

Public Document Pack



Executive Board

Thursday, 25 February 2021 2.00 p.m.
To be held remotely, contact Clerk for access

A handwritten signature in black ink, appearing to read 'David W R'.

Chief Executive

ITEMS TO BE DEALT WITH IN THE PRESENCE OF THE PRESS AND PUBLIC

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Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item.	
3. LEADER'S PORTFOLIO	
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Please contact Ann Jones ann.jones@halton.gov.uk or 0151 511 8276 or Gill Ferguson gill.ferguson@halton.gov.uk or 0151 511 8059 for further information.

The next meeting of the Committee is on Thursday, 18 March 2021

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<p>PART II</p> <p>In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is RECOMMENDED that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.</p>	
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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

EXECUTIVE BOARD

At a meeting of the Executive Board on Thursday, 21 January 2021 held remotely

Present: Councillors Polhill (Chair), D. Cargill, Harris, R. Hignett, S. Hill, Jones, T. McInerney, Nelson, Wharton and Wright

Apologies for Absence: None

Absence declared on Council business: None

Officers present: D. Parr, I. Leivesley, M. Vasic, M. Reaney, E. Dawson, S. Wallace-Bonner and A. Jones

Also in attendance: One member of the press

**ITEMS DEALT WITH
UNDER POWERS AND DUTIES
EXERCISABLE BY THE BOARD**

EXB56 MINUTES

The Minutes of the meeting held on 10 December 2020 were taken as read and signed as a correct record.

LEADER'S PORTFOLIO

EXB57 URGENT DECISIONS

The Executive Board received a report from the Chief Executive, which provided the urgent decision/s taken since the last meeting of the Board and during the COVID-19 Pandemic.

It was noted that the Council's constitution gave authority to the Chief Executive to take urgent decisions, in consultation with the Leader of the Council and the Operational Director Finance and/or the Operational Director Legal and Democratic Services, where necessary.

A list of these decision/s were provided to Members in the report and full details were published on the Council's website.

RESOLVED: That the urgent decision taken since the last meeting of the Executive Board be noted.

Action

CHILDREN, EDUCATION & SOCIAL CARE PORTFOLIO

EXB58 SCHOOL ADMISSION ARRANGEMENTS 2022 - KEY DECISION

The Board considered a report of the Strategic Director, People, on School Admission Arrangements for 2022.

The Board was advised that in October 2020, Halton Local Authority issued a statutorily required consultation on the proposed admission arrangements and co-ordinated admission schemes for the September 2022 intake for Primary and Secondary Schools (attached as appendices 1 and 2 respectively). The Primary Scheme also included the proposed oversubscription criteria for community and voluntary controlled schools for whom the Local Authority was the admission authority.

Since the publication of the Executive Board agenda, the Board was advised of a proposed amendment to the Primary Co-ordinated Scheme, this was presented on screen. It was proposed that Paragraph 9.1, under *Oversubscription Criteria* be amended to four criteria instead of three, so criterion 1 would be split into criteria 1 and 2. The reasons for this were provided to the Board and the proposal was agreed.

The report provided details of the consultation, which ran from 1 October 2020 to 13 November 2020. No changes were proposed to the current oversubscription criteria for admission to Local Authority maintained community and voluntary controlled primary schools.

It noted that all Halton secondary schools were either academies, free schools or voluntary aided and were therefore their own admission authorities, with responsibility for consulting and determining their own admissions criteria and their own Published Admission Number (PAN).

Reason(s) for Decision

The decision was statutorily required.

Alternative Options Considered and Rejected

Other options considered and rejected included the allocation of places to community and voluntary controlled schools through random allocation (lottery), as this method could be seen as arbitrary and random.

Implementation Date

The Policy and co-ordinated schemes would apply for the September 2022 academic intake.

RESOLVED: That the Board approves the School Admissions Policy, Admission Arrangements and Coordinated Schemes for admission to Primary and Secondary schools for the 2022/23 academic year.

Strategic Director
- People

EXB59 CAPITAL PROGRAMME – 2021/22 - KEY DECISION

The Board considered a report of the Strategic Director, People, which provided a summary of the capital funding received by the Council from central Government to support Schools Capital Programmes for 2021/22.

The Board was advised that the Department for Education (DfE) had not announced the Capital Grant Allocation for 2021/22 at the time of writing the report. However, given the timescales for some of the capital projects, there was a requirement to present this report, so it was compiled using the 2020/21 allocation, which was £903,847.

The report set out details of the indicative funding available to support capital projects across the schools estate and also explained how the School Condition Allocation would be utilised.

Reason(s) for Decision

To deliver and implement the Capital Programmes.

Alternative Options Considered and Rejected

Not applicable.

Implementation Date

Capital Programmes for 2020/21 would be implemented with effect from 1 April 2021.

RESOLVED: That the Executive Board

- 1) notes the position regarding capital funding from the DfE for 2021/22;
- 2) approves the proposals to be funded from the School Condition Capital Allocation; and

Strategic Director
- People

- 3) agrees that the capital allocations are put forward for inclusion in the budget report to full Council.

EXB60 PAUSE DELIVERY MODEL FOR HALTON AS PART OF THE LIVERPOOL CITY REGION

The Board considered a report from the Strategic Director – People, which sought approval for Halton to enter into a partnership with the registered Charity ‘Pause’ and the other City Region Authorities – Wirral, Liverpool and Knowsley, to develop a regional Pause Programme.

Pause was described as an intensive trauma informed relationship based model that aimed to reduce the damaging consequences of children being taken into care. The development of the Programme would address the increasing demands on statutory services and rising numbers of looked after children and the need to safely manage a reduction in children becoming looked after.

The report outlined the proposals in detail, which included how the Programme would be delivered, how the Department for Education (DfE) grant funding would be used, and the financial and resource implications of the Programme on the contributing local authorities once the DfE funding ended.

RESOLVED: That the Board approves that

- 1) in consultation with the Portfolio Holder for Children, Education and Social Care, the Strategic Director – People and the Strategic Director – Enterprise, Community and Resources, grant funding from ‘Pause’ be accepted for the establishment of a Pause Practice in Halton;
- 2) authority be granted for the Council to enter into a collaboration agreement with the registered ‘Pause’ Charity, Liverpool City Council, Knowsley Council and Wirral Council, to oversee the delivery of Pause Practices within the local authority areas; and
- 3) the Strategic Director – People, in liaison with the Operational Director – Finance, seek to identify potential sources of funding for the Council’s contribution to enable the continuation of the project once the DfE funding ends.

Strategic Director
- People

HEALTH & WELLBEING PORTFOLIO

EXB61 AGE UK – MID MERSEY : DIRECT AWARD - KEY DECISION

The Board received a report from the Strategic Director – People, which sought a waiver in compliance with Procurement Standing Order 1.14.4 (v) of part 3, for the granting of a Direct Award for the delivery of a Wellbeing Model from Age UK – Mid Mersey, from 1 April 2021 to 31 March 2024.

Members were aware that Age UK Mid-Mersey played a vital role in providing older people in Halton with the necessary support that helped promote their wellbeing and independence. The report discussed the important work carried out by the Charity, which focused on supporting older people to continue to live fulfilling lives in their own homes and enabled them to live in an environment that promoted personal safety, social engagement and activity, maximised wellbeing and reduced the ill effects of social isolation and the adverse impacts of ageing.

The report outlined the rationale behind the request and Members were referred to appendix one, which presented the Client Support Pathway and details of how the Wellbeing Model would be delivered.

RESOLVED: That Executive Board

- 1) note the contents of the report and associated appendix; and
- 2) approve a waiver in compliance with Procurement Standing Order 1.14.4 (v) of part 3 for the granting of a Direct Award to Age UK Mid-Mersey, for the delivery of a wellbeing model.

Strategic Director
- People

PHYSICAL ENVIRONMENT PORTFOLIO

EXB62 RUNCORN TOWN INVESTMENT PLAN (TIP)

The Board considered a report from the Strategic Director – Enterprise, Community and Resources, which sought approval to submit Runcorn's Town Investment Plan (TIP).

In November 2019, the Government issued the Towns Fund Prospectus inviting 100 towns to develop a Town Investment Plan to benefit from up to £25m funding

each from a national £3.6bn fund. Runcorn was invited to develop a TIP, which was now in its final draft stage and would be ready for the submission deadline date of 31 January 2021.

The report outlined the details of the TIP and discussed the list of emerging projects to be included in the Plan. The Board was requested to delegate the final sign off to the Chief Executive, in consultation with the Leader and Portfolio Holder for Physical Environment.

RESOLVED: That the Executive Board

- 1) agrees in principle to the Runcorn Town Investment Plan and project list; and
- 2) delegates approval of the final submission of the Runcorn Town Investment Plan to the Chief Executive, in consultation with the Leader of the Council and the Portfolio Holder for Physical Environment, in order to meet the 31 January 2021 deadline.

Strategic Director
- Enterprise,
Community and
Resources

MINUTES ISSUED: 26 January 2021

CALL-IN: 2 February 2021 at 5.00 pm

Any matter decided by the Executive Board may be called in no later than 5.00pm on 2 February 2021.

Meeting ended at 2.12 p.m.

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Chief Executive

PORTFOLIO: Leader

SUBJECT: Urgent Decisions

WARDS: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To bring to the attention of Executive Board urgent decision/s taken since the last meeting.

2.0 RECOMMENDATION:

2.1 That the report is noted.

3.0 SUPPORTING INFORMATION

3.1 The Council's Constitution gives authority to the Chief Executive to take urgent decisions which are required before the next formal meeting of Executive Board.

These must be made in consultation with the Leader of the Council where practicable, and with the Operational Director – Finance and/or Operational Director – Legal and Democratic Services where necessary. They must also be reported for information to the next practically available meeting of the Board.

3.2 More information on each can be found on the Council's website:

<http://councillors.halton.gov.uk/mgDelegatedDecisions.aspx?bcr=1>

3.3 The urgent decision/s taken since the last meeting of Executive Board:

Date Decision taken	Decision details
5 February 2021	Allocation of Covid-19: Adult Social Care Grants – Additional Allocation to Providers

4.0 POLICY IMPLICATIONS

4.1 There are none other than the constitutional requirement to report urgent decisions for information.

5.0 OTHER IMPLICATIONS

5.1 None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None.

6.2 Employment, Learning and Skills in Halton

None.

6.3 A Healthy Halton

None.

6.4 A Safer Halton

None.

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

7.1 The report is for information, and there are no risk issues arising from it.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 No background papers were used in the preparation of this report. Further information on the decision/s taken is available from the link in Paragraph 3.2.

REPORT TO:	Executive Board
DATE:	25 th February 2021
REPORTING OFFICER:	Strategic Director, People
PORTFOLIO:	Children, Education & Social Care
SUBJECT:	Home to School Travel and Transport Policy
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 This report fulfils the requirement under the Department for Education issued Home to School Travel and Transport Guidance (statutory guidance) in July 2014, and the requirements of the Education Act 1996 sections 508 and 509 and part 6 of the Education and Inspections Act 2006, to ensure that the Council makes travel arrangements and provides free transport for eligible children. The proposed policy attached to this report fulfils that requirement.

2.0 **RECOMMENDATION: That Members of the Executive Board approve:**

- i) **The Home to School Travel and Transport Policy (Statutory School Age) for implementation, with immediate effect.**

3.0 **SUPPORTING INFORMATION**

3.1 The Council already has in place a Home to School Travel and Transport Policy, which works well and is effective, and the Policy is regularly reviewed to ensure it meets statutory requirements.

3.2 Following a transport appeal in 2019, the appellant made a complaint to the Local Government Ombudsman in 2020, which the Local Government Ombudsman subsequently investigated. Whilst the Local Government Ombudsman confirmed to the complainant that the decision made by the Council's independent transport appeal panel in that case was correct and had followed the statutory and local process, it asked the Council to consider some recommendations which would further enhance the policy and assist parents and carers in their understanding of school admissions and eligibility to assistance with transport. It also recommended that, whilst it is not a statutory requirement to do so, parents/carers be allowed the opportunity to appeal in person, which is seen as good practice.

3.3 Currently appellants submit written documentation only for consideration by the appeal panel. The revised Policy incorporates the Ombudsman's recommendations and there are no changes to the eligibility criteria which are statutorily set.

3.4 In addition to the minor amendments in the Policy, officers in Transport Coordination are revising the guidance notes and application forms which provides enhanced information for parents and carers to support them with their application for assistance with transport.

4.0 **POLICY IMPLICATIONS**

4.1 The Local Authority is required to provide assistance with transport to those pupils defined within the Education Act 1996 and The Education and Inspections Act 2006.

4.2 The Policy has been reviewed to reflect the recommendations made by the Local Government Ombudsman to help strengthen information contained within the policy, and to allow parents and carers the right to appeal in person to the independent appeal panel. The Home to School Travel and Transport Policy is aligned to the Council's School Admissions Policy.

4.3 The number of transport appeals each year is very low (3 appeals during 2018/19 and 2 appeals during 2019/20 academic years) which indicates the Policy works well, ensures that those who need and qualify for assistance receive it, and that it is applied appropriately.

5.0 **FINANCIAL IMPLICATIONS**

5.1 None identified.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

The Home to School Travel and Transport Policy underpins the priorities within the Children & Young People's Plan in encouraging children to be healthy, by using sustainable modes of transport including walking and cycling to school. Any travel assistance provided by the Council is in place to ensure children can access school where they can enjoy and achieve, and make a positive contribution.

6.2 **Employment, Learning & Skills in Halton**

The Home to School Travel and Transport Policy underpins the

priorities within the Children & Young People's Plan in encouraging children to be healthy, by using sustainable modes of transport including walking and cycling to school. Any travel assistance provided by the Council is in place to ensure children can access school where they can enjoy and achieve, and make a positive contribution.

6.3 A Healthy Halton

The Home to School Travel and Transport Policy underpins the priorities within the Children & Young People's Plan in encouraging children to be healthy, by using sustainable modes of transport including walking and cycling to school. Any travel assistance provided by the Council is in place to ensure children can access school where they can enjoy and achieve, and make a positive contribution.

6.4 A Safer Halton

It is the parent/carer's responsibility to ensure their child's regular attendance at school. To assist parents/carers the Council has an independent Travel Training Scheme which teaches pupils and young people who need additional help or support to make journeys confidently and safely on their own using public transport. Walking routes are determined by officers in the Council and safe walking route risk assessments are undertaken if required.

6.5 Halton's Urban Renewal

None identified.

7.0 RISK ANALYSIS

7.1 The Home to School Travel and Transport Policy is in place to meet statutory requirements. There are no major risks associated with the publication of the Policy.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 This Policy reflects the diverse needs of children and young people in Halton in accessing appropriate educational provision. The Policy makes suitable travel arrangements for those children. Children from low income families are also offered extended rights to assisted transport in accordance with statutory requirements.

9.0 REASON(S) FOR DECISION

The decision is required to fulfil the Council's statutory duty to promote the use of sustainable travel and transport and provide assistance with transport to eligible children and young people.

10.0 **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

None.

11.0 **IMPLEMENTATION DATE**

With immediate effect following approval.

12.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Education & Inspections Act 2006	People Directorate	Martin.West@halton.gov.uk
Department for Education Guidance on home to school travel and transport	People Directorate	Martin.West@halton.gov.uk

Home to School Travel and Transport Policy 2020-21

(Statutory School Age)

People Directorate



Contents

Section 1

Strategy for the promotion of sustainable modes of school travel within Halton

Section 2

Travel Assistance for pupils of statutory school age

Section 3

Independent Travel Training

Appendix One

Assisted Travel Appeals Process and referral to Local Government Ombudsman

Context

Halton Borough Council has a duty under the Education and Inspections Act 2006 and associated regulations and guidance, to ensure that suitable travel arrangements are made, where necessary, to facilitate a child's attendance at school. This applies to home to school travel arrangements, and vice versa, and do not relate to travel between educational establishments during the school day. Parents and carers are responsible for ensuring that their children attend school regularly.

The duty on local authorities is to make such travel arrangements as they consider necessary to facilitate attendance at schools for eligible children. Schedule 35B of the Act defines eligible children as those categories of children of compulsory school age (5-16) in an authority's area. Local authorities are also required to publish their Sustainable Modes of Travel Strategy by 31st August each year, and, as recommended within Department for Education Guidance, this document integrates that strategy within this policy document.

Other legislation which requires local authorities to provide certain socially necessary bus services within the Borough remain in force, and some of these services provide important links to schools and other education/learning facilities within the Borough.

This Policy is regularly reviewed (last review October 2020) and published in the Education and Families section of the Council website at www.halton.gov.uk and is available to pick up at any Halton Direct Link or by phoning 0303 333 4300.

It is also intended that this document will assist in meeting the Council's priorities and support the Halton Children and Young People's Plan.

If your child/young person has Special Educational Needs and/or Disabilities, please see the separate Home to School & College Travel and Transport Policy for Children & Young People with Special Educational Needs and Disabilities (SEND) – available on the Council's website.

The Local Authority is aware that travel patterns across Halton may alter over future years. The needs of pupils and parents will be continually reviewed as any school organisation programmes progress.

Section 1

Strategy for the Promotion of Sustainable Modes of School Travel within Halton

Halton Borough Council strongly supports measures which encourage local communities to use environmentally sustainable forms of travel (walking, cycling and public transport). These wider policies are detailed within the Halton Local Transport Plan (LTP3) found at www.halton.gov.uk/ltp3. The Halton Local Transport Plan contains a wide range of measures to improve access to education for statutory school age children (up to 16 years of age)

Each school has developed a School Travel Plan with the aim of improving access by sustainable and safe forms of travel for all children and young people, promoting healthier lifestyles and less car dependency. Halton Borough Council is seeking to place Health at the heart of all its policies, and this Policy encourages children to walk and cycle to school, and supports the Health agenda.

When assessing the needs of eligible children and young people for assisted home to school travel Halton Borough Council has adopted a range of sustainable travel options including walking and cycling. In addition, Halton has an excellent network of high frequency bus services linking the main residential areas with local schools. The majority of local buses are now fully accessible to all in the community.

This policy document is aligned to the Council's School Admissions Policy and with the principles set out in the central government document "Home to School Travel and Transport Guidance" (2014), and takes into account the views and comments of the Local Government Ombudsman.

Sustainable Modes of School Travel – Options:

Walking

For journeys of under 2 miles for primary school pupils aged up to 8 and 3 miles for older pupils, walking to and from school is the preferred mode of travel. Walking helps improve levels of personal fitness and aids the personal development of children and young people.

Cycling

For journeys between 0 – 3 miles cycling is an option for primary and secondary aged pupils. Halton Borough Council has introduced a range of measures to make it safe and attractive to travel to and from school by bike.

Public Transport

For journeys over 2 miles for pupils aged up to 8 and 3 miles for older pupils, public transport (buses and trains) offers a convenient and affordable way of travelling to and from school.

The type of travel assistance provided for eligible pupils will be at the discretion of Halton Borough Council based on the principles set out in this Policy and may include one of the following:

- A cycle maintenance grant
- A travel pass for use on a conventional, timetabled, public transport service
- A place, from an appropriate collection point, on a minibus, taxi or other suitable vehicle, adapted where required, provided under contract by the Council
- Mileage allowance paid to parents, providing that there is no available seat on existing transport. Mileage allowance will not be paid if a pupil has been removed from existing transport for safety reasons. It remains the responsibility of the parent to make alternative arrangements to ensure that their child attends school on a regular basis

Halton Borough Council will use the sustainable school travel options approach to assess the level of transport and assistance required by all children and young people resident within the Borough. A package of travel assistance will then be determined and offered to all eligible children and young people in line with the criteria set out in this Policy.

In assessing an individual child or young person's eligibility for assisted travel, a comprehensive review of how accessible education is in terms of walking, cycling and public transport routes and services is undertaken. Halton Borough Council also operates an Independent Travel Training initiative which provides tailored help and support for children and young people.

The Council and its key partner organisations are working towards promotion of sustainable travel to all facilities within the Borough. Every school within Halton has a Travel Plan.

Detailed advice on public transport is available from Traveline Phone: 0871 200 22 33 or www.traveline.info or from the Halton Borough Council Website at www.halton.gov.uk/transport.

Halton Borough Council's Neighbourhood Travel Team (NTT) will prepare individual journey plans for pupils wishing to use public transport when travelling to and from school. Phone: 0800 1953 173, Email: ntt@halton.gov.uk. A School Travel Map is available via the NTT, or the Council website. This is a handy, fold out, tube style map of the services in Halton with extra information about School Services and other information and support available including information about ticketing and cycling. All transport information is available on the Council website at www.halton.gov.uk/transport.

Curriculum travel during the school day

There is no duty on the Local Authority to provide transport for curriculum activities or for travel between different educational establishments during the course of the school day. It is the responsibility of the individual schools, institutions and education providers to organise and provide pupil's transport for curriculum activities during the school day.

Children attending pre/after school activities

This Policy does not cover Parents/carers whose children attend pre/after school activities. Parents/carers will need to make their own arrangements in this regard.

Section 2

Travel Assistance for Pupils of Statutory School Age

Eligibility Criteria

Halton Borough Council will meet its statutory obligations by providing assisted transport to children aged 5 to 16 years who live within the Borough and who attend the nearest qualifying school which is above the statutory walking distance.

Parents/carers are responsible for ensuring that their children attend school regularly. However, the Education and Inspections Act 2006 places a duty on local authorities to ensure suitable travel arrangements are made, where necessary, to facilitate a child's attendance at school.

Children who are eligible will receive assistance to the nearest qualifying school. A qualifying school is defined as a school with places available that provides education appropriate to the age, ability and aptitude of the child, and any special educational needs they may have. Parents and carers should note that a qualifying school may not necessarily be a school within the borough of Halton. When assessing eligibility, account will be taken of schools in Halton, and also within neighbouring authorities as, in some instances, schools in neighbouring authorities may be nearer than other schools within Halton.

When expressing a preference for a school parents/carers must consider the likelihood of admission. In Halton, booklets are produced each year for admission to primary school and admission to secondary school. Within those booklets maps are provided detailing the location of each school in Halton, and, if a school was oversubscribed in the previous year, details of where oversubscription occurred, which will help act as a guide for parents on the possibility (or otherwise) of gaining admission to a particular school.

Each local authority will have a similar booklet for schools in its area, so if your preference is for a school in another local authority area, please ensure you read their booklet on school admissions. However, it is important to note that as patterns of parental preference change each year, the information provided within admissions booklets in terms of

previous year's allocations, are only intended as a guide. It is only after all preferences have been submitted each year, and after the closing date, that the Local Authority (and own admission authority schools) start the allocation process.

No admission authority can guarantee admission to a particular school, which in turn may have an impact upon eligibility for transport. Parents and carers should make sure that they read the relevant admissions booklet prior to submitting their school preferences. Halton's Admissions Booklets can be found here: [Admissions Booklets](#)

Schools in Halton do not operate "catchment zones", therefore parents and carers should read the booklets to look at each school's admissions criteria, and previous patterns of preference for a school, and can also contact officers in Transport Coordination to discuss their application for assistance with transport. However, it will only be at the point of application, and consideration against the eligibility criteria, that a decision about eligibility for assistance with transport can actually be made.

Under the terms of the Education and Inspections Act 2006, Section 508(B) defines "qualifying schools" as:

- Community, foundation or voluntary schools
- Community or foundation specialist schools
- Non-maintained special schools
- Pupil referral units
- Maintained nursery schools
- City technology colleges (CTC), City Colleges for Technology or the Arts (CCTA) or Academies (including Free Schools)

To comply with its duty Halton Borough Council will provide for home to school travel for children of statutory school age in the following circumstances:

1. Where a child aged under 8 attends the nearest qualifying school over 2 miles or where a child aged 8 and over attends the nearest qualifying school over 3 miles, respectively from the child's home address. This will be measured by the shortest walking distance along which the child, accompanied as necessary, may walk with reasonable safety. The route will be determined by the Council. (As such the route measured may include footpaths, bridleways and other pathways as well as

recognised roads. The walking distance between home and school is measured from the pupil's home gate or drive nearest to the school, to the nearest available gate of the school. A risk assessment of the route will be made if needed).

2. Children from low income families i.e. those entitled to free school meals or whose parents are in receipt of the maximum level of Working Tax Credit or whose Universal Credit payment entitles them to enhanced assisted school transport. This enhanced provision applies to Primary pupils aged between 5 and 11 from low income families attending the nearest qualifying school more than 2 miles from their home. Proof will be required by TC602, confirmation for free school meals, Working Tax Credit statement, Housing/Council Tax Benefit entitlement etc.
3. Secondary Pupils aged between 11 and 16 years may be entitled to enhanced assisted school transport if they attend one of the three nearest qualifying schools which are between 2 and 6 miles from the child's home or the nearest qualifying school preferred by reason of a person's religion or belief up to a maximum of 15 miles. Proof of low income will be required as detailed above.
4. Where a pupil lives within the statutory walking distance to school and a risk assessment identifies that there is no safe route that the pupil could reasonably be expected to take, assisted travel will be provided in line with the criteria detailed in this Policy. This is based on route safety, not personal safety, and any pupil being accompanied by a responsible adult. The Council will be responsible for determining the safety, or otherwise, of the route.
5. The Local Authority will use its discretion to provide Home to School Transport where a pupil attends a faith school for reasons of religion or belief (evidence will be required to support this e.g. baptism certificate or letter from priest/vicar). This will only be to the nearest voluntary aided or foundation school of the relevant religion/faith where the distance is over 2 miles for children under 8 and over 3 miles for children over 8. If a place is not available at the nearest voluntary aided or foundation school the Local Authority is not in a position to provide assistance with transport to an alternative school (unless low income conditions apply for Secondary Pupils as referred to above).

In all cases it is the responsibility of parents/carers to ensure their child's safe and secure travel to and from school. Parents/carers are responsible for their children until they are received on school premises and the parent/carer has left the school. The only exception would be if a parent/carer's disability prevents them accompanying their child along a walking route that would otherwise be considered unsafe without adult supervision (as determined by the Council's Transport Coordination Department). In these circumstances a reasonable adjustment may be considered to provide assistance with home to school travel, and each case will be considered on its merits and in conjunction with any requested documentary evidence from the relevant professionals (e.g. Doctor, Consultant etc.) to support the circumstances.

Parents and carers should note that transport will be provided to the nearest qualifying school with places available where the application meets the eligibility criteria. If a parent/carer does not apply to a nearer school or if there is a nearer school with places available at the time of application (generally the normal school admissions round), then the Council does not have to provide transport

If a pupil changes home address their entitlement to assisted school transport will be reassessed on the basis of the eligibility criteria. When pupils leave the Borough any travel passes issued by the Council must be returned.

The Council will make a charge for a replacement travel pass in the event of the pupil/young person misplacing or losing their pass.

In exceptional circumstances, travel assistance will be offered to and from school for pupils who have been temporarily relocated which causes them to become eligible in accordance with the criteria detailed above. For example, if relocated due to being part of witness protection scheme, place of safety from domestic violence, family home uninhabitable due to natural disaster (e.g. flooding).

Where there is a formal shared care arrangement in place and both parents have care of the child(ren) for part of the week then home to school transport will only be provided from the address(es) where the child would meet the criteria of being an "eligible child".

Assistance with transport will also be provided to a pupil within the "In Year Fair Access Protocol" if their attendance at the particular establishment causes them to become eligible in accordance with the criteria detailed above.

In respect of all eligible children the type of transport provided will be at the discretion of Halton Borough Council on the basis of sustainable school travel. It may be any of the following:

- Cycle maintenance grant
- A travel pass for use on a timetabled public transport service (which may take the form of a conventional public bus service or specific school bus service)
- Travel on specific Halton Borough Council contracted service (including taxis and minibuses where appropriate)
- Mileage payable to parents

All assisted travel is made on the provision that the pupil's behaviour is of an acceptable standard during journeys to and from school. The Council reserves the right to withdraw or reassess the assisted travel arrangements in the light of misuse or poor behaviour. In addition, if assistance with travel is awarded in error, the Council reserves the right to withdraw the assistance.

Where the travel eligibility criteria are not met, parents/carers may apply for a vacant seat on a Halton Borough Council school contract vehicle (where available). However, priority will always be given to providing a place on these services for eligible pupils/young people. Therefore, the provision of "paid for seats" may be withdrawn by the Council (giving parents/carers 5 weeks notice). Parents/carers requiring more information should contact the Council's Transport Coordination Team on 0151 511 7444. The Council will levy a charge for this provision and will review its availability annually.

Right of Appeal

Parents and Carers can appeal to Halton Borough Council through the agreed appeals procedure (outlined in Appendix One).

Section 3

Independent Travel Training

Halton Borough Council provides an Independent Travel Training service for people lacking the skills and confidence to plan and undertake a journey on public transport on their own. The service also trains and supports people with disabilities and learning difficulties to give them the essential skills they need to access public transport and gain independence.

'Supporting Independence' Travel Training in Halton provides help with:

- Using money
- Buying tickets
- Finding your way about
- Planning a journey
- Using buses
- Using trains

A Travel Training Toolkit is also available which provides a step by step guide enabling Travel Trainers to develop tailor made, one-to-one programmes to support people to travel independently.

