this presents a significant risk to the Council's budget position for 2022/23. This position will impact on the 2023/24 budget and at this stage this could potentially be circa £3m.
- 1.18 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.

### **Financial Outlook**

- 1.19 It is recognised that the financial environment within which the Council operates presents significant financial challenges that will continue into the foreseeable future. The inflationary impact is immense, with a high likelihood that there will be some use of reserves given the magnitude of the inflationary pressures being faced this year. It is crucial that decisive and strong actions are taken with immediate effect to minimise the impact on not only the current year's budget position but also next year's budget and the development of the Medium-Term Financial Strategy to ensure the Council remains robust, efficient and financially sustainable.
- 1.20 In addition, the non-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 individuals and 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.
- 1.21 In addition, 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**

- 1.22 The capital programme covers a three-year period through to 2024/25. The capital budget has been updated and key revisions this quarter relate to the rephrasing of schemes to reflect latest forecast activity, the inclusion of a new scheme relating to repairs of Huskisson bridge and increased grant funding for Parkside Link Road mitigation works. Further details are included in Annex F alongside commentary on progress on delivery of the most significant capital schemes.
- 1.23 The current economic climate is presenting challenges to delivery of the capital programme, including increased costs and delays. In addition, the recent increase in borrowing rates will impact on the affordability of schemes, particularly those in the capital pipeline.

### **Reserves and Balances**

- 1.24 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 over the short to medium term 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 ambitious strategic priorities. It should be noted that the Council's reserves are not set at an excessive level and it is prudent and important to protect reserves to ensure future financial resilience and sustainability.
- 1.25 However, given the scale of the inflationary pressures and the challenging financial environment it is highly likely at this stage to result in utilisation of the Council's Reserves in the year. This position is in contrast to the current Reserves Strategy and Medium-Term Financial Strategy noted in 1.24.
- 1.26 Based on the reported outturn position in Table 1 the level of general fund balances as at March 2023 is forecast to be £5.440m. This is a reduction of £4.873m from the previous report where the level of balances was forecast to be £10.313m.
- 1.27 Such use of reserves, general or earmarked, to address recurrent pressures is not sustainable and the Council faces difficult and unpalatable decisions in order to deliver its ambitions, ensure its financial sustainability and deliver a balanced budget.
- 1.28 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.

### **Treasury Management**

- 1.29 This report provides the Interim Treasury Management Strategy Report 2022/23 included at Annex G.

## **SECTION 2: REVENUE BUDGET**

- 2.1 The Budget and Forecast Outturn positions for 2022/23 are summarised in Table 1. At the mid-point in the year there are forecast portfolio budget pressures of £10.795m.
- 2.2 The figures detailed in Table 1 include an estimate of the impact of the local government pay settlement for 2022/23 (£3.7m) based on the employer's final offer of a £1,925 increase per year for all NJC pay points from April 2022, and the financial implication of the government's decision to reverse the 1.25% increase in National Insurance contributions for 2022/23 from 6 November 2022 (£0.250m).
- 2.3 There are underspends within the corporate budgets of £3.099m, as a result of a reduction in the Minimum Revenue Provision due to a reprofiling of capital schemes during 2021/22, increased investment income as a consequence of higher returns on new investments and reduced borrowing costs due to the deferral of borrowing during the year.
- 2.4 As highlighted in the previous Financial Monitoring Report presented to Cabinet on 13 July 2022, the impact of inflationary pressures is significant as these pressures crystallise. These inflationary pressures are in addition to current service demand pressures, and pressures arising from the non-delivery and delay in implementation of approved budget savings. For each portfolio, a commentary is provided detailing the impact of the above and highlighting other significant variances against the current budget.
- 2.5 Work is continuing to refine the level of inflationary pressures the Council is facing, but it must be recognised given the uncertainty and volatility in the economy, financial forecasting is extremely challenging. There is constant flux and change in the economy as the market responds to government policy.
- 2.6 At this stage, with the exception of reliefs from the Energy Bill Relief Scheme no additional funding has been made available from central government. Further details of the Energy Relief Scheme are awaited, and forecasts will be updated in subsequent Financial Monitoring Reports. Furthermore, it should be noted the scheme will only operate from 1 October 2022 to 31 March 2023.
- 2.7 The progress towards the delivery of £6.044m 2022/23 portfolio savings is detailed in Section 3. Matters relating to the delivery of £3.525m savings from 2021/22 which were not implemented in full during the last financial year is also detailed in Section 3.
- 2.8 The current position is extraordinary, with inflation being at its highest for more than 40 years, and the immediate and future impact on the Council's budget position is profound and the financial risks are immense. There is full recognition of the requirement for management to take actions to minimise the financial risk to the Council not only for this year, but in future years, and not only from inflation but also those pressures arising from increasing demand, delivery of savings and other prevailing budget pressures. Inevitably, and regrettably any decisions to reduce / cease spending will impact on the Borough's residents.

<b>Table 1 – Revenue Budget 2022/23</b>	<b>Current Budget (a) £000</b>	<b>Forecast outturn at Q2 (b) £000</b>	<b>Variance at Q2 + / - (b)-(a) £000</b>	<b>Variance at Q1 + / - (b)-(a) £000</b>	<b>Section Reference</b>
Inclusive Economy, Business and Skills	13,101	12,797	(304)	0	2.9
Children and Young People	47,827	52,438	+4,611	+765	2.10
Integrated Care	56,488	58,040	+1,552	+681	2.11
Wellbeing, Culture and Heritage	5,050	4,685	(365)	+678	2.12
Finance and Governance	6,504	6,239	(265)	(70)	2.13
Transformation	1,464	1,411	(53)	(13)	2.14
Environment and Transport	21,600	23,019	+1,419	+507	2.15
Regeneration and Planning	5,228	6,100	+872	+253	2.16
Safer, Stronger Communities	9,064	8,942	(122)	+22	2.17
Pay Award and NI	0	3,450	+3,450	0	2.2
<b>Net Portfolio Budgets</b>	<b>166,326</b>	<b>177,121</b>	<b>+10,795</b>	<b>+2,823</b>	
Levies & Precepts	22,718	22,718	0	0	
Treasury Management	11,254	8,155	(3,099)	0	2.18
Restructuring Costs	1,002	1,002	0	0	
Transfers to / (from) Earmarked Reserves - General	(2,321)	(2,321)	0	0	
Transfers to / (from) Earmarked Reserves - Covid	(11,076)	(11,076)	0	0	
Capital Charges	(15,381)	(15,381)	0	0	
<b>Net Corporate Items</b>	<b>6,196</b>	<b>3,097</b>	<b>(3,099)</b>	<b>0</b>	
Council Tax / Retained Business Rates	(134,411)	(134,411)	0	0	
Collection Fund Deficit	8,682	8,682	0	0	
Top Up	(21,070)	(21,070)	0	0	
Section 31 Grant	(13,685)	(13,685)	0	0	
2022/23 Services Grant	(3,186)	(3,186)	0	0	
Covid Additional Relief Fund (CARF) Grant	(3,189)	(3,189)	0	0	
Other Funding	(5,376)	(5,376)	0	0	
<b>Funding</b>	<b>(172,235)</b>	<b>(172,235)</b>	<b>0</b>	<b>0</b>	
<b>NET POSITION 2022/23</b>	<b>287</b>	<b>7,983</b>	<b>+7,696</b>	<b>+2,823</b>	

The previous budget approved by Cabinet on 13 July 2022 has been revised to include:

- (i) Approved use of earmarked reserves in the period and rephasing of previously approved use of reserves during 2022/23 into 2023/24.
- (ii) Neutral 'technical adjustments' between portfolios (e.g. recharges).

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 portfolio overspend of £11.045m 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 Q2 2022/23 £000 (e)=(d)-(c)</b>	<b>Variance Q1 2022/23</b>
<b>Children &amp; Young People Department</b>						
<b>Schools - Devolved Budget</b>						
Schools Dedicated Budget	115,500	(115,500)	0	0	0	0
<b>Schools Total</b>	<b>115,500</b>	<b>(115,500)</b>				<b>0</b>
<b>Non-Schools</b>						
Other Expenditure Attributable to Schools	8,125	(2,901)	5,224	5,174	(50)	(26)
Early Years Development (incl. PVI's)	8,124	(7,813)	311	299	(12)	0
SEND Support for Children	8,843	(7,056)	1,787	1,660	(127)	0
Behaviour Support Services	3,659	(3,607)	52	52	0	0
Home to School/College Transport	3,496	(85)	3,411	3,437	+26	+26
Youth Service	150	(30)	120	120	0	0
Management & Other Support Services	3,860	(2,177)	1,683	1,558	(125)	0
<b>Non Schools Total</b>	<b>36,257</b>	<b>(23,669)</b>	<b>12,588</b>	<b>12,300</b>	<b>(288)</b>	<b>0</b>
<b>Total Children &amp; Young People Department</b>	<b>151,757</b>	<b>(139,169)</b>	<b>12,588</b>	<b>12,300</b>	<b>(288)</b>	<b>0</b>
<b>Place Services Directorate</b>						
Employment and Skills Initiatives	1,402	(1,033)	369	353	(16)	0
Place and Economic Delivery	144	0	144	144	0	0
<b>Total Place Services</b>	<b>1,546</b>	<b>(1,033)</b>	<b>513</b>	<b>497</b>	<b>(16)</b>	<b>0</b>
<b>Total (excl. Schools)</b>	<b>37,803</b>	<b>(24,702)</b>	<b>13,101</b>	<b>12,797</b>	<b>(304)</b>	<b>0</b>

- 2.9.1 There are projected underspends across a range of education support services (£264k), after budgeted efficiencies totalling £420k. It is currently forecast that there will be a pressure in respect of the budgeted Home to School Transport efficiency (£26k), and these underspends will help to mitigate this. There is also a forecast underspend (£50k) against budget provision for historical retirement costs associated with school-based staff.
- 2.9.2 The department continues to closely monitor the position in respect of the high needs block of the ring-fenced Dedicated Schools Grant (DSG) to identify financial challenges at the earliest opportunity. The government are currently assessing options to reform the system supporting children and young people with special educational needs and disabilities to help alleviate some of the pressures faced by many local authorities, and also ensure that the additional investment they have made is targeted where it is most needed.
- 2.9.3 It is currently forecast that there will be an underspend of £304k within the portfolio.

## 2.10 Children and Young People

Children and Young People	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 Q2 2022/23 £000 (e) =(d)-(c)	Variance Q1 2022/23
Social Care and Commissioning Teams	11,750	(391)	11,359	12,405	+1,046	0
Children Looked After	32,165	(3,994)	28,171	30,503	+2,332	+185
Child Protection	2,197	(91)	2,106	2,146	+40	0
Children's Centres / Early Help Service	2,141	(674)	1,467	1,752	+285	0
Support for Disabled Children	1,976	(260)	1,716	1,811	+95	0
Family Support Services	2,913	(562)	2,351	3,234	+883	+600
Management & Other Support Services	1,928	(1,829)	99	79	(20)	0
Youth Offending Teams	1,353	(795)	558	508	(50)	(20)
<b>Total</b>	<b>56,423</b>	<b>(8,596)</b>	<b>47,827</b>	<b>52,438</b>	<b>+4,611</b>	<b>+765</b>

2.10.1 In common with many local authorities, the Council has experienced increased costs over the last 10 years in relation to children's social care, primarily associated with increased service demand. It is currently forecast that there is an overall budget pressure of £4.611m for the portfolio.

2.10.2 In addition, the 2022/23 budget contains a challenging 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.

2.10.3 The most significant aspect of the projected budget pressure is costs relating to children who are, or have been, in the care of the Council. Total expenditure associated with placement costs for these children and young people has been increasing annually and is currently forecast to be in the region of £29.745m. The following tables provide an analysis of forecast placement costs for 2022/23 and an analysis of expenditure over the previous 10 years.



<b>Children Looked After/ Leaving Care Forecast Placement Costs 2022/23</b>	<b>£000</b>
Residential Care	14,041
External Fostering	5,675
In House / Kinship Fostering	3,879
Special Guardianship Orders	2,620
Leaving Care / Supported Lodgings	1,610
Adoption Support	670
Staying Put Placements	190
Residence Orders	72
Legal costs associated with above	988
<b>TOTAL</b>	<b>29,745</b>

<b>Annual care placement expenditure over the previous 10 years (£000)</b>									
<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
12,481	13,504	12,612	13,907	17,047	18,383	21,544	25,809	25,822	25,491

- 2.10.4 Although the 2022/23 budget saw an additional £3.473m invested to support placement costs, the profile of children and young people currently being accommodated, together with the efficiency programme, results in a projected budget pressure of £2.332m (including leaving care services). There is also a pressure on family support packages (£883k) designed to help young people remain in the family environment and avoid the need to be brought into more expensive fostering or residential care.
- 2.10.5 The Authority has a relatively high number of children in care (expressed as a rate per 10,000 of the under-18 population) when compared to other North West England local authorities. The relatively high level of children in care is the main determinant of the current level of expenditure. The following table details a comparison of Children Looked After aged under 18 per 10,000 population.

<b>Children Looked After per 10,000 children aged under 18</b>						
<b>Area</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Current</b>
St Helens	117.0	121.0	127.0	135.0	130.0	128.2
North West	86.0	91.0	94.0	97.0	97.0	n/a
England	62.0	64.0	65.0	67.0	67.0	n/a

- 2.10.6 Costs in relation to Children Looked After can be volatile and are impacted by the needs and demographics of service users as the complexity of support required can impact

significantly on placement costs. Other factors such as placement breakdown and the current residential care market conditions can also result in cost pressures.

- 2.10.7 The department seeks to address demand for these services in a sustainable and safe way. However, achieving significant reductions in the level of care costs is likely to be a medium- to long-term process that is dependent on being able to reduce the number of children being brought into care, reducing the number of external residential care placements, and the development of lower-cost alternatives such as in-house residential and foster care provision.
- 2.10.8 A number of panels have been established to review potential new entrants to care to determine whether alternative support can be provided; to consider whether support for young people already in a placement can be safely stepped down, and to review individual high-cost packages of care. The department also continues to assess placements to ensure that the existing in-house residential care provision is used effectively, as well as reviewing options to expand the Council's level of provision.
- 2.10.9 There remains a financial risk that the department will face additional costs across all types of children looked after placements as a result of national inflationary pressures. This could result from increasing demand, and from providers seeking additional fee income to help address increasing costs associated with the care of existing looked after children, e.g. energy, food, staff pay etc.
- 2.10.10 The department also continues to develop the delivery of services through the Family Hubs programme. Supporting families with an effective early help and intervention programme is key to helping to mitigate against the need to incur expensive care placement costs in the future.
- 2.10.11 There is an estimated budget pressure of approximately £880k in respect of the social care workforce. The level of staff turnover and the difficulties in recruiting and retaining experienced and able social workers have, in recent times, had an adverse effect on the service. The associated consequences are higher caseloads and a reliance on temporary (agency) staff. The costs associated with agency staff are notably higher than directly employed staff and result in significant budgetary pressures. The table below sets out the Authority's expenditure on agency staff in recent years:

<b>Annual expenditure on agency staff within children's social care (£000)</b>					
<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23 (estimate)</b>
393	753	2,802	1,973	2,128	2,222

- 2.10.12 It should be noted that the estimated 2022/23 position assumes that the measures, outlined below, to reduce dependency on temporary staff successfully achieve their aims and agency expenditure ceases, unless known otherwise, by the new year. Should the current level of temporary staff remain in position until the end of the financial year, the forecast 22/23 outturn position in the table above would be in the region of £3m.
- 2.10.13 The use of agency staff has been necessary to ensure that the required workforce is in place to drive forward the necessary changes, as the Council continues its improvement journey following the Ofsted judgement. In addition, there is a risk that the second half of the year may see a spike in the number of referrals into children's social care as the

national economic situation places significant financial burdens on families over the winter period. The Authority needs to ensure that it can effectively respond to this.