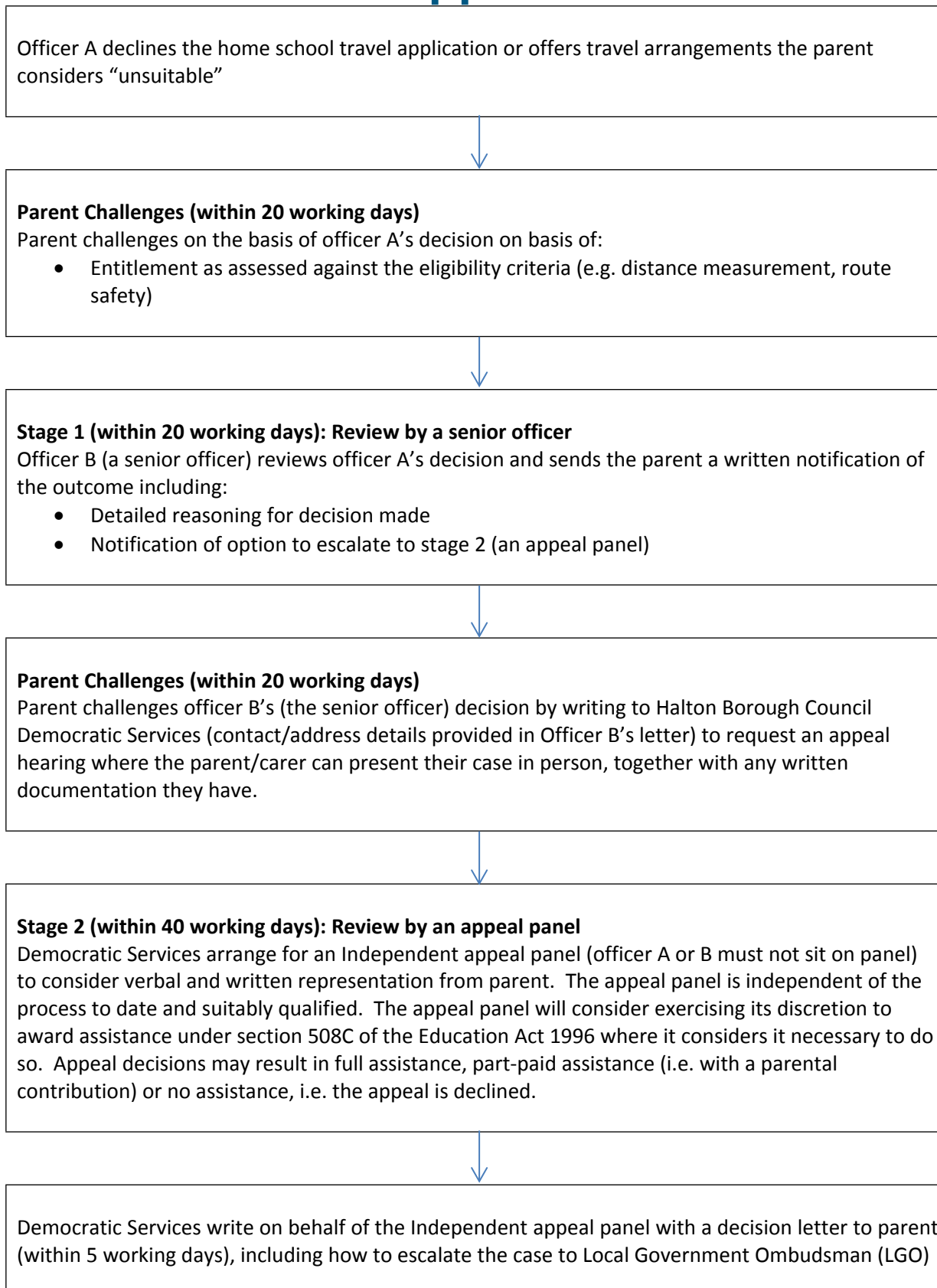
For more information, a referral form or the Travel Training toolkit, contact Derek Donoghue, Independent Travel Trainer:

Phone: 0151 511 7444

Email: derek.donoghue@halton.gov.uk

Appendix One

Assisted Travel Appeals Process



Notes:

- Officer A refers to the assessing Officer in the Council's Transport Coordination Department
- Officer B refers to the Council's Lead Officer, Transport Coordination
- Independent Appeal Panel refers to the Operational Director – Education, Inclusion & Provision, and Portfolio Holder for Children and Young People.

Local Government Ombudsman

A complaint to the Local Government Ombudsman can be made by the parent/carer/young person only if there has been a failure to comply with the procedural rules or there has been maladministration of the policy.

Telephone: 0300 061 0614.

Alternatively, you can write to:

The Local Government Ombudsman
PO Box 4771
Coventry
CV4 0EH

Fax: 024 7682 0001

You can also text 'call back' to 0762 481 1595.

REPORT TO:	Executive Board
DATE:	25 th February 2021
REPORTING OFFICER:	Strategic Director, People
PORTFOLIO:	Education, Children & Social Care
SUBJECT:	Youth Provision
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 To update members of the Executive Board on the Integrated Youth Support Service consultation and proposed future model.

2.0 **RECOMMENDATION: That Members of the Executive Board approve:**

- i) **the implementation of a new model of grant funded and commissioned Youth Provision across Halton.**

3.0 **SUPPORTING INFORMATION**

3.1 **Background**

3.1.1 This report provides feedback from the recent Halton Youth Provision consultation and sets out the Council's proposed response.

3.1.2 The consultation evidenced that there is support for the proposed model. Areas of agreement included the need to work in partnership across all sectors, the importance of valuing volunteers and existing local voluntary and community provision providers, and the need for qualified workers to support those children and young people in most need.

3.1.3 Responses from both parents and partner agencies acknowledged a growing concern about young people levels of stress, anxiety, depression and lack of life skills.

3.1.4 Partners and many young people, who responded to the survey, were also unanimous in the need to develop local youth provision delivered in town centres or housing estates, in venues such as community centres or designated youth club venues.

3.1.5 The proposal put forward in this report has taken account of the

feedback, while also recognising the financial challenges we face, the changing service needs and current and future landscape due to COVID 19.

3.2 The National Picture

3.2.1 With an increase in exploitation and demand on Children's Social Care, there is a growing focus nationally on the work local authorities need to undertake to ensure the most vulnerable young people can access and receive the support they need.

3.2.2 National research, evidence and guidance suggests changes are required. The All-Party Parliamentary Group (APPG) on Youth Affairs; Youth Work Inquiry 2018 recognises that over the years youth work has withstood the worst of spending cuts. Recent events and reports suggest the loss of youth work has had a negative impact on young people and communities. In the face of rapid technological change and major societal challenges we need to look again at what support young people need now and to meet their needs for the future.

3.3 Consultation

3.3.1 The consultation working group, that included members of Halton Youth Cabinet promoted the consultation through electronic newsletters/invitations/ messages that invited young people, parent/carers and key partners to take part. The surveys were promote on the Council web-site, Twitter and Facebook and Halton Youth Cabinet promoted the consultation via their media platforms.

3.3.2 The following three surveys were developed:

- A stakeholder survey for local organisations with an interest in youth service provision;
- A survey for children and young people;
- A survey to gather the views of parents and carers.

3.4 Response to the Consultation

3.4.1 Over 50% of the young people's surveys were completed on mobile phones. The largest age group to complete the survey was the 16 to 17 years age range; however, a high number of young people declined to give their age. There were slightly more surveys completed by females than males and more young people from Runcorn completed the survey than Widnes young people.

3.4.2 55% of the young people who completed the survey had previously attended youth provision. 40% hadn't attended youth provision and 5% declined to confirm if they had or not attended.

- There were 23 surveys returned from parents/carers
- 12 from key partners, including 5 from elected members
- 223 from children and young people.
- A total number of 258 for all three surveys.

3.5 **Consultation – key themes summary:**

What type of activity would you like to see delivered by Halton Youth Service?

The top five activities were as follows:

- Duke of Edinburgh Awards,
- Outdoor Activities,
- Mayors Award,
- Youth Participation
- Chilling/Hanging out.

Where would you prefer activities to be?

The majority of young people wanted activities to take place in Runcorn or Widnes Town Centre or a local Community Centre. There were no suggestions of Halton needing a larger purpose build youth zone, similar to the youth centres in Wigan, Birkenhead and Chorley.

What days would you prefer your activities to be held on?

Young people identified all 7 days; however the most popular days were Wednesday, Friday and Saturday.

What time would you prefer your activities to take place?

The time most young people want activities to take place was between 5pm and 8pm. There were no young people asking for activities to take place after 8pm, however young people wanted activities in school holidays to take place after 12 noon.

3.5 **Final Summary**

3.5.1 The Council has gained the views of young people in making decisions about the Proposed Future Model for Halton Youth Provision.

3.5.2 The Council will work with key partners, including Halton Youth Cabinet, voluntary and community groups, to design and deliver a localised model of youth provision, maximising the use of all

available resources and funding to:

- Work to address emerging social issues and concerns such as mental health issues relating to stress, anxiety and depression, etc
- Work with local providers/partners and voluntary sector to support the delivery of open access youth clubs in identified areas and outdoor environments.
- Target services towards those young people in most need of support including those who are vulnerable or most at risk of being involved in anti-social behaviour.
- Ensure experienced workers are in place across Halton, providing the skills and experience needed to make the most difference.
- Continue to work in partnership with the Duke of Edinburgh Awards Team, and further develop the opportunities for young people from Halton, to take part in the award
- Support Halton Schools and Colleges to become Directly Licenced Duke of Edinburgh Centres.
- Work with and support Primary Schools to offer and co-ordinate the new Halton Certificate of Achievement Award.
- Work to address other social issues and concerns, such as youth violence and knife crime, county lines etc.
- Provide a more localised outreach/detached youth offer – ensuring there are workers on the ground able to reach young people within the community e.g. on estates, on the streets.
- Build and strengthen the system of support available to meet the needs of young people, by linking voluntary and community workers to specialist workers.

3.5.3 Imbed youth participation in to all provision and review on a quarterly basis.

3.5.4 The proposed new model is for grant funded and commissioned Youth Provision across Halton. This approach will incorporate both open access provision for young people age 10 19 years and up to 25 with additional needs and targeted group/ outreach/detached support to vulnerable groups of young people. The aim will be to strengthen the Halton preventative offer, whilst further developing and supporting a network of local voluntary and community youth provision providers across Halton.

4.0 POLICY IMPLICATIONS

4.1 The most relevant statutory duty relating to youth services is the duty to secure access to positive activities. Under section 507B inserted into the Education Act 1996 by virtue of section 6 of the Education and Inspections Act 2006, the duty requires Local Authorities to ensure, so far as reasonably practicable, that young people have access to sufficient educational leisure-time activities which are for the improvement of their well-being and personal and social development.

4.2 This includes sufficient facilities for such activities; that activities are publicised; and that young people are at the heart of decision making regarding the positive activity provision. The duty applies to the 13 – 19 age range, and up to 24 for young people with learning difficulties.

4.3 The duty is qualified by the term 'reasonably practicable', which means that the determination of whether the local authority is acting reasonably depends on the particular circumstances of the local authority and the particular requirement for access to such activities and facilities. It is important for local authorities to document their consideration of need and any decisions made on the grounds of what is judged to be 'reasonably practicable'. By doing so, the authority will be able to provide a rationale for its decision making, if challenged.

4.4 Positive activities includes; educational leisure time activities and recreational leisure time activities. The two are not mutually exclusive and many activities can fall in the remit of both. The positive activities to which access is to be secured, need not always be in the local authority's area and the duty allows local authorities to enter into cross-border co-operative arrangements in order to meet the needs of young people who must travel to specific provision, or who live on, or near the borders of different local authority areas.

4.5 There is no enforceable statutory guidance on the level of provision of youth services, however if local authorities did not meet their statutory duties, they could be challenged through judicial review.

5.0 FINANCIAL IMPLICATIONS

5.1 The current budget allocated for the universal and targeted youth provision is £359,583.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

The aim will be to strengthen the Halton preventative offer, whilst further developing and supporting a network of local voluntary and community youth provision providers across Halton.

6.2 Employment, Learning & Skills in Halton

This provision will aim to support Halton Council in raising young peoples' aspirations and drive up participation and attainment in learning. We will seek providers that support young people who are NEET to get back into education training and employment.

6.3 A Healthy Halton

This provision will promote positive emotional and physical wellbeing to children and young people aged 10yrs to 19yrs and up to 25 for young people with additional needs or leaving care.

6.4 A Safer Halton

The detached work will allows Halton the opportunity to continue using to target area of greatest need with regards to reducing youth related anti-social behaviour, teenage conceptions and substance misuse.

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

7.1 It is important that the new provision reflects the views of the young people, parents and carers and other stakeholders. Regular feedback will be sought from the Youth Cabinet and the new service will be evaluated over the next twelve months.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Halton Borough Council aims to ensure that services available at all levels, reflect the diversity of the people they serve.

9.0 REASON(S) FOR DECISION

To agree the future shape of youth services within Halton.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

To put the service out to the market as one commission. This was rejected as it did not allow local organisations with good local networks the opportunity to provide a service.

11.0 **IMPLEMENTATION DATE**

1st April 2021

12.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Consultation responses		john.bucknall@halton.gov.uk

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Strategic Director, People

PORTFOLIO: Children, Education & Social Care

SUBJECT: Apetito (provision of meals to St Luke's and St Patrick's Care Homes) : Direct Award

WARD(S): Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 To seek a waiver in compliance with Procurement Standing Order 1.14.4 (v) of part 3, for the granting of a Direct Award to Apetito for the supply of pre-prepared meals to St Luke's and St Patrick's Care Homes from 1st March 2021 to 28th February 2022.

2.0 **RECOMMENDATION: That Executive Board**

- i) **Note the contents of the report and associated appendix; and**
- ii) **Approve a waiver in compliance with Procurement Standing Order 1.14.4 (v) of part 3 for the Direct Award to 'Apetito' for a period of one year.**

3.0 **SUPPORTING INFORMATION**

- 3.1 Halton Borough Council (HBC) Care Homes Division consists of four care homes, including St Luke's and St Patrick's, both having transferred from Community Integrated Care (CIC) in October 2019.
- 3.2 St Luke's is a 56-bed nursing home providing dementia care across four areas. St Patrick's is a 40-bed nursing home providing dementia care across two areas.
- 3.3 All care homes have catering facilities and provide a full meal service and snacks to individuals residing within the homes. All homes provide specialist diets in line with individuals assessed needs and care plans.
- 3.4 CIC historically used Apetito to supply meals for residents across their homes and following transfer of St Luke's and St Patrick's to HBC, a temporary six-month contract was agreed (up to April 2020) to allow time for a review to be completed and long-term needs identified.
- 3.5 Given the onset of the COVID-19 pandemic in March 2020, the contract was extended for a further six months up to the end of September 2020. Due to the ongoing challenges faced by care homes in responding to the pandemic, there have been further extensions to the contract to ensure continued meal provision within the homes.

3.6 In total there have been three waivers and extensions to the contract with Apetito and, as such, a more permanent interim arrangement now needs to be agreed until such a time as the service has capacity to complete a full review of catering in care homes. Therefore, a waiver in compliance with Procurement Standing Order 1.14.4 (v) of part 3 is sought to award Apetito a contract for a 12-month period from 1st March 2021 to 28th February 2022 with the option to extend for a further 12 months should the pandemic continue to place pressures.

3.7 Whilst current demands on the service have not allowed a full in-depth review of the meals service across all homes to be undertaken, a brief review has been conducted in relation to Apetito service provision within St Luke's and St Patrick's with the following benefits highlighted:

- Apetito have supplied fully fitted kitchen equipment in both care homes and they supply all serving dishes;
- Apetito provide full staff training;
- There is an online app which details the nutritional value of each portion of every item supplied;
- Individual meals are prepared in line with IDDSI which reduces risks associated with preparing specialist meals;
- Apetito provide photographs of each meal ordered to support decision making in EMI units;
- The meals look appetising and waste has been reduced.

3.8 In considering the current situation and the particular challenges faced by care homes and their residents as a result of the pandemic alongside the benefits associated with the service provided by Apetito, it is recommended that this service continue for at least another 12 months.

3.9 The case for continuing with Apetito is as follows:

- Continuity of service delivery and meal provision that is familiar to residents;
- Awareness of nutritional values of the meals that are also portion controlled;
- Service continuity not reliant on employed kitchen cooks (avoids potential staffing issues, e.g. sickness absence);
- Inability to undertake a consultation process with regards to alternative catering options at the current time.

4.0 **POLICY IMPLICATIONS**

4.1 None identified.

5.0 **FINANCIAL IMPLICATIONS**

5.1 Waiver in compliance with Procurement Standing Order 1.14.4 Non-Emergency Procedures (exceeding a value threshold of £100,000) on the basis that compliance with Standing Orders is not practicable because the Council's requirements can only be delivered by a particular supplier (1.14.4 (v)).

5.2 Awarding a contract to the existing provider would support continuity of provision for the residents at St Luke's and St Patrick's Care Homes.

5.3 The waiver would be effective for the period 1st March 2021 to 28th February 2022.

5.4 The total financial cost to the authority is £268,000 per annum (for the two homes).

5.5 The cost of this contract can be met from within existing budget allocations.

6.0 IMPLICATIONS FOR THE COUNCIL’S PRIORITIES

6.1 Children & Young People in Halton

None identified.

6.2 Employment, Learning & Skills in Halton

None identified.

6.3 A Healthy Halton

Care homes make an important contribution to the health and social care system in Halton.

6.4 A Safer Halton

None identified.

6.5 Halton’s Urban Renewal

None identified.

7.0 RISK ANALYSIS

7.1 There is a risk that having not been able to complete a full review of catering and meal provision across all homes that the most cost-effective and high quality service has not been identified. However, it is felt that the need to ensure continuity of service provision in these uncertain times outweighs those risks and entering into a contract with Apetito is the best option at this time.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None identified.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Apetito Review	Runcorn Town Hall	Jane.English@halton.gov.uk

REPORT TO:	Executive Board
DATE:	25 th February 2021
REPORTING OFFICER:	Strategic Director People
PORTFOLIO:	Children, Education & Social Care
SUBJECT:	Services for Missing from Home and Care for young people across Cheshire for Halton, Cheshire East, Cheshire West & Chester and Warrington: Request for Waiver of Standing Orders
WARD(S)	Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 Request for Waiver of Standing Orders:

A request for a waiver in compliance with Procurement Standing Order 1.14.4 iv of part 3 of Procurement Standing Orders is sought to allow the continuation of a contract with We are With You to deliver, on behalf of the Council, the Pan Cheshire Missing from Home and Care Service, for a period of one year from 1st July 2021 to 30th June 2022.

2.0 RECOMMENDATION: That: Executive Board

- i) Note the contents of this report; and
- ii) Approve a waiver in compliance with Procurement Standing Order 1.14.4 (non-emergency procedures – exceeding a value threshold of £100,000) to allow the continuation of a contract with ‘We Are With You’ to deliver the Pan Cheshire Missing from Home and Care Service, for a period of one year.

3.0 SUPPORTING INFORMATION

- 3.1 We are With You has been commissioned to deliver the Pan Cheshire Missing from home and Care service since July 2018. The Service works across all of the four local authority areas with clear links with Cheshire Constabulary’s missing from home co-ordinators to support young people who have been notified as missing from home or care. There is a co-ordinated and organised response including return interviews will facilitate direct intervention work with children, young people and their families.

- 3.2 The service has adapted to Covid-19 and lockdown restrictions by continuing to provide face to face interventions where appropriate as well support young people, families and carers via telephone, email and video consultations.
- 3.3 The existing contract ends on 30th June 2021. The request for authorisation of a waiver rather than implementing a tender process is due to the following:
- i It is proposed to include a young person's interview and evaluation panel in the tender process, as this indicates the competence and approach of a potential provider in working with young people and families. It would not be possible to include this at present, which would reduce the effectiveness of the process for this specific service.
 - ii The current service is well known and well regarded across the four local authority areas. It has good networks in place with foster carers and residential providers. In the current situation it would be difficult for a new provider to become established as it a specialist provision. All local authorities continue to have a statutory duty to provide services to looked after children.
 - iii To continue with a collaborative approach across Cheshire to deliver a high quality service that is effective in improving outcomes delivered by skilled practitioners which safeguards children and young people that are identified at risk.
- 3.4 The value of a contract extension for one year to 30th June 2022 is £458,133, which is the same as the current year. All local authorities have agreed to continue with a joint commissioning approach with Halton acting as the lead.

4.0 POLICY IMPLICATIONS

- 4.1 The method of procurement complies with both Public Contract Regulations 2015 and the Council's Procurement Standing Orders.
- 4.2 The authority continues to have a statutory duty to provide services to looked after children within the authority.
- 4.3 The service supports the Pan Cheshire Missing from Home and Care Protocol with Cheshire Constabulary.

5.0 FINANCIAL IMPLICATIONS

The funding for the additional waiver is within current budgets.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

This service directly relates to improving the safety and wellbeing of children and young people by reducing the incidents of missing and risky behaviour. This service supports key elements within Halton's Safeguarding and Children and Young People's Plans.

6.2 **Employment, Learning & Skills in Halton**

The provider will ensure that children and young people that go missing from home or care or that are vulnerable to exploitation are supported in their learning and future employment and skills development.

6.3 **A Healthy Halton**

The service support people to minimise reduce the risks of harm, and access relevant services to improve their physical and mental health and wellbeing.

6.4 **A Safer Halton**

The service provides support to vulnerable children, young people and families to assist them to access appropriate service provision within their local communities. This links to satisfaction with services and overall perception of the area in which people live.

6.5 **Halton's Urban Renewal**

None.

7.0 **RISK ANALYSIS**

7.1 The current contracts for these services will end on 30th June 2021; should the above not be agreed, the services will cease delivery of the provision and there will be a detrimental effect on children and young people across Cheshire.

If contracts for Missing from Home and Care are not in place, this may lead to the Council being unable to fulfil its statutory duty regarding looked after children. Failure to have this service in place will additionally lead to vulnerable children, young people and families being placed under increased pressure.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The current proposal would not impact upon any equality and diversity issues as all relevant protected characteristics would be unaffected by the proposal.

9.0 **IMPLEMENTATION DATE**

9.1 1 July 2021.

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Current contract	Rutland House	Clare Hunt

REPORT TO: Executive Board

DATE: 25th February 2021

REPORTING OFFICER: Chief Executive

PORTFOLIO: Health & Wellbeing

SUBJECT: Health Reforms – Memorandum of Understanding

WARD(S): Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To consider

1.1.2 the letters and associated papers received from Alan Yates, Chair, Cheshire and Merseyside Health and Care Partnership (C&MHCP) on the proposed reforms regarding integration of health & social care ; and

1.1.3 a proposed Memorandum of Understanding ; and

1.1.4 a Halton representative on the Cheshire and Merseyside Health and Care Partnership (C&MHCP)

2.0 RECOMMENDATION: That the Board :

- i) **Note the contents of the letters ;**
- ii) **Agree the proposed Memorandum of Understanding ;**
- iii) **Agree that the Chair of the Halton Health and Well Being Board represent Halton on the Cheshire and Merseyside Health and Care Partnership Board**

3.0 SUPPORTING INFORMATION

Background

Integrating Care: Next steps to building strong and effective integrated care systems across England – published by NHSE/I

3.1 The NHS has been on a journey with partners since 2016 (with the creation of System Transformation Partnerships (STPs)) to establish system wide integrated and collaborative working aimed at improving population health, reducing inequalities, and managing resources effectively.

3.2 The NHS Long Term Plan, published in 2019, further set out the direction for health and care to join up locally to meet population needs and for greater collaborative working and for all STPs to work towards being formally approved by NHSE as an ICS (Integrated Care System).

- 3.3 In December 2020, NHSE/I produced a paper which set out proposals for significant legislative reform that would give ICSs statutory functions and change Clinical Commissioning Group (CCGs) and the way NHS providers work together. The consultation on this paper closed on 8th January 2021 and the Council in conjunction with the LCR responded as set out in **Appendix 1**. This was developed with the support of the Directors of Adult Social Services from across the LCR.

The Cheshire & Merseyside Health & Care Partnership (C&MHCP)
Memorandum of Understanding (MOU) and the implications for Halton and other Local Authorities

- 3.4 The Health and Social Care Act 2012 resulted in the creation of CCGs and also an overt separation in the NHS between the commissioning and the provision of services. However, in recent years there has been a growing recognition that integration and collaboration are more effective at driving improved population health and reducing inequalities than competition and division. There is also evidence demonstrating the benefits of health and social care working together with other key partners such as housing, schools, businesses, and voluntary sector to support individuals and communities to be more independent and resilient.
- 3.5 Therefore, since 2016 the NHS has been on a journey to embed system wide integration and collaboration and to support local (Place/Borough) areas to bring together key partners to have a collective approach on improving outcomes for local people. There has been a drive to have integrated health and social care commissioning at a local level and to work with all relevant partners on improving outcomes locally and reducing inequalities. In Halton, this has been driven by ONE HALTON.
- 3.6 In Cheshire and Merseyside, the Health and Care Partnership (C&MHCP) is working, as directed by NHSE/I, towards formal designation as an ICS by April 2021. As part of this process the C&MHCP have produced a Memorandum of Understanding (MOU) and although not legally binding, that has been shared for information and comment.
- 3.7 Each of the Local Authorities are one of nine Places within Cheshire and Merseyside and collectively the nine places make up the Cheshire and Merseyside Health & Care Partnership. The C&MHCP needs to be formally designated as an ICS by 2021, in line with national policy.
- 3.8 An ICS is a system where: NHS bodies (commissioners and providers), local authorities and third-sector providers each take collective responsibility for the management of resources, delivering NHS standards and improving the health of the population they serve.
- 3.9 The national research shows that when different organisations work together in this way, local services can provide better and more joined-up care for patients. 'Systems' can better understand data about local people's health, allowing them to provide care that is tailored to the needs of local communities and individuals. For staff, the improved collaboration can help to make it easier to work with colleagues from other organisations.

- 3.10 The C&MHCP have developed an MOU and is seeking to shape this with all partners.
- 3.11 The aim of the MOU is to capture the required commitment across Cheshire & Merseyside to work together and it is important that each one of the nine Places/Boroughs in this system consider the MOU and play an active role in shaping the C&MHCP journey to becoming an ICS.
- 3.12 The MOU was a key area for discussion at the scheduled C&MHCP Political Assembly on the 18th January 2021. This was attended by the Leader as the Chair of the Health & Wellbeing Board and Cllr Wright as the Health & Wellbeing Portfolio Holder.
- 3.13 **Appendix 2** contains correspondence from Alan Yates including the latest iteration of the MoU a
- 3.14. Members are invited to
- 3.14.1 -consider any comments on the above made by the Halton Health PPB at its meeting on the 23rd February 2021. These will be reported to the meeting.
- 3.14.2 -consider and agree the MoU attached with these papers
- 3.14.3 -agree that the Chair of the Halton Health and Well Being Board represent Halton on the Cheshire and Merseyside Health and Care Partnership.

4.0 **POLICY IMPLICATIONS**

- 4.1 None identified at this stage.

5.0 **OTHER/FINANCIAL IMPLICATIONS**

- 5.1 None identified at this stage.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

Not Applicable.

6.2 **Employment, Learning & Skills in Halton**

Not Applicable.

6.3 **A Healthy Halton**

The need to have effective and efficient commissioning and delivery of health and social care provision in Halton is directly linked to this priority.

6.4 **A Safer Halton**

Not Applicable.

6.5 **Halton's Urban Renewal**

Not Applicable.

7.0 RISK ANALYSIS

7.1 A detailed risk analysis has not yet been carried out, however as part of the consultation response, as outlined at **Appendix 1**, a number of issues have been highlighted. For example, the proposal to put ICSs on a statutory footing from 2022 means there is a danger of reducing or replacing established place based leadership, best placed to achieve greater investment in prevention and community-based health and wellbeing services by addressing the wider determinants of health.

7.2 Further work on associated risks will need to be undertaken at the appropriate time.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None identified at this stage.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officers
Integrating Care: Next steps to building strong and effective integrated care systems across England	https://www.england.nhs.uk/wp-content/uploads/2020/11/261120-item-5-integrating-care-next-steps-for-integrated-care-systems.pdf	David Parr David.parr@halton.gov.uk Milorad Vasic Milorad.Vasic@halton.gov.uk

Appendix 1

Council response to - *Integrating Care: Next steps to building strong and effective integrated care systems across England* – published by NHSE/I

Appendix 2

Letters and associated papers from Alan Yates, Chair Cheshire and Merseyside Health and Care Partnership (C&MHCP) on the proposed reforms regarding integration of health & social care, including a proposed Memorandum of Understanding

Q1	Do you agree that giving ICSs a statutory footing from 2022, alongside other legislative proposals, provides the right foundation for the NHS over the next Decade?
<p>In general, we support the direction of travel of the proposals towards joining up health and care support around the individual, based on collaboration between organisations, and where decision-making is at the most local level. However, the proposals are in danger of reducing or replacing established place based leadership, best placed to achieve greater investment in prevention and community-based health and wellbeing services by addressing the wider determinants of health: safe and affordable housing, access to training and good jobs, a safe and healthy environment, support for early years, and infrastructure to support resilient communities. Place must be recognised and understood by local communities and for local communities ‘place’ is the Local Authority in which they live.</p> <p>We support the move away from a centralised arrangement towards one which places resources and decision making with local communities. However, we are concerned that the proposals set out in the NHS consultation document will just result in new NHS led regional and local command and control governance and systems that bypass or replace Health and Wellbeing Boards which are established, locally accountable place based partnerships, best placed to lead on population health. The aim to devolve power and resources at a local level would best be achieved by ICSs joining existing locally accountable Health and Wellbeing Boards as a partner within this established wider system partnership.</p>	

Q2	Do you agree that option 2 offers a model that provides greater incentive for collaboration alongside clarity of accountability across systems, to Parliament and most importantly, to patients?
<p>We support option 2 and would welcome CCG functions being transferred into the ICS and also NHSE commissioning functions as this would be the most streamlined model for the system (we believe option 1 would leave too many potentially competing layers at a system level and be too complex and may not facilitate the level of whole system working that is required).</p> <p>We welcome the recognition in the paper of the importance of Place and neighbourhoods and of the principle of subsidiarity but some of this needs to be made clearer over the next 12 months regarding how budgets will be delegated to Place by the ICS and for CCG staff affected by these changes (we welcome the employment promise) and who will they be employed by at Place when their CCG is dissolved.</p> <p>We would also recommend that some of the other functions of CCGs e.g. safeguarding, CHC, Primary Care delegated functions are all left in the remit of Place based integrated commissioning teams and that the traditional performance and assurance functions of CCGs are simplified.</p> <p>In addition, whilst both options set out in the consultation document recognise the need for local government representation, neither option proposes local government as an equal partner. The aim is to accelerate integration of health and care through statutory reform, which should legislate local authorities as equal partners. We would suggest that ICSs to be a statutory joint committee acting as strategic partnership bodies for the whole system, with a parity of esteem and representation between local government and the NHS, within which there should be a reciprocal duty of cooperation to address health inequalities on the NHS and local government. The accountability of the statutory ICS joint committee should be established within existing democratic structures and Directors of Adult Social Care (DASS) should be included as mandatory members of 'place' integrated care partnerships; and DASS representation on the ICS joint committee should be mandated. We would suggest that partners within the statutory joint committee should take on current clinical commissioning group (CCG) functions, as determined at a local level, recognising the maturity of local systems.</p> <p>The statutory joint committee should delegate commissioning to place unless there is an exceptional business case to commission at a scale greater than place. To ensure the success of place-based commissioning resources will be devolved at a local level.</p>	

The integration of health and care will be best delivered through the development of place-based partnerships. Different performance and legislative frameworks are barriers to true integration. If local government remain subject to the Public Contracts Regulations this proposal will introduce new barriers to joint commissioning and risks commissioning activity being inappropriately channelled through the NHS. If the aim of legislative change is to progress integration, the whole of the public sector, but social care, should operate within the same legal framework. The local system needs to be incentivised with clear duty on HWB’s to hold providers to account- we would want to see the role of HWBB strengthened in the option 2. If this option is progressed, we would want to see a duty of collaboration built in with reciprocal focus on the importance of addressing health inequalities and wider determinants of health. Collaboration can be a great lever for change and to improve outcomes, however there needs to be an acknowledgement that there are significant variations both in terms of service delivery and in funding gaps across the region – the paper does not sufficiently address how funding gaps and inequalities will be prioritised and rectified and how resources will be distributed.

Q3	Do you agree that other than mandatory participation of NHS bodies and Local Authorities, membership should be sufficiently permissive to allow systems to shape their own governance arrangements to best suit their populations needs?
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We agree it is important at a Place level that there is the flexibility / freedom to form partnerships that are best suited to a local Place, however we would welcome some guiding principles to support this as not all systems are as mature as others and may need support / guidance to establish effective local and larger system boards / partnerships.

We welcome the mandatory participation of Local Authorities as well as the NHS as this recognises the vital and pivotal role local government play in their communities and acknowledges that social care, health, community safety and economic regeneration are interlinked and all key factors in terms of improving health & wellbeing and reducing inequalities. It will be important that the relevant government departments are supportive of this to ensure the NHS and all aspects of local government come together on this agenda.

As the proposed legislative change progresses, we would welcome clarity regarding Place Boards that are outlined in the paper – would these replace Health & Wellbeing Boards? Will they be afforded any statutory footing as a criticism of Health & Wellbeing Boards has been that

they have no real decision-making powers? Will the potential governance relationships between the ICSs and integrated commissioning functions at Place be specified or will each system be allowed to work these out?

We agree with the premise that statutory direction should be sufficiently permissive as to allow systems to shape their own governance but would argue that the statutory role and leadership of DASSs must be recognised as mandatory within ICSs and ICPs. New governance should include local accountability through existing local systems including health and wellbeing boards and scrutiny committees.

We recognise that some integrated partnerships at place and integrated systems are more developed than others. Therefore, if ICSs are created in all parts of England by April 2021, statutory partners at place, including health and local authorities should be provided with the necessary support and resources to ensure some places are not disadvantaged and that all places are in a position to take on delegate powers as an Integrated Care Partnership.

Local authorities / HWBB need to be represented at ICS level - there is a strong reference to place leaders and the role of provider collaboratives, but we would want to see democratic decision making enshrined in legislation, policy and process.

Q4	Do you agree, subject to appropriate safeguards and where appropriate, that services currently commissioned by NHSE should be either transferred or delegated to ICS bodies?
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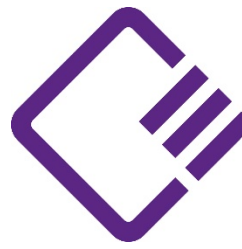
Yes, we agree that services commissioned by NHSE should be transferred (not delegated) to ICSs. This relates back to question 2 in that by transferring these services to ICSs the system will be simpler to understand by the public and accountability will be in one place. We would also recommend that the legislative change allow the commissioning of Primary Care to remain at Place as it does now through delegated commissioning from NHSE to CCGs.

We strongly support delegation of NHSEI commissioning to ICSs, where appropriate. Furthermore, we would like to see an equal emphasis on delegating commissioning to place level, ensuring the application of the principle of subsidiarity.

We would suggest that a new statutory reciprocal duty of collaboration to improve population health and address health inequalities is required of all NHS organisations and local authorities and that a legal requirement on ICSs to involve Health and Wellbeing Boards in the development

of plans is implemented and the development of place or locality plans be devolved to HWBs. A new power for HWBs to ‘sign off’ on all ICS plans should be introduced, together with arrangements for commissioning to continue to have a strong place-based focus, with a strong and proactive role in HWBs in approving commissioning plans. There should be a statutory duty on ICSs to be accountable to their local communities through existing democratic processes.

Greater control at a local level of specialised services and inclusion in the overarching wider pathway of services would be welcomed.



**Cheshire and
Merseyside**
Health and Care Partnership

Memorandum of Understanding

V8

January 2021

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1. Foreword

This draft Memorandum signifies an important step in the maturing of the Cheshire and Merseyside Health and Care Partnership. Much good work has gone on before now and I wish to honour those who made and continue to make practical progress in supporting the integration of health and care in the nine places of the Partnership. I also want to recognise the work of those who have developed and supported the specialist programmes of work and the collaboration at scale which has benefitted the people of Cheshire and Merseyside.

We are clearer now about the Partnership. We know we want everyone in Cheshire and Merseyside to have a great start in life and get the support they need to stay healthy and live longer. We are committed to tackling health inequalities and improving the lives of our poorest fastest. We believe we can do this best by working in partnership.

And we know we will make these things happen best when we support and enable joint and integrated work in the 9 Council areas, sometimes known as Places in Cheshire and Merseyside. If we are to work on a bigger population than Place we need to know why this is the best way to do it, otherwise we operate locally.

As we have made progress over the last year or so, the point has been made clearly that the purpose of the Partnership and the arrangements of the Partnership need to be stated and understood. The Partnership Assembly held in September 2020 confirmed emphatically that this must be done.

What follows is a draft description of the Partnership's purpose and arrangements. It does not seek to be finally definitive. It will change over time by consent. COVID-19 has caused great distress and disruption but it has also increased an understanding of what is possible, lowered barriers between organisations and has increased the pace of change. Amongst other things we expect legislation next year which could change the legal status of the Partnership. Consequently, the following is designed to be a foundation document from which we can develop and not a statement for the next several years. We will develop it together and inclusively.

Alan Yates
Chair
Cheshire and Merseyside Health and Care Partnership

2. The centrality of place

The NHS and the Councils, within the partnership, have broadly similar definitions of place. We aspire for all of our Councils, CCGs, Healthcare and voluntary sector providers and Healthwatch organisations to be active partners and participants in their respective local place-based partnership arrangements.

The extent and scope of Place arrangements are determined locally, but they typically include elements of shared commissioning, integrated service delivery, aligned or pooled investment and joint decision-making between NHS and Local Authorities. Other key members of these partnerships include:

- Primary Care Networks
- Specialist community service providers
- GP Federations
- Voluntary and community sector organisations and groups
- Housing associations.
- Other primary care providers such as community pharmacy, dentists, optometrists
- Independent health and care providers including care homes.

The 'primacy of Place' and its associated neighbourhoods is sacrosanct to ensure that:

- The lead role of Local Authorities in the integration of care and system design is recognised.
- System design is built on a Place based approach.
- Place at the local authority level is the primary building block for integration between health and care and other sectors of the service system.
- Political engagement, democratic input and legitimacy (stewardship).
- the non health & care aspects of Local Authority's portfolios are included in the health determinants consideration

Within a criteria based framework Places determine how they achieve outcome improvement, including how they come together to deliver this (i.e. their own model of service delivery) estimated to represent the considerable majority of all care improvement. It is at this level that we expect to continue to see significant local authority, community engagement and determination of the most appropriate location for care to be received.

2.1 Our Local Government Partners in Local places

The Cheshire and Merseyside Health and Care Partnership includes nine local government partners. The City Council, four Metropolitan Councils of the Liverpool City Region and four unitary authorities from Cheshire. These authorities lead on public health, adult social care and children's services, as well as statutory Health Overview and Scrutiny and local Health and Wellbeing Boards (or equivalent). They work with the NHS as commissioning and service delivery partners, as well as exercising powers to scrutinise NHS policy decision making. When we refer to health and care, the Partnership, it is all of these functions combined with voluntary and community sector provision and the NHS that is our focus.

Cheshire and Merseyside Health and Care Partnership is committed to working with both local authorities and NHS organisations, as equal partners, recognising that each part of the partnership provides a distinct contribution to the collaboration.

Local government's regulatory and statutory arrangements are separate from those of the NHS. As part of this memorandum of understanding all members of the Partnership, including Councils, commit to the mutual accountability principles for the partnership which are described later in this document. However, because of the separate regulatory regime certain aspects of these arrangements will not apply, for example, Councils are not subject to a single NHS financial control total and any associated arrangements for managing financial risk. However, through this Memorandum, Councils agree to align planning, investment and performance improvement with NHS partners where it makes sense to do so. In addition, democratically elected Councillors will continue to hold the partner organisations accountable through their formal Scrutiny powers.

3. Introduction and context

This Memorandum of Understanding (Memorandum) is an understanding between the Cheshire and Merseyside Health and Care Partners. It sets out the details of our commitment to work together in partnership to realise our shared ambitions to improve the health of the 2.6 million people who live in our area, reduce health inequalities and to improve the quality of their health and care services.

Cheshire and Merseyside Health and Care Partnership began as one of 44 Sustainability and Transformation Partnerships (STPs) formed in 2016, in response to the *NHS Five Year Forward View*. It brings together all health and care organisations from across our nine places, with a strengthened partnership with local councils developed since this time. We are not, therefore, a new organisation but a collaboration that consolidates and combines our ambition, approaches and initiatives to meet the diverse needs of our citizens and communities.

Since our establishment we have made progress in building our system's capacity and infrastructure and established our principles and preferred way of working. Such foundations will enable and empower us to achieve our aims going forward. We expect to develop a medium to long term plan for the partnership by the spring of 2021.

3.1 Purpose

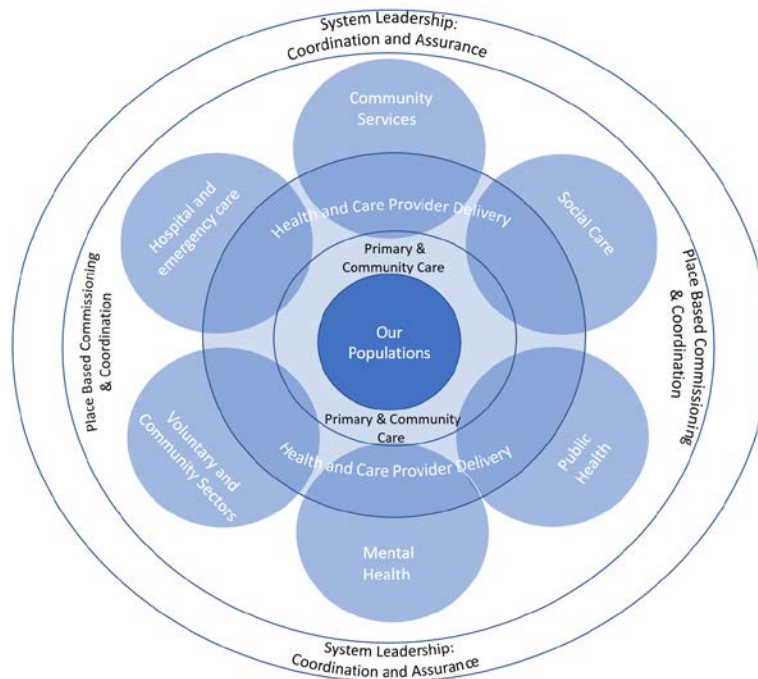
The purpose of this Memorandum is to formalise our partnership arrangements. We do not seek to introduce a hierarchical model; rather provide clarity through a framework, based on the principle of subsidiarity, to ensure collective ownership and coordination of delivery. This approach also provides the basis for a refreshed relationship with national NHS oversight bodies¹, who retain responsibilities for NHS delivery but retain a key interest in seeing the NHS work in partnership.

The Memorandum is not a legal contract. It is not intended to be legally binding and no legal obligations or legal rights shall arise between the Partners from this Memorandum. Rather the Memorandum provides a shared understanding between the Partnership's participants of our collective objectives and purpose. It does not replace or override the legal and regulatory frameworks that apply to our statutory NHS organisations and Councils.

The Memorandum should be read in conjunction with the Partnership's Plans and local Place priorities. The primacy of Place remains sacrosanct for the Partnership.

¹ We have a current Accountability Agreement in place between the Partnership and NHSE. We expect our current agreement to be reviewed which may result in a refresh.

3.2 Our integrated, system approach to collaboration



Our Partnership is grounded in the principle of collaboration which begins in each of our neighbourhoods.

For the NHS each neighbourhood is consolidated around our GP practices who in turn work together, with community, voluntary and social care services in Primary Care Networks, offering integrated health and care services typically for populations of 30-50,000 people. These integrated neighbourhood services focus on preventing ill health, supporting people to stay well, and providing them with high quality care and treatment when they need it (definitions of activity will be included in Terms of Reference as appropriate).

Neighbourhoods are part of our nine local Places. Our Places are our system's communities. They are the primary units for partnerships between NHS services, local authorities, charities, voluntary and community groups, all of whom work together to agree how to improve people's health and improve the quality of their health and care services.

The focus of the partnerships within our Places has moved away from simply treating ill health to a greater focus on preventing it, and to tackling the wider determinants of health, such as housing, employment, social inclusion and the physical environment in addition to inequalities. The role of partners and Health and Wellbeing Boards as well as other place convenors are key to bringing partners together to achieve real and sustained improvements.

However in order to respond to the challenges we have within our region and the aims we have set, collectively, for our system we recognise that there are times when all partners need to work together on a wider footprint than the place, to combine resources, effort or attention to deliver a greater benefit. Such activity will be most critical in the following areas:

- to achieve a critical mass beyond local population level
- to achieve the best outcomes
- to share best practice and reduce variation; and
- to achieve better outcomes for people overall by tackling 'wicked issues' (i.e. complex, intractable problems).

3.2.1 How we are moving forward in Cheshire and Merseyside

3.2.1.1 Vision & Mission

We have worked together to develop a shared vision for health and care services across our region. Our aspiration is that all of our priorities, activities and initiatives support the delivery of this vision:

We want everyone in Cheshire and Merseyside to have a great start in life, and get the support they need to stay healthy and live longer.

The achievement of our vision will be supported by the delivery of our mission:

We will tackle health inequalities and improve the lives of our poorest fastest. We believe we can do this best by working in partnership.

3.2.1.2 Overarching aims of our Partnership

We have agreed a set of guiding principles that shape everything we do through our partnership. These principles are underpinned by our aims which themselves are derived from our vision and mission:

- 1. Improve the health and wellbeing of local people**
- 2. Shift from an illness based to a health & wellbeing model**
- 3. Provide better joined up care, closer to home**

3.2.1.3 Values and Behaviours

We commit to behave consistently as leaders and colleagues in ways which model and promote our shared values:

- We are leaders of our organisation, our Place and of Cheshire and Merseyside

- We support each other and work collaboratively
- We act with honesty and integrity and trust each other to do the same
- We challenge constructively when we need to
- We assume good intentions
- We will implement our shared priorities and decisions, holding each other mutually accountable for delivery

3.2.1.4 Active members of our communities

We recognise that a number of our partners consider themselves to be and act as *Anchor Institutions*. Through having sizeable assets that can be used to support local community wealth building and development *anchors* can advance the welfare of the populations they serve.

The Partnership takes its' and our partner's responsibilities and potential for social responsibility and social action seriously. Differing from what has preceded we hope and expect the Partnership, as a truly integrated care system, can impact on the wider determinants of health and care including in education, housing, business, industry, enterprise and ultimately the whole person approach to health and well-being. It is through this way of working that we expect to be able to have most impact on equity and health inequalities.

Furthermore, as a core part of its social responsibility, the Partnership is supporting organisations to develop Green Plans and meet new NHS Net Zero Carbon Plan targets. As a Social Value Accelerator Site, we're dedicated to embedding social value across anchor institutions, building capabilities across environmental, economic and social factors.

In progressing our aims and initiatives we will support and champion innovation and the use of data and technology to provide insight and guide our delivery and focus.

3.2.1.5 Delivering our objectives and outcomes

In delivering our aims we recognise that the Partnership needs to:

- Plan and establish our approach to financial and performance management
- Enhance integrated commissioning at Place/Borough and streamline it at system level
- Incorporate NHS providers through a Provider Collaborative using a peer leadership approach

- Respond to and embed the NHS Constitution and other statutory duties relevant to the partnership, for example, our shared commitment to quality of care and safeguarding

We anticipate our plans will be developed, reviewed and confirmed annually. The Partnership will set its priorities and area for collaboration and coordination together. From this activity we will identify a number of priority programmes, initiatives and priority investment areas. Such priorities will be guided by our vision and longer-term planning assumptions and commitments.

Our portfolio of programmes will be signed off by the Partnership Board following proposals being brought forward by the Partnership Coordination Group. They will be presented to and reviewed by the Partnership Assembly.

Our programmes and all Partnership activities will be outcome focussed. By working together, we expect to empower and enhance Place or neighbourhood activities and priorities through the opportunity for co-ordinated and combined action. Some recent examples of outcomes secured the Partnership activity include:

- Covid19 Testing & Vaccine collaboration resulting in delivery of regional mass testing and vaccination role out supporting all of our communities
- Pathology and Imaging improvement and efficiency supporting investment
- Digital and technology investments and development particularly supporting delivery through Covid 19 but also longer-term infrastructure needs.
- Corporate Collaboration at Scale, for example, in procurement delivering savings in both the actual cost of purchasing goods but also the investment required to support such activities and their resilience during the recent pandemic

We anticipate that Places, through which a significant number of partners will interact will similarly focus on and track outcomes.

3.2.1.6 Involving the public

We are committed to meaningful conversations with people and our communities and highly value the feedback that people share with us. This will primarily be through our existing organisations, utilising and supplementing our existing communication channels. Effective public involvement, particularly with those with lived experience and who are seldom heard, ensures that we make the right decisions, together, about our health and care services.

Each of our organisations use a wide range of ways to involve the public. We will seek to supplement these activities, where appropriate, through any discreet work progressed by the Partnership using and linking with established Place channels.

Examples of this may include public, resident and patient reference groups, engagement events, participation in our Assembly or through our Board.

3.2.1.7 Voluntary and Community Sector

Cheshire & Merseyside is home to nearly 14,000 voluntary organisations, community groups and social enterprises working to tackle inequalities, and improve the lives of local people. The sector employs many but also supports and empowers thousands of volunteers and carers.

Our Voluntary, Community, Faith and Social Enterprise (VCFSE) sector is hugely important to the Partnership and is a major contributor to our communities having the resilience, capacity and social value to support us all in co-designing and delivering outcomes but also responding to and challenging inequalities within our communities. This coupled with the trust and expertise the sector brings to our system is why we consider it to be integral to our work.

3.3 Definitions and Interpretation

This Memorandum is to be interpreted in accordance with the Definitions and Interpretation set out in Schedule 1, unless the context requires otherwise.

3.4 Term

This Memorandum is a dynamic document and is intended to reflect where the partnership is at the date of adoption. As the system, collaboration and any responsibilities or delegations are developed or assumed this document will be reviewed and updated. When we become a full Integrated Care System the governance arrangements will be subject to review.

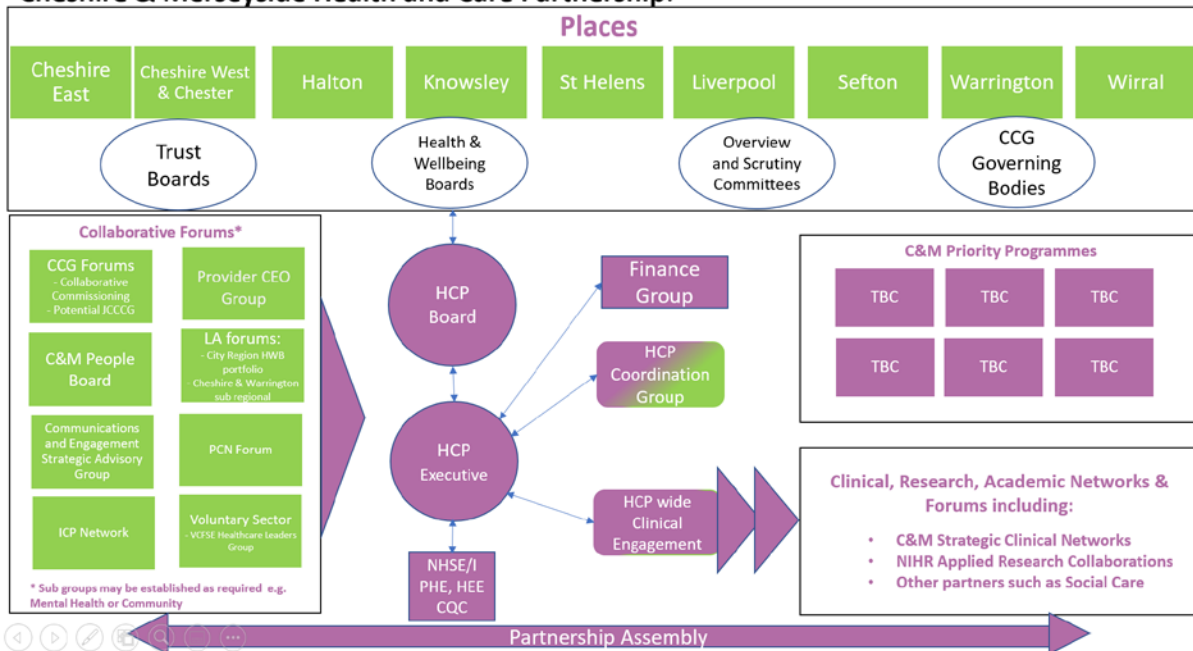
4. Partnership Governance

The Partnership does not replace or override the authority of the Partners' Boards and governing bodies. Each of them remains sovereign and Councils remain directly accountable to their electorates.

The Partnership provides a mechanism for collaborative action and common decision-making for issues which are best tackled on a wider scale.

A schematic of our governance and accountability relationships is provided at Annex 2, a summary of the roles and responsibilities of the Partnership Assembly, Partnership Board and Partnership Executive, Partnership Coordination Group and our relationship with collaborative forums is set out below. The terms of reference for each group are subject to review and development and will be added as an annex to this agreement following their agreement by the groups themselves and this governance structure.

Cheshire & Merseyside Health and Care Partnership:



4.1 Partnership Assembly

The representative body of the Partnership, bringing together the members of the Partnership akin to a shareholder AGM. The Partnership's representative or democratic council, without it there would be no systematic scrutiny of the Partnership Board & possibly narrower interests represented.

Provides the context in which the Board works and acts as the body of last recourse for the partnership. The Assembly:

- Provide a “democratic” forum for the Partnership
- Represents the wider C&M community
- Holds the Partnership Board to account

- Critiques the decision-making process
- Insist on transparency & blow the whistle as necessary
- Put the public good first
- Act as the conscience of the Partnership
- Acts as a “Community of Interest” in support of the Partnership’s work

The Assembly will meet on average three times a year and is chaired by the Partnership Chair.

The Assembly’s constituencies are detailed in Annex 5 and include all parties to this agreement (Annex A).

4.2 Partnership Board

The Partnership Board provides the formal leadership and authority of the Partnership. The Partnership Board is responsible for setting strategic direction. It provides oversight for all Partnership business, and a forum to make decisions together as Partners. It is chaired by the Partnership Chair

The Partnership Board:

- Acts as the governing body of the Partnership
- Sets the strategic framework of the Partnership & monitor performance against it; gives authority for expenditure & policy decisions where appropriate
- Holds the Partnership Executive to account
- Is Accountable to the Partnership Assembly.

The Partnership Board meets monthly.

Current proposed Board membership is detailed in Annex 6.

4.3 Partnership Coordination Group

The Partnership Coordination Group was initially established as an ad hoc operational group to coordinate the systems response to Covid-19. However the group has ongoing value as:

- A coordination forum across the partnership
- An informal, regular, communication channel and discussion point to support and influence pre work / thinking in advance of wider Partnership engagement

The co-ordination group meets twice monthly and is chaired by the Partnership Chief Officer

4.4 Partnership Executive

The Partnership Executive executes the strategic plan of the Partnership by delivering and helping Partners to deliver the vision and mission of the

Partnership. Accountable to the Partnership Board. It is chaired by the Partnership Chief Officer

The Partnership Executive focuses on:

- Strategic not operational issues.
- Creates & delivers plans to meet the Partnership's vision, mission & value
- Maintains oversight of programmes
- Provides the Partnership Board with information on key decisions
- Collects, collates & communicates data from across the Partnership
- Communicates simple, coherent messages from across the Partnership to stakeholders
- Advises on best practice across the Partnership

4.5 Finance Group

The Finance Group has been established to strengthen financial leadership, coordination and prioritisation across the Partnership. The Group makes proposals to the Partnership's decision-making structures on areas related to the Partnership's funding, system allocations and regional prioritisation. Financial leadership is built into each of our work programmes and groups, and the group provides financial advice to all of our programmes.

Where not already in place or available agreed Terms or References for each of the above described groups, or Boards will be developed by each group, discussed and circulated among interested parties before being put forward to the Partnership Board for approval.

It is envisaged that that such terms of reference will be finalised in Q4 of 20-21 and at that point form annexes of future versions of this Memorandum

4.6 Programme Governance

Strong governance and programme management arrangements are built into each of our programmes and workstreams. Each programme has a Senior Responsible Owner, typically a Chief Executive, Accountable Officer or other senior leader, and has a structure that builds in clinical and other stakeholder input, representation from each of our Places and each relevant service sector.

Programmes provide regular updates to the Partnership Executive and Partnership Co-ordination Group.

Clinical leadership, contribution and participation is central to all of the work we do and is integrated into the way we work both through our governance, through participation but also through our Strategic Clinical Networks (the number and scope of these networks will respond to the priorities of our system) local forums and research structures.

Clinical leadership is built into each of our work programmes and governance groups, to be supplemented by our developing PCN Forum. Our Strategic Clinical Networks and our regional clinical, research and wider forums provide structures to place clinical advice central to all of our programmes.

The importance of recognising and addressing inequalities in the care we provide, the way we work and within our populations remains central to our purpose, our thinking and our priorities. Accordingly, we identify and prioritise addressing inequalities as a cross cutting theme through all of our work and our programmes.

4.7 Other governance

The Partnership is also underpinned by a series of governance arrangements specific to particular sectors (e.g. commissioners, our providers and Councils) that support the way it works. These are described below.

4.7.1 Clinical Commissioning Groups

The nine CCGs in Cheshire and Merseyside are continuing to develop closer working arrangements within each of the nine Places that make up our Partnership.

The CCGs have established joint working arrangements. These arrangements allow for representatives of each CCG to meet to discuss and explore issues of common concern. The CCGs also have the opportunity, through formal delegation and prescribed governance steps, to establish a Joint Committee or Committee in Common, for formal collective decision making. Our CCGs are currently working through their approach to joint working which they will use to embed a shared agenda going forward.

4.7.2 Provider Collaborative

The nineteen NHS provider trusts in Cheshire and Merseyside already work together and collaborate across a variety of initiatives. They meet through an established CEO Group. However in order support our system in achieving our aims we expect the scope and outputs needed of this group to grow over time as our providers collectively plan and integrate care to meet the needs of our population.

Over time we expect the focus of this forum to:

- Deliver on NHS Constitutional requirements: 52 weeks wait, cancer treatment requirements and activity targets:
- Progress detailed planning – marshalling resource around priorities
- Tackle variation through transparent data and peer review
- Realise capacity utilisation - equalize and optimise access

- Target expert support for outlier organizations and specialties – deployed from region to ICS
- Promote innovation at scale – ICS owned

We recognise other networks and forums may exist or be established related to provider delivery, for example, in social care or community services.

4.7.3 Primary Care Network Forum

The Partnership is establishing a forum to bring together our system's Primary Care Networks (PCNs). PCNs bring primary and community services together to work at scale (as set out in the NHS Long Term Plan)

Bringing our Networks together periodically provides a tremendous opportunity to ensure there is a connection with our neighbourhoods, that the Partnership remains connected to and relevant to the front line but also to ensure that a clinical voice is even more prominently connected to our work, strategic planning and decision making.

The scope and frequency of this groups work will be defined in due course.

4.7.4 Integrated Care Partnership Network

The Partnership is establishing a network to bring together our emerging system place-based integrators.

Establishing this forum will support our emerging systems to share best practice, share learning and undertake shared, stepped implementation progress or integration.

The scope and frequency of this groups work will be defined in due course.

4.7.5 Cheshire and Merseyside People Board

The NHS People Plan sets a requirement for systems to develop a local People Board which will be accountable to the NHS North West Regional People Board. The Cheshire and Merseyside People Board (C&MPB) brings together health and care organisations and key stakeholders to provide strategic leadership to ensure the implementation of the People Plan and system wide workforce plans.

It is intended that the local People Board will provide a forum to:

- Monitor the delivery of the Cheshire and Merseyside People Plan targets and milestones
- Agree workforce transformation programmes
- Determine workforce development priorities and allocation and approval of funding accordingly
- Monitor performance of any workforce programmes

The Board meets on a quarterly basis. Membership is drawn from across the health and care sectors. Key NHS members from this group also participate in social care and Liverpool City Region workforce groups to maximise alignment and partnership collaboration.

4.7.6 Communications and Engagement Strategic Advisory Group

The Communications and Engagement Strategic Advisory Group provides leadership and co-ordination for communications and engagement across the Cheshire and Merseyside health and care system.

The group links with the Partnership's Co-ordination Group and aims to facilitate and secure alignment and connection between Partnership activities and those being undertaken in each partner organisation. The group provides leadership to the local communications and engagement community and shares local intelligence on sensitive or contentious issues,

The Group meets monthly. Membership is drawn from across health and care and includes wide, representative, local authority membership.

4.7.7 Local Council Leadership

Relationships between local councils and NHS organisations are well established in each of the nine places. The Partnership places great emphasis on these Place level connections and relationships. How the Partnership interacts with Place, secures intelligence and acts on feedback is and will be critical. The Partnership itself recognises it needs to develop its own relationships, avoid duplication and accordingly focusses primarily on the system level. We will continue to strengthen relationships in our current areas of focus:

- Liverpool City Region Health and Well-being Portfolio Holders
- Cheshire and Warrington sub regional Leaders' Board
- Local authority chief executives engage and collaborate with the Health and Care Partnership;
- Health and Wellbeing Board chairs collaboration
- Provision for Joint Health Overview and Scrutiny Committees as may be beneficial

4.7.8 Local Place Based Partnerships

Local partnership arrangements for the Places bring together the Councils, voluntary and community groups, and NHS commissioners and providers in each Place, including GPs and other primary care providers working together in Primary Care Networks, to take responsibility for the cost and quality of care for the whole population.

Each of our Places has developed its own partnership arrangements to deliver the ambitions set out in its own Place Plan. As identified by NHSE/I these may take the form of or link with Place based Provider Collaboratives. Such ways of working reflect local priorities and relationships, but all provide a focus on population health management, integration between providers of services around the individual's needs, and a focus on care provided in primary and community settings.

We anticipate our local, place based, health and care partnerships will develop horizontally integrated networks to support seamless care for patients.

5. Mutual Accountability Arrangements

A single consistent approach for assurance and accountability² between Partners in Cheshire and Merseyside system wide matters will be applied through the governance structures and processes outlined in pages 12 through 17 above. Our mutual accountability framework is set out, in full, at Annex 4

Through this Memorandum the Partners agree to take a collaborative approach to, and collective responsibility for, managing collective performance, resources and the totality of population health, including tackling inequalities where relevant to committed Partnership activities or delivery.