2.10.14 A workforce strategy has been developed to address the recruitment and retention challenges, and a number of measures are already being implemented:

- a review of the salary levels of qualified social care staff has been completed which consolidates the (previously temporary) recruitment and retention allowances into the substantive pay grade, thereby making the increases permanent. The temporary nature of the allowances has been a barrier to permanent recruitment in some instances
- the recruitment of 10 assistant social worker posts to undertake a range of non-statutory functions that are currently being performed by social workers. This will assist in relieving workload burdens on social workers, help to reduce caseloads, and allow more time to be dedicated to individual cases
- exploring the development of recruitment channels outside of the traditional workforce marketplace
- the engagement of additional short-term social work capacity to alleviate service pressures due to the recruitment and retention challenges. This will enable caseloads to be safely managed while the workforce strategy measures are implemented.

2.10.15 With reference to the final point above, it was originally anticipated that this additional short-term capacity would cease in full during November 2022. However, to help mitigate the adverse impact withdrawal of this support would have at a crucial time for the department, a phased exit plan has been developed that would see the level of support significantly reduced and ended by mid-February 2023. This is particularly important in the context of the issues previously outlined and provides opportunity for the workforce strategy to fully embed. Should this be progressed, the estimated cost of the extension is approximately £200k and is included in the overall forecast outturn position for the portfolio.

2.10.16 Whilst there are a number of other budget pressures within the department totalling £480k, there are also a number of projected underspends (£170k) to help, in part, mitigate the position.

2.11 Integrated Care

<b>Integrated Care</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 Q2 2022/23 £000 (e) = (d)-(c)</b>	<b>Variance Q1 2022/23 £000</b>
Physical Support - Frail & Elderly	33,946	(19,706)	14,240	14,171	(69)	+565
Sensory Support	1,182	(224)	958	894	(64)	+10
Support with Memory & Cognition	13,165	(5,096)	8,069	8,198	129	+26
Learning Disability Support	32,291	(9,619)	22,672	23,858	+1,186	+58
Mental Health Support	4,443	(761)	3,682	3,973	+291	+22
Assistive Equipment & Technology	2,978	(2,247)	731	731	+0	0
Care Management - Assessment & Review	8,822	(2,686)	6,136	6,242	+106	0
Transport and Generic Services	1,441	(1,441)	0	0	+0	0
Management & Support Services	5,162	(5,162)	0	(27)	(27)	0
<b>Total</b>	<b>103,430</b>	<b>(46,942)</b>	<b>56,488</b>	<b>58,040</b>	<b>+1,552</b>	<b>+681</b>

- 2.11.1 At the half-year point, estimates of service demand and package costs show an anticipated pressure for the portfolio of £1.552m.
- 2.11.2 The pressure reflects estimates of on-going demand for care support and the continued high level of hospital discharge activity. The main area of pressure is within supported living services for people requiring support for Learning Disability needs. 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. The department continues to develop more financially efficient models of support for adults with learning disabilities and adults with mental health issues. On 19 October 2022 a facility for supporting people with mental health issues, Stadium View will open. This facility will provide short- term tenancies with support which will reduce the requirement for more complex and costly specialist out of borough placements. In addition, in April 2023 a facility for adults with learning disabilities with complex needs, Alexander Court will open. Similarly, this facility will reduce the need for more costly specialist out of borough placements
- 2.11.3 The department has also continued to review the in-house model of day care support and supported living for adults with learning disabilities and will deliver a minimum of £0.125m saving in year.
- 2.11.4 Since the withdrawal of NHS Hospital Discharge monies in September 2022 the department has re-introduced charging for services at the point of discharge from hospital. This will increase charging revenue in year against all hospital discharges.
- 2.11.5 The department continues to operate; three panels weekly to ensure that all cost-efficient alternatives have been considered when meeting need; is introducing online self-assessment for financial assessments to speed up charging for support and has electronic domiciliary care monitoring systems in place to ensure the council only pays for care that has been delivered.

- 2.11.6 The department have also accelerated the assessment of double- handed domiciliary care calls which will deliver further in year efficiencies.
- 2.11.7 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 continuing, in conjunction with specific project support, to develop the demand management strategy further to address in-year pressures.
- 2.11.8 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.
- 2.11.9 The Integrated Care Board (ICB) has been in place from 1 July 2022. It has been confirmed that 2022/23 will be a year of stability with no changes to core Health contributions. The risk regarding the cessation of Health funding for hospital discharge activity from April 2022 was mitigated due to a local agreement for the first half of the year and utilisation of the BCF uplift for the second half of the year. However, there are risks to this position going into 2023/24 due to uncertainty regarding on-going funding. As an integrated function, the portfolio continues to work closely with Health colleagues to ascertain any financial impact in future years.
- 2.11.10 There are further risks to the position with regards the impact of, and funding available for, both the Fair Cost of Care exercise and the implementation of the Social Care Reforms. A sub-regional approach was taken to the Fair Cost of Care exercise, the approach to which along with recommendations will be subject to an internal report in-year, following legal advice. The level of funding for 2022/23 has already been confirmed and options for utilisation will be brought forward as part of the governance process.
- 2.11.11 The initial tranche of funding of £98k for the implementation of the Social Care Reforms has been received. A cross-discipline working group is in place 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.
- 2.11.12 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 Q2 2022/23 £000 (e) =(d)-(c)	Variance Q1 2022/23 £000
Sexual Health	2,037	0	2,037	1,927	(110)	0
Primary Care	95	0	95	95	0	0
Public Health Advice	611	0	611	611	0	0
Obesity	1,086	0	1,086	1,086	0	0
Physical Activity	1,545	0	1,545	1,545	0	0
Substance Misuse	3,442	(642)	2,800	2,877	+77	0
Stop Smoking Services and Interventions	592	0	592	592	0	0
Healthy Child Programme	4,656	0	4,656	4,645	(11)	0
Miscellaneous Public Health Services	1,990	(100)	1,890	1,936	+46	0
Management & Support Services	2,056	(2,056)	0	0	0	0
Public Health Grant	0	(15,312)	(15,312)	(15,814)	(502)	0
<b>Total *</b>	<b>18,110</b>	<b>(18,110)</b>	<b>0</b>	<b>(500)</b>	<b>(500)</b>	<b>0</b>

\*Public Health Grant utilisation during the year to deliver Public Health priorities and outcomes across the Council

- 2.12.1 The outstanding savings for 2021/22 have now been achieved and the rest of the savings programme is largely on track, with some alternative savings to be identified during the year.
- 2.12.2 The remaining funds for Contain Outbreak Management continue to be managed to provide an on-going outbreak response along with an all-hazards approach. A further update on the Covid-19 response will be brought to senior leaders in the Autumn.
- 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 The previous Financial Monitoring Report noted additional funding to deliver the National Drugs Strategy in St Helens. In total, the Council has been awarded £3.722m for the period 2022 to 2025 to improve local drug treatment services for adults and children and young people. A detailed spending plan has been developed for 2022/23 and agreed by the Office for Health Improvement and Disabilities.

## (ii) Culture and Heritage

Culture and Heritage	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 Q2 2022/23 £000 (e) =(d)-(c)	Variance Q1 2022/23 £000
<b>Children's Services Department</b>						
Adult Community Learning	637	(617)	20	20	0	0
<b>Place Services Department</b>						
Arts Development & Support	346	(43)	303	303	0	0
Archiving	379	(183)	196	189	(7)	0
Sports Development	619	(384)	235	173	(62)	(62)
Indoor Sports & Recreation	4,800	(3,342)	1,458	1,514	+56	+563
Outdoor Sports & Recreation	477	(146)	331	331	0	0
Library Services	2,380	(144)	2,236	2,384	+148	+177
Tourism & Events	297	(26)	271	271	0	0
<b>Total</b>	<b>9,935</b>	<b>(4,885)</b>	<b>5,050</b>	<b>5,185</b>	<b>+135</b>	<b>+678</b>

2.12.5 This area of the portfolio is currently projecting a pressure of £135k.

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 are being held within Libraries and Leisure pending completion of Libraries Strategy and Phase 3 restructure to partly mitigate against the delay in implementation. Delivery of the locality hubs is phased over 1-5 years. However, the Libraries Strategy planned to be implemented from November will be delayed pending further consultation. Some posts will need to be filled temporarily whilst the libraries due to close in November remain open.

2.12.7 Indoor Sports & Recreation are currently projecting an income shortfall of £91k of which £75k is due to capacity constraints within the school swimming programme.

## 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 Q2 2022/23 £000 (e)=(d)-(c)	Variance Q1 2022/23 £000
Local Tax Collection	2,419	(847)	1,572	1,562	(10)	(10)
Emergency Planning	117	0	117	117	0	0
Local Welfare Assistance Schemes	192	0	192	192	0	0
Grants & Donations	50	(3)	47	47	0	0
Non-Distributed Costs	2,105	0	2,105	2,045	(60)	(60)
Finance	8,117	(8,117)	0	(223)	(223)	0
Audit & Risk	748	(748)	0	0	0	0
Coroners Court Services	220	0	220	220	0	0
Registration of Births, Deaths & Marriages	261	(199)	62	62	0	0
Democratic Representation & Management	1,721	0	1,721	1,721	0	0
Elections	471	(3)	468	468	0	0
Human Resources	2,916	(2,916)	0	28	+28	0
Legal Services	1,546	(1,546)	0	0	0	0
Governance & Administration	234	(234)	0	0	0	0
<b>Total</b>	<b>21,117</b>	<b>(14,613)</b>	<b>6,504</b>	<b>6,239</b>	<b>(265)</b>	<b>(70)</b>

- 2.13.1 Based upon current vacancies within 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 second half of the year progresses due to staff movement and therefore targets will be met. There are a couple of services that are currently forecasting that they will exceed their slippage target, based upon current vacancies and the forecast date for recruitment into posts, including slippage of £10k in Local Tax Collection and £223k in Finance.
- 2.13.2 The Occupational Health Service is currently forecasting a pressure of £28k, due to the cost of commissioning an external doctor for referrals increasing from previous years.
- 2.13.3 There is a forecast underspend of £60k for historical pension costs.
- 2.13.4 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 Q2 2022/23 £000 (e)=(d)-(c)	Variance Q1 2022/23 £000
Corporate Management	1,464	0	1,464	1,464	0	0
I.T.	9,939	(9,939)	0	(40)	(40)	0
Press and Public Affairs	1,005	(1,005)	0	0	0	0
Policy Development	2,100	(2,100)	0	(13)	(13)	(13)
Other Services	129	(129)	0	0	0	0
Corporate Training	887	(887)	0	0	0	0
<b>Total</b>	<b>15,524</b>	<b>(14,060)</b>	<b>1,464</b>	<b>1,411</b>	<b>(53)</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. There are a couple of services that are currently forecasting that they will exceed their slippage target, based upon current vacancies and the forecast date for recruitment into posts, including slippage of £13k in Policy Development and £40k in IT.
- 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

Environment and Transport	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 Q2 2022/23 £000 (e)=(d)-(c)	Variance Q1 2022/23 £000
Parks & Open Spaces	2,416	(135)	2,281	2,432	+151	+189
Street Cleansing	1,809	(170)	1,639	1,649	+10	+8
Cemetery and Crematorium	1,638	(2,515)	(877)	(855)	+22	+2
Waste Collection	3,070	(654)	2,416	2,354	(62)	(77)
Recycling	6,806	(3,015)	3,791	4,115	+324	+200
Climate Change	168	(25)	143	143	0	0
Parking Services	1,409	(1,150)	259	305	+46	+3
Highway Maintenance	10,993	(1,859)	9,134	8,766	(368)	(309)
Street Lighting	2,109	(158)	1,951	2,654	+703	(5)
Traffic Management & Road Safety	886	(211)	675	721	+46	+63
Direct Services	18,329	(18,365)	(36)	533	+569	+433
Management & Support Services	1,761	(1,761)	0	(22)	(22)	0
Councillor Improvement Fund	224	0	224	224	0	0
<b>Total</b>	<b>51,618</b>	<b>(30,018)</b>	<b>21,600</b>	<b>23,019</b>	<b>+1,419</b>	<b>+507</b>

- 2.15.1 The portfolio is currently projecting an overspend of £1.419m.
- 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 (£246k) 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 the Phase 3 restructure, which has now been approved and recruitment has commenced. This will enable more external arborist and Highways capital work to be carried out. However, due to the delay, the shortfall in income may not fully recover.
- 2.15.4 There is a forecast pressure within the Transport service of £327k due to the increasing cost of fuel. In June 2021 the price per unit for diesel was £0.94 compared to an average price per litre in September 2022 of £1.47, an increase of 56%. This forecast assumes a similar level of throughput to 2021/22 and prices remaining at the current level. In addition, there is a pressure on the costs of external vehicle hire of £100k based on the current number of replacement vehicles that are subject to external hire contracts.
- 2.15.5 There is a forecast pressure within the School Meals service of £287k due to the increasing cost of food provisions. Upon contract renewal, the school meals service is frequently encountering significant levels of price increases from suppliers, although there are a number of contracts that currently remain protected whilst still in fixed price arrangements.
- 2.15.6 Street Lighting energy costs are currently forecast to overspend by circa £700k. The details of the Government's Energy Bill Relief Scheme is awaited and clarification is required if the scheme extends to beyond buildings. The scheme may provide some mitigation of this budget pressure and further updates will be provided in the next quarterly Financial Monitoring Report.
- 2.15.7 The Recycling Service is forecasting a budget pressure of £324k, of which £236k relates to an overspend on employees. A further £60k net shortfall in income is also currently being reported.

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 Q2 2022/23 £000 (e)=(d)-(c)</b>	<b>Variance Q1 2022/23 £000</b>
Building Control	692	(359)	333	337	+4	0
Development Control	1,458	(936)	522	580	+58	+51
Planning Policy	814	(175)	639	560	(79)	0
Estates - Industrial & Commercial Premises (including Town Centre)	7,453	(5,777)	1,676	1,872	+196	+70
Market Undertakings	838	(357)	481	639	+158	+32
Economic Development	420	(140)	280	367	+87	+100
Growth Delivering Prosperity	1,569	(711)	858	858	0	0
Management & Support Services	1,213	(1,213)	0	0	0	0
Transport Planning, Policy & Strategy	439	0	439	364	(75)	0
Building Support Services	6,366	(6,366)	0	536	+536	0
Estates Management	668	(668)	0	(13)	(13)	0
<b>Total</b>	<b>21,930</b>	<b>(16,702)</b>	<b>5,228</b>	<b>6,100</b>	<b>+872</b>	<b>+253</b>

- 2.16.1 The portfolio is currently projecting an overspend of £872k.
- 2.16.2 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.
- 2.16.3 The Estates Service are currently forecasting a budget pressure of £196k, which includes reduced rental and service charge income from Church Square of £97k. There are also void business rates costs of £39k and a shortfall in rental income of £46k forecast across other industrial & commercial premises.
- 2.16.4 Energy costs within the portfolio are forecast to overspend by approximately £750k. Measures to bring about reductions in energy usage are key to minimising the additional pressure, including the review and rationalisation of the Council's operational buildings. Whilst the Government's Energy Bills Relief Scheme may help to mitigate against some of this budget pressure there is still uncertainty as to how the scheme will operate and details of its operation are awaited. Further updates will be provided in the next quarterly Financial Monitoring Report.
- 2.16.5 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. Work is ongoing to secure vacant possession of the remaining units but any delay in negotiations is 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.