Our mutual accountability arrangements will include a focus on delivery of key actions that have been agreed across the Partnership and agreement on areas where Places wish to access support from the wider Partnership to ensure the effective management of financial and delivery risk.

As part of the development of the Partnership and the collaborative working between the Partners under the terms of this Memorandum, NHS England and NHS Improvement will look to adopt a new relationship with the Partners (which are NHS Bodies) in Cheshire and Merseyside by, overtime, enacting streamlined oversight arrangements

5.1 Decision-Making and Resolving Disagreements

Our approach to making Partnership decisions and resolving any disagreements will follow the principle of subsidiarity and will be in line with our shared Values and Behaviours. We will take all reasonable steps to reach a mutually acceptable resolution to any dispute.

5.2 Collective Decisions

There will be three levels of decision making:

- **Decisions made by individual organisations** - this Memorandum does not affect the individual sovereignty of Partners or their statutory decision- making responsibilities.
- **Decisions delegated to collaborative forums** - some partners may from time to time delegate specific decisions to a collaborative forum, for example, a Joint Committee of CCGs. Arrangements for resolving disputes in such cases are set out in the Memorandum of the relevant collaborative forum and not this Memorandum.
- **Whole Partnership decisions** - the Partners will make decisions on a range of matters in the Partnership which will neither impact on the statutory responsibilities of individual organisations nor have been delegated formally to a collaborative forum, as set out in annex 4 below.

² Within the NHS and extending to areas of committed Partnership or Place based activity or delivery

Collaborative decisions on Partnership matters will be considered by the Partnership Board. The Partnership Board will not act where it has no formal powers delegated by any Partner. However, it will increasingly take on responsibility for coordinating decisions relating to regulatory and oversight functions currently exercised from outside the system and will look to reach recommendations and any decisions on a *Best for Cheshire and Merseyside* basis.

The Partnership Board will aim to make decisions by consensus of those eligible Partnership Board members present at a quorate meeting. If a consensus decision cannot be reached, then (save for decisions on allocation of capital investment and transformation funding) it may be referred to the dispute resolution procedure on page 19 below and Annex 4 by any of the affected Partners for resolution.

In respect of referring priorities for capital investment or apportionment of transformation funding from the Partnership, if a consensus cannot be reached the Partnership Board may make a decision provided that it is supported by not less than 75% of the eligible Partnership Board members. Partnership Board members will be eligible to participate on issues which apply to their organisation, in line with the scope of applicable issues set out in Annex 1.

5.3 Dispute resolution

Partners will attempt to resolve in good faith any dispute between them in respect of Partnership Board (or other Partnership-related) decisions, in line with the Principles, Values and Behaviours set out in this Memorandum.

Where necessary, Place or sector-based arrangements will be used to resolve any disputes which cannot be dealt with directly between individual Partners, or which relate to existing schemes of delegation.

The Partnership will apply a dispute resolution process to resolve any issues which cannot otherwise be agreed through these arrangements.

6. National and regional support

To support Partnership development as an Integrated Care System there will be a process of aligning resources from NHS Arm's Length Bodies, such as some regional NHSE/I focus, to support delivery and establish an integrated single assurance and regulation approach.

National capability and capacity will be available to support C&M from central teams including governance, finance and efficiency, regulation and competition, systems and national programme teams, primary care, urgent care, cancer, mental health, including external support.

7. Variations

This Memorandum, including the Schedules, may only be varied by the agreement of the Board after consultation with all Partners.

7.1 Charges and liabilities

Except as otherwise provided, the Partners shall each bear their own costs and expenses incurred in complying with their obligations under this Memorandum.

By separate agreement, the Parties may agree to share specific costs and expenses (or equivalent) arising in respect of the Partnership between them in accordance with a "Contributions Schedule" as may be developed by the Partnership through its Finance Forum.

Partners shall remain liable for any losses or liabilities incurred due to their own or their employee's actions.

7.2 Information Sharing

The Partners will provide to each other all information that is reasonably required in order to achieve the objectives and take decisions on a Best for C&M basis.

The Partners have obligations to comply with competition law. The Partners will therefore make sure that they share information, and in particular competition sensitive information, in such a way that is compliant with competition and data protection law.

7.2.1 Confidential Information

Each Partner shall keep in strict confidence all Confidential Information it receives from another Partner except to the extent that such Confidential Information is required by Law to be disclosed or is already in the public domain or comes into the public domain otherwise than through an unauthorised disclosure by a Partner. Each Partner shall use any Confidential Information received from another Partner solely for the purpose of complying with its obligations under this Memorandum in accordance with the Principles and Objectives and for no other purpose. No Partner shall use any Confidential Information received under this Memorandum for any other purpose including use for their own commercial gain in services outside of the Partnership or to inform any competitive bid without the express written permission of the disclosing Partner. It is the responsibility of the disclosing Partner to handle any relevant requests for information as may be disclosable under FOI legislation as such information is held in trust, only, via this agreement on behalf of the information asset owner to support delivery on their behalf via the Partnership.

To the extent that any Confidential Information is covered or protected by legal privilege, then disclosing such Confidential Information to any Partner or otherwise permitting disclosure of such Confidential Information does not constitute a waiver of privilege or of any other rights which a Partner may have in respect of such Confidential Information.

The Parties agree to ensure, as far as is reasonably practicable, that the terms of this Paragraph (Confidential Information) are observed by any of their respective successors, assigns or transferees of respective businesses or interests or any part thereof as if they had been party to this Memorandum.

Nothing in this Paragraph will affect any of the Partners' regulatory or statutory obligations, including but not limited to competition law.

7.3 Additional Partners

If appropriate to achieve the Objectives, the Partners may agree to include additional partner(s) to the Partnership. If they agree on such a course the Partners will cooperate to enter into the necessary documentation and revisions to this Memorandum if required.

The Partners intend that any organisation who is to be a partner to this Memorandum (including themselves) shall commit to the Principles and the Objectives and ownership of the system success/failure as set out in this Memorandum.

7.4 Signatures

This Memorandum may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this Memorandum, but all the counterparts shall together constitute the same document. For the document to have effect all Partners must have supported it.

The expression "counterpart" shall include any executed copy of this Memorandum transmitted by fax or scanned into printable PDF, JPEG, or other agreed digital format and transmitted as an e-mail attachment.

Schedule 1 - Definitions and Interpretation

Annex A – Parties to the Memorandum

Annex 1 – Applicability of Memorandum Elements

Annex 2 – Schematic of Governance and Accountability Arrangements

Annex 3 – Signatories to the Memorandum

Annex 4 – Mutual Accountability Framework

Annex 5 – Partnership Assembly Constituencies

Annex 6 – Partnership Board Membership

Annex 7 – Terms of Reference - will be added in due course

Schedule 1 - Definitions and Interpretation

1. The headings in this Memorandum will not affect its interpretation.
2. Reference to any statute or statutory provision, to Law, or to Guidance, includes a reference to that statute or statutory provision, Law or Guidance as from time to time updated, amended, extended, supplemented, re-enacted or replaced.
3. Reference to a statutory provision includes any subordinate legislation made from time to time under that provision.
4. References to Annexes and Schedules are to the Annexes and Schedules of this Memorandum, unless expressly stated otherwise.
5. References to any body, organisation or office include reference to its applicable successor from time to time.

Glossary of terms and acronyms

6. The following words and phrases have the following meanings in this Memorandum:

ALB	Arm's Length Body A Non-Departmental Public Body or Executive Agency of the Department of Health and Social Care, e.g. NHSE, NHSI, HEE, PHE
CCG	Clinical Commissioning Group
CEO	Chief Executive Officer
Confidential Information	All information which is secret or otherwise not publicly available (in both cases in its entirety or in part) including commercial, financial, marketing or technical information, know-how, trade secrets or business methods, in all cases whether disclosed orally or in writing before or after the date of this Memorandum
CQC	Care Quality Commission, the independent regulator of all health and social care services in England
GP	General Practice (or practitioner)
HCP	Health and Care Partnership
Healthcare Providers	The Partners identified as Healthcare Providers under Annex A
HEE	Health Education England
Healthwatch	Independent organisations in each local authority area who listen to public and patient views and share them with those with the power to make local services better
HWB	Health and Wellbeing Board

ICS	Integrated Care System
JCCCG	Joint Committee of Clinical Commissioning Groups - a formal committee where two or more CCGs come together to form a joint decision-making forum. It has delegated commissioning functions
Law	any applicable statute or proclamation or any delegated or subordinate legislation or regulation; any enforceable EU right within the meaning of section 2(1) European Communities Act 1972; any applicable judgment of a relevant court of law which is a binding precedent in England; National Standards (as defined in the NHS Standard Contract); and any applicable code and "Laws" shall be construed accordingly
LWAB	Local Workforce Action Board sub-regional group within Health Education England
Memorandum	This Memorandum of Understanding
Neighbourhood	A number of geographical areas which make up Cheshire and Merseyside, in which GP practices work together as Primary Care Networks, with community and social care services, to offer integrated health and care services for populations of 30-50,000 people
NHS	National Health Service
NHSE	NHS England (formally the NHS Commissioning Board)
NHS FT	NHS Foundation Trust - a semi-autonomous organisational unit within the NHS
NHSI	NHS Improvement - The operational name for an organisation that brings together Monitor, the NHS Trust Development Authority and other functions
Partners	The members of the Partnership under this Memorandum as set out in Annex A
Partnership	The collaboration of the Partners under this Memorandum which is not intended to, or shall be deemed to, establish any legal partnership or joint venture between the Partners to the Memorandum
Partnership Assembly	The representative body of the Partnership, bringing together the members of the Partnership akin to a shareholder AGM. The Partnership's representative or democratic council,
Partnership Board	The senior governance group for the Partnership set up in accordance with pages 12-17
Partnership Executive	The team of officers, led by the Partnership Chief Officer, which manages and co-ordinates the business and functions of the Partnership
PHE	Public Health England - An executive agency of the Department of Health and Social Care which exists to protect and improve the nation's health and wellbeing, and reduce health inequalities
Places	One of the nine geographical districts that make up Cheshire and Merseyside, being Knowsley, Sefton, Liverpool City Region, Halton, St Helens, Cheshire East, Cheshire West and Chester, Warrington, Wirral. and "Place" shall be construed

	accordingly
Programmes	The C&M programme of work established to achieve each of the objectives agreed by the Partnership
STP	Sustainability and Transformation Partnership (or Plan) The NHS and local councils have come together in 44 areas covering all of England to develop proposals and make improvements to health and care
Transformation Fund	Discretionary, non-recurrent funding made available by NHSE to support the achievement of service improvement and transformation priorities
Values and Behaviours	Shall have the meaning set out in pages 9 and 10

Annex A - Parties to the Memorandum

The members of the Cheshire and Merseyside Health and Care Partnership (the Partnership), and parties to this Memorandum, are:

Local Authorities

- Cheshire East Council
- Cheshire West and Chester Council
- Halton MBC
- Knowsley MBC
- Liverpool City Council
- Sefton MBC
- St Helens MBC
- Warrington Borough Council
- Wirral Council

NHS Commissioners

- NHS Cheshire CCG (Formerly Eastern, Western and South Cheshire and Vale Royal)
- NHS Halton
- NHS Knowsley
- NHS Liverpool
- NHS South Sefton
- NHS Southport and Formby
- NHS St Helens
- NHS Warrington
- NHS Wirral

NHS Service Providers

- Alder Hey Children's NHS FT
- Bridgewater Community Healthcare NHS FT
- Cheshire and Wirral Partnership NHS FT
- The Clatterbridge Cancer Centre NHS FT
- Countess of Chester Hospital NHS FT
- East Cheshire NHS Trust
- Liverpool Heart and Chest NHS FT
- Liverpool University Hospitals NHS FT
- Liverpool Women's NHS FT
- Mersey Care NHS FT
- The Mid Cheshire Hospitals NHS FT
- NW Ambulance Service NHS Trust
- NW Boroughs Partnership NHS FT
- St Helens and Knowsley Teaching Hospitals NHS Trust

- Southport and Ormskirk Hospital NHS Trust
- The Walton Centre NHS FT
- Warrington and Halton Hospitals NHS FT
- Wirral Community Health and Care NHS FT
- Wirral University Teaching Hospital NHS FT

Other Partners

- All PCNs in the Cheshire and Merseyside area
- Voluntary Sector North West
- Healthwatch in each of the Partnership's Places

As members of the Partnership all of these organisations subscribe to the vision, principles, values and behaviours stated below, and agree to participate in the governance and arrangements set out in this Memorandum.

Certain aspects of the Memorandum are not relevant to particular types of organisation within the partnership. These are indicated in the table at **Annex 1**.

There are other partners who are not members and therefore not signatories to this memorandum. These include:

Health Regulator and Oversight Bodies

- NHS England and NHS Improvement

Other National Bodies

- Health Education England
- Public Health England
- Care Quality Commission

Other Local Bodies

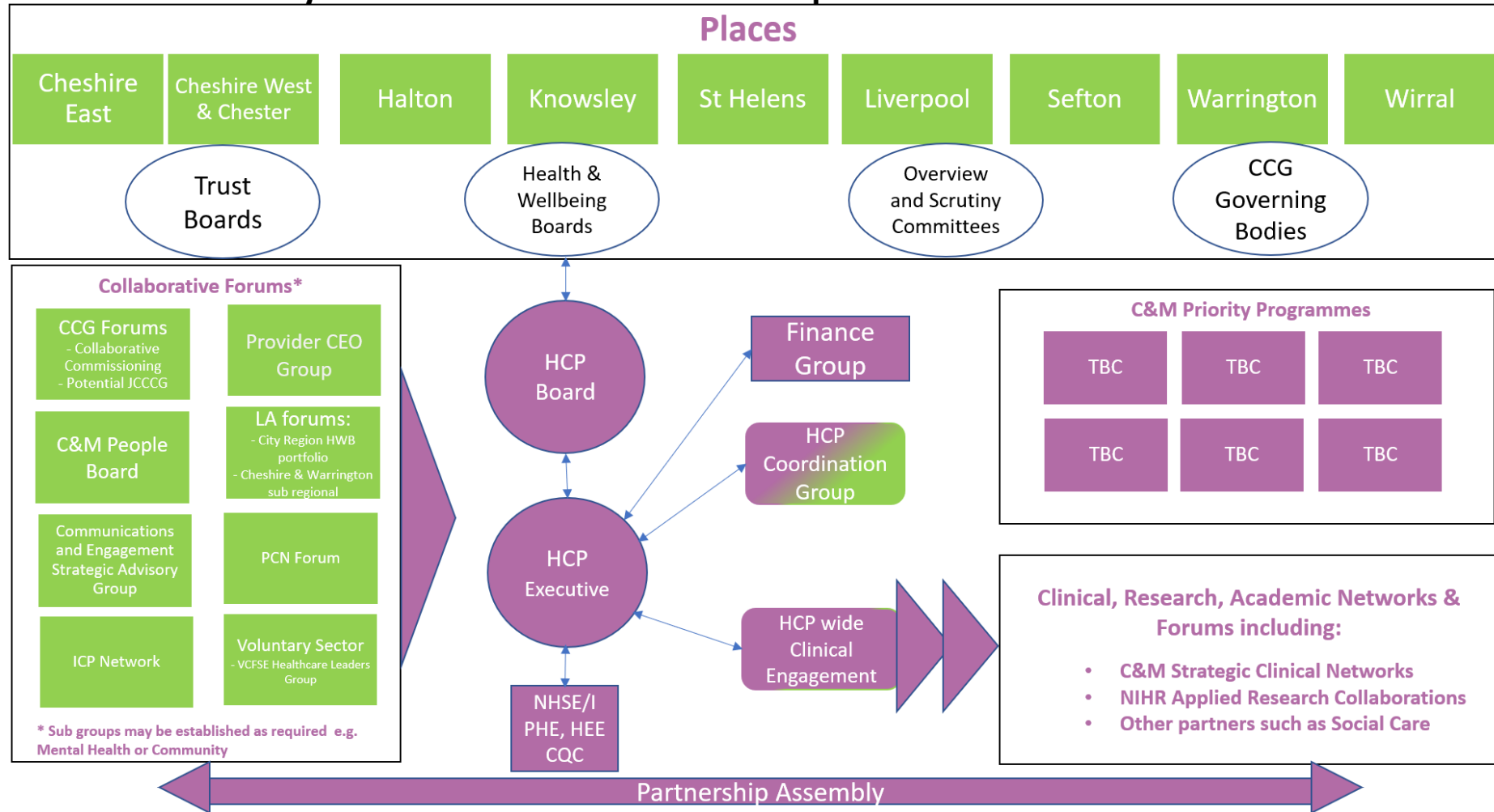
- Fire
- Police
- Probation
- Others, where relevant

Annex 1 – Applicability of Memorandum Elements

	CCGs	NHS Providers	Councils	NHSE and NHSI	Healthwatch	Other partners
Vision, principles, values and behaviours	✓	✓	✓	✓	✓	✓
Partnership aims	✓	✓	✓	✓	✓	✓
Governance	✓	✓	✓	✓	✓	✓
Decision-making and dispute resolution	✓	✓	✓	✓	✓	✓
Mutual accountability	✓	✓	✓	✓		
Financials: <ul style="list-style-type: none"> • Financial risk management • Allocation of capital and transformation 	✓	✓		✓		
National and regional support	✓	✓	✓	✓		

Annex 2 – Schematic of Governance and Accountability Arrangements

Cheshire & Merseyside Health and Care Partnership:



Annex 4 – Mutual Accountability Arrangements

A single consistent approach for assurance and accountability³ between Partners in Cheshire and Merseyside system wide matters will be applied through the governance structures and processes outlined in pages 12 through 17 above.

1. Current statutory requirements

NHS England and NHS Improvement were brought together to act as one organisation in 2019, but each retains its statutory responsibilities. NHS England has a duty under the NHS Act 2006 (as amended by the 2012 Act) to assess the performance of each CCG each year. The assessment must consider, in particular, the duties of CCGs to: improve the quality of services; reduce health inequalities; obtain appropriate advice; involve and consult the public; and comply with financial duties. The 2012 Act provides powers for NHS England to intervene where it is not assured that the CCG is meeting its statutory duties.

NHS Improvement is the operational name for an organisation that brings together Monitor and the NHS Trust Development Authority (NHS TDA). NHS Improvement must ensure the continuing operation of a licensing regime. The NHS provider licence forms the legal basis for Monitor's oversight of NHS foundation trusts. While NHS trusts are exempt from the requirement to apply for and hold the licence, directions from the Secretary of State require NHS TDA to ensure that NHS trusts comply with conditions equivalent to the licence as it deems appropriate. This includes giving directions to an NHS trust where necessary to ensure compliance.

We recognise that each non NHS partner has its own statutory and regulatory frameworks and requirements which are of equal importance and consideration. Some of these requirements may have greater relevance to the Partnership or Places than others. We envisage such arrangements will receive primary focus at a Place level e.g OFSTED.

2. Our model of mutual accountability

Through this Memorandum the Partners agree to take a collaborative approach to, and collective responsibility for, managing collective performance, resources and the totality of population health including tackling inequalities where relevant to committed Partnership activities or delivery. As Partners we will:

- agree ambitious outcomes, common datasets and dashboards for system improvement and transformation management;
- work through our collaborative groups to support any formally required decision making, engaging people and communities across our system; and

³ Within the NHS and extending to areas of committed Partnership or Place based activity or delivery

- identify good practice and innovation in individual places and organisations and ensure it is spread and adopted through the Programmes.

The Partnership approach to system oversight will be geared towards performance improvement and development rather than traditional performance management. It will be data-driven, evidence-based and rigorous. The focus will be on improvement, supporting the spread and adoption of innovation and best practice between Partners.

Peer review will be a core component of the improvement methodology. This will provide valuable insight for all Partners and support the identification and adoption of good practice across the Partnership.

We anticipate as we develop over time, and when legislation or regulation requires, system oversight will be undertaken through the application of a continuous improvement cycle, including the following elements:

- Monitoring performance against key standards and plans in each place;
- Ongoing dialogue on delivery and progress;
- Identifying the need for support through a process of peer review;
- Agreeing the need for more formal action or intervention on behalf of the partnership; and
- Application of regulatory powers or functions.

3. Progressing any action

We will prioritise work and the deployment of improvement support across the Partnership and agree recommendations for any action or interventions where relevant to committed Partnership activities or delivery. We envisage using our Partnership Co-ordination Group as the forum to agree recommendations on:

- Improvement or recovery plans;
- More detailed peer-review of specific plans;
- Commissioning expert external review;
- Co-ordination of any formal intervention and improvement support; and
- Agreement of any restrictions on access to discretionary funding and financial incentives.

For Places where financial performance is not consistent with plan, the Finance Group may make recommendations to the Partnership Co-ordination Group on a range of interventions.

4. The role of Places in accountability

This Memorandum has no direct impact on the roles and respective responsibilities of the Partners (including the Councils, Trust Boards and CCG governing bodies) which all retain their full statutory duties and powers.

Health and Wellbeing Boards (HWB) have a statutory role in each upper tier local authority area as the vehicle for joint local system leadership for health and care and this is not revised by the Partnership. HWB bring together key leaders from the local Place health and care system to improve the health and wellbeing of their population and reduce health inequalities through:

- developing a shared understanding of the health and wellbeing needs of their communities;
- providing system leadership to secure collaboration to meet these needs more effectively;
- having a strategic influence over commissioning decisions across health, public health and social care;
- involving councillors and patient representatives in commissioning decisions.

The Partnership and its constituent bodies recognise the statutory role and powers of Health Overview and Scrutiny arrangements

5. Implementation of agreed strategic actions

Our mutual accountability arrangements will include a focus on delivery of key actions that have been agreed across the Partnership and agreement on areas where Places wish to access support from the wider Partnership to ensure the effective management of financial and delivery risk.

6. National NHS Bodies oversight and escalation

As part of the development of the Partnership and the collaborative working between the Partners under the terms of this Memorandum, NHS England and NHS Improvement will look to adopt a new relationship with the Partners (which are NHS Bodies) in Cheshire and Merseyside by, overtime, enacting streamlined oversight arrangements which will support the Partnership to:

- take the collective lead on oversight of trusts and CCGs and Places in accordance with the terms of this Memorandum;

- Work with NHS England and NHS Improvement who will increasingly hold the NHS bodies in the Partnership to account as a whole system for delivery of the NHS Constitution and Mandate, financial and operational control, and quality (to the extent permitted at Law);
- Work with NHS England and NHS Improvement to agree where they will intervene in individual trust and CCG Partners only where it is necessary or required for the delivery of their statutory functions and will (where it is reasonable to do so, having regard to the nature of the issue) in the first instance look to notify the Partnership and work with it to seek a resolution prior to making an intervention.

These arrangements will build upon the current Accountability Agreement in place between the Partnership and NHSE. We expect our current agreement to be reviewed which may result in a refresh.

7. Decision-Making and Resolving Disagreements

Our approach to making Partnership decisions and resolving any disagreements will follow the principle of subsidiarity and will be in line with our shared Values and Behaviours. We will take all reasonable steps to reach a mutually acceptable resolution to any dispute.

8. Collective Decisions

There will be three levels of decision making:

- **Decisions made by individual organisations** - this Memorandum does not affect the individual sovereignty of Partners or their statutory decision-making responsibilities.
- **Decisions delegated to collaborative forums** - some partners may from time to time delegate specific decisions to a collaborative forum, for example, a Joint Committee of CCGs. Arrangements for resolving disputes in such cases are set out in the Memorandum of the relevant collaborative forum and not this Memorandum.
- **Whole Partnership decisions** - the Partners will make decisions on a range of matters in the Partnership which will neither impact on the statutory responsibilities of individual organisations nor have been delegated formally to a collaborative forum, as set out below.

Collaborative decisions on Partnership matters will be considered by the Partnership Board. The Partnership Board will not act where it has no formal powers delegated by any Partner. However, it will increasingly take on responsibility for coordinating decisions relating to regulatory and oversight functions currently exercised from outside the system and will look to reach recommendations and any decisions on a *Best for Cheshire and Merseyside* basis.

The Partnership Board will aim to make decisions by consensus of those eligible Partnership Board members present at a quorate meeting. If a consensus decision cannot be reached, then (save for decisions on allocation of capital investment and transformation funding) it may be referred to the dispute resolution procedure on page 35 below by any of the affected Partners for resolution.

In respect of referring priorities for capital investment or apportionment of transformation funding from the Partnership, if a consensus cannot be reached the Partnership Board may make a decision provided that it is supported by not less than 75% of the eligible Partnership Board members. Partnership Board members will be eligible to participate on issues which apply to their organisation, in line with the scope of applicable issues set out in Annex 1.

9. Dispute resolution

Partners will attempt to resolve in good faith any dispute between them in respect of Partnership Board (or other Partnership-related) decisions, in line with the Principles, Values and Behaviours set out in this Memorandum.

Where necessary, Place or sector-based arrangements will be used to resolve any disputes which cannot be dealt with directly between individual Partners, or which relate to existing schemes of delegation.

The Partnership will apply a dispute resolution process to resolve any issues which cannot otherwise be agreed through these arrangements.

As decisions made by the Partnership do not impact on the statutory responsibilities of individual organisations, Partners will be expected to apply shared Values and Behaviours and come to a mutual agreement through the dispute resolution process.

The key stages of the dispute resolution process are

- I. The Partnership, working through the Partnership Executive, will seek to resolve the dispute to the mutual satisfaction of each of the affected parties. If the Executive cannot resolve the dispute within 30 days, the dispute should be referred to Partnership Chief Officer who will, likely, involve the Partnership Coordination Group.
- II. The Co-ordination Group will consider the issues and, where necessary, make a recommendation based upon a majority decision (i.e. a majority of eligible Partners participating in the meeting who are not affected by the matter in dispute determined by the scope of applicable issues set out in Annex 1) on how best to resolve the dispute based, applying the Principles, Values and Behaviours of this Memorandum, taking account of the Objectives of the Partnership. The Partnership Executive will advise the affected Partners of its decision in writing.
- III. If the parties do not accept the decision, or Board cannot come to a decision which resolves the dispute, it will be referred to an independent facilitator selected by Partnership's Chief Officer. The facilitator will work with the

Partners to resolve the dispute in accordance with the terms of this Memorandum.

- IV. In the unlikely event that the independent facilitator cannot resolve the dispute, it will be referred back to the Partnership Board for final resolution based upon majority decision on how best to resolve the dispute in accordance with the terms of this Memorandum and advise the parties of its decision.

Annex 5 – Partnership Assembly Constituencies

Organisations that represent constituencies within our Partnership Assembly above and beyond those listed as Parties to this agreement (Annex A):

Age UK Cheshire	Liverpool John Moores University
ANCS	University of Liverpool
Cheshire Fire and Rescue Service	Edge Hill University
Cheshire Police	Merseyside Fire and Rescue Service
Cheshire West Voluntary Action	Merseyside Police
Healthwatch Cheshire	CPS Mersey-Cheshire
Manchester Metropolitan University	NW Innovation Agency
Cheshire West Integrated Care Partnership	North West Ambulance Service
Cheshire Halton & Warrington Race & Equality Centre	Torus
The University of Chester	Voluntary Sector North West
Public Health England	Sefton CVS
Greater Manchester Health and Social Care Partnership	Venus Working Creatively with Young Women
Her Majesty's Prison and Probation Service	Together We're Better' - Staffordshire and Stoke on Trent STP
Citizens Advice Halton	Citizens Advice Warrington
Halton Housing	Fearnhead Cross Medical Centre
Halton & St Helens VCA	People First UK
Healthwatch	Right to Succeed
R-Health	Sovini
Lancashire and South Cumbria STP	VCFSE representatives
Lancashire Care	

This list may be extended through a simple process of proposition and agreement via the Partnership Board.

Annex 6 – Partnership Board Membership

- i. A representative from each of our nine Local Authority areas within the ICS footprint.
- ii. A CEO and a Chair representing acute providers
- iii. A CEO and a Chair representing mental health and community providers
- iv. A CEO and a Chair representing specialist providers
- v. Two Primary Care Network representatives. Assumed elected or nominated via the Primary Care Network Forum
- vi. A CCG Accountable Officer
- vii. A CCG Clinical Chair
- viii. A Public Health representative
- ix. A VCSE representative
- x. An NHSE/I representative

- xi. From the Partnership, itself, it is proposed that the Chair, Chief Officer and up to 3 executive director posts will be full or voting members of the Board. Other directors will attend.

The above Partnership Board membership provides for the envisaged future form reflecting when the ICS has assumed statutory powers.

The Partnership is progressing dialogue with CCG's regarding representation, through 2021/22, reflecting an anticipated transition year.



METROMAYOR
LIVERPOOL CITY REGION



By Email: england.legislation@nhs.net

Contact: Kath O'Dwyer
Tel: 01744 676100
KathO'Dwyer@sthelens.gov.uk
Our Ref: KODKG

8th January 2020

Dear Sir / Madam

Re: Integrating Care - Next steps to building strong and effective integrated care systems across England

On behalf of the Liverpool City Region, please find attached a joint response to the consultation questions within the 'Integrating Care - Next steps' document.

Yours faithfully

Steve Rotheram
Metro Mayor, Liverpool City Region

Cllr Rob Polhill
Leader of Halton Council

Cllr Graham Morgan
Leader of Knowsley Council

Cllr Wendy Simon
Acting Mayor of Liverpool

Cllr Ian Maher
Leader of Sefton Council

Cllr David Baines
Leader of St Helens Council

Cllr Janette Williamson
Leader of Wirral Council

Memorandum of Understanding

Comments received from partners

Report To:	Cheshire and Merseyside Health and Care Partnership Board
Date of Report:	27/01/21
Report Author(s):	Ben Vinter
Purpose:	<p>Provide the Board with:</p> <ul style="list-style-type: none"> • An update on feedback from consultation on the MoU with partners • Recommendations on the approach to this feedback • Opportunity for the Board to provide guidance on the next steps and timescales
Recommendation(s):	<p>That the Board give consideration to the points raised in response to the circulated MoU and support the recommendations for response or progress of actions as detailed in section 3. Noting the recommendations fall into two broad categories:</p> <ul style="list-style-type: none"> • Imminent action / amendment supporting final drafting • Medium / longer term actions which may be incorporated in future versions of the MoU <p>The Board support and propose the adoption of MoU by the Partnership as an accurate and timely description of the Partnership and its present ambition.</p>

1. Context

In drafting the Memorandum of Understanding (MoU) the aim was to respond to the challenge set by the Partnership Assembly in autumn 2020 to provide:

- Clarity on the way the partnership works and aspires to work in the future - striking the balance of achieving strategic vision while remaining in touch with local variation
- Enhanced recognition of Place including providing a framework for an increased proportion of Local Authority membership,
- Clarity on the role of the Partnership – a convenor of the Cheshire and Merseyside health and care system.