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 Q2 2022/23 £000 (e) = (d)-(c)</b>	<b>Variance Q1 2022/23 £000</b>
Housing Services	2,684	(1,987)	697	760	+63	+11
Homelessness	1,069	(796)	273	208	(65)	0
Housing Benefit Administration	49,668	(49,684)	(16)	(16)	0	0
Supporting People	5,074	0	5,074	4,950	(124)	(64)
Community Safety	2,124	(757)	1,367	1,366	(1)	(7)
Environmental Health	1,626	(504)	1,122	1,204	+82	+104
Trading Standards	598	(15)	583	506	(77)	(50)
Licencing & Land Charges	628	(664)	(36)	(36)	0	+28
<b>Total</b>	<b>63,471</b>	<b>(54,407)</b>	<b>9,064</b>	<b>8,942</b>	<b>(122)</b>	<b>+22</b>

2.17.1 The portfolio is currently projecting an underspend of £122k.

2.17.2 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.

2.17.3 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. There is a forecast budget underspend within the Supporting People Programme based on current forecast activity levels.

2.17.4 There is a forecast income shortfall within the Environmental Health Service of £115k which is in relation to the failure to meet income targets in the Environmental Warden Service. This is being offset by two vacant posts within the service (£47k).

## 2.18 Treasury Management

2.18.1 The forecast Minimum Revenue Provision charge for 2022/23 has reduced by £304k as a consequence of rephasing of schemes within the capital programme into future years, as reported in the Revenue and Capital Outturn Report considered by Cabinet on 22 June 2022.

2.18.2 Debt management costs have been reduced (£545k) to reflect the profile of future capital expenditure funded by borrowing and decisions around the continued deferral of additional borrowing.

2.18.3 Investment interest has increased by £2,250k as a result of the increased bank rate and available market returns.

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

- 3.1 The Council's 2022/23 approved budget agreed to the delivery of £6.044m savings during the year. Table 1 details progress with the delivery of these savings.
- 3.2 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. Table 2 provides a summary of the anticipated impact on the 2022/23 budget position.
- 3.3 At the midpoint in the year and as summarised in Table 1 and Table 2, £3.396m of savings (red and amber) are either not achievable or there is a delay in full implementation. One-off mitigating actions to £1.172m have been identified for 2022/23. However, at this stage £2.224m of approved savings (2022/23 and 2021/22) have no identified mitigations and this presents a significant risk to the Council's budget position for 2022/23. This position will impact on the 2023/24 budget and at this stage this could potentially be circa £3m.

#### **Budget Savings 2022/23**

<b>Table 1 - Budget Savings 2022/23</b>	<b>Total Saving 2022/23 £000</b>	<b>Saving on track to be delivered £000 (a)</b>	<b>Slippage on delivery in year £000 (b)</b>	<b>Saving Unachievable £000 (c)</b>	<b>Mitigation 2022/23 £000 (d)</b>
Children's Services	3,159	794	1,586	779	341
Integrated Care	733	733	-	-	-
Public Health	752	689	-	63	63
Place Services	1,191	853	338	-	338
Corporate Services	209	107	102	-	102
<b>Total</b>	<b>6,044</b>	<b>3,176</b>	<b>2,026</b>	<b>842</b>	<b>844</b>
<b>%</b>	<b>100%</b>	<b>52.55%</b>	<b>33.52%</b>	<b>13.93%</b>	<b>-</b>
<b>Total Forecast Financial Saving 2022/23 (a)+(d)</b>	<b>4,020</b>				
<b>Total Saving not deliverable (b)+(c)-(d)</b>	<b>2,024</b>				

#### **Budget Savings 2021/22**

<b>Table 2 - Budget Savings 2021/22 impact on 2022/23 budget</b>	<b>Total Saving 2022/23 £000</b>	<b>Saving on track to be delivered £000 (a)</b>	<b>Slippage on delivery in year £000 (b)</b>	<b>Saving Unachievable £000 (c)</b>	<b>Mitigation 2022/23 £000 (d)</b>
Children's Services	799	799	-	-	-
Integrated Care	917	717	-	200	-
Public Health	389	389	-	-	-
Place Services	1,420	1,092	328	-	328
<b>Total</b>	<b>3,525</b>	<b>2,997</b>	<b>328</b>	<b>200</b>	<b>328</b>
<b>%</b>	<b>100%</b>	<b>85.03%</b>	<b>9.30%</b>	<b>5.67%</b>	<b>-</b>
<b>Total Forecast Financial Saving 2022/23 (a)+(d)</b>	<b>3,325</b>				
<b>Total Saving not deliverable (b)+(c)-(d)</b>	<b>200</b>				

- 3.4 It must be noted that savings considered deliverable in the year (green) 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.
- 3.5 Within the Public Health Service there is one saving (£0.063m) 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.
- 3.6 Within Children's Services, there are two savings considered to be not achievable:
  - (i) Review of Early Help and Family Support services (£0.6m)
  - (ii) Review of Family Support Services (£0.179m)

In addition, savings from the review of Children Looked After Services (£1.560m) will not be deliverable in 2022/23. The department continues to actively progress service reviews and is seeking to limit and mitigate the financial pressures arising from delays in implementation.

- 3.7 The unachievable savings in Integrated Care (2021/22 saving) relates to commissioned services within the voluntary sector. Work is ongoing to identify permanent alternative savings.
- 3.8 Within Place Services, there has been a delay in the delivery of some savings, particularly in relation to the delivery of a localities model, 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.
- 3.9 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.
- 3.10 Annex C details the deliverability of savings for 2022/23 by type of saving proposal.

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

- 4.1 The capital budget has been updated and the key revisions to the programme this quarter relate to the rephasing of schemes into future years and the addition of new/revised schemes.

### 4.2 Rephasing of Schemes

A number of schemes have been rephased across the 3-year programme of which the most significant are:

- (i) SEND base at De La Salle High School (£900k to 2023/24) which is currently at design stage
- (ii) Uncommitted school grants have been rephased into 2023/24 (£5m)
- (iii) Active Travel Fund Tranche 3 (£1.8m to 2023/24) as delivery of schemes is expected to slip due to the interface with existing projects
- (iv) Fleet Replacement Programme (£2.9m into 2023/24) due to extended delivery timescales for some vehicles
- (v) The Housing Capital programme has been rephased as detailed in the Cabinet Report of 5 October 2022

- 4.3 Additions to the programme include:

- (i) Additional funding of £6m to the 2023/24 programme from the Liverpool City Region Combined Authority to fund mitigation works for the Parkside Link Road as detailed in the report to Cabinet 5 October 2022.

- 4.4 In setting the 2022/23 budget, a number of potential strategic pipeline investment schemes were identified and would be subject to detailed feasibility and design work, prior to being further considered for approval. The following schemes have been approved in the period with funding from borrowing.

#### (i) Huskisson Bridge

This scheme is to repair the fire damaged bridge in Newton-le-Willows at a cost of £950k. The Council's Insurance team are seeking to recover these costs. The scheme was approved at Cabinet on 5 October 2022.

#### (ii) St Helens Town Centre Masterplan

The budget has been increased by £610k to reflect agreed relocation/compensation costs. These are within the funding allocations agreed by Cabinet in October 2021.

#### (iii) Finance System procurement

Approval via Urgent Leader Decision 14 September 2022 reported to Cabinet 5 October 2022

- 4.5 Other pipeline schemes will be added to the programme at quarter 3 subject to the required approval being secured.

- 4.6 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	12,641	10,871	1,300
Children and Young People	19	0	0
Integrated Care	65	0	0
Wellbeing, Culture and Heritage	485	0	0
Transformation	412	880	0
Environment and Transport	47,775	36,907	6,900
Regeneration and Planning	5,781	1,188	20
Safer, Stronger Communities	5,117	4,400	3,598
<b>Total</b>	<b>72,295</b>	<b>54,246</b>	<b>11,818</b>
<b>FINANCED BY</b>			
Grants and Other Contributions	54,523	34,501	10,648
Capital Receipts	2,898	290	168
Revenue Contribution	1,332	0	0
Borrowing	13,542	19,455	1,002
<b>Total</b>	<b>72,295</b>	<b>54,246</b>	<b>11,818</b>

- 4.7 The increasing level of inflation continues to present a significant financial challenge on the approved capital programme and particularly 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.
- 4.8 Many of the schemes in the potential 'pipeline' capital investment programme are funded via prudential borrowing. Recent market conditions have resulted in a significant increase in the rates offered for borrowing. This will increase the impact on the revenue budget of taking out borrowing to fund capital expenditure. This may require schemes to be reprioritised or rephased in order to mitigate the revenue impact. Further work will be undertaken to assess the impact of this and reported through the Council's Medium Term Financial Strategy.



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

### **5.1 General Balances**

The general balances position at 31 March 2023 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	-	(7,983)
<b>General Balances at 31 March 2023</b>	<b>12,000</b>	<b>5,440</b>

5.1.1 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 (MTFS) 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.

5.1.2 The movement in 2022/23 is due to the approved carry forward request from 2021/22 of £287k as detailed in the Revenue and Capital Outturn Report (Cabinet Report 14 July 2022 section 2.7 (iv) and 2.9) and the forecast overspend of £7,696k in 2022/23. This level of reserves is significantly less than the £12m detailed in the MTFS and is undesirably low and presents a significant risk to the Council.

### **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	(2,081)
<b>Forecast General Earmarked Balances at 31 March 2023</b>	<b>46,594</b>

<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)	(3,241)
<b>Forecast Covid Earmarked Balances at 31 March 2023</b>	<b>489</b>	<b>6,095</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 *	13,540
Forecast Net Position 2022/23	(1,440)
<b>Forecast School Balances at 31 March 2023</b>	<b>12,100</b>

\* The figure reported in the Cabinet Report of 13 July 2022 was £12.648m. The figure has been amended to reflect an adjustment made during the closure of the 2021/22 accounts.

### 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	1,064
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)
Required to fund Capital Programme 2022/23 to 2024/25 *	(3,356)
<b>Available Balance (after taking commitments into account)</b>	<b>7,525</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 Rough Sleeper Initiative Round 5**

The Council has been awarded £967k Rough Sleeper Initiative Round 5 Funding from the Department for Levelling Up Housing and Communities for the period 2022 to 2025 to deliver new and existing initiatives to prevent and reduce rough sleeping. The Cabinet Report of 13 July 2022 provides further details.

#### **6.1.2 Trailblazer Homelessness Intervention and Prevention Funding**

The Council has been awarded £258k funding from Liverpool City Region Combined Authority to continue the delivery of the Homelessness Prevention Trailblazer Programme, which supports residents at an early stage through advice and signposting in order to prevent the risk of homelessness. Delegated Executive Decision 0104 2022/23 provides further details.

#### **6.1.3 National Lottery Heritage Funding (NLHF) - Creative Underground St Helens programme**

The Council has been awarded £250k NLHF funding which will provide communities with a unique opportunity to participate in the cultural heritage of St Helens. Further details can be found in Delegated Executive Decision 0103 2022/23.

#### **6.1.4 Homes for Ukraine Scheme**

For the period April to September 2022 a sum of £819k will be received in relation to the Councils' support to individuals and families under the Homes for Ukraine scheme. In addition, further funding is provided to support Education and Childcare for children added 2 to 18 who have entered the UK via the Homes for Ukraine visa route.

### **6.2 St Helens Town Deal Business Case Submissions**

Six Full Business Cases were submitted for the St Helens Town Deal Projects Tranche 1 funding for a total of £20.75m. The Council were notified on 21 October 2022 the business cases had passed the Department for Levelling Up, Housing and Communities internal review processes. At the time of drafting this report confirmation of payment details were being awaited. Further details of the projects are provided in the Cabinet Report on 13 July 2022.

### **6.3 Term Time Only Staff Employment Tribunal Claims**

Following the Supreme Court judgment in the case of '*Harpur Trust v Brazel*' handed down in July 2022 and the receipt of a number of claims received from term-time only staff, mainly employed in schools, the Council has commissioned specialist external legal advice on the matter and updates will be provided in future Financial Monitoring Reports.

**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 Interim Treasury Management Strategy is included in Annex G.

<b>Table 10 – Treasury Management Position</b>	<b>As at 1 April 2022</b>	<b>AS at Previous Period</b>	<b>As at Current Period</b>
Investments Outstanding	£154.1m	£171.0m	£156.07
Investment Returns (average for the year to date)	-	-	1.1%
Benchmark Returns	-	-	2.3%
Borrowing	£140.6m	£140.60m	£137.53m

## Budget Movements since the previous reporting period

## Annex A

PORTFOLIO	Approved Budget	Use of Reserves in Period	*Technical & Accounting Adjustments	Current Budget
	£000 *1	£000 *2	£000 *3	£000
Inclusive Economy, Business and Skills	13,142	-	(41)	13,101
Children and Young People	46,884	979	(36)	47,827
Integrated Care	56,488	-	-	56,488
Wellbeing, Culture and Heritage	5,050	-	-	5,050
Finance and Governance	6,504	-	-	6,504
Transformation	1,464	-	-	1,464
Environment and Transport	21,553	-	47	21,600
Regeneration and Planning	4,037	646	545	5,228
Safer, Stronger Communities	9,024	-	40	9,064
<b>TOTAL DIRECTORATE BUDGETS</b>	<b>164,146</b>	<b>1,625</b>	<b>555</b>	<b>166,326</b>
Council Wide Budgets	(163,859)	(1,625)	(555)	(166,039)
<b>Net Position 2022/23</b>	<b>287</b>	<b>-</b>	<b>-</b>	<b>287</b>

\*1 Approved budget – Cabinet 14 July 2022

\*2 Use of earmarked reserves during the period (see Annex D)

\*3 Neutral technical and accounting adjustments (e.g. capital charges)

**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	60,415	64,738	+4,323
Priority 2 – Promote good health, independence, and care across our communities	56,488	57,540	+1,052
Priority 3 – Create safe and strong communities and neighbourhoods for all	9,064	8,942	(122)
Priority 4 – Support a strong, thriving, inclusive and well-connected local economy	6,020	6,399	+379
Priority 5 – Create green vibrant places that reflect our heritage and culture	27,024	28,532	+1,508
Priority 6 – Be a responsible Council	7,315	7,520	+205
Pay Award	0	3,450	+3,450
<b>Total</b>	<b>166,326</b>	<b>177,121</b>	<b>+10,795</b>

**Annex C**

<b>Nature of Saving Proposal 2022/23</b>	<b>Total 2022-23 £000</b>	<b>Green £000</b>	<b>Amber £000</b>	<b>Red £000</b>
<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	100	-	600
- Family Support Services	479	300	-	179
<b>Total Children's Social Care</b>	<b>2,739</b>	<b>400</b>	<b>1,560</b>	<b>779</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	689	-	63
<b>Total Public Health</b>	<b>752</b>	<b>689</b>	<b>-</b>	<b>63</b>
<b>Place Service Reviews</b>				
- Councillor Improvement Fund	75	75	-	-
- Department Wide Service Reviews	771	483	288	-
- Supporting People	245	245	-	-
- Other	100	50	50	-
<b>Total Place Services</b>	<b>1,191</b>	<b>853</b>	<b>338</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>3,176</b>	<b>2,026</b>	<b>842</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
Children & Young People	Transformation	Children's Social Care Project Teams	Cabinet 13 July 2022	+979
Regeneration & Planning	Growth	Medium Term Financial Strategy 2022-2025	Cabinet 23 February 2022	+646
				<b>+1,625</b>