When drafting and discussing the MoU the Board and the majority of our partners recognised that the Partnership is, currently, at a particular point in its development. From here there is more for us to do in describing our arrangements, for example, over the next immediate period developing terms of reference but also over a longer timeframe and with more complex engagement to continue our development and co-production. This means some of the work we now need to do and our response to some feedback will continue through 2021/22, and beyond, as we agree the arrangements that will work for our system.

This version of MoU and its hopeful adoption, imminently, is the start of this discussion and journey, not the end point.

Accordingly, at this time, the MoU's ambition was deliberately limited to:

- Documenting the Partnership's current arrangements
- Providing clarity on our starting point and a foundation to those engaged within the Partnership but also our stakeholders
- Setting out the Partnership's vision, mission, aims and values
- Detailing the Partnership's developing governance arrangements
- Providing assurance to partners and NHS oversight bodies on our direction of travel and intentions

The recent publication by NHSE/I of its consultation – Integrating Care: The next steps to building strong and effective integrated care systems across England – coincided with our circulation of the MoU which had been sometime in the drafting. To some extent this was fortuitous as the publication began to describe a set out options and choices that will shape our future direction of travel. However the publication of an NHSE/I consultation should not be confused with the value, purpose or intent of the MoU. The MoU is not designed to respond to the points raised in the NHSE/I consultation rather their publication starts a description of supplementary choices and challenges we now need to work through, together, for which our MoU provides a foundation and shared understanding from which to start.

At the time this work was initiated and through discussion with the Partnership Board in November and December you recognised and agreed that the MoU represented a first step, that it would iterate both from this draft following consultation but also that it would need to evolve and develop through 2021/22 as, for example, we define what common expectations we have for Places or as our Providers explore what provider collaboration means within a Cheshire and Merseyside context.

2. Feedback

General

A broad range of partners particularly from local authorities, providers and the voluntary sector saw value in the MoU as providing a foundation and in setting out our ambition, aims and values clearly stating the ethos of collaboration and partnership, and the significant emphasis on primacy of Place.

NHSE/I consultation and potential future changes

A number of partners recognised that as NHSE/I thinking evolves and policy develops, over the coming period, there will be more clarity that the Partnership and in turn the MoU or other system frameworks need to explore with stakeholders and ultimately define by agreement.

More definition and detail on next stage developments – governance, assurance and system architecture

A number of Partners, in particular Place representatives, requested further clarification on areas we know represent a programme of work that needs to be progressed, together, through 2021/22 namely more detail and definition of:

- Governance arrangements and linkages between groups both at a Partnership level and throughout the partnership
- Accountability and any relevant performance frameworks
- How Place fits within and works with the ICS

A number of responses, particularly from local authorities and NHS providers, sought clarification on the scope and nature of streamlined commissioning and the way in which one CCG will work in our system. This line of enquiry is understood but the Board is reminded that the CCGs in Cheshire and Merseyside have begun to define the issues they see current value in working together on, at scale, from a commissioning perspective and that more details on the way forward are likely to emerge from the outcome of NHSE/I's consultation in due course.

Representation

A number of colleagues requested clarification on representation and membership of groups including HCP Board representation. The Board will recall that we were clear in the MoU that this is an area of work, across the Partnership's apparatus, that we need to initiate during quarter four of 2020/21 and it should welcome recognition that this work now needs to be progressed. A number of responses also requested greater detail on the scope and membership of the Partnership Assembly.

The Board will be aware that work is ongoing among providers across our system to define and scope their work whether this be through Provider Collaboratives or the emerging Primary Care Network Forum. The Board will recognise that one of the outputs of this work will be to reflect these groups equally critical role in the work of the Partnership including through representation.

Clinical Leadership

A number of colleagues also fed back on the need to be clearer on the role and place for clinical leadership and involvement. The Board should recognise this is work that needs to be done and to an extent, at a Partnership Board level, this will link to and be influenced by the work referred to directly above. However the system must also await NHSE/I proposals in respect of the future of CCGs and how and if membership is specified.

The significant value of local and Place based working for clinical voice, across all professions, but also democratic input already commonly secured should also be acknowledged.

Delivery and outcomes

Some responses requested more detail on what the Partnership will deliver and how. The importance of this task is understood and needs to be worked on, together, across the Partnership but there remains a question of if an MoU is the best place to describe such detailed areas of work.

The Partnership's Development Plan defines, at a high level, a number of significant areas of work which HCP and partners need to progress, together, this includes a focus on ICS level programmes but also a number of areas related to system plans and capability as called for by partners in their responses. Such work should include clearer definition of outcomes,

maximise common understanding of the Partnership's aims and metrics where appropriate in line with the feedback provided by partners.

Health and Wellbeing Boards

A number of colleagues called out the role of Health and Well Being Boards (HWB). The MoU sought to recognise this role and the Partnership is committed to Place based working including current forms of partnership working, collaboration and oversight. The Board should be conscious that matters such as linkages between Place based arrangements and their development with or through HWBs needs to be co-created across the partnership, link to thinking on the role and development of Integrated Care Partnerships and to an extent be proposed by the convenors of those Boards.

Local Authorities

Some responses queried the notion of a local authority lead role in the Partnership. While the Board will recognise there is more to work to do in this area, not least in respect of any legislation that may be brought forward by the government, the Board has previously been clear that the role and nature of an ICS requires a fundamentally different way of working. Local authorities alongside all system partners should and do have lead roles in ICS working.

In response to the request for feedback on the MoU a number of local authorities responded and took opportunity to advise the Partnership of the Liverpool City Region view on the NHSE/I consultation calling for:

- *A new statutory reciprocal duty of collaboration to improve population health and address health inequalities on all NHS organisations and local authorities;*
- *A legal requirement on ICSs to involve Health and Wellbeing Boards (HWBs) in the development of plans and to devolve the development of place or locality plans to HWBs;*
- *A new power for HWBs to “sign off” on all ICS plans;*
- *Arrangements for commissioning to continue to have a strong place-based focus, with a strong and proactive role in HWBs in approving commissioning plans; and,*
- *A statutory duty on ICSs to be accountable to their local communities through existing democratic processes.*

The DASS perspective to the NHSE/I proposals was also shared with us and provided feedback in the following areas:

- *Primacy of Place is paramount; “place” being each local authority area;*
- *Each local authority “place” must be represented in future governance arrangements for the Cheshire and Merseyside ICS;*
- *The agreed governance for Cheshire and Merseyside at “system” and at “place” level must address historic democratic deficits in NHS governance;*
- *There should be formal recognition of Health and Wellbeing Boards as the strategic decision-making bodies for ICPs in each “place”, given that they are already best positioned to support improved outcomes in the wider determinants of population health; and,*
- *There should be formal assurance that budgets will be devolved to “place”, and that any and all residual budgets to be retained at Cheshire and Merseyside level will be agreed in advance by each “place”.*

The above points are interesting areas of debate and discussion but are not matters that can all be addressed by the MoU. The Partnership makes a continued commitment to work

inclusively, collaboratively and to co-create solutions that work for Cheshire and Merseyside. We also acknowledge that the Partnership is not, at this time, a statutory body and we await NHSE/I feedback to its consultation. However the Board will recognise the challenge put forward and feels strongly about local representation and connections across systems. To that extent proposals are contained within the recommendations section which seek to provide for enhanced and clearer representation responding to the ambition described.

Since the time when the MoU was circulated the Chair and Chief Officer have been continuing their engagement with local authorities and discussing the role a Political Assembly, elected representatives and local authorities can and should play through the partnership and at a Partnership Board level. These points are addressed in the recommendations section.

Patient and Public Engagement

Some suggestions have been received that the Partnership can and should place greater emphasis on patient and resident engagement. In particular there was a suggestion that we should place the patient and public at the centre of 'our integrated, system approach to collaboration'. It is suggested that the Board support this welcome emphasis.

Feedback has also suggested that the MoU should make greater recognition of the way the Partnership either does or aspires to engage with patients and the public. It is suggested given the current status of the ICS that the current balance, described between existing statutory organisations and the Partnership, is appropriate. The Board may, however, wish to encourage even stronger emphasis in this area, to ensure patient and public engagement forms a core part of the system's development plan and will wish to remain mindful on both the legislation and the right thing to do in this area as and if changes are brought forward.

Health inequalities and wider determinants of health

A number of comments received related to the extent to which the Partnership can address matters beyond what might traditionally be considered the focus of health and care. Suggestions and emphasis on these points get right to the very heart of what the Partnership hopes and expects to achieve:

- Tackling health inequalities and improving lives needs new partnerships that 'liberate the potential' in people. It will be important the Partnership is not just co-ordinating existing health and social care organisational support e.g. education, housing, business, industry and enterprise
- Social responsibility, the response to inequalities and the role of anchor institutions could be more explicit in the MOU
- The wider role of other partners in achieving health and wellbeing outcomes that look at a 'whole person approach' could be described in the MOU

Innovation

It was suggested that the MoU should reference the Partnership's potential to innovate.

Climate Change

It was suggested that the MoU should reference the Partnership's contribution and commitment to tackling climate change.

Digital and data

It was suggested that the MoU should reference the Partnership's contribution and need for system level work programmes to address the health and wellbeing needs of the C&M population, which are data led, using data intelligence and associated measurement will need to inform the Partnership level programme prioritisation and determine progress.

3. Recommendations


In response to the themes summarised above and the significant amount of feedback that was received in response to the request for engagement in the Partnership's Memorandum of Understanding it is recommended that the Board:

- A. Recognise and acknowledge the broadly positive nature of the responses supplied
- B. Thank all system contributors for their engagement
- C. Acknowledge the status, place and timing of the MoU as a foundation in the Partnership's development. Agreeing that it is not, was not intended to be and cannot expect to be the complete word on partnership working, system integration, or Cheshire and Merseyside health and care
- D. Acknowledge that over the next quarter work will be progressed, in partnership, which begins to define some of the issues raised through this engagement. For example, terms of reference and the redefinition of the role of the Partnership Coordination Group which it may be appropriate to be appended to future versions of the MoU. However other, more significant bodies of work, such as ICP development or programme design and delivery will need to be developed and potentially referenced in future versions of this document but may never appropriately form part of it
- E. Commit to a full review of the MoU being initiated by 31/3/22 or following the implementation of any legislation by government related to integrated care systems

Turning to the more specific themes arising from the consultation it is recommended that the Board:

- F. Recognise and acknowledge the areas of work that will be progressed, collaboratively, and which form part of the Partnership's Development Plan through 2021/22 covering the following areas:
 - Developing and enhancing ICS Architecture: Assurance & Transformation
 - Review and refine system governance
 - Implement a refreshed approach to programme delivery
 - Support consistent ambition and progress in Place / ICP Development
 - Leadership Capacity & Capability – ensuring leadership across all areas of vertical and horizontal integration and developing and embedding assurance capability
 - Streamlining Commissioning – Establishing a fully functioning JCCCG and the expected integration between collaboratives and the Partnership
 - System Plans – Maximising alignment between place and system plans. Ensuring critical enabling infrastructure plans are well developed in areas such as Estates, Capital and Digital
 - Provider collaboratives – Delivering our roadmap for establishment of provider collaboratives detailing the purpose, form, leadership and governance requirements.
 - Partnership working and Collaboration (especially with local government colleagues)
 - Communications and Engagement
 - Delivering NHS performance and assurance oversight
 - Workforce Transformation and Planning

- G. Given the stage of the Partnerships development, the extent of engagement that has been undertaken during the preceding 9 months and the feedback that has been received in response to the MoU it is proposed that the Board consider amendments to its membership reflecting, proportionate, system orientated participation and representation as follows:
- i. A representative from each of our nine Local Authority area within the ICS footprint. We understand it is the intention of system leaders that these representatives will be political representatives
 - ii. A CEO and a Chair representing acute providers
 - iii. A CEO and a Chair representing mental health and community providers
 - iv. A CEO and a Chair representing specialist providers
 - v. A Primary Care Network representative. Assumed to be the Chair of the Primary Care Network Forum
 - vi. A CCG Accountable Officer
 - vii. A CCG Clinical Chair
 - viii. A Public Health representative
 - ix. A VCSE representative
 - x. An NHSE/I representative
 - xi. From the Partnership, itself, it is proposed that the Chair, Chief Officer and up to 3 executive director posts will be full or voting members of the Board. Other directors will attend.
- H. In response to the need for greater clarity on clinical leadership that this be identified and form an early piece of work to be considered by both the emerging Provider Collaborative and our ICP development forum
- I. That our ICP forum consider whether any specific measures or steps are needed to maximise the role, value and contribution of Health and Wellbeing Boards in our systems
- J. That in addition to recognising and supporting the proposal for Local Authority representation on the Partnership Board that discussions continue with partners on the basis of developing a Political Assembly a part of the Partnership's established governance
- K. Supports amendments to the MoU to reflect proposals made in respect of:
- i. Placing patients and residents at the centre of 'our integrated, system approach to collaboration'
 - ii. Tackling health inequalities and improving lives needs new partnerships that 'liberate the potential' in people. It will be important the Partnership is not just co-ordinating existing health and social care organisational support e.g. education, housing, business, industry and enterprise
 - iii. Social responsibility, the response to inequalities and the role of anchor institutions could be more explicit in the MOU
 - iv. The wider role of other partners in achieving health and wellbeing outcomes that look at a 'whole person approach' could be described in the MOU
 - v. Innovation
 - vi. Climate Change
 - vii. Digital and data



Responders

- Cheshire West and Chester Council
- Halton MBC
- Knowsley MBC

- Alder Hey Children's NHS FT
- Cheshire and Wirral Partnership NHS FT
- Liverpool University Hospitals NHS FT
- Liverpool Women's NHS FT
- Mersey Care NHS FT
- NW Boroughs Partnership NHS FT
- The Walton Centre NHS FT
- Warrington and Halton Hospitals NHS FT
- Wirral Community Health and Care NHS FT

- NHS Cheshire
- NHS Liverpool
- NHS South Sefton
- NHS Southport and Formby
- NHS St Helens

- Healthy Wirral – incorporating all partners
- Cheshire West Integrated Care Partnership – a representative
- VCFSE representatives

Pre consultation responders:

- St Helens MBC
- Warrington Borough Council

Our thanks is recorded to all those responding. Any omissions are not deliberate and can be corrected.

Date: 2 February 2021

Dear Colleagues,

Partnership Memorandum of Understanding (MoU)

You will recall I wrote to you in early December inviting discussion, engagement and feedback on our draft MoU. I want to thank all of you for your largely positive and constructive engagement in this dialogue.

Our review of the Partnership's MoU coincided with the publication of NHSE/I consultation on Integrated Care Systems. The MoU is not designed to respond to the points raised in the NHSE/I consultation which provide us with a number of discussion points and areas to explore, together, over the coming period. Our MoU provides a foundation and shared understanding from which to start this exploration.

By adopting the MoU we aim to:

- Document the Partnership's current arrangements
- Provide clarity on our starting point and a foundation to those engaged within the Partnership but also our stakeholders
- Set out the Partnership's vision, mission, aims and values
- Detail the Partnership's developing governance arrangements
- Provide assurance to partners and NHS oversight bodies on our direction of travel and intentions

We discussed the MoU and feedback at our Board meeting on 27 January. To support wide engagement and full understanding of the issues raised, considered and the suggested way forward I have provided you with a copy of the paperwork we considered.

A number of significant points of note were put forward through our engagement on the MoU and during our preparation for ICS designation. It is unlikely the MoU will ever be the right vehicle for addressing all such points. I have therefore enclosed an annex which sets out a number of areas of work and describes how the Partnership will progress these areas or support dialogue. My expectation is that this approach will provide you with clarity on the way forward and identify where it is not possible to provide definitive answers, now, while also retaining the clarity and purpose of the MoU.

A smaller number of points warrant fuller explanation and clarification on the way forward as follows:

- The Partnership committed to reviewing the MoU after a period of not more than 6 months into the next financial year
- Discussions will continue on the best way to secure appropriate Primary Care representation and engagement at the Partnership Board. However following feedback and discussion at the Board we propose that to support the importance of effective representation Primary Care will, going forward as now, have two positions on the Board when nominated or elected
- It is recognised that the membership of the Partnership Board - set out at Annex 6 of the MoU - describes our aspiration and expectation over time for Board membership as the Partnership moves towards ICS statutory responsibilities. Discussions will take place with CCGs, shortly, to explore and define appropriate transition arrangements covering the year ahead. Recognising the current statutory roles and responsibilities within our system. Discussions will also commence with Local Authority colleagues about how and when we establish the proposed political representation on the Board
- We have sought to enhance the wording of the MoU to reflect our commitment to social value and social responsibility, our carbon reduction intent and references to inequalities and the breadth of linkages across the partnership (housing and education etc).

My hope is that you will receive this correspondence and provide your support by adopting the updated MoU. In doing so I know you will recognise the status and intent of the MoU as a platform to build from, acknowledge the complimentary but distinct work that will be initiated by the Partnership to support the wider development of how we work together.

I propose that the March Board receive an update on the intention of partners in respect of approval of the MoU and I would therefore ask for notification of your intention and progress within your organisation by no later than 12 March.

Should you wish to discuss this further Ben Vinter remains available as a resource to support your discussions and Jackie Bene and Alan Yates also remain available to discuss with senior leaders as needed.

Our system is interwoven, mutually dependent and complex. Through alignment and a tight focus on priorities in *Place* together with working at scale when it benefits the public we can make a genuine positive difference to everyone in Cheshire and Merseyside having a great start in life, and getting the support they need to stay healthy and live longer.

Finally, let me direct your attention to Partnership microsite:

<https://www.cheshireandmerseysidepartnership.co.uk/partnership-assembly>

Regards



Alan Yates
Chair, Cheshire and Merseyside Health and Care Partnership

Enc:

- Annex one – Summary of actions, commitments or offers from the Partnership
- HCP Board Report – Memorandum of Understanding – Comments from partners
- MoU v8

Annex one

Summary of actions, commitments or offers from the Partnership

Further to discussions at the Partnership Board on 27 January 2021 the below sets out how a number of important matters will be developed as the Partnership matures as an emerging ICS primarily relating to engagement, development or interactions across Cheshire and Merseyside.

The areas detailed are not included in the MoU because this is either not the right place for such matters to be recorded, as work needs to take place across the partnership in some areas, or because we are not yet sufficiently clear on the statutory frameworks we may have to work within.

Accordingly a number of areas of work will be initiated by the Partnerships' executive, alongside partners, as follows:

1. The Partnership's Development Plan through 2021/22 will include work to define, develop and explore implementation of:
 - ICS Architecture: Assurance & Transformation which may include further development of mutual accountability in practice in Cheshire and Merseyside
 - System governance
 - A refreshed approach to programme delivery – including a focus on outcomes and clarity of objectives
 - Consistent ambition and progress in Place / ICP Development
 - Leadership Capacity & Capability – ensuring leadership across all areas of vertical and horizontal integration and developing and embedding assurance capability
 - Streamlined Commissioning – Establishing a fully functioning JCCCG and the expected integration between collaboratives and the Partnership
 - System Plans – Maximising alignment between place and system plans. Ensuring critical enabling infrastructure plans are well developed in areas such as Estates, Capital and Digital
 - Provider collaboratives – Delivering our roadmap for establishment of provider collaboratives detailing the purpose, form, leadership and governance requirements
 - Partnership working and collaboration (especially with local government colleagues)
 - HCP communications and engagement
 - Delivering NHS performance and assurance oversight

- Workforce Transformation and Planning
2. Development of terms of reference, for HCP groups or forums, which will provide more clarity on their interrelationship and accountabilities. This piece of work will include the redefinition of the role of the Partnership Coordination Group no later than August 2021
 3. That definitions and arrangements for clinical leadership in new systems and ways of working form an early piece of work to be considered by both the emerging Provider Collaborative and our ICP Forum
 4. That our ICP Forum consider whether any specific measures or steps are needed to maximise the role, value and contribution of Health and Wellbeing Boards, consistently, in our systems
 5. That a number of related potential roles or expectations for ICP or Places be explored via our ICP Forum or ICP's themselves:
 - Use and applicability of VCS Compact
 - How place delegations will be exercised / granted and how escalations should occur to the Partnership Board. In keeping with a response to our engagement we recognise the outcome of this work will likely have an influence on who and which organisations need to be represented in which forums and groups
 6. That discussions continue with partners on the basis of developing a Political Assembly a part of the Partnership's established governance
 7. The Partnership has formally recorded a number of legitimate queries and areas requiring exploration on how statutory arrangements and interlinkages might work in future – while we can discuss this and like issues we recognise we may only fully know the requirements we will need to work toward when and if legislation is brought forward. The same position is true around how and when an ICS, once established, might be required to trigger action plans or manage any disputes.

Date: 11th February 2021

To: C & M LA CEOs

Dear Colleague

You will know that at the last meeting of the Health and Care Partnership Board when considering its Memorandum of Understanding (MoU) it agreed to support political representation from local authorities where a local authority wished. I am writing now to let you know how that support can progress to implementation.

On 2nd February, as part of the MoU development I wrote to all formal members of the Partnership asking them to consider the MoU and, by 22nd March, give an indication of whether the authority was able to support it. I would be grateful if your Authority was able to meet that deadline and let me know accordingly.

I noted there remained some work to do with CCGs about representation from health commissioners at the Partnership Board; that work has commenced, and I hope will conclude during this month. If there is widespread support, as I hope will be the case, it will be during April that we ask the formal and individual members of the Partnership to formally agree the MoU at their respective Board or Cabinet.

You will be aware that the national Government published last week a White Paper discussing the DHSC's legislative proposals for a Health and Care Bill. That provides considerable structural context for all ICSs. It needs detailed and proper consideration, but it is clear already that it is generally supportive of the course we have set. It is reasonable to expect it will place obligations on ICSs once the legislation is passed. I understand that the Government plans to implement the legislation in 2022.

At the Partnership Board meeting in January this year, it anticipated this by undertaking to review the MoU after six months to take into account the changing local arrangements and the legislative context.

It looks much more likely that Local Government elections will take place in May now and whilst we had planned a Political Assembly in April where these matters could be discussed with politicians across Cheshire and Merseyside it seems more appropriate to have that discussion outside the Purdah period and after the elections.

It will be for each Local Authority to determine how it chooses to represent itself using its place on the Partnership Board. Nevertheless, if I could offer a view, it seems to me, given the formal position of Health and Wellbeing Boards (HWB) (or their equivalent) in each Place, that if a Local Authority chose political membership of the Cheshire and Merseyside Health and Care Partnership Board it would make sense for the Chair of the HWB (where political) to be that member.



If you would wish, I would be most happy to have a conversation about the above. Please feel free to make contact.

Yours sincerely

A handwritten signature in black ink that reads "Alan".

Alan Yates
Chair, Cheshire and Merseyside Health and Care Partnership

REPORT TO:	Executive Board
DATE:	25 February 2021
REPORTING OFFICER:	Strategic Director, People
PORTFOLIO:	Children, Education & Social Care / Economic Development
SUBJECT:	Cradle to Career transformation of Children and Young People's Outcomes
WARDS:	Halton Lea

1.0 PURPOSE OF THE REPORT

1.1 To inform the Executive Board on a forthcoming initiative with philanthropists, and Right to Succeed in collaboration with LCR to deliver a place shaping transformational approach for children and young people in an agreed ward.

2.0 RECOMMENDATION: That

- 1) The report be noted.
- 2) Executive Board approve Halton Lea to be the area to benefit from the support and focused approach.

3.0 SUPPORTING INFORMATION

3.1 The Steve Morgan Foundation has been working collaboratively with SHINE, Right to Succeed and the Combined Authority to deliver a place based transformation programme for children and young people in North Birkenhead. The ambition of the programme is to provide place based intense support from cradle to career to lift aspirations and achievement thus the overall wellbeing of the next generation and thus the community. We are in conversations with Liverpool City Region Combined Authority and Right to Succeed about replicating the approach in Halton.

3.1.3 Right to Succeed is a collective impact charity focused on delivering place-based change in children and young people's outcomes. They do this through either thematic approaches across whole districts and local authorities, or through whole place approaches in ward-sized communities.

3.1.4 The collaboration has delivered a pilot project in North Birkenhead which provided resources to deliver a 10 part childhood offer with three themes. Firstly, a capacity building approach to put the community in the driving seat as in integral part of the delivery across all services and community groups working with young people. Secondly, develop research and informed in depth knowledge and collective understanding of trauma, hidden need and the systemic drivers of disengagement and their effects on child development. Thirdly, support professional engagement with research and best practice in early intervention and prevention, person centred approaches and holistic support again, across services and community groups working children, young people and families.

3.1.5 The ten parts to North Birkenhead's approach spanning across birth, primary & secondary school and becoming an adult were:

1. Happy healthy pregnancy
2. Positive birth experience
3. Form strong attachments
4. Opportunities to play and explore
5. Engage in learning
6. Opportunities for hobbies and socialisation
7. Learn and develop self-care
8. Learning/advice on future education, employment and training
9. Have your health needs met

10. Benefit from good parenting The approach is being evidenced by a monitoring framework which captures child development, well-being and connectivity to opportunity.

3.1.6 Cradle to Career North Birkenhead is 20 year project, with an initial three year programme of delivery agreed, agreed following discovery work in the community over a year. The programme generated a combined investment of just over £5million. Philanthropy of £2.65 million is being provided with the remaining £2.35 million coming from public services utilising existing resources to provide the match as part of a locally based multi-disciplinary team. Some resources have been re-directed to ensure the targeted approach.

3.2 The programme ambition is to scale up this approach across all LCR authorities in two further waves. Halton has been offered the opportunity to participate in the next round commencing immediately this calendar year. There are three stages:

- 1) pre-discovery/diagnostics
- 2) discovery of how to support the approach to deliver longitudinal changes; and
- 3) delivery of change and interventions with a collaborative system wide approach.

Halton has a number of services (ie Children Centres, Public Health, Social Care) that align to deliver shared approaches on this agenda that would provide a platform to this initiative whilst enabling further focus and opportunity for innovation and transformation. Subject to agreement pre-discovery would begin provisionally in May, through this period a road map for delivery would be developed. Once the road map is approved, a three year programme would commence.

3.3 Dialogue with colleagues in Children's Services and Regeneration has identified Halton Lea ward as an appropriate area. The criteria is a place of high disadvantage, about the size of a ward with clear identity and a lack of major inputs.

3.3.1 Halton Lea ward has historically been a particularly difficult area for Children's Centre services to engage with. There are limited community assets however, there are four primary schools. Halton Lea is consistently the highest ward for Universal Credit claimants in the Borough at 7.2% whilst the Halton average is 4.4%. Level 8 attainment is less than the rest of Halton, most of the ward is detailed on the Borough's community profile as being on a budget and vulnerable. 37% of children are on free school meals compared to the Halton average of 25.01%. 7.3% of the population are carers, the Halton average is 4.2% and life expectancy is lower for both males and females.

3.3.2 Halton Lea benefited from the healthy new town programme creating a master plan for the area in 2018; this provides the strategic framework for the place. Some of the priorities are progressing with the LCR Town

Centre investment into the retail space and the hospital approach to the site and accessibility of services however, this initiative provides an opportunity to deliver people based regeneration, often what lacks in physical programmes. This will shine a light on the young people of Halton Lea ward, facilitate a collective effort and commitment to joint working with a shared set of aspirations and outcomes to improve life experiences for our young residents.

3.3.3 An indicative budget for Halton Lea could look similar to North Birkenhead's experience, totals in bold (year 0 is the pre-discovery phase):-

	Year 0 Year 3	Year 1	Year 2	
Income				
Philanthropy (£2,651,171)	£36,875	£844,782	£865,360	£904,155
Public services (£2,365,671)	£0	£765,366	£788,327	£811,977
Total income required £5,016,842	£36,875	£1,610,148	£1,653,687	£1,716,132
Expenditure				
a) Education £706,942	£0	£223,576	£239,992	£243,374
b) Families £223,680	£0	£72,367	£74,538	£76,774
c) Community £340,167	£654	£112,222	£113,162	£114,129
d) Services £2,664,226	£0	£864,778	£887,845	£911,603
Backbone £1,081,827	£36,221	£337,205	£338,150	£370,251
Total Expenditure £5,016,843	£36,875	£1,610,149	£1,653,687	£1,716,132

The match funding would come from existing resources being attributed to the initiative through the focused approach. If approved, the pre-discovery phase would be mobilised with detailed programme plans and expenditure profile's appropriate for Halton Lea being developed.

3.5 Wider Considerations

3.5.1 There is opportunity to connect with other initiatives in the Borough to optimise impact. The Well Halton work with Daresbury Sci-Tech developed a schools programme to introduce young people to the world leading science park we have in the Borough, inspire the pupils to work in science and achieve in the STEM agenda (science, technology, engineering and mathematics). There are also other businesses in the Borough contributing to this that our Business Team are actively engaged with; this initiative could resource the delivery of a targeted approach between business and the community in the Halton Lea ward.

3.5.2 Generation Medics is a not for profit social enterprise that supports professionals and students to consider and fulfil careers in the health profession. Riverside Housing has commissioned Generation Medics to deliver support in their neighbourhood's hence, there is an opportunity to focus efforts in Halton Lea where the hospital is sited, likely to be the largest employer in area.

3.5.3 Whilst much of the focus is centered on children and young people there would need to be linkages to initiatives that support household issues hence, connecting with the Adult and Family learning offer, Halton People into Jobs, Community Shop and other appropriate services and initiatives would be integral to the programme development.

3.5.4 Boundary changes to the ward have been considered in the initial information gathering and any plans developed would accommodate the revised boundary.

4.0 POLICY IMPLICATIONS

4.1 A steering group will be established to deliver this initiative which will consider existing policies such as Talk Halton, Halton Reading Strategy, Halton Feeding Strategy, Adult Learning and wider policy impacts i.e Public Health.

5.0 FINANCIAL IMPLICATIONS

5.1 The report details investment to be levered into Halton to support the programme of approximately £2.6 million over a three year period matched by public sector resources of circa £2.4 million such as schools, children's services, communities, etc.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

This initiative focuses support on Children & Young People to support raising aspirations and reaching potential. Success will enrich the life experiences for individuals and support a thriving resilient community.

6.2 Employment, Learning and Skills in Halton

The initiative aims to lift achievement and increase skills and employability. As well as focusing on children's progress there will an impetus on connecting households with access to adult learning and the employment support offers in Halton.

6.3 A Healthy Halton

This initiative aims to tackle the wider socio and economic determinants that contribute to poor health outcomes. Achievement, employment, housing, family and communities are key components to how well individuals and communities function. This is a place shaping approach to facilitate an environment which generates these positive ripple effects.