**Annex E****EARMARKED BALANCES 2022/23 to 2024/25**

<b>Reserve</b>	<b>Balance at 1 April 2022 £000</b>	<b>Balance at 31 March 2023 £000</b>	<b>Balance at 31 March 2024 £000</b>	<b>Balance at 31 March 2025 £000</b>
Transformation Reserve <sup>1</sup>	8,056	5,130	4,623	4,873
Growth Reserve	5,930	5,363	5,411	6,467
Councillor Improvement Fund	576	452	452	452
Insurance & Contingent Liability Reserve	3,208	3,208	3,208	3,208
Waste Management Development Fund	1,204	312	312	312
Inflationary Reserve	3,000	4,000	5,000	6,000
Restructuring Reserve	3,707	3,707	3,707	3,707
Funding Reform Volatility Reserve <sup>1</sup>	2,994	4,422	6,422	8,422
Pension Reserve <sup>3</sup>	20,000	20,000	0	10,000
<b>Subtotal - General Earmarked Balances</b>	<b>48,675</b>	<b>46,594</b>	<b>29,135</b>	<b>43,441</b>
Covid-19 Reserve - Collection Fund <sup>2</sup>	<b>8,565</b>	<b>489</b>	<b>0</b>	<b>0</b>
Covid-19 Reserve - Other	<b>9,336</b>	<b>6,095</b>	<b>4,095</b>	<b>0</b>
<b>TOTAL</b>	<b>66,576</b>	<b>53,178</b>	<b>33,230</b>	<b>43,441</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 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 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

PORTFOLIO					Funding			
	2022/23	2023/24	2024/25	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
	£000	£000	£000	£000	£000	£000	£000	£000
Inclusive Economy, Business and Skills	12,641	10,871	1,300	24,812	2,830	784	222	20,976
Children and Young People	19	0	0	19	0	0	0	19
Integrated Care	65	0	0	65	40	0	0	25
Wellbeing, Culture and Heritage	485	0	0	485	483	0	2	0
Transformation	412	880	0	1,292	764	528	0	0
Environment and Transport	47,775	36,907	6,900	91,582	21,419	1,696	1,032	67,435
Regeneration and Planning	5,781	1,188	20	6,989	6,849	110	30	0
Safer, Stronger Communities	5,117	4,400	3,598	13,115	1,614	238	46	11,217
<b>TOTAL</b>	<b>72,295</b>	<b>54,246</b>	<b>11,818</b>	<b>138,359</b>	<b>33,999</b>	<b>3,356</b>	<b>1,332</b>	<b>99,672</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	5	45	0	50	0	0	0	50
Broad Oak Primary WC Refurbishment	67	0	0	67	0	0	67	0
Legh Vale Heating Replacement	50	0	0	50	0	0	0	50
Longton Lane Rebuilding Programme	0	158	0	158	0	0	0	158
Queens Park Window Replacement	92	0	0	92	0	0	0	92
Queens Park Roof Replacement	10	90	0	100	0	0	0	100
Robins Lane Health & Safety Works	50	0	0	50	0	0	0	50
Sutton Manor Health & Safety Works	5	45	0	50	0	0	0	50
The District Primary - Fire Doors	72	0	0	72	0	0	1	71
SEND base Wargrave/Grange Valley Partnership	172	0	0	172	0	0	62	110
Other Schemes less than £50k	217	35	0	252	0	0	0	252
<b>Secondary Schools</b>								
Cowley Roof Replacement	60	0	0	60	0	0	0	60
De La Salle SEND Base	44	900	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	0	100	0	100	0	0	0	100
Penkford Relocation	3,691	0	0	3,691	2,822	784	85	0
Other Schemes less than £50k	43	35	0	78	8	0	0	70
<b>Other Schemes</b>								
Various Schools Fire Risks	22	20	0	42	0	0	0	42
Other Schemes less than £50k	56	0	0	56	0	0	0	56
<b>Uncommitted Grant Funding</b>								
Healthy Pupils Capital Funding	0	125	0	125	0	0	0	125
School Devolved Formula Capital	475	558	300	1,333	0	0	0	1,333
Higher Needs Provision Capital	154	3,510	0	3,664	0	0	0	3,664
Basic Need Uncommitted	230	500	0	730	0	0	0	730
School Condition Funding Uncommitted	527	4,000	1,000	5,527	0	0	0	5,527
<b>TOTAL</b>	<b>12,641</b>	<b>10,871</b>	<b>1,300</b>	<b>24,812</b>	<b>2,830</b>	<b>784</b>	<b>222</b>	<b>20,976</b>

CHILDREN AND YOUNG PEOPLE PORTFOLIO	2022/23	2023/24	2025/26	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000	£000	£000	£000	£000	£000
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>

INTEGRATED CARE PORTFOLIO	2022/23	2023/24	2025/26	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000	£000	£000	£000	£000	£000
Unallocated Community Capacity Grant	25	0	0	25	0	0	0	25
Brookfield Wet Room	40	0	0	40	40	0	0	0
<b>TOTAL</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>65</b>	<b>40</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
412	880	0	1,292
<b>412</b>	<b>880</b>	<b>0</b>	<b>1,292</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
764	528	0	0
<b>764</b>	<b>528</b>	<b>0</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
Huskinson Bridge Repairs
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
CRSTS - Resource Funding
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
Two Butt Lane Open Space (S.106)
<b>Other Schemes</b>
Fleet Replacement Programme
<b>TOTAL</b>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
25,664	24,620	0	50,284
13	0	0	13
38	0	0	38
24	0	0	24
551	0	0	551
450	1,879	0	2,329
30	0	0	30
44	0	0	44
94	0	0	94
453	0	0	453
950	0	0	950
578	0	0	578
515	0	0	515
165	0	0	165
0	6,200	6,200	12,400
380	0	0	380
3,200	0	0	3,200
600	0	0	600
900	0	0	900
300	0	0	300
600	0	0	600
760	0	0	760
152	0	0	152
10	0	0	10
81	0	0	81
4,642	572	0	5,214
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
20	0	0	20
4,473	3,636	700	8,809
<b>47,775</b>	<b>36,907</b>	<b>6,900</b>	<b>91,582</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
13,180	0	0	37,104
13	0	0	0
0	0	0	38
0	0	0	24
0	0	0	551
0	0	0	2,329
0	0	0	30
44	0	0	0
0	0	0	94
142	311	0	0
950	0	0	0
0	0	0	578
0	0	0	295
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
0	0	0	760
35	0	15	102
0	0	10	0
0	0	0	81
0	0	0	5,214
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
0	0	0	20
6,985	1,340	484	0
<b>21,419</b>	<b>1,696</b>	<b>1,032</b>	<b>67,435</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
The Gamble Building and Earlestown Town Hall
The Gamble Building (External works)
Earlestown Town Hall (External Refurbishment)
<b>TOTAL</b>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
185	0	0	185
81	20	20	121
2,670	1,168	0	3,838
365	0	0	365
426	0	0	426
30	0	0	30
1	0	0	1
992	0	0	992
1,031	0	0	1,031
<b>5,781</b>	<b>1,188</b>	<b>20</b>	<b>6,989</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
185	0	0	0
21	100	0	0
3,838	0	0	0
365	0	0	0
426	0	0	0
0	0	30	0
0	1	0	0
983	9	0	0
1,031	0	0	0
<b>6,849</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
Remediation - Tickle Avenue
<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>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
281	0	0	281
256	0	0	256
4,230	4,050	3,248	11,528
100	100	100	300
50	50	50	150
200	200	200	600
<b>5,117</b>	<b>4,400</b>	<b>3,598</b>	<b>13,115</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts,
£000	£000	£000	£000
235	0	46	0
256	0	0	0
611	0	0	10,917
200	0	0	100
150	0	0	0
162	238	0	200
<b>1,614</b>	<b>238</b>	<b>46</b>	<b>11,217</b>

<b>TOTAL</b>
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<b>72,295</b>	<b>54,246</b>	<b>11,818</b>	<b>138,359</b>
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<b>33,999</b>	<b>3,356</b>	<b>1,332</b>	<b>99,672</b>
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## CAPITAL PROGRAMME 2022/23

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q1	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.
Bleak Hill Roof Repairs	50	0	-45	-45	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Broad Oak Primary Playing Field Drainage	3	-3	0	-3	0	Scheme is now complete.
Broad Oak Primary WC Refurbishment	0	67	0	67	67	New scheme as per operational decision ENVP002472.
Grange Valley Primary - Remodel Staff Room	6	-5	0	-5	1	Scheme is now complete.
Legh Vale Heating Replacement	50	0	0	0	50	Scheme is now complete.
Longton Lane Rebuilding Programme	150	8	-158	-150	0	The overall rebuilding scheme is being delivered externally by the Education & Skills Funding Agency. Proposals are currently at the design stage. An additional £8k is required for the works being delivered at the request of the Authority but it is currently anticipated that the contribution will only be required in 2023/24.
Merton Bank Structural Works	30	0	0	0	30	
Newton Le Willows Primary Heating	15	0	0	0	15	
Queens Park Window Replacement	92	0	0	0	92	Scheme is now complete.
Queens Park Roof Replacement	100	0	-90	-90	10	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 commenced during the summer holiday period and it is anticipated that it will be completed during October half term.
Sutton Manor Health & Safety Works	50	0	-45	-45	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Sutton Oak Boiler Replacement	40	0	0	0	40	
Thatto Heath Structural Works	25	0	0	0	25	

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q1	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 cont.</b>						
The District Primary - Nursery Provision	41	0	0	0	41	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.  New scheme as per operational decision ENVP002496. Scheme is now complete.
The District Primary - Roof Replacement	40	0	-35	-35	5	
The District Primary - Fire Doors	0	72	0	72	72	
SEND base Wargrave/Grange Valley Partnership	172	0	0	0	172	
<b>Secondary Schools</b>						
Cowley Roof Replacement	60	0	0	0	60	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
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	944	0	-900	-900	44	Options to complete the full design for the scheme are currently being considered.
<b>Special &amp; Other Schools</b>						
Lansbury Bridge Roof Repairs	8	-8	0	-8	0	
Lansbury Bridge - Refurbishment of classroom	0	30	0	30	30	
Mill Green Key Stage 5 Base	8	0	0	0	8	New scheme as per operational decision PEO002127.  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.
Launchpad Roof Renewal	100	0	-100	-100	0	
Penkford Refurbishment	11	-11	0	-11	0	
Penkford Relocation	3,691	0	0	0	3,691	
Pupil Referral Heating	40	0	-35	-35	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q1	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>Other Schemes</b>						
Harnessing Technology	5	0	0	0	5	Following a review of service provision, delivery of this scheme is not currently required.
Taylor Park Youth Service Base - Condition Works	30	-30	0	-30	0	
Various Schools Roller Shutters	1	0	0	0	1	
Various Schools Fire Risks	89	-47	-20	-67	22	Funding is committed to fire door replacement schemes at The District CE Primary and Sutton Oak CE Primary, a fire alarm panel replacement at Lansbury Bridge and an escape ramp at Queens Park CE/URC Primary.
Various Schools Heating	49	0	0	0	49	
Various Schools Asbestos Removal	1	0	0	0	1	
<b>Uncommitted Grant Funding</b>						
Healthy Pupils Capital Funding	125	0	-125	-125	0	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. Funding has been rephased into 2023/24 pending the identification of appropriate schemes.
School Devolved Formula Capital	752	-19	-258	-277	475	
Higher Needs Provision Capital	1,654	0	-1,500	-1,500	154	
Basic Need Uncommitted	738	-8	-500	-508	230	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.
						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.
						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.



INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
School Condition Funding Uncommitted	3,505	22	-3,000	-2,978	527	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. It is anticipated that the majority of these will be scheduled to be delivered in 2023/24.
<b>TOTAL</b>	<b>19,384</b>	<b>68</b>	<b>-6,811</b>	<b>-6,743</b>	<b>12,641</b>	
CHILDREN AND YOUNG PEOPLE PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£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>	
INTEGRATED CARE PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Unallocated Community Capacity Grant	25	0	0	0	25	New scheme as per operational decision PEOP002081 - £35,006.50 plus 15% fees.
Brookfield Wet Room	0	40	0	40	40	
<b>TOTAL</b>	<b>25</b>	<b>40</b>	<b>0</b>	<b>40</b>	<b>65</b>	
WELLBEING, CULTURE AND HERITAGE PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£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>	
TRANSFORMATION	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
ICT Device Refresh	1,112	0	-700	-700	412	
<b>TOTAL</b>	<b>1,112</b>	<b>0</b>	<b>-700</b>	<b>-700</b>	<b>412</b>	

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q1	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	Further to a positive public inquiry decision in November 2021, the construction stage of the project commenced March 2022. Work is progressing well on site. Engagement continues with the public and wider stakeholders with a dedicated public liaison officer in place.
A58 Liverpool Rd/A580 East Lancs Rd Junct.Impvts (Pewfall). KRN (Employment Hubs)	13	0	0	0	13	Minor remedial works required. Carry over from 21/22 at this stage it is anticipated that the budget will be fully committed.
Accessibility Improvements Supporting Regeneration	38	0	0	0	38	Carry over from 21/22. At this stage it is anticipated that the budget will be fully committed.
Active Travel Fund - Tranche 1	24	0	0	0	24	Carry over from 21/22. Anticipate that the budget will be fully committed. Discussions ongoing around cycle lane on Chester lane/ Jubits Lane/ & Clockface road.
Active Travel Fund - Tranche 2	551	0	0	0	551	Sherdley Road and Warrington Road now completed. Peasley Cross Junction now due for completion in September 22 All funding fully committed.
Active Travel Fund - Tranche 3	2,329	0	-1,879	-1,879	450	To deliver cycling & walking network improvements within the borough. Schemes will be designed and committed by end of March, with completion as soon as possible thereafter, there will be slippage into 2023/24 due to the interface with other existing projects and proposals.
Bridge Strengthening & Maintenance	210	0	-180	-180	30	Remaining budget £180k to be allocated to the Sustainable Urban Development Scheme as part of the bridge replacement work.
Carriageway Maintenance	44	0	0	0	44	
Highways Challenge Fund	94	0	0	0	94	
Highway / Road Investment	453	0	0	0	453	At procurement stage for invest to save street lighting programme.
Huskisson Bridge Repairs	0	950	0	950	950	Repairs to fire damaged bridge, providing access to Sankey Valley Industrial Estate. Anticipated completion by March 2023. Cabinet Report 5 October 2022.

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Key Route Network	578	0	0	0	578	Ring fenced for works on the Key Route Network (A580 East Lancs Rd / A570 Rainford Bypass / A570 St. Helens Linkway), schemes to be identified using evidence base.
LCR Sustainable Urban Development	115	0	400	400	515	Bridge refurbishment works completed, design work being undertaken on bridge replacement, new bridge to be ordered by Nov.22. Detailed design on canal wall repairs being undertaken. £180k vired from Bridge Strengthening & Maintenance, £220k from CRSTS Bridges.
Local Safety Schemes	165	0	0	0	165	Undertaking traffic count studies to determine future works.
Local Transport Plan Unallocated (CRSTS)	0	0	0	0	0	
CRSTS- Active Travel-City Region	600	0	-220	-220	380	Active Travel - Gaist surveys commissioned - network condition. PROW and cycleway survey work. Started to scope out the Year 1 residual spend. Using funds to assist in the completion of the Islands brow works - toucan crossing works (linked to the SUDS project). Coming from Year 1 quick wins. Small scale active travel works under development.
CRSTS- Strategic Maintenance	3,200	0	0	0	3,200	Good progress has been made on the initial batch of sites, with the majority completed. The next tranche of work is currently being procured. Tenders anticipated to be issues late October 22.
CRSTS - Bridges	600	0	0	0	600	£150k committed as part of Southern Gateway scheme to waterproof maintenance on Marshalls Cross rail bridge. An opportunity was identified to include the work with the CYCLOPS junction improvement to minimise disruption. First package of works for small bridge repairs to be issued late September 22.

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
CRSTS - Technology & Comms Upgrade	900	0	0	0	900	<p>UTC - Network Enhancements: Designs progressing for all crossing improvement works - including site meetings with the contractors. Dates confirmed for all 3 projects confirmed as follows Lugsmore Mid- August-Mid-September Baldwin St. - September - November Boundary/ Kirkland Street - November - Mid January 23</p> <p>VMS/ VAS: - currently preparing a prioritisation list for replacement of VAS. Also looking at the opportunity for purchase of mobile (column mounted) VAS to allow the use around the borough.</p>
CRSTS - Potholes	300	0	0	0	300	Work to be completed by in-house team throughout year.
CRSTS - Flooding / Drainage	600	0	0	0	600	
CRSTS - Resource Funds	0	760	0	760	760	Cabinet Report June 2022.
Safer Routes to Schools	152	0	0	0	152	Schemes to be identified.
SCP - Amber Flashing Lights	10	0	0	0	10	
Section 106 Arrangements	81	0	0	0	81	S.106 funding to be reviewed and allocated to project delivery in liaison with the Growth Delivering Prosperity Team.
St. Helens Southern Gateway Package	4,642	0	0	0	4,642	Tender evaluations have been completed and contract to be awarded. Detailed design work underway on complimentary routes with construction expected in Q4.
Street Lighting	77	0	0	0	77	At this stage it is anticipated that the budget will be fully committed (carry over).
Traffic Calming & Restraint	31	0	0	0	31	At this stage it is anticipated that the budget will be fully committed (carry over).
Traffic Signal Improvements on A58 and A572	497	0	0	0	497	Specialist equipment-Schemes expected to commence in Feb 23.
Walking & Cycling Measures	30	0	0	0	30	At this stage it is anticipated that the budget will be fully committed (carry over).

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q1	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>Environmental Schemes</b>						
Air Quality	650	0	0	0	650	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.  Anticipated to be complete this year.  Pending Waste and Recycling Review.  Survey completed.  ENVP002373- New footpaths.  Slippage on programme due to extended delivery timescales for some vehicles.
Climate Change Emergency Response Fund	59	0	0	0	59	
Haydock KGV Playing Field- Site Improvements	151	0	0	0	151	
Recycling & Waste Collection	489	0	0	0	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	
Two Butt Lane Open Space (S.106)	0	20	0	20	20	
<b>Other Schemes</b>						
Fleet Replacement Programme	7,409	0	-2,936	-2,936	4,473	
<b>TOTAL</b>	<b>50,860</b>	<b>1,730</b>	<b>-4,815</b>	<b>-3,085</b>	<b>47,775</b>	

REGENERATION AND PLANNING PORTFOLIO	Approved Budget Q1	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Chalon Way Meanwhile Use	185	0	0	0	185	As detailed in Delegated Executive Decision 0098 2021/22.  Balance of approved funding added to scheme.  Building demolished.  Scheme completed-additional cost re vinyls on hoardings not included in original cost.
Ground Conditions Survey	81	0	0	0	81	
St Helens Town Centre Masterplan	500	2,170	0	2,170	2,670	
Hardshaw Brook Depot Review	365	0	0	0	365	
Modernisation of St Helens Crematorium	426	0	0	0	426	
Registry Office Demolition	30	0	0	0	30	
The Gamble Building and Earlestown Town Hall	10	-9	0	-9	1	
The Gamble Building (External works)	972	20	0	20	992	

REGENERATION AND PLANNING PORTFOLIO	Approved Budget Q1	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)	1,031	0	0	0	1,031
<b>TOTAL</b>	<b>3,600</b>	<b>2,181</b>	<b>0</b>	<b>2,181</b>	<b>5,781</b>

Narrative
Approval via Cabinet on 2 February (£987k) for the procurement of the External Repairs project at Earlestown Town Hall, with an additional £87k approved under Delegated Executive Decision 0090 2021/22. Work commenced 3/5/22 with 37 week programme, anticipated completion January 2023. Works include masonry repairs, window & door replacements, roof repairs and works to eradicate dry rot.

SAFER, STRONGER COMMUNITIES PORTFOLIO	Approved Budget Q1	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	209	0	72	72	281
Remediation - Tickle Avenue	241	15		15	256
<b>Housing Schemes</b>					
Disabled Facilities Grants and Adaptations	4,366	30	-166	-136	4,230
General Fund Housing (Housing Assistance)	140	0	-40	-40	100
Housing Clearance and Enforcement	80	0	-30	-30	50
Insulation Measures and Fuel Poverty	442	0	-242	-242	200
<b>TOTAL</b>	<b>5,478</b>	<b>45</b>	<b>-406</b>	<b>-361</b>	<b>5,117</b>

Narrative
Project Management Support included in the programme. Bringing forward budget from 23/24. DED0084 21/22 £250k approved, costs increased slightly due to additional works.
Re-phasing of capital schemes as per Cabinet report 5 October 22. Additional £30k Better Care Fund from ASCH.
as above.
as above.
as above.

## 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	
<b>Primary Schools</b>							
Ashurst Primary Rebuild	6,586	0	0	0	6,586	0	6,586
Bleak Hill Roof Repairs	5	0	0	0	5	0	5
Broad Oak Primary WC Refurbishment	67	0	0	67	0	0	67
Legh Vale Heating Replacement	50	0	0	0	50	0	50
Longton Lane Rebuilding Programme	0	0	0	0	0	0	0
Queens Park Window Replacement	92	0	0	0	92	0	92
Queens Park Roof Replacement	10	0	0	0	10	0	10
Robins Lane Health & Safety Works	50	0	0	0	50	0	50
Sutton Manor Health & Safety Works	5	0	0	0	5	0	5
The District Primary - Fire Doors	72	0	0	1	71	0	72
SEND base Wargrave/Grange Valley Partnership	172	0	0	62	110	0	172
Other Schemes less than £50k	217	0	0	0	217	0	217
<b>Secondary Schools</b>							
Cowley Roof Replacement	60	0	0	0	60	0	60
De La Salle SEND Base	44	0	0	0	44	0	44
Other Schemes less than £50k	13	0	0	7	6	0	13
<b>Special &amp; Other Schools</b>							
Launchpad Roof Renewal	0	0	0	0	0	0	0
Penkford Relocation	3,691	2,822	784	85	0	0	3,691
Other Schemes less than £50k	43	8	0	0	35	0	43
<b>Other Schemes</b>							
Various Schools Fire Risks	22	0	0	0	22	0	22
Other Schemes less than £50k	56	0	0	0	56	0	56
<b>Uncommitted Grant Funding</b>							
Healthy Pupils Capital Funding	0	0	0	0	0	0	0
School Devolved Formula Capital	475	0	0	0	475	0	475
Higher Needs Provision Capital	154	0	0	0	154	0	154
Basic Need Uncommitted	230	0	0	0	230	0	230
School Condition Funding Uncommitted	527	0	0	0	527	0	527
<b>TOTAL</b>	<b>12,641</b>	<b>2,830</b>	<b>784</b>	<b>222</b>	<b>8,805</b>	<b>0</b>	<b>12,641</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	Borrowing	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
Brookfield Wet Room	40	40	0	0	0	0	40
<b>TOTAL</b>	<b>65</b>	<b>40</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>65</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	412	64	348	0	0	0	412
<b>TOTAL</b>	<b>412</b>	<b>64</b>	<b>348</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>412</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	450	0	0	0	0	450	450
Bridge Strengthening & Maintenance	30	0	0	0	0	30	30
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
Huskinson Bridge Repairs	950	950	0	0	0	0	950
Key Route Network	578	0	0	0	0	578	578
LCR Sustainable Urban Development	515	0	0	0	58	237	295
Local Safety Schemes	165	0	0	0	0	165	165
CRSTS- Active Travel-City Region	380	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
CRSTS - Resource Funding	760	0	0	0	0	760	760
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	650	0	0	0	650	0	650
Climate Change Emergency Response Fund	59	59	0	0	0	0	59
Haydock KGV Playing Field- Site Improvements	151	0	0	79	0	72	151
Recycling & Waste Collection	489	0	45	444	0	0	489
Section 106 Arrangements (Non-Highway Schemes)	53	0	0	0	0	53	53
St. Helens Cemetery-Drainage Scheme	11	11	0	0	0	0	11
Play Equipment (S.106) Rainhill	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
Two Butt Lane Open Space (S.106)	20	0	0	0	0	20	20
<b>Other Schemes</b>							
Fleet Replacement Programme	4,473	2,649	1,340	484	0	0	4,473
<b>TOTAL</b>	<b>47,775</b>	<b>3,903</b>	<b>1,696</b>	<b>1,032</b>	<b>1,205</b>	<b>39,939</b>	<b>47,775</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	2,670	2,670	0	0	0	0	2,670
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
The Gamble Building and Earlestown Town Hall	1	0	1	0	0	0	1
The Gamble Building (External works)	992	983	9	0	0	0	992
Earlestown Town Hall (External Refurbishment)	1,031	1,031	0	0	0	0	1,031
<b>TOTAL</b>	<b>5,781</b>	<b>5,681</b>	<b>70</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>5,781</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	281	235	0	46	0	0	281
Remediation - Tickle Avenue	256	256					256
<b>Housing Schemes</b>							
Disabled Facilities Grants and Adaptations	4,230	0	0	0	4,221	9	4,230
General Fund Housing (Housing Assistance)	100	0	0	0	100	0	100
Housing Clearance and Enforcement	50	50	0	0	0	0	50
Insulation Measures and Fuel Poverty	200	0	0	0	200	0	200
<b>TOTAL</b>	<b>5,117</b>	<b>541</b>	<b>0</b>	<b>46</b>	<b>4,521</b>	<b>9</b>	<b>5,117</b>

<b>TOTAL ALL PORTFOLIO'S</b>	<b>72,295</b>	<b>13,542</b>	<b>2,898</b>	<b>1,332</b>	<b>14,575</b>	<b>39,948</b>	<b>72,295</b>
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**INTERIM TREASURY MANAGEMENT STRATEGY REPORT 2022/23****1 Background**

- 1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017) was adopted by Council on 28 February 2018.

The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities;
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives;
- Consideration of an Annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, an Interim Review Report and an Annual Report (outturn report) covering activities during the previous year;
- Delegation by the Council of responsibilities for implementing and monitoring Treasury Management policies and practices and for the execution and administration of Treasury Management decisions; and
- Delegation by the Council for the role of scrutiny of the Treasury Management Strategy and Policies to a specific named body. For this Council, the delegated body is the Audit and Governance Committee.

- 1.2 This interim report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An update on Interest Rates and prospects for future Interest Rates;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy and an update on the current investment and borrowing portfolios;
- A review of any debt rescheduling undertaken and any possible opportunities during 2022/23;
- An update on other issues affecting Treasury Management;
- An update on the latest Treasury Management Budget position: and
- A review of compliance with Treasury Limits and Prudential Indicators for 2022/23 and forward Treasury Limits and Prudential Indicators for 2023/24 and 2024/25.

**2. Interest Rate Forecasts**

- 2.1 The Council's treasury advisor, Link Asset Services, has provided the following forecast:

%	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Bank Rate	4.00	5.00	5.00	5.00	4.50	4.00	3.75	3.25	3.00	2.75
5yr PWLB	5.00	4.90	4.70	4.50	4.20	3.90	3.70	3.50	3.20	3.10
10yr PWLB	4.90	4.70	4.60	4.30	4.10	3.80	3.60	3.50	3.40	3.30
25yr PWLB	5.10	4.90	4.80	4.50	4.30	4.10	3.90	3.70	3.60	3.60
50yr PWLB	4.80	4.60	4.50	4.20	4.00	3.80	3.60	3.40	3.30	3.30

- 2.2 The Monetary Policy Committee (MPC), reduced bank rate to 0.10% in March 2020 in response to the coronavirus pandemic. The rate remained at this rate through to November 2021 as the uncertainty of the economic impact of COVID and periods of lockdown remained.
- 2.3 However, at the MPC meeting in December 2021, the bank rate was increased to 0.25%, in response to the recovery of UK GDP from the effects of COVID-19 and the increasing rate of inflation. Since the initial increase in bank rate, the rate has increased at every subsequent meeting of the MPC, reaching 2.25% at the latest committee meeting in September 2022.
- 2.4 The continuous rate increases have come about in response to the risks around very large increases in wholesale gas prices due to the conflict in Ukraine and the consequent impacts on real incomes for UK households and on CPI inflation. Added to this, sterling has depreciated materially over the period.
- 2.5 At the time of drafting the initial Treasury Management Strategy, Link Asset Services had envisaged that the bank rate would gradually increase during 2022 and into future years, reaching 1.25% by Quarter 1 of 2025. This forecast was produced prior to the current movements in inflation and was consistent with other forecasters' estimates.
- 2.6 At the time of the September MPC meeting, the Bank noted that the Government's Energy Price Guarantee support measures had addressed some of the uncertainty around UK retail energy prices and was likely to limit significantly further increases in CPI inflation. However, a cautious note was made regarding the potential impact of the Government's Growth Plan announcement and the need to consider this alongside already announced measures to fully assess the impact on demand and inflation, in order to determine further implications for monetary policy.
- 2.7 Government's "Fiscal Event" on 23 September 2022 announced a change in economic policies that seek to grow the UK economy. The measures that were announced at the time impacted on market confidence and the pound dropped to an historic low against the dollar. The Bank of England held off making an emergency Bank Rate increase and instead confirmed that it would do everything necessary to ensure headline inflation, on the CPI measure, returns to 2% over a three-year timeline.
- 2.8 The current forecast is that there will not be an emergency Bank Rate change ahead of the November MPC meeting, but that rates will increase by 1% and 0.75% at the next two committee meetings, with further 0.5% increases in February and March, to reach a peak of 5%.

- 2.9 Link Asset Services also highlight the fact that, due to uncertainty and potential volatility in markets, there is a wide spread of potential outcomes during the forecast period and forecasting remains difficult. Bank Rate forecasts will be liable to further amendment depending upon how economic data and developments in financial markets transpire over the next year.
- 2.10 The above forecasts for PWLB rates are based upon the PWLB certainty rate, which was introduced in November 2012; this rate reduces PWLB borrowing by 0.20% for most local authorities, including St Helens.
- 2.11 The matters raised above apply equally when forecasting future movements in PWLB borrowing rates.

### **3 Treasury Management Strategy and Annual Investment Strategy Update**

#### **3.1 Investments**

The Treasury Management Strategy Statement for 2022/23 was previously considered by Cabinet on 23 February 2022 and approved by Council on 2 March 2022. The Council's Annual Investment Strategy, which is incorporated in the Treasury Management Strategy Statement, outlines the Council's investment priorities as the security of capital and liquidity of investments.

The Council aims to achieve the optimum return (yield) on its investments, commensurate with the proper levels of security and liquidity, and having properly assessed all inherent risks, as detailed in its Treasury Management Practices (TMP's).

Further detail of the Council's investment portfolio is provided to Cabinet and Council as part of each Financial Monitoring Report. The Council held £156.065m of investments at 30 September 2022 (£154.058m at 31 March 2022) and the following table provides details of the investment returns achieved thus far during 2022/23.