6.4 A Safer Halton

A sense of community and community connectedness reduces residents' fears of crime where they live, they are likely to feel a stronger sense of belonging and safety in an environment where the communities know each other and are active. This initiative will generate community activity supporting connected and vibrant communities.

6.5 Halton's Urban Renewal

The initiative compliments the physical regeneration approach. It provides an opportunity to focus efforts and resources to positively impact life experiences and outcomes for future generations, the human regeneration whilst creating vibrancy and increasing the attractiveness of Halton as a place to reside.

7.0 RISK ANALYSIS

7.1 There is a potential reputational risk in not optimising this opportunity or delivering the intended outcomes with future regional or similar charitable funding opportunities.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The initiative will be accessible to all cohorts of the community of benefit with added focus to support engagement for any marginalised residents.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 None under the meaning of the Act.

REPORT TO:	Executive Board
DATE:	25 th February 2021
REPORTING OFFICER:	Chief Executive
PORTFOLIO:	Environmental Services
SUBJECT:	Halton Smart Micro Grid
WARDS:	All

1.0 PURPOSE OF THE REPORT

To consider proposals for the development of a smart micro grid that that would seek to decarbonise the Council's building electricity, heating and transport via the culmination of several technologies.

2.0 RECOMMENDATION: That

- (1) a formal bid be made to the Strategic Investment Fund for 50% funding of the estimated total project costs (circa £4,971K).
- (2) a bid of £60k be made to the Energy from Waste Environmental Fund to support pre development costs.
- (3) Subject to a successful Strategic Investment Fund Bid a further report be brought to Executive Board setting out a detailed financial case to support the project.

3.0 SUPPORTING INFORMATION

- 3.1 The Council completed construction of a 1MW Solar Farm, connected by private wire to the DCBL Stadium, on the former St Michael's Golf Course in September 2020.
- 3.2 Following completion of the project further feasibility work has been undertaken to see if there is scope to extend the Solar Farm and create a micro grid connecting other Council buildings.
- 3.3 The key features of the feasibility study looked at:-
 - 3.3.1 Increasing the size of the Council's solar current PV generation portfolio by installing a combination of additional rooftop and solar farm solar PV generation schemes. This would aim to bring the total installed capacity to 5.1MW and would be achieved by extending the existing Solar Farm by 2.95MW and installing an additional 900kw of roof top solar.

- 3.3.2 Connecting the additional solar PV generators and building loads via the installation of a High Voltage ring between the following Council sites in central Widnes:

- Halton Stadium, Lower House Lane, Widnes WA8 7DZ
- The Municipal Offices, Kingsway, Widnes WA8 7QF
- The New HBC Leisure Centre, Ellis Street, Widnes, WA87AP
- The Lower House Lane Depot, WA8 7AW (See diagram below)

Anticipated HBC owned 11kV ring cable route



- 3.3.3 Installing a 2MW / 4MWh battery storage scheme in order to maximise the use of solar PV power overnight, and to additionally support the District Network Operator electricity grid and national grid via ancillary services.
- 3.3.4 Utilising the generated renewable energy to support the use of heat pumps in the new Leisure Centre, thus electrifying the heat loads in the new building (rather than using natural gas)
- 3.3.5 Providing the necessary electrical infrastructure and 49 chargers at the Council's Lower House Lane depot to enable the electrification of the Council's mini-busses, refuse collection vehicles and vans that are parked overnight at the Council's depot. The scheme will also provide for 19 Electric Chargers at the new leisure centre site.

- 3.4 The combined capacity of the identified schemes (old and new) would be circa 5.1MWp and would be sufficient to meet the combined demand of the four buildings and the electrification of the Council's transport fleet. The micro grid systems has the potential to generate 4,188,000kWh per annum.
- 3.5 The feasibility study suggests that the optimal battery capacity for the project would be between 4MWh and 5MWh but further work in this area is required.

4.0 Provisional costings

- 4.1 An outline budget estimate for the scheme has been worked up. The total cost to construct the project would be in the region of £10.611M (net of VAT), however this sum includes c£700K that has already been invested by the Council in the 1MWp solar farm. The additional investment requirement would therefore be £9,833M.
- 4.2 The investment modelling has assumed that 50% of this figure (£4,917K) would be funded via the SIF fund. The project is not considered commercially viable without grant funding or high Power Purchase rates. The remaining funding would need to be provided by the Council as match funding.
- 4.3 The modelling. suggests that the project would generate a net income of c£334k p.a. Based upon these initial assumptions, the project IRR over 30 years may be c4.24%, with an NPV £1,004K based on a 3% discount factor.

5.0 POLICY IMPLICATIONS

Nationally the Government has set a target for the UK to reduce its Carbon Emission in the period 2028-2032 to 57pc below 1990 levels. The Council also set its own reduction targets and these are currently being met. The Council has also recently declared a Climate emergency which calls for the Council to produce and use more renewable energy in its buildings. This scheme will help contribute to further reductions and support the Council's ambitions.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The project would require a £4,917,000 of funding by the Council as match funding to any successful SIF bid.
- 6.2 The illustration suggests that the project would generate a net income of c£334k p.a. Based upon these initial assumptions, the project IRR over 30 years may be c4.24%, with an NPV £1,004K based on a 3% discount factor.

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 Children and Young People in Halton

None

7.2 Employment, Learning and Skills in Halton

None

7.3 A Healthy Halton

None

7.4 A Safer Halton

None

7.5 Halton's Urban Renewal

The Scheme will bring back into use a Council asset that has been unused for some years and is unsuitable for major development. It will contribute to the Council's targets to reduce carbon emissions and will demonstrate local leadership in promoting locally generated renewable energy, removing the reliance on traditional fossil based fuels. The project will also act as a demonstrator project for the Liverpool City Region (LCR) and could provide a model to be replicated across the LCR on differing scales.

8.0 RISK ANALYSIS

8.1 A risk register for the scheme would be developed that puts in place control measures to mitigate against the main risks.

9.0 EQUALITY AND DIVERSITY ISSUES

None

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
"None under the meaning of the Act"		

Micro Grid Executive Board Report 25th February 2021

4.0 Financial Modelling

4.5 - Appendix A

Based upon the current assumptions, we have produced a cash flow illustration below. The illustration suggests that the project would generate a net income of c£334k p.a. Based upon our initial assumptions, the project IRR over 30 years may be c4.24%, with an NPV £1,004K based on a 3% discount factor. We have assumed that power would be sold to all sites at current utility rates plus 2% p.a. We have also assumed the Leisure Centre would receive a discount of £20K p.a. for 20 Yrs.

POWER GENERATION		INCOME				O&M COSTS	NET CASH FLOW	
Year	kW Hrs Generated	Grid Power Export Sales Income	Electricity PPA Sales Income	Leisure Centre Electricity Discount	Total Savings & Income	Total O&M Costs	Annual Net Cash Flow	Cumulative Cash Flow
0							-£5,694,631	-£5,694,631
1	4,188,139	£56,792	£373,774	-£20,000	£410,566	£76,059	£334,507	-£5,360,124
2	4,124,522	£56,396	£375,458	-£20,400	£411,455	£77,580	£333,875	-£5,026,249
3	4,103,316	£56,636	£380,998	-£20,808	£416,826	£79,131	£337,695	-£4,688,554
4	4,082,111	£56,874	£386,610	-£21,224	£422,260	£80,714	£341,546	-£4,347,008
5	4,060,905	£57,112	£392,294	-£21,649	£427,757	£82,328	£345,429	-£4,001,579
6	4,039,699	£57,349	£398,050	-£22,082	£433,317	£83,975	£349,343	-£3,652,236
7	4,018,493	£57,585	£403,880	-£22,523	£438,941	£85,654	£353,287	-£3,298,949
8	3,997,287	£57,820	£409,783	-£22,974	£444,629	£87,367	£357,262	-£2,941,687
9	3,976,082	£58,053	£415,762	-£23,433	£450,382	£89,115	£361,267	-£2,580,420
10	3,954,876	£58,286	£421,815	-£23,902	£456,199	£90,897	£365,302	-£2,215,118
11	3,933,670	£58,518	£427,944	-£24,380	£462,082	£92,715	£369,367	-£1,845,760
12	3,912,464	£58,748	£434,150	-£24,867	£468,031	£94,569	£373,461	-£1,472,299
13	3,891,259	£58,977	£440,433	-£25,365	£474,045	£96,461	£377,585	-£1,094,704
14	3,870,053	£59,205	£446,794	-£25,872	£480,126	£98,390	£381,736	-£712,968
15	3,848,847	£59,431	£453,232	-£26,390	£486,274	£1,124,814	-£638,540	-£1,351,509
16	3,827,641	£59,656	£459,750	-£26,917	£492,489	£102,365	£390,124	-£961,385
17	3,806,436	£59,880	£466,347	-£27,456	£498,771	£104,412	£394,359	-£567,026
18	3,785,230	£60,102	£473,024	-£28,005	£505,121	£106,500	£398,620	-£168,406
19	3,764,024	£60,322	£479,781	-£28,565	£511,539	£108,630	£402,908	£234,502
20	3,742,818	£60,541	£486,620	-£29,136	£518,025	£556,998	-£38,973	£195,529
21	3,721,612	£60,758	£493,540	£0	£554,299	£113,019	£441,280	£636,809
22	3,700,407	£60,974	£500,542	£0	£561,516	£115,279	£446,237	£1,083,046
23	3,679,201	£61,188	£507,627	£0	£568,815	£117,585	£451,230	£1,534,276
24	3,657,995	£61,400	£514,796	£0	£576,196	£119,937	£456,259	£1,990,535
25	3,636,789	£61,610	£522,048	£0	£583,658	£122,335	£461,322	£2,451,857
26	3,615,584	£61,818	£529,384	£0	£591,202	£124,782	£466,420	£2,918,277
27	3,594,378	£62,024	£536,804	£0	£598,829	£127,278	£471,551	£3,389,828
28	3,573,172	£62,228	£544,310	£0	£606,539	£129,823	£476,715	£3,866,543
29	3,551,966	£62,430	£551,901	£0	£614,332	£132,420	£481,912	£4,348,455
30	3,530,761	£62,630	£559,579	£0	£622,209	£135,068	£487,141	£4,835,596
115,189,737		£1,785,345	£13,787,030		£15,086,427	£4,556,200	£4,835,596	
							NPV	£1,003,949
							DF	3.0%
							IRR	4.24%
								30 years

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Operational Director – Finance

SUBJECT: Budget 2020/21

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To recommend to Council the revenue budget, capital programme and council tax for 2021/22.

2.0 RECOMMENDATION: That;

- (i) **Council be recommended to adopt the resolution set out in Appendix A, which includes setting the budget at £111.446m, the Council Tax requirement of £54.509m (before Parish, Police, Fire and LCR Combined Authority precepts) and the Band D Council Tax for Halton of £1,549.34;**
- (ii) **Council be recommended to approve the revenue budget proposals for 2021/22 set out in Appendix B and capital programme set out in Appendix F;**

3.0 SUPPORTING INFORMATION

Medium Term Financial Strategy

3.1 The Executive Board approved the Medium Term Financial Strategy (MTFS) at its meeting on 19 November 2020. In summary, funding gaps of around £15.2m in 2021/22, £3.9m in 2022/23 and £3.0m in 2023/24 were identified. The Strategy had the following objectives:

- Deliver a balanced and sustainable budget
- Prioritise spending towards the Council's priority areas
- Avoid excessive Council Tax rises
- Achieve significant cashable efficiency gains
- Protect essential front line services and vulnerable members of the community
- Deliver improved procurement

Budget Consultation

- 3.2 The Council uses various consultation methods to listen to the views of the public and Members' own experience through their ward work is an important part of that process.
- 3.3 Individual consultations are taking place in respect of specific budget proposals and equality impact assessments will be completed where necessary.

Review of the 2020/21 Budget

- 3.4 The Executive Board receives regular reports summarising spending in the current year against the budget. The latest report indicates that spending may be over budget in the current year by approximately £1.2m against a net budget of £115.8m. The Council has worked hard to reduce the cost of day to day operational activities and the forecast for the current year shows that net expenditure on these costs will be below budget by approximately £1.0m. Over the past year children's social care demand has continued to grow and has shown a continued increase in costs, but generally other service costs have been well managed and a forecast overspend at the start of the year has been reduced to bring net costs in line with budget.
- 3.5 The greatest impact on the budget has been the Covid pandemic. Whilst Government have provided general un-ringfenced funding of £12.8m together with other funding for specific tasks and compensation for lost income this has proven to be insufficient. The current forecast shows the Council will be approximately £2.2m short on funding required to meet the costs of the pandemic during the current year.
- 3.6 The Council are continuing to take measures to mitigate the impact of these pressures and bring net spending back in line with budget as far as possible. A review of earmarked reserves is also being undertaken to identify options which might assist with funding the overspend. The general reserve balance is currently around £4.0m, equivalent to approximately 3.5% of the net budget for 2020/21, which is considered a prudent level. Any overspend would reduce the level of the general reserve, however the actions being taken should help to mitigate the impact.

2021/22 Revenue Budget

- 3.7 The proposed revenue budget totals £111.446m. The departmental analysis of the budget is shown in Appendix C and the major reasons for change from the current budget are shown in Appendix D.
- 3.8 Included at Appendix B are proposed budget savings for 2021/22 totalling £1.369m.

- 3.9 The proposed budget incorporates the grant figures announced in the Local Government Finance Settlement. It includes £1.703m for the New Homes Bonus grant. This is inclusive of additional grant of £0.347m for 2021/22, confirmed by Government that it would be paid for one year only rather than a four year legacy payment which has been the case prior to the 2020/21 financial year. Government are due to consult on a replacement for the New Homes Bonus grant in Spring 2021.
- 3.10 The budget includes Better Care Funding (BCF) of £6.777m, this is inclusive of £5.234m for the improved BCF element, £0.904m for the additional BCF element and £0.639m covering Winter Care Pressures. The grant has been awarded at the same allocation levels as for 2020/21.
- 3.11 Announced in the Government's 2020 Spending Review was additional funding for both Adult and Children's Social Care. Confirmation was given that the 2020/21 grant used for wider social care measures of £4.006m was to continue in 2021/22. An additional £300m grant was announced for 2021/22; the value of the allocation to Halton is £1.050m. This funding will be included in the Council budget to help to fund existing pressures within Social Care services.
- 3.12 Government have confirmed the continuation of the 100% Business Rates Retention pilot within the Liverpool City Region for 2021/22. The pilot comes with a no detriment guarantee from Government that no authority will be worse off than had they not been in the pilot.
- 3.13 Pay rates for 2021/22 have not yet been agreed but the budget reflects the announcement at the Comprehensive Spending Review 2020 that, for those earning over £24k per year, public sector pay would be frozen. In order to meet the Chancellor's guarantee that public sector workers earning under £24k will receive a minimum pay rise of £250, a 1.5% increase has been applied to the budgets of the lower pay bands.
- 3.14 Inflation of 1% has been applied to contractual (non-controllable) budgets for 2021/22. Additional inflation has been applied to social care contract costs which will increase at above normal inflation rates due to the increase of 2.2% in National Living Wage rates from April 2021 and an increase in charges from social care suppliers to reflect the impact of Covid-19 on their services.
- 3.15 The risk to the Council's budget continues over the next year due to increasing service demand pressures. To mitigate the risk, budgets have been increased in 2021/22 to help manage the current departmental budget overspends, inclusive of £1.927m across Adults' and Children's Social Care and £1.045m for the Education, Inclusion and Provision Department.

- 3.16 It is considered prudent for the budget to include a general contingency of £0.5m. At this stage it is considered sufficient to cover the potential for price changes, increases in demand led budgets, as well as a general contingency for uncertain and unknown items. Additionally, £2.376m of Covid-19 grant funding for 2021/22 currently remains unallocated and will be used to fund additional costs which are likely to be incurred as part of the Council's response to Covid-19, but which have not been identified at present.
- 3.17 The Local Government Act 2003 places a requirement on the Chief Financial Officer to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. In my view the budget setting process and the information provided should be sufficient to allow the Council to come to an informed view regarding the 2021/22 revenue budget, capital programme and council tax. Balances and reserves should provide sufficient resilience to meet the financial consequences of any unforeseen events.

Local Government Finance Settlement

- 3.18 The Government announced the provisional Local Government Finance Settlement on 17 December 2020. At the time of writing the report, the final settlement is still to be announced. In addition, the Council are waiting on confirmation of some 2021/22 grant allocations, including the Public Health grant.
- 3.19 As part of the Liverpool City Region, the Council will continue to participate in a pilot scheme of 100% business rates retention. Government have reiterated that the pilot scheme will operate under a "No Detriment" policy, in that no council operating as part of the pilot will see a reduction in their funding in comparison to what it would have received under the 49% national scheme. The pilot will result in additional business rates being retained by the Council although offset by Revenue Support and Better Care Fund grants no longer being received.
- 3.20 It was anticipated that the Business Rates Retention Scheme would be rolled out on a national basis from April 2021, with the level of retained rates for each Council being set at 75%. In conjunction with this, Government had stated their intention to undertake a review of needs and resources of Local Government, the first review since April 2013, and also reconsider the business rate "baselines" for each council. These funding reforms have been delayed due to the disruption caused by Covid-19 and it is currently unclear when they will be introduced.
- 3.21 For 2021/22 the Council's total Government Settlement Funding Allocation is £52.424m. This is made up of £46.857m Business Rates Baseline Funding and Top-Up grant of £5.568m. Excluding the rolled in

Better Care Funding grant, the increase to the Settlement Funding Assessment from 2019/20 is 1.3%.

- 3.22 The Government's Spending Power analysis (the total of business rates, council tax and Government grant funding available to each council) calculates that over the period 2011/12 to 2021/22, in cash terms there has been a reduction in funding for Halton of £22.5m or 16.1%. This compares with a national average reduction over the same period of 6.3%.
- 3.23 The Council is required to provide an annual forecast of business rates to Government by the end of January of the preceding year. The forecast has been undertaken and the Council expect net collectable rates to be £51.056m for 2021/22.
- 3.24 As far as non-domestic premises are concerned, the business rates multiplier rate is fixed centrally by Government and then applied to each premises' rateable value. For 2021/22 the multiplier rate has been frozen at 51.2p in the pound and 49.9p in the pound for small businesses. This is unchanged from 2020/21.
- 3.25 In 2016/17 the Council set an Adult Social Care council tax precept level of 2%. For the three years from 2017/18 to 2019/20 Government extended the flexibility in order that councils could apply a further precept of up to 6% over the period, with a limit of 3% being in place for the first two years and a limit of 2% for 2019/20. In 2017/18 and 2018/19 the Council set Adult Social Care precept levels of 3% in each of the years. For 2020/21, the Adult Social Care council tax precept was set at 2%.
- 3.26 The Government Spending Review published 25 September 2020 confirmed that a further Adult Social Care council tax precept of 3% could be applied for 2021/22.
- 3.27 As part of the Local Government Finance Settlement, several new, one-off sources of grant funding were announced for 2021/22. Halton will receive a fifth tranche of grant funding to reflect the additional costs incurred due to Covid-19, worth £4.376m. £1.976m of this funding has been included in the 2021/22 budget to fund additional Covid-related costs which have already been identified. The remaining £2.400m will be held in reserve to meet unanticipated costs in 2021/22. Halton has been allocated £1.5m of Local Council Tax Support Grant which will be used to offset the loss of income arising from a reduction in Council Tax base due to an increase in Local Council Tax Support claimants. To reflect the lower legacy payments in the New Homes Bonus grant, Government have introduced a new Lower Tier Services grant for 2021/22 only, with Halton receiving an allocation of £0.2m.

Budget Outlook

3.28 Beyond 2021/22 there is great uncertainty regarding the funding of Local Government, due to the potential impact of a number of changes to the Local Government funding regime and the ongoing impact of Covid-19 on social care services and income streams. There is therefore further continued uncertainty regarding the Council's funding resources in 2022/23.

3.29 The impact of the following developments will have to be assessed when considering the 2022/23 budget and beyond. Further information will be known as we progress through the coming year:

- Fair Funding Review – A review of how cumulative Local Government funding should be apportioned between Councils. The last review was in April 2013 and since then reductions made to Local Government funding have been made on a percentage basis. This has had the impact of protecting those authorities less reliant on Government grant funding, whilst those councils who are more reliant (such as Halton) have had to deal with the larger reductions in funding on a per capita basis.
- New Homes Bonus – Government have announced that 2021/22 will be the final year of the New Homes Bonus grant in its current form. A consultation is due to be launched in Spring 2021 on a replacement for the scheme.
- 75% Business Rate Retention – Government have indicated that the percentage share of retained rates at a local level will be 75%. It is unclear how this will impact on pilot authorities, such as Halton, as to whether they will continue at 100% or switch to 75% retention.
- Business Rates Baseline Reset – It is proposed there will be a reset of the business rates baseline, which could work against Halton and similar authorities who have seen significant growth in business rates since the current baseline was set in 2013. It is not yet known if there will be a transition process put in place to protect authorities from excessive losses in funding from an increase to the baseline position.
- 2021 Public Spending Review – The next medium term review of public spending for the period from 2021 onwards is expected to be announced during the coming year.
- Social Care Green Paper – It is uncertain what impact this will have on the future of Local Government funding.

3.30 The Medium Term Financial Strategy has been updated to take into account the 2021/22 Local Government Finance Settlement and multi-year allocations and saving measures already agreed or proposed. It includes a number of assumptions for 2022/23 including:

- Settlement Funding Assessment as per 2021/22 plus 2% inflation.
- Pay, prices and income growth of 2%.

- Reversal of 2021/22 one-off savings proposals.

3.31 The resulting funding gap over the subsequent three financial years (2022/23 to 2024/25) is forecast to be in the region of £19.8m.

Halton's Council Tax

3.32 The Government no longer operates council tax capping powers, but instead there is a requirement for councils to hold a local referendum if they propose to increase council tax by more than a percentage threshold prescribed by the Government.

3.33 The Government have confirmed the council tax referendum threshold at 2% for 2021/22.

3.34 On 12 December 2018 the Council's Executive Board agreed council tax premiums for empty properties be applied as follows:

- From 01 April 2019, 100% premium in addition to the full council tax charge for each dwelling unoccupied and unfurnished for more than two years.
- From 01 April 2020, 100% premium in addition to the full council tax charge for each dwelling unoccupied and unfurnished between two and five years, and 200% premium for dwellings unoccupied for more than five years.
- From 01 April 2021, 100% premium in addition to the full council tax charge for each dwelling unoccupied and unfurnished between two and five years, 200% for dwellings unoccupied between five and ten years, and 300% for properties unoccupied for more than ten years.

3.35 The number of long-term empty properties in Halton is currently 158. The number of properties empty for between five and ten years, and therefore billed a 200% premium, is currently 63, and the number of properties empty for over ten years and billed at a 300% premium from April 2021, is 36.

3.36 The tax base (Band D equivalent) for the Borough has been set by Council at 35,182.

3.37 The combined effect of the budget proposals presented within this report, Government grant support, business rate retention and the council tax base, requires the Council to set a Band D council tax for Halton of £1,549.34 (equivalent to £29.80 per week), in order to deliver a balanced budget for 2021/22 as required by statute. This is an increase of 4.99% (£73.64 per annum or £1.42 per week) over the current year.

Parish Precepts

- 3.38 The Parish Councils have set their precepts for the year as shown below, with the resultant additional Council Tax for a Band D property in these areas being as follows:

	Precept	Precept Increase		Additional Council Tax	Basic Council Tax
	£	£	%	£	£
Hale	43,724	-5,278	-10.77%	66.75	1,616.09
Daresbury	6,700	1,341	25.02%	37.43	1,586.77
Moore	5,625	400	7.66%	17.36	1,566.70
Preston Brook	13,000	916	7.58%	36.41	1,585.75
Halebank	39,085	-150	-0.38%	75.02	1,624.36
Sandymoor	38,573	4,240	4.82%	29.09	1,578.43

Average Council Tax

- 3.39 In addition, it is also necessary to calculate the average Council Tax for the area as a whole. This is the figure required by Government and used for comparative purposes. For a Band D property the figure is £1,553.51, an increase of £73.63 per annum.

Police Precept

- 3.40 The Cheshire Police and Crime Commissioner has set the precept on the Council at £7.931m which is £225.44 for a Band D property, an increase of £15.00 or 7.13%. The figures for each Band are shown in Recommendation 5 in Appendix A.

Fire Precept

- 3.41 The Cheshire Fire Authority has set the precept on the Council at £2.845m which is £80.87 for a Band D property, an increase of £1.58 or 1.99%. The figures for each Band are shown in Recommendation 6 in Appendix A.

Liverpool City Region Mayoral Precept

- 3.42 The Liverpool City Region Combined Authority has set the precept on the Council at £0.668m which is £19.00 for a Band D property, an increase of £0.00. The figures for each Band are shown in Recommendation 7 in Appendix A.

Total Council Tax

- 3.43 Combining all these figures will give the Total Council Tax for 2021/22 and these are shown in Recommendation 8 in Appendix A. The total Band D Council Tax (before Parish precepts) is £1,874.65, an increase

of £90.22 or 5.06%. The inclusion of parish precepts means the increase in Hale is 4.47%, in Daresbury is 5.39%, in Moore is 5.09%, in Preston Brook is 5.16%, in Halebank is 4.85%, and in Sandymoor is 4.97%.

- 3.44 It is expected that Halton's total council tax will continue to be amongst the lowest in the North West. Given that nearly half of all properties in the Borough are in Band A, and also 82% of properties are in Bands A-C, most households will pay less than the "headline" figure. In addition, many households will receive reduced council tax bills through discounts, and these adjustments will be shown on their bills.
- 3.45 A complex set of resolutions, shown in Appendix A, needs to be agreed by Council to ensure that the Budget and Council Tax level are set in a way which fully complies with legislation, incorporating changes required under the Localism Act 2012.

Capital Programme

- 3.46 The following table brings together the existing capital programme spend and shows how the capital programme will be funded.

	2021/22	2022/23	2023/24
	£000	£000	£000
<u>Spending</u>			
Scheme estimates	24,582	14,000	4,322
Slippage between years	4,802	2,117	1,936
	<u>29,384</u>	<u>16,117</u>	<u>6,258</u>
<u>Funding</u>			
Borrowing and Leasing	14,815	9,191	807
Grants and External Funds	7,089	1,726	1,446
Direct Revenue Finance	0	0	0
Capital Receipts	2,678	3,083	2,069
Slippage between years	4,802	2,117	1,936
	<u>29,384</u>	<u>16,117</u>	<u>6,258</u>

- 3.46 The committed Capital Programme is shown in Appendix F.
- 3.47 As the Capital Programme is fully committed, there are no funds available for new capital schemes unless external funding is available or further savings are identified to cover capital financing costs.

Prudential Code

- 3.48 The Local Government Act 2003 introduced the Prudential Code which provides a framework for the self-regulation of capital expenditure. The key objectives of the Code are to ensure that the Council's:

- capital expenditure plans are affordable;
- external borrowing is within prudent and sustainable levels;
- treasury management decisions are taken in accordance with good professional practice; and
- there is accountability through providing a clear and transparent framework.

3.49 To demonstrate that Councils have fulfilled these objectives, the Prudential Code sets out a number of indicators which must be used. These are included in the Treasury Management Strategy report elsewhere on the Agenda. The prudential indicators are monitored throughout the year and reported as part of the Treasury Management monitoring reports to the Executive Board.

School Budgets

3.50 Schools are fully funded by Government Grants, primarily the Dedicated Schools Grant (DSG) which is mainly used to fund the Individual School Budgets. DSG is now allocated in four blocks; Schools Block, Central Schools Services Block, Early Years Block and High Needs Block. The funding is allocated to schools by way of a formula in accordance with the National Funding Formula introduced in 2018/19.

3.51 Schools Block pupil numbers in mainstream primary and secondary schools have increased very slightly from 18,281 for 2020/21 to 18,285 for 2021/22. Funding for mainstream primary and secondary schools is based on the pupil cohort on the October 2020 census. The DSG settlement was announced on 18 December 2020 giving a total of £99.05m for the Schools Block for 2021/22. While this is an increase of £6.5m, £4.1m relates to the Teachers Pay and Pension Grants which have been rolled into the DSG for 2021/22 onwards.

3.52 The Central Schools Services Block (CSSB) was split from the Schools Block for the first time in 2018/19, following the introduction of the ring-fenced requirement for the Schools Block to be wholly passed to primary and secondary schools, with the exception any agreed transfer to the High Needs Block. For 2021/22 we are not transferring any Schools Block funding to High Needs. There are regulations in place which limit what the CSSB grant can be used for and limit budgets to the same level as previous years. The CSSB includes budgets that are de-delegated from maintained schools. As more schools convert to academy status, so the de-delegated funds are reduced, unless schools are asked to contribute a higher amount.

- 3.53 The Early Years Block indicative allocation for 2021/22 is £9.82m. The hourly rate the Council are funded at for 3 and 4 year old provision, as opposed to the hourly rate we pay providers, is remaining the same at £5.12 per hour. The hourly rate the Council are funded at for 2 year old provision has increased from £5.36 per hour to £5.44 per hour.
- 3.54 The High Needs Block for 2020/21 was £16.15m after recoupment by the Department for Education for commissioned places in special academies and independent special schools. For 2021/22 the High Needs Block is £18.55m after recoupment, which is an increase of £2.4m.
- 3.55 The Minimum Funding Guarantee has been agreed by Schools Forum at plus 1.29%. This is within the range allowed by the DfE of 0.5% to 2.0%.
- 3.56 The Pupil Premium Grant rates have remained the same at £1,345 per Primary pupil and £955 per Secondary pupil who are or have been eligible for Free School Meals in the last six years. Children who have been adopted from care and children who leave care under a special guardianship order or residence order will be funded at £2,345 per pupil. Eligibility for the Service Children Premium will be funded at £310 per pupil. The amount for Looked after Children which comes to the Council for distribution is £2,345 per pupil. There is a major change to the Pupil Premium Grant for 2021/22 in that the school census upon which it is calculated has been changed from January to October. This will have a negative impact on the amounts we receive as pupil numbers tend to be lower in October than in January.

4.0 POLICY IMPLICATIONS

- 4.1 The Council's budget will support the delivery of all of the Council's services.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The financial implications relating to the Council's budget are as set out within the report and appendices.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The budget will support the Council in achieving the aims and objectives set out in the Community Strategy for Halton and the Council's Corporate Plan and has been prepared in consideration of the priorities listed below.