At the mid-point in the year, cash holdings are broadly in line with the balances held at the end of 2021/22.

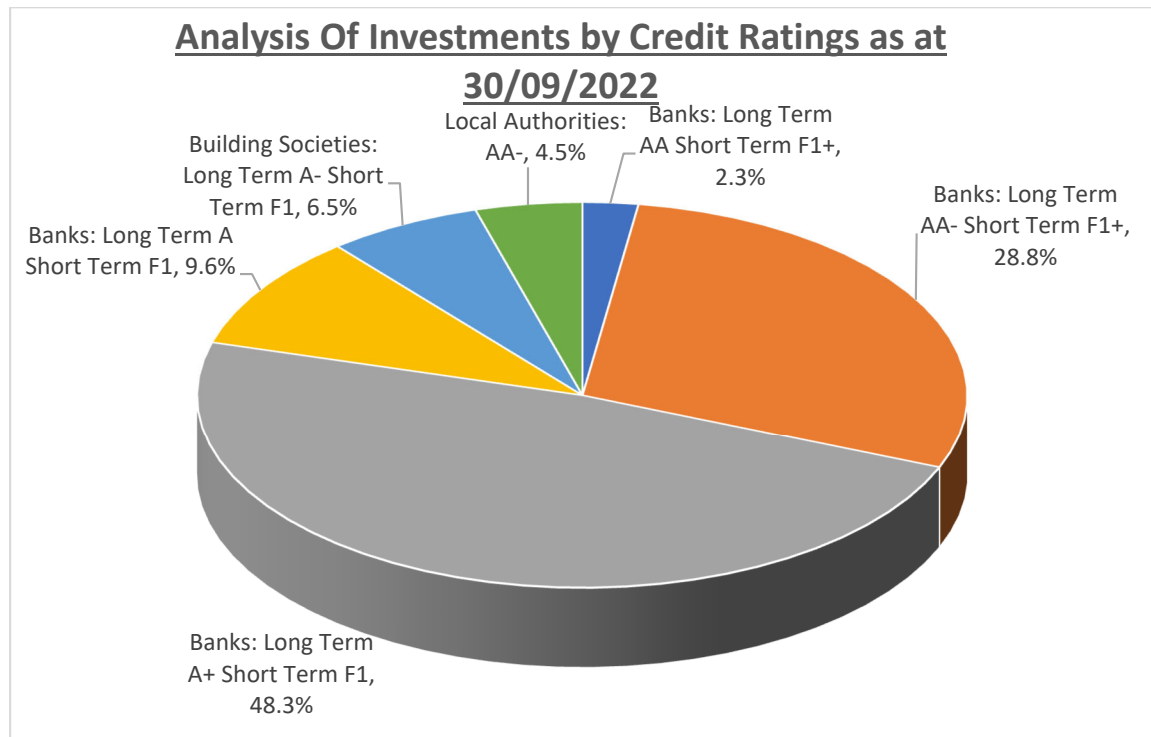
Any sudden changes in rates will impact upon performance against benchmarks as investment decisions need to be made based upon both the desire to maximise interest returns and managing the liquidity of the authority's investments for cashflow purposes, whilst, most importantly, ensuring the security of investments. For a number of years, where possible, the Council has taken advantage of favourable rates and locked into investment deals for longer periods.

The increasing interest rate environment means that, where the Council has locked into investments over a fixed term for the purpose of managing cashflows, it is difficult to achieve benchmark returns.

To ensure that the Council is taking advantage of increasing interest rates on investments, the Council is "laddering" investments, meaning that investments are profiled to mature on a regular basis throughout the year, to ensure that future investments can take advantage of increased rates. This can be exemplified through the interest rate that the Council has achieved on the most recent investment, a 12-month investment on 16 September at 4.20%

<b>Investment Returns 2022/23 up to 30/09/2022</b>									
<b>2022/23</b>	<b>Returns Achieved</b>			<b>Benchmark Returns</b>			<b>Performance relative to Benchmarks</b>		
Month	Fixed Term Investments	Call Accounts	Combined Return	1 Year SONIA	Overnight SONIA	Combined SONIA	Fixed Term	Call	Overall +/- return
April	0.750%	0.266%	<b>0.602%</b>	1.730%	0.690%	<b>1.412%</b>	(0.980%)	(0.424%)	<b>(0.810%)</b>
May	0.833%	0.301%	<b>0.664%</b>	1.870%	0.910%	<b>1.565%</b>	(1.037%)	(0.609%)	<b>(0.901%)</b>
June	0.982%	0.396%	<b>0.819%</b>	2.430%	1.060%	<b>2.050%</b>	(1.448%)	(0.664%)	<b>(1.230%)</b>
July	1.354%	0.449%	<b>1.112%</b>	2.560%	1.190%	<b>2.193%</b>	(1.206%)	(0.741%)	<b>(1.081%)</b>
August	1.687%	1.041%	<b>1.554%</b>	3.060%	1.640%	<b>2.769%</b>	(1.373%)	(0.599%)	<b>(1.214%)</b>
September	1.945%	1.132%	<b>1.801%</b>	4.120%	1.840%	<b>3.715%</b>	(2.175%)	(0.708%)	<b>(1.915%)</b>

The following chart details the split of the Council's investment by type and the credit rating assigned to the different groups of Counterparties.



### 3.2 Council's Investment Strategy and Counterparty Criteria

The investment strategy approved in the Treasury Management Strategy Statement is currently being adhered to and forming the basis upon which Officers have operated thus far. The counterparty criteria, which practically forms the basis on which Officers make decisions regarding those institutions with whom the Council will deal, is subject to constant review during the year and, through delegation to the Executive Director of Corporate Services, this can be amended by way of Operational Decision.

### 3.3 Borrowing

The Council has an ambitious Capital Strategy for the next three years, including the programme of Growth / Regeneration for the Borough. External borrowing will be necessary to fund these plans.

Recent significant movements in the financial markets have had an impact on the rates at which the Council would be able to borrow. As shown in section 2.1, current PWLB rates are around the 5% mark, across all time horizons. This compares to borrowing rates of less than 2.5% at the time of approval of the Treasury Management Strategy Statement.

Borrowing should be aligned to the profile of these plans and undertaken at the most opportune time required to fund these schemes / plans, whilst minimising interest rate exposure. Current forecasts, provided by our treasury management advisors and shown in section 2.1, are for a steady decrease in PWLB rates across the next 3 years, from the high levels that they have reached recently. However, as discussed in section 2.9, there is a wide spread of potential outcomes during the forecast period and forecasting remains difficult.

The sharp increase in PWLB rates will mean that the cost of borrowing is now significantly higher. To exemplify this point, an increase of 2.5% on the underlying rates, on a £10m maturity loan, over a 50-year lifetime, would add an additional £0.250m of debt servicing costs each year, equating to a total additional cost of £12.5m over the lifetime.

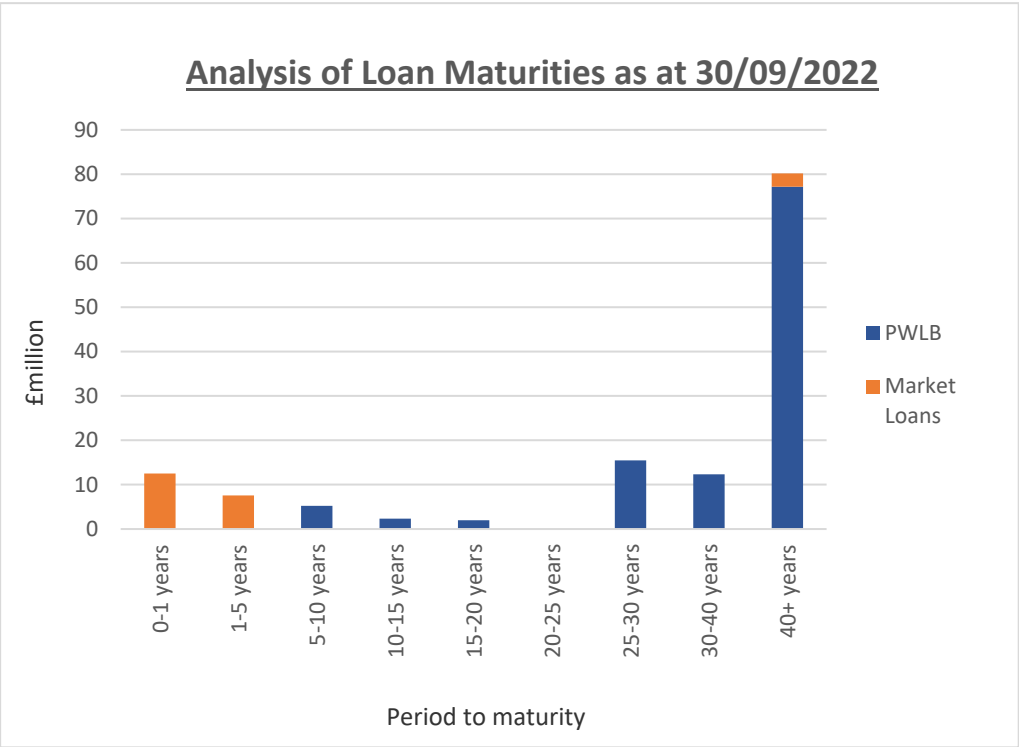
In approving the current Medium Term Finance Strategy, the Council set out and made provision for its ambitious capital plans over the medium term through identification of a number of strategic capital schemes for 2022/23, alongside pipeline schemes for future years. These include investment in highway and property assets, regeneration of the borough and its localities, and invest to save schemes.

Both the significantly elevated rates of borrowing and costs of delivering capital projects in the current inflationary environment will have a considerable negative impact on the affordability of the Council's capital investment aspirations. In addition, there is a high possibility of cuts to government capital funding allocations arising from the need for government to identify efficiencies.

Prioritisation and scaling of strategic capital investment to support or deliver Council priorities will be necessary to ensure that decisions are made within the limited resource availability to ensure the sustainability of the Council's financial position.

The strategy of financing capital expenditure by running down cash balances (i.e. in lieu of new borrowing) was formulated predominantly to minimise credit risks associated with holding investments and to protect the Council's budgetary position against diminishing investment returns. The strategy also allows for borrowing to be undertaken when it is deemed most opportune, based upon current and forecast PWLB interest rates. That rationale still holds good, and, in that context, it is considered that the Borrowing Strategy approved is still fit for purpose. However, it must be noted that this strategy has led to the Council having an "underborrowed" position, in that borrowing to fund historic capital spend has been deferred and may need to be secured at some stage in the future. The issue of when this borrowing may need to be secured needs to be considered in light of the forecast movements in PWLB borrowing rates.

The Council has outstanding debt of £137.527m, with a weighted average rate of borrowing of 3.523%. The following chart shows the maturity profile of the loan portfolio as at 30 September 2022.



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. Due to this guidance the maturity dates of the Council’s LOBO loans have been profiled as the next call date for each. This has made the Council’s position look much more short-term when all of these loans have maturity dates of 30+ years. In the current interest climate, the potential exists that these loans could be called at the next review date for each loan. Work is currently being undertaken to identify potential options if this scenario happens.

In the economic climate that has persisted since October 2010, there have been no viable debt rescheduling opportunities for a number of years. However, now that the whole of the yield curve has shifted higher there may be better opportunities in the future, although only prudent and affordable debt rescheduling will be considered.

3.4 Budget Estimates

The budgeted and projected treasury costs for 2022/23 are detailed in the following Table



<u>Treasury Management Budget 2022/23</u>	2022/23 Allowed Estimate £M	2022/23 Revised Estimate £M	2022/23 Difference £M
<u>Debt Management Costs</u>			
External Interest	8.366	7.821	(0.545)
Revenue Provision (repayment of principal)	3.775	3.471	(0.304)
Investment Interest	(0.749)	(2.999)	(2.250)
<b>Total Treasury Cost</b>	<b>11.392</b>	<b>8.293</b>	<b>(3.099)</b>

- 3.5 Debt management costs have been reduced to reflect the profile of future capital expenditure funded by borrowing and decisions around the continued deferral of additional borrowing. Revenue provision has reduced as a consequence of the re-phasing of schemes within the 2021/22 capital programme into future years, as reported to Cabinet at its meeting on 22 June 2022. Investment interest has increased as a result of the increases in bank rate throughout the year and available market returns.

#### **4 Treasury Limits and Prudential Indicators**

- 4.1 It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting Regulations for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit". The Council's approved Treasury Limits and Prudential Indicators (affordability limits) were outlined in the approved Treasury Management Strategy Statement.
- 4.2 During the financial year to date, the Council has operated within the Treasury Limits and Prudential Indicators approved by and in compliance with the Council's Treasury Management Practices. A copy of the latest Treasury Limits and Prudential Indicators are attached at Annex 1. Such revisions predominantly arise due to changes in the Council's approved capital programme.
- 4.3 The pipeline capital schemes included within the Capital Strategy and referenced in Section 4.3.3 are not included within the Treasury Limits and Prudential Indicators in Appendix 1, until such time as they are formally approved and included within the Capital Programme. Amended Treasury Limits and Prudential Indicators will need to be approved as part of that process.

#### **5 Annual Revenue Provision Policy**

- 5.1 The Council is statutorily required to determine its Policy in relation to the method by which it makes charges to the revenue account in respect of capital expenditure financed by borrowing or credit arrangements.

- .5.2 The current Annual Revenue Provision Policy was approved by Council on 2 March 2022, having been contained within the Treasury Management Strategy 202/23, which formed part of the *Medium-Term Financial Strategy 2022-2025 and Revenue and Capital Budget 2022/23*.
- 5.3 Section 5 of that report set out the policy for charging the revenue account with an amount of minimum revenue provision which is deemed to be prudent. Paragraph 5.5 of the report considered the provision policy for Loan Financial Investments and stated that the Council will not make a Revenue Provision charge on the basis that the Loan will be repayable at some stage in the future and any risks regarding no-repayment would be quantified and charged in accordance with *IFRS9 Financial Instruments*, in the year in which they are identified.
- 5.4 A review of the policy has been undertaken and a revision is proposed to extend this element of the policy to Equity Financial Instruments, using the same rationale. Any equity investment would be made on the basis that the equity would be repaid at a later date, which would cover the repayment of the borrowing.

Appendix 1

## 1 Treasury Limits and Prudential Indicators 2022/23 to 2024/25

<b><u>Treasury Limits and Prudential Indicators</u></b> <b><u>2022/23 - 2024/25</u></b>			2022/23 Estimates	2023/24 Estimates	2024/25 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>	70.735	53.078	11.818
1(ii)	Additional in-year financing/(borrowing) requirement for capital expenditure.	<b>In Year Capital Financing Requirement (CFR) (£m)</b>	8.511	13.955	(4.681)
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>	200.399	214.353	209.672
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  (135.000)  2.520	137.507  (110.000)  27.507	137.494  (105.000)  32.494
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>	4.27%	4.76%	4.61%

5	The Council's Budget Strategy, as a general principle is that no unsupported borrowing should be undertaken as a means of financing capital expenditure plans.	<b>Incremental impact of capital investment decisions (increase in Council Tax Band D equivalent)</b>	NIL	NIL	NIL
<b><u>Treasury Limits and Prudential Indicators</u></b> <b><u>2022/23 - 2024/25</u></b>			2022/23 Estimates	2023/24 Estimates	2024/25 Estimates
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	208.933	215.019
7	This is the limit beyond which external debt is not normally expected to exceed.	<b>Operational Limit for External Debt (£m)</b>	192.907	196.461	195.131
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%
		<b>Upper Limit for Variable Interest Rate Exposure</b>	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%

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>	(42.129)	(56.866)	(53.083)
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## ANNUAL REVENUE PROVISION STATEMENT

Under Regulation 27 of the 2003 Capital Finance Regulations, Local Authorities were required to charge their revenue account for each financial year Minimum Revenue Provision (MRP) to account for the repayment of principal in that financial year. The requirement to make this statutory provision was amended under regulation 28 in the Capital Finance and Accounting Regulations 2008. The current regulation 28 sets out a duty for a Local Authority to make an amount of minimum revenue provision, which it considers to be prudent.

Under regulation 28, Authorities are provided with a number of alternative approaches, which can be adopted for the purpose of calculating a 'prudent provision'. The approach by an authority should be outlined in a statement and submitted to Council for consideration. The statement below outlines the approach that the Council has adopted to the calculation of its revenue provision.

The Council will calculate its Annual Revenue Provision (RP) by applying the Asset Life Method, unless the borrowing is for a Loan Financial Investment. Under the guidance there are two approaches which can be applied to calculating the RP charge under the Asset Life Method, those being the Equal Instalment Approach and the Annuity Approach.

For all borrowing that was previously supported through the Local Government Financial Settlement and the Council's Private Finance Initiative scheme, the Annuity Method will be applied to the calculation of an annual RP charge.

For borrowing undertaken under the Prudential system to fund schemes of a regeneration and/or infrastructure nature, for which there has been/is no Government support, the Council will make a provision using the Annuity Method Approach. The use of this method represents a more prudent and affordable option for the Council for schemes of this nature and has the advantage of linking the revenue charges to the flow of benefits from an asset, where the benefits are expected to increase in later years.

Where borrowing is undertaken for a Loan Financial Investment, as described in the Ministry of Housing, Communities and Local Government's (MHCLG) Statutory Guidance on Local Government Investments (3<sup>rd</sup> Edition) but treated as Capital Expenditure in accordance with the Local Government Act 2003, Regulation 25, or an Equity Investment, the Council will not make a Revenue Provision charge. This is predicated on the basis that the Loan or Equity will be repayable at some date in the future. This is deemed to be prudent because any risks relating to non-repayment will be quantified and charged, using the "expected credit loss" model, in accordance with IFRS 9 *Financial Instruments*, in the year in which they are identified.

For all other borrowing undertaken under the Prudential system for which there has been/is no Government support, the Council will make a provision using the Equal Instalment Approach; that is to say the RP charge will be calculated based on the estimated life of the asset for which the borrowing is undertaken.



## Council

**18 January 2023**

<b>Report Title:</b>	<b>Programme of Meetings 2023/24</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 draft Programme of Meetings 2023/2024 which is attached at Appendix 1 is based on a similar pattern that was approved for 2022/2023 with minor adjustments due to bank holidays. School holiday dates have been avoided where possible. Scrutiny meetings have been arranged to enable sequencing of Performance reports to be considered first by Cabinet.

## 2. Recommendations for Decision

### Council is recommended to:

- 1) approve the Programme of Meetings 2023/2024 attached to the report at Appendix 1; and
- 2) authorise the Monitoring Officer in consultation with the Chair of the relevant Committee to make amendments to the Programme of Meetings as and when required.

## 3. Purpose of this Report

- 3.1 The purpose of this report is to seek approval from Council to the Programme of Meetings for 2023/2024 in order that the Council's diary can be planned in advance.

## 4. Background /Reasons for the recommendations

- 4.1 The Programme of meetings is agreed by Council in January each year to enable advance notice of meetings for the next municipal year.

## 5. Consideration of Alternatives

- 5.1 None

## 6. Conclusions

- 6.1 To approve the programme of meetings for 2023/24.



**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 A published calendar of meetings enables effective business planning and decision-making procedures.

**17. Finance**

17.1 To be met within existing budget.

**18. Policy Framework Implications**

18.1 None

**19. Impact and Opportunities on Localities**

19.1 None

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## **20. Background Documents**

20.1 None

## **21. Appendices**

Appendix 1 – Programme of Meetings 2023/24

## Programme of Meetings 18 May 2023 to 30 November 2023

DAY	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER
Mon	1 Bank Holiday		3			2 ASCH Scrutiny Place Scrutiny	
Tues	2		4	1		3 Planning	
Wed	3		5	2		4	1
Thurs	4	1	6	3		5	2
Fri	5	2	7	4	1	6	3
Mon	8 Bank Holiday	5	10 Standards	7	4	9	6 Audit & Governance
Tues	9	6	11	8	5 Planning	10	7 Planning
Wed	10	7 Licensing Sub Licensing & EP	12 Council	9	6	11	8
Thurs	11	8	13	10	7 Licensing Sub Licensing & EP	12	9
Fri	12	9	14	11	8	13	10
Mon	15	12	17 ASCH Scrutiny Place Scrutiny	14	11	16 Commission	13
Tues	16	13	18 Licensing Sub Licensing & EP	15	12	17	14
Wed	17 Annual Council	14	19 Cabinet	16	13	18	15 Council
Thurs	18	15	20	17	14	19 Licensing Sub Licensing & EP –	16 People's Board
Fri	19	16	21	18	15	20	17
Mon	22	19	24 CYPS Scrutiny Commission	21	18	23	20
Tues	23 Planning	20	25 Planning	22	19	24	21 Licensing Sub Licensing & EP
Wed	24 Cabinet	21 Cabinet	26	23	20 Council	25 Cabinet	22 Cabinet
Thurs	25	22	27	25	21 Licensing Sub Licensing & EP –	26	23 Sarah Cowley
Fri	26	23	28	26	22	27	24
Mon	29 Spring Bank Holiday	26 Commission	31 Audit & Governance	28 Bank Holiday	25 CYPS Scrutiny	30	27
Tues	30	27 Planning		29	26	31	28
Wed	31	28 People's Board Licensing Sub Licensing & EP		30	27 Cabinet Audit & Governance		29
Thurs		29		31	28 People's Board		30
Fri		30			29		xx

Cabinet - 4.00 pm Standards – 4.00 pm Council – 6.15 pm People's Board – 2.30 pm

Overview & Scrutiny Commission and Audit & Governance, Licensing & Environmental Protection, Planning and Sarah Cowley Committees all at 5.30  
 Adult Social Care & Health (ASCH) and Children & Young People's Services (CYPS) Scrutiny Committees – 10.00am; Place Services Scrutiny  
 Committee – 5.30pm.


**ST. HELENS BOROUGH COUNCIL**  
**Programme of Meetings 1 December 2023 to 17 May 2024**

DAY	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
Mon		1 Bank Holiday			1 Easter Monday	
Tues		2			2	
Wed		3			3	1 Cabinet
Thurs		4	1		4	2
Fri	1	5	2	1	5	3
Mon	4	8 CYPS Scrutiny Place Scrutiny	5 Commission	4	8	6 Bank Holiday
Tues	5 Planning	9 Planning	6 Planning	5	9	7
Wed	6 Licensing Sub Licensing & EP	10	7 Cabinet	6 Council	10	8
Thurs	7	11	8	7	11	9
Fri	8	12	9	8	12	10
Mon	11	15 ASCH Scrutiny Commission	12	11	15 ASCH Scrutiny Place Scrutiny	13
Tues	12	16 Standards	13	12 Planning	16 Planning	14
Wed	13 Cabinet	17 Council	14	13 Cabinet Audit & Governance	17	15
Thurs	14	18	15	14 People's Board	18	16
Fri	15	19	16	15	19	17
Mon	18	22	19	18	22 Commission	20
Tues	19	23 Licensing Sub Licensing & EP	20	19	23	21
Wed	20	24 Cabinet	21 Licensing Sub Licensing & EP	20	24 Cabinet	22
Thurs	21	25 People's Board	22	21	25 Licensing Sub Licensing & EP	23
Fri	22	26	23	22	26	24
Mon	25 Bank Holiday	29	26	25 CYPS Scrutiny	29	27 Spring Bank Holiday
Tues	26 Bank Holiday	30	27	26	30	28
Wed	27	31	28 Cabinet	27 Licensing Sub Licensing & EP		29
Thurs	28		29	28		30
Fri	29			29 Good Friday		31

Cabinet - 4.00 pm Standards – 4.00 pm Council – 6.15 pm People's Board 2.30pm

Overview & Scrutiny Commission and Audit & Governance, Licensing & Environmental Protection, Planning and Sarah Cowley Committees all at 5.30

Adult Social Care & Health (ASCH) and Children & Young People's Services (CYPS) Scrutiny Committees – 10.00am; Place Services Scrutiny Committee – 4.30pm.

 <p><b>ST HELENS</b> BOROUGH COUNCIL</p>	<p style="text-align: center;"><b>Council</b></p> <p style="text-align: center;"><b>18 January 2023</b></p>
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Report Title	Constitutional Issues
Cabinet Portfolio	Finance & Governance
Cabinet Member	Councillor Martin Bond
Exempt Report	No
Reason for Exemption	N/A
Key Decision	No
Public Notice issued	N/A
Wards Affected	All
Report of	Jan Bakewell Director of Legal & Governance <a href="mailto:janbakewell@sthelens.gov.uk">janbakewell@sthelens.gov.uk</a>
Contact Officer	Joanne Griffiths Team Manager, Democratic & 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 Members are provided with details of proposed amendments which are considered necessary to the Council's Constitution. In some cases, these are a matter for Council to note, but in other cases Council approval to the amendments is being requested.

## 2. Recommendation for Decision

Council is recommended to:

- i. **note the revised Executive Procedure Rules in Appendix 1 approved by Cabinet on 30 November 2022 for inclusion in Part 4 of the Constitution; and**
- ii. **to approve the proposed amendments to the Council's Procedure Rules in Appendix 2 for inclusion in Part 4 of the Constitution.**

## 3. Purpose of this report

- 3.1 The report sets out a number of issues in relation to the Constitution and the governance of the Council, which Council is asked to consider and either note or determine, as appropriate.
- 3.2 It is the responsibility of the Monitoring Officer to monitor and review the operation of the Constitution and to seek approval of any changes necessary due to changes in legislation or changes in the way the Council wishes to operate. This report sets out the proposed changes which have been identified.
- 3.3 At its meeting on 30 November 2022, the Cabinet delegated a power to the Leader to take urgent decisions when required on matters which fall within the Executive functions of the Cabinet. Following the death of HRH The Queen, Elizabeth II, as a

mark of respect during the national period of mourning, the Cabinet meeting scheduled for 14 September 2022 was cancelled. It was necessary for two items of business due to be considered at that meeting to be taken by the Leader as urgent decisions for them to be progressed urgently. These urgent decisions were reported to the next meeting of Cabinet for noting. The amendments seek to strengthen the constitution further by clearly stating an express delegation to the Leader to personally take urgent Cabinet decisions when required in accordance with the existing provisions of the constitution. The delegation does not alter the current arrangements in operation when an urgent executive matter may arise, which cannot be accommodated by a meeting of Cabinet in the time available.

- 3.4 An urgent decision report is prepared setting out why the normal decision-making processes could not be complied with without seriously prejudicing the Council's or the public's interests to justify any request for urgency. The position remains that decisions should not become urgent simply because of poor planning and programming by officers.
- 3.5 The Cabinet also approved some general amendments to the Executive Procedure Rules at Appendix 1 for inclusion in Part 4 of the Constitution. The opportunity was taken to review the Executive Procedure Rules with some general amendments for clarity including conflicts of interest, the method for voting at Cabinet meetings and for a casting vote.
- 3.5 Council Procedure Rules govern the conduct of full Council meetings. Council Procedure Rule 12 deals specifically with motions on notice. Council Procedure Rule 12.2 deals with the scope of motions and currently states that motions must be about matters for which the Council has a responsibility, or which affects the Borough.
- 3.6 For clarity and to assist members, it is proposed to amend Council Procedure Rule 12.2 by including criteria for when motions may be rejected. The proposed changes are attached at Appendix 2 and state:

“The Monitoring Officer may reject a Motion if it –

- (i) is not about a matter for which the Council has a responsibility, or which affects the Borough;
- (ii) seeks to circumvent a decision-making process under way;
- (iii) is potentially defamatory, vexatious, frivolous or offensive;
- (iv) requires the disclosure of confidential or exempt information;
- (v) is in some other respect considered to be unlawful, irregular, improper or incapable of having practical effect.

Such motions submitted will be dealt with by the Monitoring Officer and the proposer of the Motion given advice accordingly in line with the criteria.”

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

- 4.1 The Council has agreed a constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Council to choose.

## **5. Consideration of Alternatives**

5.1 None.

## **6. Conclusions**

6.1 The Constitution is reviewed regularly with proposed amendments recommended to Council for consideration and approval. Minor changes may be made during the year by the Monitoring Officer to ensure the document remains fit for purpose, for example changes to post titles.

## **7. Legal Implications**

7.1 The recommendations within this report are lawful and comply with the Council's Constitution. Except insofar as the Council has delegated to the Monitoring Officer power to make minor amendments to the Constitution, changes to the Constitution will only be approved by full Council after consideration of the proposal by the Monitoring Officer.

## **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 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 There is a risk that not keeping the Constitution up to date could be detrimental to ensuring that the aims of good governance are given full effect.



**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 None.

**21. Appendices**

21.1 Appendix 1 - Revised Executive Procedure Rules (approved by Cabinet)

21.2 Appendix 2 - Revised Council Procedure Rule 12

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## EXECUTIVE PROCEDURE RULES

### 1. HOW DOES THE EXECUTIVE OPERATE?

#### 1.1 Who may make Executive Decisions?

The Leader will decide how executive functions are to be discharged.

Executive functions may be discharged by:

- (i) the Cabinet as a whole;
- (ii) a committee of the Cabinet;
- (iii) an individual member of the Cabinet;
- (iv) an officer;
- (v) joint arrangements; or
- (vi) another local authority.

#### 1.2 Delegation by the Leader

At the annual meeting of the Council, the Leader will present to the Council a written record of delegations made by him/her for inclusion in Part 3 to this Constitution. The document presented by the Leader will contain the following information about executive functions in relation to the coming year:

- (i) the names, ~~addresses and wards~~ of the **members** ~~people~~ appointed to the Cabinet by the Leader;
- (ii) the extent of any authority delegated to Cabinet members individually, including details of the limitation on their authority;
- (iii) the terms of reference and constitution of such Cabinet committees as the Leader appoints and the names of Cabinet members appointed to them;

- (iv) the nature and extent of any delegation of executive functions to area committees, any other authority or any joint arrangements and the names of those Cabinet members appointed to any joint committee for the coming year; and
- (v) the nature and extent of any delegation to officers with details of any limitation on that delegation.

### 1.3 Sub-delegation of Executive Functions

- (a) Where the Cabinet, a committee of the Cabinet or an individual member of the Cabinet is responsible for an executive function, they may delegate further to an area committee, joint arrangements or an officer.
- (b) If the Leader delegates functions to the Cabinet, then the Cabinet may delegate further to a committee of the Cabinet or to an officer.
- (c) Unless the Leader directs otherwise, a committee of the Cabinet to whom functions have been delegated by the Leader may delegate further to an officer.
- (d) Even where executive functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated.

### 1.4 Amendment of Delegations

- (a) The Leader may amend the scheme of delegation relating to executive functions at any time during the year. To do so, the Leader must give written notice to the Monitoring Officer and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body,

committee or the Cabinet as a whole. The Monitoring Officer will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.

- (b) Where the Leader seeks to withdraw delegation from a committee, notice will be deemed to be served on that committee when he/she has served it on its chair.