- 6.1 **Children and Young People in Halton**
- 6.2 **Employment, Learning and Skills in Halton**
- 6.3 **A Healthy Halton**
- 6.4 **A Safer Halton**
- 6.5 **Halton's Urban Renewal**

7.0 RISK ANALYSIS

- 7.1 The budget is prepared in accordance with detailed guidance and timetable to ensure the statutory requirements are met and a balanced budget is prepared that aligns resources with corporate objectives.
- 7.2 A number of key factors have been identified in the budget and a detailed risk register has been prepared. These will be closely monitored throughout the year and the Contingency and the Reserves and Balances Strategy will help to mitigate the risks.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 Equality Impact Assessments will be undertaken in relation to the individual savings proposals as required.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Local Government Finance Report (England) 2021/22	Financial Management Halton Stadium	Steve Baker

10.0 REASON FOR THE DECISION

- 10.1 To seek approval for the Council's revenue budget, capital programme and council tax for 2021/22.

11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 11.1 In arriving at the budget saving proposals set out in Appendix B, numerous proposals have been considered, some of which have been deferred pending further information or rejected.

12.0 IMPLEMENTATION DATE

- 12.1 03 March 2021.

APPENDIX A

**DRAFT RESOLUTION FOR SUBMISSION TO THE COUNCIL
AT ITS MEETING ON 03 March 2021**

RECOMMENDATION: that the Council adopt the following resolution:

1. The policies outlined in this paper be adopted, including the budget and council tax for 2021/22, the savings set out in Appendix B and the Capital Programme set out in Appendix F.
2. That it be noted that at the meeting on 11 November 2020 the Council agreed the following:
 - (a) The Council Tax Base 2021/22 for the whole Council area is 35,182 (item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the Act) and
 - (b) For dwellings in those parts of its area to which a Parish precept relates, be set out as follows:

Parish	Tax Base
Hale	655
Daresbury	179
Moore	324
Preston Brook	357
Halebank	521
Sandymoor	1,326

being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which special items relate.

3. Calculate that the Council Tax requirement for the Council's own purposes for 2021/22 (excluding Parish precepts) is £54,508,880.
4. In accordance with the relevant provisions of the Local Government Finance Act 1992 (Sections 31 to 36), the following amounts be now calculated by the Council for the year 2021/22 and agreed as follows:
 - (a) £419,777,326 – being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the said Act, taking into account all precepts issued to it by Parish Councils.

- (b) £365,121,739– being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £54,655,587 – being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 31A(4) of the Act).
- (d) £1,553.51 – being the amount at 3(c) above (item R), all divided by item T (2 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £146,707 – being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act, each individual Parish precept being:

	£
Hale	43,724
Daresbury	6,700
Moore	5,625
Preston Brook	13,000
Halebank	39,085
Sandymoor	38,573

- (f) £1,549.34 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (2(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (g) Part of the Council's Area

	£
Hale	66.75
Daresbury	37.43
Moore	17.36
Preston Brook	36.41
Halebank	75.02
Sandymoor	29.09

being the amounts given by adding to the amounts at 3(e) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2(b) above, calculated by the

Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings of its area to which one or more special items relate.

(h) Part of the Council's Area

Band	Hale	Daresbury	Moore	Preston Brook	Halebank	Sandymoor	All other Parts of the Council's Area
	£	£	£	£	£	£	£
A	1,077.39	1,057.85	1,044.47	1,057.17	1,082.91	1,052.29	1,032.89
B	1,256.96	1,234.15	1,218.54	1,233.36	1,263.39	1,227.67	1,205.04
C	1,436.52	1,410.46	1,392.62	1,409.56	1,443.88	1,403.05	1,377.19
D	1,616.09	1,586.77	1,566.70	1,585.75	1,624.36	1,578.43	1,549.34
E	1,975.22	1,939.39	1,914.86	1,938.14	1,985.33	1,929.19	1,893.64
F	2,334.35	2,292.00	2,263.01	2,290.53	2,346.30	2,279.95	2,237.94
G	2,693.48	2,644.62	2,611.17	2,642.92	2,707.27	2,630.72	2,582.23
H	3,232.18	3,173.54	3,133.40	3,171.50	3,248.72	3,156.86	3,098.68

being the amounts given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

5. It is further noted that for the year 2021/22 the Cheshire Police and Crime Commissioner has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:

	£
A	150.29
B	175.34
C	200.39
D	225.44
E	275.54
F	325.64
G	375.73
H	450.88

6. It is further noted that for the year 2021/22 the Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with the Local Government Act 2003 for each of the categories of dwellings shown below:

	£
A	53.91
B	62.90
C	71.88
D	80.87
E	98.84
F	116.81
G	134.78
H	161.74

7. It is further noted that for the year 2021/22 the Liverpool City Region Combined Authority have stated the following amounts in precepts issued to the Council, in accordance with the Local Government Act 2003 for each of the categories of dwellings shown below:

	£
A	12.67
B	14.78
C	16.89
D	19.00
E	23.22
F	27.44
G	31.67
H	38.00

8. That, having calculated the aggregate in each case of the amounts at 4h, 5, 6 and 7 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2021/22 for each of the categories of dwellings shown below:

Band	Hale	Daresbury	Moore	Preston Brook	Halebank	Sandymoor	All other Parts of the Council's Area
	£	£	£	£	£	£	£
A	1,294.27	1,274.72	1,261.34	1,274.04	1,299.78	1,269.16	1,249.77
B	1,509.98	1,487.17	1,471.56	1,486.38	1,516.41	1,480.69	1,458.06

C	1,725.69	1,699.63	1,681.79	1,698.72	1,733.04	1,692.21	1,666.36
D	1,941.40	1,912.08	1,892.01	1,911.06	1,949.67	1,903.74	1,874.65
E	2,372.82	2,336.99	2,312.46	2,335.74	2,382.93	2,326.79	2,291.24
F	2,804.24	2,761.89	2,732.90	2,760.42	2,816.19	2,749.85	2,707.83
G	3,235.67	3,186.80	3,153.35	3,185.10	3,249.45	3,172.90	3,124.42
H	3,882.80	3,824.16	3,784.02	3,822.12	3,899.34	3,807.48	3,749.30

being satisfied that:

- (a) The total amount yielded by its Council Taxes for the said financial year will be sufficient, so far as is practicable, to provide for items mentioned at 4(a) to (c) above; and, to the extent that they are not, to be provided for by any other means.
 - (b) Those amounts which relate to a part only of its area will secure, so far as is practicable, that the precept or portion of a precept relating to such part will be provided for only by the amount yielded by such of its Council Taxes as relate to that part.
9. The Operational Director Finance be authorised at any time during the financial year 2021/22 to borrow on behalf of the Council by way of gross bank overdraft such sums as he shall deem necessary for the purposes of this paragraph, but not such that in any event the said overdraft at any time exceeds £10m on an individual bank account (£0.5m net across all bank accounts) as the Council may temporarily require.

APPENDIX B

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM /TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2021/22 £'000	2022/23 £'000		
DIRECTORATE: PEOPLE							
PROCUREMENT OPPORTUNITIES							
1	Education, Inclusion & Provision Dept	Revision of the Emotional Health and Wellbeing contract to include services currently commissioned separately, with a contribution being provided by Halton CCG and savings in areas such as court costs, children's act section 17 children in need provision and placement costs.	159	47	0	P	M
EFFICIENCY OPPORTUNITIES							
2	Education, Inclusion & Provision Dept/ Youth Service	Following consultation with young people and partners, the provision for young people has been reviewed. The priorities identified can be met through providing the service differently and more efficiently.	378	100	0	P	D
3	Children & Family Dept/ Children's Centres	Cease use by children's centres of satellite rooms within premises at All Saints Upton and Halton Brook. Services can be delivered within other settings in the respective communities. This will be subject to consultation.	56	56	0	P	D

4	Children & Family Dept/ Children's Social Work Training	Reduction in the Children's Social Work Training budget This budget supports specialist training for social workers usually delivered face to face. The reduction is possible due to the move to increased virtual and online e-learning approaches.	66	16	0	P	M
OTHER BUDGET SAVINGS							
5	Education, Inclusion & Provision Dept/ Troubled Families	Halton has achieved 100% funding in terms of payment-by-results for the Troubled Families programme. Funding was set-aside to continue to support some of the key elements of the programme in 2021/22, which it has now been confirmed will be grant funded. Therefore a one-off saving is available from the set-aside funds.	n/a	150	-150	T	M
6	Adult Social Care Dept	Transfer of the Care Arrangement function to Care Management, as a result of now operating with fewer care providers and with increased use of technology based support.	171	171	0	P	D
TOTAL PERMANENT				390	0	P	
TOTAL TEMPORARY (ONE-OFF)				150	-150	T	
GRAND TOTAL				540	-150		

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2021/22 £'000	2022/23 £'000		
DIRECTORATE: ENTERPRISE, COMMUNITY & RESOURCES							
INCOME GENERATION OPPORTUNITIES							
7	Legal & Democratic Svcs Dept/ Legal Services	Income generated from an SLA agreed with the National Consortium for Examination Results (NCER) from March 2021.	n/a	6	0	P	M
PROCUREMENT OPPORTUNITIES							
8	Legal & Democratic Svcs Dept/ Member Services	A one-off procurement saving from a vehicle lease arrangement.	11	3	-3	T	D
EFFICIENCY OPPORTUNITIES							
9	Legal & Democratic Svcs Dept/ Member Services	A one-off saving from delaying the recruitment of the second Mayoral Attendant.	17	7	-7	T	D
10	Finance Dept/ Benefits Division	Two existing Benefits Officer vacancies will be held until 30 th September 2021. At that point the situation will be reviewed in light of benefit claimant numbers and	923	24	-24	T	M

		processing performance. Initially therefore, a part-year one-off budget saving will be achieved. These posts relate to claims processing rather than the provision of advice.					
11	Finance Dept/ Audit & Op Finance Division	Restructuring of the Procurement Team to enable the deletion of vacant posts.	450	65	0	P	D
12	Policy, People, Performance & Efficiency	Reconfiguration of the Performance Management function leading to a reduction in the staffing establishment by the deletion of vacant posts.	97	25	0	P	D
OTHER BUDGET SAVINGS							
13	Legal & Democratic Svcs Dept/ Marketing & Communications	Reduction in the corporate marketing budget.	135	8	0	p	D
14	Legal & Democratic Svcs Dept/ Member Services	Reduction in the small functions budget.	49	5	0	P	D
15	Finance Dept/ Concessionary Travel	Reduction in the concessionary travel budget, to realign the budget with forecast costs, given the anticipated reduction in concessionary passenger numbers going forward.	2,218	110	0	P	M

16	Community & Environment Dept	<p>Area Forums:</p> <p>(i) Remove the £200,000 budget provision for Area Forums for one year only.</p> <p>(ii) Deletion of an associated vacant part-time post, leave another post in place.</p> <p>This will be on the basis that the total underspend remaining at 31/03/21 (currently forecast to be £223,000) will be fully carried forward and reallocated on the usual basis to the new Area Forums in order to provide funding for 2021/22.</p>	200	200	-200	T	D
			26	26	0	P	D
17	Community & Environment Dept/ Library Services	Reduction in the Libraries Book Fund budget, by way of a one year reduction of £35,000 plus a permanent reduction of £15,000. The Book Fund provides for the purchase of new books, other print items, dvds, computer games and other digital media.	155	15 35	0 -35	P T	M
18	Policy, Transport & Planning Dept	Restructure of the Department to facilitate the deletion of the vacant Traffic DM post.	991	100	0	P	D
19	Economy, Enterprise & Property Dept/ Operations	Capitalisation of major building maintenance works, so as to provide a reduction in the revenue budget without reducing the amount of works which can be provided.	n/a	200	0	P	D

TOTAL PERMANENT	560	0	P	
TOTAL TEMPORARY (ONE-OFF)	269	-269	T	
GRAND TOTAL	829	-269		

APPENDIX C

DEPARTMENTAL OPERATIONAL BUDGETS

£000

People Directorate

Children and Families Service	21,923
Education, Inclusion & Provision	5,904
Adult Social Care	22,589
Complex Care Pooled Budget	22,508
Public Health & Public Protection	294
	<hr/>
	73,218

Enterprise, Community & Resources Directorate

Finance	7,106
Policy, Planning & Transportation	9,359
ICT & Support Services	8,037
Legal & Democratic Services	1,843
Policy, People, Performance & Efficiency	2,100
Community and Environment	15,542
Economy, Enterprise and Property	4,387
	<hr/>
	48,374

Departmental Operational Budgets

Corporate and Democracy	<hr/>
	-10,146

Total Operational Budget	<hr/>
	111,446

APPENDIX D

2021/22 BUDGET – REASONS FOR CHANGE

	£000
2020/21 Approved Budget	115,770
Add back One-Off savings	861
	<hr/> 116,631
<u>Policy Decisions</u>	
Capital Programme	264
<u>Inflation and Service Demand Pressures</u>	
Pay (including Increments)	811
Prices	1,462
Income	-326
Existing Service Demand Pressures	3,723
<u>Other</u>	
Net Adjustment to Specific Grants	-3,171
Contingency Increase	500
Social Care Grant	-1,200
Reserves	-5,879
Base Budget	<hr/> 112,815
Less Savings (Including savings agreed by Council)	-1,369
Total 2021/22 Budget	<hr/> 111,446 <hr/>

APPENDIX E

MEDIUM TERM FINANCIAL FORECAST

	2022/23 £000	2023/24 £000	2024/25 £000
Spending			
Previous Year's Budget	111,446	114,375	117,789
Add back one-off savings	419	0	0
<u>Inflation</u>			
Pay	1,450	1,479	1,508
Prices	1,352	1,379	1,406
Income	-603	-615	-628
<u>Other</u>			
Capital Financing	2,942	1,191	1,315
Contingency	1,500	2,000	2,000
Reduction to New Homes Bonus Grant	513	0	0
Reverse Use of Reserves	6,422	0	0
Reverse One-Off Grant Funding	3,676	0	0
Terms and Conditions – 4 Day Xmas Saving	1,000	0	0
Budget Forecast	130,117	119,854	123,437
Resources			
Baseline Business Rates Funding and Top-Up Grant	57,736	58,891	60,069
Council Tax	56,684	58,945	61,297
	114,420	117,836	121,366
Funding Gap	-15,697	-2,018	-2,071

APPENDIX F

COMMITTED CAPITAL PROGRAMME 2021/24

SCHEME	2021/22 £000	2022/23 £000	2023/24 £000
Schools Capital Projects	1,520	-	-
ALD Bungalows	199	-	-
Disabled Facilities Grant	600	600	600
Stairlifts	270	270	270
Adapted Properties	270	270	270
Care home acquisition and refurbishment	1,000	-	-
People Directorate	3,859	1,140	1,140
Stadium Minor Works	30	30	30
Brookvale Pitch Refurbishment	12	-	-
Leisure Centre	10,000	8,000	-
Children's Playground Equipment	65	65	65
Landfill Tax Credit Schemes	340	340	340
Crow Wood Park Play Area	20	-	-
Runcorn Town Park	330	280	-
Litter Bins	20	20	20
IT Rolling Programme	700	700	700
3MG	167	-	-
Murdishaw Redevelopment	38	-	-
Equality Act Improvement Works	480	300	300
Widnes Market Refurbishment	3	-	-
Broseley House	388	15	-
Foundry Lane Residential Area	1,682	-	-
Halton Lea TCF	550	-	-
Property Improvements	200	200	200
Street Lighting - Structural Maintenance	200	200	200
Street Lighting – Upgrades	2,000	-	-
Sustainable Urban Development	268	-	-
Windmill Hill Flood Risk Management	68	-	-
Risk Management	120	120	120
Fleet Replacements	3,043	2,590	1,207
Economy, Community & Resources Directorate	20,724	12,860	3,182
Total Capital Programme	24,583	14,000	4,322
Slippage between years	4,802	2,117	1,936
GRAND TOTAL	29,385	16,117	6,258

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

SUBJECT: Revenue Spending as at 31 December 2020

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 To report the Council's overall revenue net spending position as at 31 December 2020 together with a forecast outturn position.
- 1.2 To report on the financial impact of Covid-19 and to summarise general Government funding made available to the Council to date.

2.0 RECOMMENDED: That;

- (i) All spending continues to be limited to only absolutely essential items;**
- (ii) Departments seek to implement those approved budget savings proposals which currently remain to be actioned;**
- (iii) Strategic Directors take urgent action to identify areas where spending could be reduced or suspended for the remainder of the current financial year;**
- (iv) Council be requested to approve the revisions to the Capital Programme as set out in paragraph 3.18.**

3.0 SUPPORTING INFORMATION

Revenue Spending

- 3.1 Appendix 1 presents a summary of spending against the operational revenue budget up to 31 December 2020 and Appendix 2 provides detailed figures for each individual Department. In overall terms the outturn forecast for the year shows that net spend will be over the approved budget by £1.180m. In comparison to the forecast overspend of £4.752m reported at the end of September 2020 this represents a significantly improved position.
- 3.2 The spend position to date is made up of two elements. Operational day to day net spend is forecast to be under the approved budget by £1.022m. In comparison the forecast at the end of September 2020 was an overspend of £2.388m. The reduction in net costs between the past

two quarters is evidenced in all but two departments where there is only a slight increase in costs. It is likely that the cause of this change is due to the impact of the pandemic, where delivery of services is affected with priority being given to Covid related work and also some support related costs not being incurred as staff continue to work from home. Further information on this is included within the report.

- 3.3 Net costs and loss of income associated with Covid is forecast to add a further £2.207m to the budget strain for the year, after allowing for grant income already received. Again, this is an improvement on the net forecast cost of £2.364m at September 2020. This has been helped by further Government funding and Government compensation for income losses associated with sales, fees and charges.
- 3.4 It should be noted that the financial information included in this report includes a number of assumptions on costs and loss of income for the final three months of the year. Whilst Finance Officers are able to use historical data and trends to forecast day to day costs, the impact of Covid adds complexity. The report assumes national restrictions announced on 04 January 2021 will continue through to the end of the financial year

Revenue - Operational Spending (Non Covid)

- 3.5 Operational net spending (excluding Covid) for the first nine months of the year is £65.903m, this is lower than the available budget by £1.215m. Based on current forecasts it is estimated net spend will be below the approved budget for the year by £1.022m as at 31 March 2021.
- 3.6 It has proved difficult to implement certain approved budget savings due to the current Covid19 situation, which is having an adverse impact upon the budget. Seeking to implement them as soon as possible will help improve the forecast spend position and put the Council on a firmer base for future years.
- 3.7 Within the overall budget position for the quarter, the key budget variances are as follows;

(i) **Children and Families Department:-**

The Department's net spend position is currently £1.764m over budget. The projected outturn forecast is for the Department to overspend by £2.342m against a net budget of £23.719m. This represents a decrease of £0.440m from that reported at September 2020.

Out of Borough Residential Care continues to be the main budget pressure for the Children and Families Department as the costs of residential care have continued to increase year on year. This budget was given additional growth of £1.850m for the current financial year to alleviate the pressure, yet current forecasts for residential placements indicate an overspend of approximately £1.702m, not including packages that are funded from the Covid

budget. Covid funded packages are currently forecast at £1.253m for the full financial year.

Forecast costs for out of borough residential placements are slightly less than at quarter 2, however, this is predominantly due to the cost of packages for those young people aged over 18 years now being transferred to the Covid budget. This is the result of a reduced availability of accommodation and lockdown restrictions preventing these young people from being able to move into their long term independent tenancies.

Early Years provision expenditure is £0.266m over budget at the end of the third quarter with the full year outturn position expected to be £0.376m over budget. This is due to the underachievement of fee income, due to income targets being based upon the Early Year's provision having full occupancy levels. This underachievement of income will continue throughout 2020/21 and will be further exacerbated by the current pandemic. It is probable that the effects of the pandemic will be longer lasting and have a significantly detrimental effect on the already strained financial position of the Early Years provision for the foreseeable future.

(ii) **Adult Social Care Department:-**

The Department's net spend position is forecast to be £0.144m over budget at 31 March 2021. This represents a significant improvement on the overspend forecast reported at quarter 2.

The main in-year budget pressures for the department are within the Care Homes Division and for community care. Financial pressures for both have eased over the past quarter.

The 2020/21 forecast outturn position for the Care Homes Division is £0.215m over budget, down from the deficit position of £0.635m reported at quarter 2. The following factors have reduced the base funded costs since the last quarter:

- A review of all Covid funded costs, including staffing and non-staffing will now be funded where possible from Covid grant.
- Infection Control Grant of £0.270m has offset staffing costs.
- St Luke's and St Patricks staff have yet to move to Council contracts due to the pandemic. The additional costs incurred from improved terms & conditions will not have an impact on the Council's budget until 2021/22
- Review of food costs

At quarter 2 it was forecast costs for Community Care would be in the region of £1.283m over the available budget, due to a number of initiatives and reviews the forecast overspend for the area will be less than £0.100m

An internal audit exercise has been undertaken to ensure packages of care during the pandemic had been coded correctly.

As a result of the funding check over £0.700m of residential and domiciliary costs have been moved from base funding and will now be funded through Covid grant.

Direct Payments, as in previous years, continues to be a budget pressure. However, a task and finish group was set up in July and has so far identified £0.382m savings. This work is ongoing.

Initial CCG funding for Covid ended in August and was been replaced from 1st September 2020, by a second scheme whereby packages that avoid hospital admissions will be funded for a period of up to 6 weeks. Both the Council and Halton CCG continue to assess respective funding responsibilities. As this work is ongoing it is not yet possible to quantify the final figures or the financial impact, especially around such demand-led budgets.

(iii) Education, Inclusion & Provision:-

The net departmental expenditure is £0.357m above budget at the end of quarter three. The outturn forecast for 2020/21 is currently a projected overspend against budget of £0.675m.

There are two main budget pressure areas, the first is unachieved efficiency saving targets of £0.324m put forward in previous years and the second area being the continued high cost of school transport.

The Council has a statutory responsibility to provide special educational needs pupils with transport and there is a large demand for this service. An unachieved efficiency saving was offered up against the service in 2019/20, which has added to the forecast overspend for the year of £0.340m. It is worth noting that the projected overspend for 2020/21 is currently lower than 2019/20 final position of £0.774m over budget. This is mainly due to the current Covid situation and schools being temporarily closed in the summer and spring term.

(iv) Public Health and Public Protection :-

The department's net spend position is £0.391m below the profiled budget as at the end of quarter 3. The forecast to year-end is for net spend to be £0.524m below the available budget.

The main area of underspend is related to Environmental Health employee costs which are currently £0.363m under budget, due to a number of vacancies, maternity leave and reductions in hours within the department. Delays in recruitment due to the coronavirus pandemic have increased the department's underspend since Quarter 2. It is anticipated that a full year underspend of £0.480m will result by 31 March. During the year a number of staff have worked and continue to do so on Covid related activities, with their associated costs being funded from Covid grant.

(v) Finance:-

The department's net spend position is £0.440m below the profiled budget as at the end of quarter 3, the forecast for remainder of the year is for net spend to be £0.537m below the available budget.

Concessionary travel net spend is projected to be lower than budget in the region of £0.650m by year end. Whilst the Council have continued to support bus operators by paying at passenger levels pre March 2020, the absence of some services previously operated by Halton Transport has resulted in a reduction in spend. It is expected post pandemic that some previous Halton Transport services will resume and therefore costs are expected to increase in the next financial year.

The department is in receipt of new burdens funding of approximately £0.300m relating to delivering business support grants during the pandemic. These services have been delivered largely with existing staffing resource and therefore the grant received will contribute towards achieving a balanced budget position.

Revenue – COVID Net Spending

- 3.8 The impact of Covid has resulted in additional costs for most of the Council's services, although particularly within Adult Social Care. In addition to costs, the temporary closure of some services will result in shortfalls of budgeted income targets over the financial year. There is the possibility that the impact will continue to be felt in future years.
- 3.9 The forecast total gross cost of Covid including income losses for the year to 31 March 2021 is estimated at £29.890m.
- 3.10 To date the Council has received four tranches of un-ringfenced funding to cover general costs and loss of income associated with Covid-19. In total the funding allocated to date is £12.837m. Of this £0.438m was used in meeting costs incurred in 2019/20.
- 3.11 The Council has also received ringfenced funding in the region of £12.297m for specific services relating to Covid. This excludes funding the Council has received but will passport on, for example, business support grants, self-isolation payments and hardship grants relating to council tax support.
- 3.12 Government announced a compensation scheme to help part fund the loss of sales/fees and charges income which Councils incur as a result of the pandemic. In summary the income loss scheme will involve a 5% deductible rate, whereby councils will absorb losses up to 5% of their

planned sales, fees and charges income, with the government compensating them for 75p in every pound of relevant loss thereafter.

- 3.13 The Council have submitted the first two claims under the income compensation scheme for £1.969m. A further claim can be made at the end of March 2021, which is forecast will be in the region of £1.018m.
- 3.14 In summary there is a forecast shortfall in Government funding of £2.207m, summarised in the table at Appendix A.
- 3.15 The impact of the pandemic on the Collection Fund (business rates and council tax) is excluded from the figures within the report. The Collection Fund is accounted for as per estimates provided in setting the Council's 2020/21 budget, any shortfall in income collected will have an impact on future year budgets. Government have indicated that any shortfall can be carried across three years (rather than one year) and that they will fund 75% of increases to appeal provisions where there is a risk to rateable values reducing due to the pandemic.
- 3.16 The in-year collection rate for council tax and business rates reduced in the first few months of the financial year, but have held fairly steady ever since. The council tax collection rate as at 31 December 2020 is 80.78%, down 1.09% on this point last year and for business rates is 82.35%, down 3.73% for the same period last year. A high number of deferred payments plans were agreed at the start of the year for both income streams which should result in a higher collection for February and March, historically payment plans cover the period April to January only.

Funding the Shortfall / Reserves

- 3.17 As at 31 March 2020 the Council's General Reserve was £4.004m. This is considered to be the minimum acceptable level of the General Reserve, in order to ensure the Council remains in a financially sustainable position moving forward. Earmarked reserves of £42.335m were held by the Council on 31 March 2020 and these reserves have been set aside for specific purposes. Generally they are not available for general use but regular reviews will identify where funds are no longer required.

Capital Spending

- 3.18 The Capital Programme has been revised to reflect a number of changes in spending profiles and funding as schemes have developed and these are reflected in the Capital Programme presented in Appendix 3. The schemes which have been revised within the programme are as follows;
1. Kingsway House Moves
 2. Murdishaw Redevelopment
 3. Peelhouse Lane Cemetery
 4. Widnes Market Refurbishment
 5. Broseley House

6. Equality Act Improvement works
7. Kingsway Learning Centre
8. Halton Lea TCF
9. Property Improvements
10. Mersey Gateway – Handback Land
11. Fleet Replacements
12. Street Lighting - Structural Maintenance & Upgrades
13. Windmill Hill Flood Risk Management
14. Orchard House
15. RSL Adaptations (Joint Funding)
16. Carehome Refurbishment
17. Capital Repairs
18. Basic Need Projects
19. Fairfield Primary School
20. Small Capital Works
21. Chesnut Lodge
22. Woodside Primary
23. Brookfields @ The Grange

3.20 Capital spending at 31st December 2020 totalled £21.3m, which is 98% of the planned spending of £21.7m at this stage. This represents 54.9% of the total Capital Programme of £38.9m (which assumes a 20% slippage between years).

4.0 CONCLUSIONS

4.1 As at 31 December 2020 the forecast net spend outturn (including the net impact of Covid) will be £1.180m over the available budget. This is a much improved position from 30 September 2020.

4.2 To help address day to day operational budget pressures Departments should ensure that all spending continues to be restricted and tightly controlled throughout the remainder of the year, to ensure that the forecast outturn overspend is minimised as far as possible

4.3 It remains imperative that lobbying of the Government continues in order for them to support Local Government by providing further funding for the Covid pandemic.

4.4 A number of approved budget savings have yet to be fully implemented due to the current Covid situation. Departments should therefore now strive to implement these savings at the earliest opportunity.

5.0 POLICY AND OTHER IMPLICATIONS

5.1 None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 There are a number of financial risks within the budget. However, the Council has internal controls and processes in place to ensure that spending remains in line with budget.

- 6.2 A budget risk register of significant financial risks is maintained and is monitored regularly.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

- 8.1 There are no background papers under the meaning of the Act.