#### 1.5 Conflicts of Interest

- (a) Where the Leader has a ~~pecuniary/non-pecuniary~~ **conflict of** interest in a matter this should be dealt with in accordance with the Council's Code of Conduct for Members.
- (b) If every Member of the Cabinet has a ~~pecuniary/non-pecuniary~~ **conflict of** interest in a matter this should be dealt with in accordance with the Council's Code of Conduct for Members.
- (c) If the exercise of an executive function has been delegated to a committee of the Cabinet, an individual Member or an officer, and should that committee/person have a ~~pecuniary/non-pecuniary~~ **conflict of** interest in the matter, then **the function will be exercised by the person or body by whom the delegation was made** ~~this should be dealt with in accordance with the Council's Code of Conduct for Members, provided that the person or body by whom the delegation was made may exercise the function unless precluded from doing so by the application of the Code.~~

#### 1.6 Cabinet Meetings - when and where?

The Cabinet will meet at least 15 times per year unless agreed by the Leader. The Cabinet shall meet at the Council's main offices or another location to be agreed by the Leader.

#### 1.7 Public or Private Meetings of the Cabinet

The Access to Information Rules in Part 4 of this Constitution set out the requirements covering public and private meetings.

1.8 Quorum

The quorum for a meeting of the Cabinet shall be 3, including the Cabinet Leader.

1.9 How are Decisions to be taken by the Cabinet?

- (a) executive decisions which have been delegated to the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of this Constitution.
- (b) Where executive decisions are delegated to a committee of the Cabinet, the rules applying to executive decisions taken by them shall be the same as those applying to those taken by the Cabinet as a whole.

2. **HOW ARE CABINET MEETINGS CONDUCTED?**

2.1 Who presides?

The Cabinet Leader will preside at any meeting of the Cabinet at which he/she is present. In his/her absence, the Deputy Leader shall preside. In the absence of both the Cabinet Leader and the Deputy Leader, then unless the Leader has appointed a Cabinet Member to preside at the meeting, the other Cabinet Members shall choose one of their number to preside.

2.2 Who may attend?

These details are set out in the Access to Information Rules in Part 4 of this Constitution.

2.3 What business?

At each meeting of the Cabinet the following business will be conducted:

- (i) consideration of the minutes of the last meeting;
- (ii) declarations of interest, if any;

- (iii) matters referred to the Cabinet (whether by an overview and scrutiny commission or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Part 4 of this Constitution;
- (iv) consideration of reports from overview and scrutiny commission; and
- (v) matters set out in the agenda for the meeting, and which shall indicate which are key decisions and which are not in accordance with the Access to Information Procedure Rules set out in Part 4 of this Constitution.

#### 2.4 Consultation

All reports to the Cabinet from any member of the Cabinet or an officer on proposals relating to the budget and policy framework, must contain details of the nature and extent of consultation with stakeholders and relevant Overview and Scrutiny Committee, and the outcome of that consultation.

Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

- (a) The Leader will decide upon the schedule for the meetings of the Cabinet. He/she may put on the agenda of any Cabinet meeting any matter which he/she wishes, whether or not authority has been delegated to the Cabinet, a committee of it or any member or officer in respect of that matter. The Chief Executive will comply with the Leader's requests in this respect.
- (b) The Monitoring Officer and/or the Chief Financial Officer may include an item for consideration on the agenda of a Cabinet meeting and may require the Chief Executive to call such a meeting in pursuance of their statutory duties. In other circumstances, where any two of the

Head of Paid Service, Chief Financial Officer and Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision, they may jointly include an item on the agenda of a Cabinet meeting. If there is no meeting of the Cabinet soon enough to deal with the issue in question, then the person(s) entitled to include an item on the agenda may also require that a meeting be convened at which the matter will be considered.

2.5 Voting at Cabinet Meetings

Matters before the Cabinet shall be decided by a show of hands. In the case of an equality of votes, the Chair shall have a second or casting vote.

3. **URGENT CABINET DECISIONS**

3.1 Who may take Urgent Cabinet Decisions?

In the event that an urgent Cabinet decision is required, and the Council's normal decision-making processes could not be complied with without seriously prejudicing the Council's or the public's interests, an urgent decision report shall be prepared in writing setting out the reasons for the urgency and the decision to be taken. The Leader shall have delegated to him/her all relevant powers to take urgent decisions on matters which fall within the Executive functions of the Cabinet, subject to any such decisions being reported to the next Cabinet meeting for information.





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## COUNCIL PROCEDURE RULES

### 12. MOTIONS ON NOTICE

#### 12.1 Notice

Except for motions which can be moved without notice under Rule 13, or which the Mayor considers should be considered as a matter of urgency, notice of every motion must be given by delivering it in writing or by electronic mail to the Chief Executive not later than 5.00 p.m. on the Monday in the week preceding the relevant Council meeting except when the Monday is a Bank Holiday then by not later than 12 noon on the Tuesday. These will be entered in a book open to public inspection.


#### 12.2 Scope

~~Motions must be about matters for which the Council has a responsibility or which affect the Borough.~~ The Monitoring Officer may reject a Motion if it –

- (i) is not about a matter for which the Council has a responsibility, or which affects the Borough;
- (ii) seeks to circumvent a decision-making process under way;
- (iii) is potentially defamatory, vexatious, frivolous or offensive;
- (iv) requires the disclosure of confidential or exempt information;
- (v) is in some other respect considered to be unlawful, irregular, improper or incapable of having practical effect.

Such motions submitted will be dealt with by the Monitoring Officer and the proposer of the Motion given advice accordingly in line with the criteria.

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 <p><b>ST HELENS</b> BOROUGH COUNCIL</p>	<p style="text-align: center;"><b>Council</b></p> <p style="text-align: center;"><b>18 January 2023</b></p>
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<b>Report Title</b>	<b>Returning Officer - Review of Election Expenses 2023/24</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>	Kath O'Dwyer Chief Executive/ Returning Officer KathO'Dwyer@sthelens.gov.uk
<b>Contact Officer</b>	Elisa Love Electoral Services Manager <a href="mailto:elisalove@sthelens.gov.uk">elisalove@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 election fees for 2022/2023 were approved by Council in January 2022 with an agreement for annual inflation. It is proposed to increase the fees for 2023/2024 at the same percentage as 2022/2023 at 2%.
- 1.2 The first stage of the Elections Act 2022 will be implemented from May 2023 which introduces the requirement to provide photographic identification when voting in person at Local, Police and Crime Commissioner and Parliamentary elections. The requirements of the Elections Act place significant additional responsibilities and duties on the Returning Officer, Deputy Returning Officer(s) and staff employed within polling stations. The fees have therefore been reviewed to take into consideration not only the additional responsibilities and the increased personal risk.
- 1.3 In addition to the above increases, the fee for a Poll Clerk and a Counting Assistant have been revised following the recent pay award which increased the Council starting pay grade SCP 2 to £10.5951 per hour for 2022/23.
- 1.4 The proposed scale of election fees for 2023/2024 are attached at Appendix 1.

## 2. Recommendation for Decision

Council is recommended to:

- i) **Approve the scale of election fees for 2023/2024 attached to the report at Appendix 1; and**
- ii) **Delegate authority to the Returning Officer, in consultation with the Portfolio Holder for Finance & Governance, to review and increase the election fees annually with effect from 2024/25 onwards until 31 March 2026 in line with the GDP inflation rate.**

## 3. Purpose of this report

- 3.1 The purpose of this report is to seek approval to the scale of the fees and reimbursements payable for 2023/2024.

## 4. Background / Reason for the recommendations

- 4.1 Section 36 of the Representation of the People Act 1983 provides that the District Council shall pay all the expenditure incurred by a Returning Officer, in relation to the holding of District Elections. This section also gives the Council the power to fix a scale of expenditure for these purposes which the Returning Officer should not exceed.
- 4.2 The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council, the role of the Returning Officer is one of a personal nature and is distinctly separate from their duties as an employee of the Council.
- 4.3 The Returning Officer ("RO") is the person who has the overall responsibility for the conduct of elections held within the Borough and are directly liable personally and

professionally for the outcome of the Election which is the fundamental reason why nationally a fee is paid to the Returning Officer.

- 4.4 When setting the proposed fees, one of the key considerations are the additional responsibilities and duties that have been placed on the RO, and their staff, from the implementation of the Elections Act 2022. The Elections Act introduces several changes to the processes and rules that will impact on how the RO will conduct elections from May 2023. The first stage of the Elections Act 2022 introduces the requirement for voters at polling stations to show photographic identification before they receive their ballot paper.
- 4.5 The requirements of the Elections Act will place additional responsibilities on the RO and their polling station staff along with an increased risk to the delivery of the election. This is a personal risk to the appointed Returning Officer which is mitigated by separate insurance cover.
- 4.6 There is also concern that the recruitment of staff for polling stations will become more difficult and that the added responsibility and complexity due to voter ID may mean these positions aren't as attractive as they once were. The loss of experienced electoral administrators from local authorities is a risk, therefore by setting competitive fees enables the council to attract and retain high quality temporary staff.
- 4.7 The Council took the decision to move to all-out elections every four years from May 2022. Although there will be no elections taking place in St Helens until 2024 (PCC, LCRCA Mayoral and Parliamentary), neighbouring authorities will be holding local elections which may encourage staff to work outside the borough in 2023. For this reason, to encourage the return of experienced staff we have set competitive fees benchmarked against other local authorities across the region.
- 4.8 To compensate for the additional duties arising from the Elections Act, the Poll Clerk fee and the Presiding Officer fee have been revised to reflect the new responsibilities. A base fee for the Returning Officer at a local by-election has been established to reflect the same responsibilities and risks associated with the all-out elections but scaled accordingly. This once again reflects the additional responsibility and the risks personally involved with the implementation of the Elections Act.
- 4.9 When setting the proposed fees for the election count, consideration has been given to the recent Council pay award implemented in November 2022 and the cost-of-living wage from 1 April 2023. Although Returning Officer expenses are set separately from the Council's pay grades, many staff appointed to work on elections also work for the Council. It is therefore proposed to incorporate the minimum pay rate into these fees. This also ensures the payments are above the national minimum wage of £10.42 from 1 April 2023.
- 4.10 The recent pay award increased the lowest paid SCP hourly rate to £10.5951. The Count Assistant fee has been recalculated to reflect SCP2 hourly rate for any election count taking place during the day from 8:30am – 5:30pm. The Count Supervisor fee has also been recalculated to reflect the changes in the counting assistant fees.
- 4.11 As indicated in Appendix 1, all other payments have either been increased by 2% or maintained at comparative fees with surrounding local authorities.

- 4.12 The fees will continue to be reviewed annually and the ongoing additional burdens from the Elections Act 2022 will be taken into consideration.
- 4.13 The next all-out elections in St Helens are scheduled to take place in May 2026. Unless significant changes are required, it is proposed that a decision be taken to delegate authority to the Returning Officer, in consultation with the Portfolio Holder for Finance & Governance, to review and increase the fees and charges annually until 31 March 2026. The fees will be reviewed in line with the GDP inflation rate and benchmarked with local authorities across Cheshire and Merseyside.
- 4.14 A set of proposed revised fees and charges for 2026/27 will be submitted to Council in January 2026 for consideration in preparation for the May 2026 local elections.

## **5. Consideration of Alternatives**

- 5.1 None.

## **6. Conclusions**

- 6.1 To approve the scale of election fees for 2023/24.

## **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 Comparative and appropriately positioned election fees enables experienced staff to be recruited and retained each year to continue working locally on elections.

**17. Finance**

17.1 To be met within the existing Elections budget.

**18. Policy Framework Implications**

18.1 None.

**19. Impact and Opportunities on Localities**

19.1 None.

**20. Background Documents**

20.1 None.

**21. Appendices**

21.1 Appendix 1 – Proposed Returning Officer Fees and Charges for Borough Elections 2023/24

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## Proposed Returning Officer Fees and Charges for Borough Elections 2023/2024.

<b>SCALE OF FEES</b>	<b>£ gross</b>
<b>Fee for Returning Officer</b>	
Fee for preparing and conducting, and being legally responsible, for a Borough Council election and generally performing all the duties required to be performed and all disbursements and expenses other than those for which special provision is made below.	<b>£476.00 per Ward</b>
Fee for preparing and conducting, and being legally responsible, for a Borough Council by-election and generally performing all the duties required to be performed and all disbursements and expenses other than those for which special provision is made below.	<b>£1500 plus £476 per ward</b>
<b>Fee for Deputy Returning Officer and Election Project Management</b>	
Fee for a Deputy Returning Officer appointed with full powers to perform duties and rights lawfully performed and discharged in the same manner as the appointed Returning Officer	<b>50% of the Returning Officer Fee</b>
Each Deputy Returning Officer appointed for conducting a count	<b>£294.00</b>
Each Deputy Returning Officer appointed for conducting the issue, receipt and opening of postal ballot packs (per hour)	<b>£19 per hour*</b>
<b>Fee for clerical assistance</b>	
Borough Council elections, per Ward (contested)	<b>£476.00 per Ward</b>
<b>Polling Station Staff</b>	
Each Presiding Officer, Polling Station Inspector and Election Day Control Room staff	<b>£245.50</b>
Each Poll Clerk	<b>£170.00</b>
Reserve Poll Clerk	<b>£44.00</b>
Training Fee	<b>Maximum of £50.00</b>
<b>Poll Cards</b>	
Delivery of poll cards by hand per card	<b>0.19p*</b>
<b>Counting of Votes</b>	
Each Verification/Count Supervisor (Day time count)	<b>£140.00</b>
Each Verification/Counting Assistant Day time count)	<b>£96.00</b>

**APPENDIX 1**

Each General Assistant/Ballot Box Receiver/Clerical Assistant	<b>£96.00</b>
Training Fee	<b>Maximum of £30.00</b>
<b>Postal Voting</b>	
Each Postal Vote Opening Manager (per hour)	<b>£17.00 per hour*</b>
Each Postal Vote Opening Scanner/Reviewer (per hour)	<b>£15.00 per hour*</b>
Each Postal Vote Opening Clerk (per hour)	<b>£11.00 per hour*</b>
<b>Travelling Expenses</b>	
Travelling expenses of the Returning Officer and any other officer employed by the Returning Officer where necessary to make arrangements for the poll or otherwise in connection with the conduct of the election.	<b>Minimum of 52.2p per mile or set travel fee at the discretion of the Returning Officer (Based on the Council casual car user rate)</b>
<b>Parish Council Elections</b>	
Fee for Returning Officer where the election or by election is for a Parish Council only or for each Parish Ward	<b>£238.00 (50% of RO Fee)</b>
Fee for Returning Officer where the election or by election is held concurrently with the appropriate Borough Council Ward election	<b>£119.00 (25% of RO Fee)</b>
Fee for clerical assistance per Ward or Parish (if not warded)	<b>£119.00 (25% of RO Fee)</b>
Where the election or by election held is not held concurrently with the appropriate Borough Council Ward election all other fees and charges will be paid as at the Local Election.	
<b>Uncontested Elections</b>	
Borough Council Election, per Ward	<b>33% of fee for contested election</b>
Parish Council for each Ward or Parish (if not warded) if held concurrently with the appropriate Borough Council Ward elections	<b>33% of fee for contested election</b>
Parish Council if not held concurrently with the Borough Council Ward election	<b>33% of fee for contested election</b>
Fee for clerical assistance, per Ward or Parish (if not warded)	<b>33% of fee for contested election</b>

All payments are at the discretion of the Returning Officer

\* These fees are benchmarked in line with other neighbouring Authorities and are not increased by the GDP.

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