Summary of Revenue Spending to 31 December 2020

APPENDIX 1

Directorate / Department	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance (Overspend) £'000	Forecast Outturn (Overspend)
Community & Environment	24,670	17,413	17,275	138	203
Economy, Enterprise & Property	2,426	1,170	951	219	246
Finance	4,846	4,140	3,700	440	537
ICT & Support Services	-752	-1,240	-922	(318)	(343)
Legal & Democratic Services	482	403	222	181	265
Planning & Transportation	8,649	4,981	4,617	364	487
Policy, People, Performance & Efficiency	397	161	47	114	153
Enterprise, Community & Resources	40,718	27,028	25,890	1,138	1,548
Adult Social Care (inc Community Care)	45,291	33,355	33,402	(47)	(144)
Children & Families	23,719	15,920	17,684	(1,764)	(2,342)
Complex Care Pool	3,911	1,344	531	813	958
Education, Inclusion & Provision	7,281	4,887	5,244	(357)	(675)
Public Health & Public Protection	1,296	886	495	391	524
People	81,498	56,392	57,356	(964)	(1,679)
Corporate & Democracy	-432	-5,355	-6,396	1,041	1,158
Mersey Gateway	0	-10,947	-10,947	0	0
Operational Net Spend	121,784	67,118	65,903	1,215	1,027
Covid-19 Additional Costs	-579	-579	15,650	(16,229)	(24,345)
Covid-19 Shortfall in Budgeted Income Targets	-5,545	-4,422	0	(4,422)	(5,545)
Less: Government Non-Specific Grant (Tranche 1-4)	0	0	-11,031	11,031	12,399
Less: Specific Government Grants	0	0	-7,651	7,651	12,297
Less: Sales, Fees and Charges Compensation Scheme	0	0	-1,969	1,969	2,987
Covid Net Spend	-6,124	-5,001	-5,001	0	(2,207)

Total Net Spend (Including Covid-19)	115,770	62,117	65,903	1,215	(1,180)
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APPENDIX 2

Community & Environment Department

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	13,129	10,117	9,586	532	530
Premises	2,176	1,550	1,396	154	208
Supplies & Services	1,090	835	691	144	200
Book Fund	155	63	63	0	2
Hired Services	541	310	264	46	156
Food Provisions	100	50	37	13	15
School Meals Food	1,076	500	483	17	0
Transport	157	120	110	10	(21)
Area Forum	316	117	113	3	0
Contribution to Archives					
Levies					
Waste Disposal Contract	6,188	4,641	4,779	(138)	(184)
Grants to Voluntary Organisations	67	0	-25	25	52
Grant to Norton Priory	172	172	174	(2)	(1)
Capital Financing	0	0	51	(51)	(51)
Rolling Projects	0	5	57	(51)	(56)
Total Expenditure	25,166	18,481	17,778	703	848
Income					
Sales Income	-250	-250	-246	(4)	(4)
School Meals Sales	-1,207	-500	-337	(163)	(200)
Fees & Charges Income	-2,868	-2,600	-2,554	(46)	(150)
Rents Income	-101	-75	-74	(1)	(10)
Government Grant Income	-1,077	-1,077	-1,198	121	155
Reimbursements & Other Grant Income	-547	-274	-232	(43)	(171)
Schools SLA	-1,311	-1,311	-1,311	0	0
Internal Fees Income	-457	-349	-42	(306)	(415)
School Meals Other Income	-189	-150	-10	(140)	(30)
Catering Fees	-14	-36	-9	(26)	0
Capital Salaries	-173	-105	-95	(9)	(38)
Transfers from Reserves	-133	0	0	0	0
Total Income	-8,325	-6,726	-6,107	(618)	(862)
Net Operational Expenditure	16,841	11,755	11,671	84	(14)

Community & Environment Department (continued)

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Covid Costs					
Community Development	0	0	1	(1)	(1)
Community Safety	0	0	9	(9)	(9)
Leisure & Recreation	0	0	9	(9)	(16)
Open Spaces	0	0	258	(258)	(307)
Schools Catering	0	0	16	(16)	(19)
Waste & Environmental Improvement	0	0	17	(17)	(533)
Shielding Hub	0	0	25	(25)	(220)
Surge Enforcement Scheme	0	0	0	0	(88)
Winter Grant Scheme	0	0	200	(200)	(320)
Avoided Costs					
Commercial Catering	98	74	0	74	98
Community Development	35	26	0	26	35
Leisure & Recreation	368	276	0	276	368
Open Spaces	562	422	0	422	562
Schools Catering	1,500	1,125	0	1,125	1,500
Stadium	501	376	0	376	501
Covid Loss of Income					
Commercial Catering	-93	-70	0	(70)	(93)
Community Development	-292	-219	0	(219)	(292)
Leisure & Recreation	-1,227	-920	0	(920)	(1,227)
Open Spaces	-1,269	-952	0	(952)	(1,269)
Schools Catering	-2,000	-1,500	0	(1,500)	(2,000)
Stadium	-680	-510	0	(510)	(680)
Waste & Environmental Improvement	-12	-12	0	(12)	(12)
Internal Income	0	0	0	0	0
Culture Recovery Fund	0	0	-205	205	205
Surge Enforcement Grant	0	0	-88	88	88
Winter Grant Scheme	0	0	-200	200	320
General Covid Grant	0	0	-1,927	1,927	3,409
Net Covid Expenditure	-2,509	-1,885	-1,885	0	0
Recharges					
Premises Support	1,640	1,230	1,230	0	0
Transport Support	2,360	1,666	1,612	54	217
Central Support	4,170	3,128	3,128	0	0
Asset Rental Support	146	0	0	0	0
Recharge Income	-488	-366	-366	0	0
Net Total Recharges	7,829	5,658	5,604	54	217
Net Departmental Expenditure	22,160	15,528	15,390	138	203

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	4,492	3,334	3,314	20	27
Repairs & Maintenance	2,080	1,698	1,454	244	308
Premises	80	68	69	(1)	(1)
Energy & Water Costs	691	419	376	43	57
NNDR	463	462	480	(18)	(18)
Rents	166	106	106	0	1
Economic Regeneration Activities	34	10	0	10	10
Security	471	304	274	30	30
Supplies & Services	349	251	237	14	19
Supplies & Services - Grant/External Funded	729	496	496	0	(0)
Grants to Voluntary Organisation	187	46	46	0	0
Covid-19 Discretionary Business Support Grants	2,343	1,234	1,234	0	0
Capital Financing	145	21	21	0	0
Transfer to Reserves	354	189	189	0	(0)
Total Expenditure	12,585	8,638	8,296	343	434
Income					
Fees & Charges	-785	-557	-547	(10)	(13)
Rent - Commercial Properties	-646	-475	-303	(172)	(229)
Rent - Investment Properties	-39	-29	-29	0	0
Rent - Markets	-311	-311	-311	0	(0)
Government Grant Income	-3,174	-2,697	-2,697	0	0
Reimbursements & Other Income	-945	-247	-246	(1)	(2)
Schools SLA Income	-438	-425	-419	(6)	(8)
Recharges to Capital	-211	-115	-154	39	39
Transfer from Reserves	-909	-585	-610	25	25
Total Income	-7,458	-5,440	-5,315	(125)	(188)
Net Operational Expenditure	5,127	3,198	2,981	218	246
Covid Costs					
Staffing	0	0	12	(12)	(15)
Repairs & Maintenance	0	0	64	(64)	(64)
Security	0	0	16	(16)	(16)
Supplies & Services	0	0	81	(81)	(91)
Covid Loss of Income					
Rent - Commercial Properties	-329	-262	0	(262)	(329)
Rent - Investment Properties	-5	-5	0	(5)	(5)
Rent - Markets	-471	-292	0	(292)	(471)
Covid Grant Funding	0	0	-732	732	991
Net Covid Expenditure	-805	-559	-559	0	0
Recharges					
Premises Support	1,777	1,333	1,333	0	0
Transport Support	28	21	20	1	0
Central Support	2,082	1,562	1,562	0	0
Asset Rental Support	4	0	0	0	0
Recharge Income	-6,592	-4,944	-4,944	0	0
Net Total Recharges	-2,701	-2,028	-2,029	1	0
Net Departmental Expenditure	1,621	611	392	219	246

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	5,669	4,258	4,165	93	123
Premises	0	0	31	(31)	(31)
Supplies & Services	348	280	225	55	73
Insurances	1,039	612	611	1	2
Concessionary Travel	2,218	1,215	725	490	653
Rent Allowances	35,500	24,358	24,358	0	0
Non HRA Rebates	70	47	47	0	0
Discretionary Housing Payments	528	342	342	0	(12)
Discretionary Social Fund	106	83	92	(9)	0
Bad Debt Provision	0	0	0	0	(58)
Total Expenditure	45,478	31,195	30,596	599	750
Income					
Fees & Charges	-246	-214	-205	(9)	(11)
SLA to Schools	-464	-464	-465	1	1
Business Rates Administration Grant	-156	0	0	0	0
Hsg Ben Administration Grant	-461	-345	-345	0	0
Rent Allowances	-35,500	-23,293	-22,919	(374)	(498)
New Burdens Grant	-67	-67	-246	179	238
Council Tax Admin Grant	-204	-204	-202	(2)	(2)
Non HRA Rent Rebates	-70	-49	-49	0	0
Reimbursements & Other Grants	-55	-12	-71	59	78
Liability Orders	-181	20	45	(25)	(32)
Transfer from Reserves	-31	-10	-10	0	0
Discretionary Housing Payments Grant	-528	-528	-528	0	0
Dedicated School Grant	-106	0	0	0	0
Universal Credits	-12	-12	-12	0	0
VEP Grant	0	0	-11	11	11
CCG McMillan Reimbursement	-80	-40	-41	1	2
Total Income	-38,161	-25,218	-25,059	(159)	(213)
Net Operational Expenditure	7,317	5,977	5,537	440	537
Covid Costs					
Employees	0	0	5	(5)	(5)
Discretionary Social Fund	0	0	7	(7)	(9)
Supplies & Services	0	0	13	(13)	(13)
Covid Loss of Income					
Reimbursements & Other Grants	-34	-34	0	(34)	(34)
Liability Orders	-225	-225	0	(225)	(225)
Fees & Charges	-5	-5	0	(5)	(5)
Government Grant Income	0	0	-289	289	291
Net Covid Expenditure	-264	-264	-264	0	0
Recharges					
Premises Support	249	187	187	0	0
Central Support	2,311	1,734	1,734	0	0
Recharge Income	-5,031	-3,758	-3,758	0	0
Net Total Recharges	-2,471	-1,837	-1,837	0	0
Net Departmental Expenditure	4,582	3,876	3,436	440	537

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	7,205	5,529	5,506	23	31
Supplies & Services	976	601	500	101	135
Computer Repairs & Software	958	958	1,076	(118)	(118)
Communications Costs	17	12	14	(2)	(3)
Other Premises	64	64	76	(12)	(24)
Capital Financing	78	0	-12	12	27
Transport Expenditure	3	2	2	0	1
Transfers to Reserves	15	0	0	0	15
Total Expenditure	9,316	7,166	7,162	4	64
Income					
Fees & Charges	-1,129	-516	-205	(311)	(393)
SLA to Shools	-543	-467	-456	(11)	(14)
Transfer from Reserves	-29	-29	-29	0	0
Total Income	-1,701	-1,012	-690	(322)	(407)
Net Operational Expenditure	7,615	6,154	6,472	(318)	(343)
Covid Costs					
Employees	0	0	9	(9)	(9)
Supplies & Services	0	0	599	(599)	(618)
Capital Costs	0	0	612	(612)	(691)
2020/21 Saving - Staff Efficiencies	-579	-579	0	(579)	(579)
Government Grant Income	0	0	-1,799	1,799	1,897
Net Covid Expenditure	-579	-579	-579	0	0
Recharges					
Premises Support	406	305	305	0	0
Transport Support	20	15	15	0	0
Central Support	1,213	910	910	0	0
Asset Rental Support	1,494	0	0	0	0
Recharge Income	-11,500	-8,624	-8,624	0	0
Net Total Recharges	-8,367	-7,394	-7,394	0	0
Net Departmental Expenditure	-1,331	-1,819	-1,501	(318)	(343)

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	1,796	1,361	1,290	71	94
Transport	8	8	6	2	2
Supplies & Services	272	212	145	67	89
Civic Catering & Functions	49	34	0	34	45
Legal Expenses	219	196	196	0	0
Total Expenditure	2,344	1,811	1,637	174	230
Income					
Land Charges	-47	-35	-51	16	24
License Income	-247	-185	-170	(15)	3
School SLA's	-82	-82	-80	(2)	(2)
Fees & Charges Income	-57	-25	-33	8	10
Reimbursements & Other Grant Income	0	0	-4	4	4
Government Grants	0	0	-6	6	6
Transfer from Reserves	-37	-37	-37	0	0
Bad Debt Provision	0	0	10	(10)	(10)
Total Income	-470	-364	-371	7	35
Net Operational Expenditure	1,874	1,447	1,266	181	265
Covid Costs					
Employees	0	0	21	(21)	(37)
Legal Expenses	0	0	14	(14)	(54)
Covid Loss of Income					
Land Charges	-2	-2	0	(2)	(2)
License Income	-8	-8	0	(8)	(8)
Government Grant Income	0	0	-45	45	101
Net Covid Expenditure	-10	-10	-10	0	0
Recharges					
Premises Support	61	46	46	0	0
Central Support	328	246	246	0	0
Recharge Income	-1,781	-1,336	-1,336	0	0
Net Total Recharges	-1,392	-1,044	-1,044	0	0
Net Departmental Expenditure	472	393	212	181	265

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	4,453	3,239	2,847	392	530
Premises	161	83	76	7	9
Hired & Contracted Services	129	129	298	(169)	(226)
Supplies & Services	91	49	45	4	5
Street Lighting	1,638	612	579	33	44
Highways Maintenance	2,560	1,840	1,827	13	17
Fleet Transport	1,363	1,009	746	263	350
Bus Support - Halton Hopper Tickets	197	0	0	0	0
Bus Support	584	345	277	68	91
Contribution to Reserves	439	58	11	47	63
Grants to Voluntary Organisations	61	61	61	0	0
NRA Levy	67	67	67	0	0
Total Expenditure	11,743	7,492	6,834	658	883
Income					
Sales	-133	-120	-54	(66)	(88)
Planning Fees	-426	-426	-426	0	0
Building Control Fees	-217	-163	-132	(31)	(46)
Other Fees & Charges	-609	-606	-506	(100)	(134)
Grants & Reimbursements	-122	-40	-40	0	0
Government Grant Income	-85	-61	-61	0	0
Halton Hopper Income	-197	-148	-148	0	0
School SLAs	-45	-45	-43	(2)	(3)
Recharge to Capital	-317	-238	-277	39	52
Contribution from Reserves	0	0	0	0	0
Efficiency Savings	-28	-21	1	(22)	(28)
Total Income	-2,179	-1,868	-1,686	(182)	(247)
Net Operational Expenditure	9,564	5,624	5,148	476	636
Covid Costs					
Employees	0	0	103	(103)	(142)
Bus Support	0	0	25	(25)	(25)
PPE & Equipment	0	0	75	(75)	(75)
Emergency Active Travel Fund	0	0	0	0	(13)
Additional Home to School Transport Grant	0	0	26	(26)	(49)
Covid Bus Support Grant	0	0	25	(25)	(25)
Contribution from Capital Reserves	0	0	387	(387)	(861)
Covid Loss of Income					
Planning Fees	-131	-131	0	(131)	(131)
Fees & Charges	-257	-257	0	(257)	(257)
Grants & Reimbursements	-75	-56	0	(56)	(75)
Government Grant Income	0	0	-998	998	1,566
Covid Bus Support Grant	0	0	-25	25	25
Emergency Active Travel Fund Grant	0	0	-13	13	13
Additional Home to School Transport Grant	0	0	-49	49	49
Net Covid Expenditure	-463	-444	-444	0	0
Recharges					
Premises Support	572	429	429	0	0
Transport Support	692	519	472	47	63
Central Support	1,244	933	933	0	0
Asset Rental Support	1,733	1,300	1,300	0	0
Recharge Income	-5,156	-3,824	-3,665	(159)	(212)
Net Total Recharges	-915	-643	-531	(112)	(149)
Net Departmental Expenditure	8,186	4,537	4,173	364	487

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	1968	1470	1400	70	97
Employee Training	126	95	42	53	70
Supplies & Services	138	101	106	-5	-6
Apprenticeship Levy	300	201	185	16	21
Total Expenditure	2,532	1,867	1,733	134	182
Income					
Fees & Charges	-102	-50	-77	27	34
Reimbursement and Other Grants	0	0	-17	17	1
School SLAs	-456	-456	-392	(64)	(64)
Total Income	-558	-506	-486	(20)	(29)
Net Operational Expenditure	1,974	1,361	1,247	114	153
Covid Costs					
Employees	0	0	2	(2)	(6)
Covid Loss of Income					
Government Grant Income	0	0	-2	2	6
Net Covid Expenditure	0	0	0	0	0
Recharges					
Premises Support	91	68	68	0	0
Central Support	963	711	711	0	0
Recharge Income	-2,631	-1,979	-1,979	0	0
Net Total Recharges	-1,577	-1,200	-1,200	0	0
Net Departmental Expenditure	397	161	47	114	153

Adult Social Care Department (incl Care Homes and Community Care)

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	14,265	10,314	10,142	172	220
Premises	322	246	265	(19)	(25)
Supplies & Services	748	574	583	(9)	(20)
Aids & Adaptations	113	46	47	(1)	0
Transport	235	188	176	12	0
Food Provision	134	89	78	11	15
Agency	880	685	683	2	0
Supported Accommodation and Services	1,443	1,082	1,091	(9)	(15)
Emergency Duty Team	101	50	55	(5)	(5)
Contracts & SLAs	602	513	502	11	(15)
Residential & Nursing Care	994	781	781	0	0
Domiciliary Care	389	338	308	30	0
Lillicross Contract Costs	600	500	500	0	0
Capital Financing	44	0	0	0	0
Housing Solutions Grant Funded Schemes					
LCR Immigration Programme	342	156	154	2	0
Flexible Homeless Support	169	69	69	0	0
LCR Trailblazer	69	51	47	4	0
Rough Sleepers Initiative	242	9	9	0	0
Total Expenditure	21,692	15,691	15,490	201	155
Income					
Fees & Charges	-547	-424	-419	(5)	(5)
Sales & Rents Income	-272	-83	-87	4	0
Reimbursements & Grant Income	-589	-516	-492	(24)	(30)
Housing Strategy Grant Funded Schemes	-735	-700	-701	1	0
Transfer from Reserves	-1,163	0	0	0	0
Capital Salaries	-111	-55	-61	6	10
CCG Reimbursement Re Lillicross	-600	-500	-500	0	0
Government Grant Income	-2,140	-1,662	-1,662	0	0
Total Income	-6,157	-3,940	-3,922	(18)	(25)
Net Operational Expenditure Excluding Homes and Community Care	15,535	11,751	11,568	183	130
Care Homes Net Expenditure	6,302	4,578	4,739	(161)	(215)
Community Care Expenditure	18,848	13,580	13,634	(54)	(59)
Net Operational Expenditure Including Homes and Community Care	40,685	29,909	29,941	(32)	(144)
Covid Costs					
Staffing	0	0	1,085	(1,085)	(1,544)
PPE	0	0	1,005	(1,005)	(1,005)
Telehealthcare Equipment	0	0	16	(16)	(30)
Bed & Breakfast Accommodation	0	0	85	(85)	(120)
Medical, hygiene & cleaning	0	0	71	(71)	(94)
Lillicross	0	0	686	(686)	(900)
Community Care Market Stability/Resilience	0	0	796	(796)	(796)
Community Care Additional Demand	0	0	4,617	(4,617)	(4,617)
Infection Control Costs	0	0	1,894	(1,894)	(1,894)
Contract Costs	0	0	388	(388)	(520)
Covid Loss of Income					
Community Care Income	-718	-718	0	(718)	(718)
Community Services Transport	-150	-114	0	(114)	(150)
Community Services Trading	-160	-118	0	(118)	(160)
Community Services Placements	-130	-102	0	(102)	(130)
Rentals	-20	-14	0	(14)	(20)
Halton CCG Income	0	0	-4,217	4,217	4,217
Infection Control Grant	0	0	-1,894	1,894	1,894
Covid Grant Funding	0	0	-5,598	5,598	6,587
Net Covid Expenditure	-1,178	-1,066	-1,066	0	0

Adult Social Care (inc Care Homes and Community Care) continued

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Recharges					
Premises Support	563	422	422	0	0
Transport Support	564	423	442	(19)	0
Central Support	3,588	2,684	2,684	0	0
Asset Rental Support	13	0	0	0	0
Recharge Income	-122	-83	-87	4	0
Net Total Recharges	4,606	3,446	3,461	(15)	0
Net Departmental Expenditure	44,113	32,289	32,336	(47)	(144)

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Madeline McKenna					
Employees	485	352	438	(86)	(115)
Other Premises	53	23	25	(2)	(3)
Supplies & Services	14	8	4	4	5
Food	30	20	18	2	3
Total Madeline McKenna Expenditure	582	403	485	(82)	(109)
Millbrow					
Employees	1,550	1,119	1,358	(239)	(319)
Other Premises	73	51	61	(10)	(13)
Supplies & Services	50	38	42	(4)	(5)
Food	55	40	37	3	4
Total Millbrow Expenditure	1,728	1,248	1,498	(250)	(333)
St Luke's					
Employees	2,105	1,573	1,591	(18)	(24)
Other Premises	83	60	103	(43)	(57)
Supplies & Services	44	25	29	(4)	(5)
Food	99	59	40	19	25
Reimbursements & Other Grant Income	0	0	-1	1	1
Total St Luke's Expenditure	2,331	1,717	1,762	(45)	(60)
St Patrick's					
Employees	1,448	1,077	891	186	248
Other Premises	82	55	56	(1)	(1)
Supplies & Services	32	15	12	3	4
Food	99	63	35	28	37
Total St Patrick's Expenditure	1,661	1,210	994	216	288
Net Operational Expenditure	6,302	4,578	4,739	-161	-215

COMMUNITY CARE BUDGET

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Adult Social Care Services:					
Residential & Nursing Care	11,547	7,516	7,272	244	326
Domiciliary, Supported Living & Day Care	8,938	5,433	5,448	(15)	(21)
Direct Payments	9,658	7,880	8,054	(174)	(207)
Total Expenditure	30,143	20,829	20,774	55	98
Income					
Residential & Nursing Income	-6,713	-4,478	-4,448	(30)	(48)
Domiciliary Income	-1,461	-898	-856	(42)	(58)
Direct Payments Income	-714	-420	-423	3	5
CCG funded care home placements	-1,638	-1040	-1000	(40)	(56)
Income from other CCG's	-113	-85	-85	0	0
ILF	-656	-328	-328	0	0
Total Income	-11,295	-7,249	-7,140	(109)	(157)
Net Departmental Expenditure	18,848	13,580	13,634	(54)	(59)

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	9,615	6,811	6,820	(9)	(30)
Premises	281	149	112	37	50
Supplies & Services	789	520	724	(204)	(298)
Transport	113	65	44	21	27
Direct Payments/Individual Budgets	887	600	625	(25)	(40)
Commissioned Services	224	119	59	60	91
Out of Borough Residential Placements	6,834	4,138	5,493	(1,355)	(1,702)
Out of Borough Adoption	86	54	9	45	57
Out of Borough Fostering	2,475	1698	1554	144	192
In House Adoption	209	88	148	(60)	(91)
Special Guardianship	1,722	1314	1287	27	38
In House Foster Carer Placements	2,150	1,610	1,737	(127)	(179)
Care Leavers	287	178	154	24	35
Family Support	53	40	55	(15)	(24)
Contracted Services	4	2	2	0	0
Early Years	131	107	373	(266)	(376)
Emergency Duty Team	104	58	68	(10)	(15)
Total Expenditure	25,964	17,551	19,264	(1,713)	(2,265)
Income					
Fees & Charges	-30	-12	-4	(8)	(10)
Sales Income	-4	-3	-2	(1)	0
Rents	-39	-25	-25	0	(4)
Reimbursements & Grant Income	-597	-386	-343	(43)	(63)
Transfer from Reserves	-18	-18	-18	0	0
Dedicated School Grant	-51	0	0	0	0
Government Grant Income	-4,193	-3,179	-3,179	0	0
Total Income	-4,932	-3,623	-3,571	(52)	(77)
Net Operational Expenditure	21,032	13,928	15,693	(1,765)	(2,342)
Covid Costs					
Employees	0	0	232	(232)	(408)
Supplies & Services	0	0	7	(7)	(9)
Transport	0	0	20	(20)	(30)
Direct Payments/Individual Budgets	0	0	30	(30)	(37)
Commissioned Services	0	0	58	(58)	(111)
Out of Borough Residential Placements	0	0	694	(694)	(1,253)
Out of Borough Fostering	0	0	2	(2)	(2)
In House Foster Carer Placements	0	0	11	(11)	(12)
Care Leavers	0	0	10	(10)	(17)
Family Support	0	0	0	0	(13)
PPE	0	0	0	0	(32)
Covid Loss of Income					
Rents	-4	-4	0	(4)	-4
Government Grant Income	0	0	-1,068	1,068	1,928
Net Covid Expenditure	-4	-4	-4	0	0
Recharges					
Premises Support	137	103	103	0	0
Transport Support	19	14	13	1	0
Central Support	2,655	1,968	1,968	0	0
Asset Rental Support	0	0	0	0	0
Recharge Income	-124	-93	-93	0	0
Net Total Recharges	2,687	1,992	1,991	1	0
Net Departmental Expenditure	23,715	15,916	17,680	(1,764)	(2,342)

Complex Care Pool

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Intermediate Care Services	6,664	4,160	4,045	115	170
End of Life	206	154	36	118	170
Sub-Acute	1,641	1,641	1,128	513	513
B3 Beds	345	345	345	0	0
Joint Equipment Store	617	412	414	(2)	4
CCG Contracts & SLA's	3,016	1,257	1,257	0	0
Red Cross Contract	65	65	65	0	0
Service Development	425	0	0	0	0
Intermediate Care Beds	607	455	455	0	0
Carers Breaks	405	384	303	81	113
Oakmeadow	1,140	854	915	(61)	(78)
Carers Centre	364	273	273	0	0
Transfer to Reserves	117	117	117	0	0
Inglenook	125	94	42	52	70
Health & Community Care Packages	3,150	2,363	2,363	0	0
Total Expenditure	18,887	12,574	11,758	816	962
Income					
BCF	-10,891	-8,168	-8,168	0	0
CCG Contribution to Pool	-3,402	-2,551	-2,551	0	0
Oakmeadow Income	-612	-460	-457	(3)	(4)
Infection Control	-71	-51	-51	0	0
Total Income	-14,976	-11,230	-11,227	(3)	(4)
Net Operational Expenditure	3,911	1,344	531	813	958
Covid Costs					
Additional hours, PPE	0	0	69	(69)	(69)
Government Grant Income	0	0	-69	69	69
Net Covid Expenditure	0	0	0	0	0
Net Departmental Expenditure	3,911	1,344	531	813	958

Education, Inclusion & Provision Department

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Core Funded					
Employees	2,750	2,168	2,437	(269)	(359)
Premises	3	2	0	2	1
Support & Services	796	506	483	23	32
Transport	43	8	3	5	9
School Transport	508	457	547	(90)	(340)
Commissioned Services	2,149	559	568	(9)	11
Capital Finance	1	0	0	0	0
Grant Funded					
Employees	3,096	2,282	2,282	0	0
Premises	24	18	18	0	0
Support & Services	206	178	178	0	0
Grants to Voluntary Organisations	1,474	1078	1078	0	0
Independent School Fees	3,382	3,382	3,382	0	0
Inter Authority Recoupment	175	175	175	0	0
Pupil Premium Grant	166	65	65	0	0
Nursey Education Payments	6,364	4,566	4,566	0	0
Total Expenditure	21,137	15,444	15,782	(338)	(646)
Income					
Fees & Charges	-91	-91	-104	13	17
Transfer to/from Reserves	-503	-503	-503	0	0
Schools SLA Income	-346	-346	-350	4	4
Reimbursements & Other Income	-489	-489	-494	5	5
Dedicated Schools Grant	-14,685	-10,677	-10,677	0	0
Government Grant Income	-129	-129	-129	0	0
Inter Authority Income	-55	-41	0	(41)	(55)
Total Income	-16,298	-12,276	-12,257	(19)	(29)
Net Operational Expenditure	4,839	3,168	3,525	(357)	(675)
Covid Costs					
Emergency Childcare Costs	0	0	42	(42)	(42)
School Transport Contracts	0	0	255	(255)	(255)
Education Welfare Service	0	0	32	(32)	(32)
Government Grant Income	0	0	-329	329	329
Net Covid Expenditure	0	0	0	0	0
Recharges					
Premises Support	131	98	98	0	0
Transport Support	418	215	215	0	0
Central Support	1,875	1406	1406	0	0
Asset Rental Support	18	0	0	0	0
Recharge Income	0	0	0	0	0
Net Total Recharges	2,442	1,719	1,719	0	0
Net Departmental Expenditure	7,281	4,887	5,244	(357)	(675)

Public Health & Public Protection Department

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	4,118	2,610	2,247	363	480
Other Premises	5	0	0	0	5
Supplies & Services	236	118	91	27	36
Other Agency	20	20	20	0	0
Contracts & SLAs	6,740	4,329	4,329	0	0
Halton Outbreak Hub	0	0	0	0	0
Transport	10	7	2	5	8
Total Expenditure	11,129	7,084	6,689	395	529
Income					
Other Fees & Charges	-86	-65	-59	(6)	(8)
Reimbursements & Grant Income	-301	-245	-245	0	0
Government Grant	-10,366	-6,578	-6,578	0	0
Government Grant Test and Trace	0	0	0	0	0
Total Income	-10,753	-6,888	-6,882	(6)	(8)
Net Operational Expenditure	376	196	-193	389	521
Covid Costs					
Contracts & SLA's	0	0	15	(15)	(160)
PPE	0	0	0	0	(8)
COVID-19 Test & Trace - Halton Outbreak Hub	0	0	347	(347)	(949)
Contain Outbreak Management Fund - Halton Outbreak Support Team	0	0	365	(365)	(2,357)
LCR SMART Testing Grant	0	0	55	(55)	(1,987)
Covid Loss of Income					
Fees & Charges	-128	-52	0	(52)	(128)
Government Grant Covid	0	0	-67	67	296
COVID19 Test & Trace Grant	0	0	-347	347	949
Contain Outbreak Management Fund Grant	0	0	-365	365	2,357
LCR SMART Testing Grant	0	0	-55	55	1,987
Net Covid Expenditure	-128	-52	-52	0	0
Recharges					
Premises Support	137	103	103	0	0
Transport Support	23	17	15	2	3
Central Support	760	570	570	0	0
Net Total Recharges	920	690	688	2	3
Net Departmental Expenditure	1,168	834	443	391	524

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn (Overspend)
	£'000	£'000	£'000	£'000	£'000
Expenditure					
Employees	289	217	223	(6)	(8)
Contracted Services	35	26	64	(38)	(46)
Supplies & Services	118	108	135	(27)	(145)
Premises Expenditure	0	0	20	(20)	(26)
Transport Costs	0	0	30	(30)	(30)
Members Allowances	875	656	666	(10)	(14)
Interest Payable - Treasury Management	1,099	824	824	0	0
Interest Payable - Other	303	227	22	205	274
Bank Charges	84	21	135	(114)	(150)
Audit Fees	126	95	95	0	9
Contingency	1,425	1,069	0	1,069	1,425
Capital Financing	1,794	0	0	0	0
Contribution to Reserves	7,704	0	0	0	0
Debt Management Expenses	34	26	11	15	0
Precepts & Levies	196	147	147	0	0
Total Expenditure	14,083	3,416	2,371	1,044	1,290
Income					
Interest Receivable - Treasury Management	-1,485	-1,114	-1,114	(0)	0
Interest Receivable - Other	-25	-18	-18	(0)	(132)
Other Fees & Charges	-55	-41	-37	(5)	0
Grants & Reimbursements	-65	-49	-51	2	0
Government Grant Income	-7,559	-5,669	-5,669	0	0
Transfer from Reserves	-3,072	-2,304	-2,304	0	0
Total Income	-12,261	-9,196	-9,193	(3)	(132)
Net Operational Expenditure	1,822	-5,780	-6,821	1,041	1,158
Covid Costs					
Drop in property fund value	0	0	132	(132)	-132
Covid Loss of Income					
Treasury Management income	-184	-138	0	(138)	-184
Emergency Assistance for Food and Essential Supplies Grant	0	0	-193	193	193
Covid Grant Income	0	0	-77	77	123
Net Covid Expenditure	-184	-138	-138	0	0
Recharges					
Premises Recharges	5	3	3	0	0
Central Recharges	1,118	839	839	0	0
Recharge Income	-3,267	-417	-417	0	0
Net Total Recharges	-2,144	425	425	0	0
Net Departmental Expenditure	-506	-5,493	-6,534	1,041	1,158

Capital Programme as at 31 December 2020

Appendix 3

Directorate/Department	Actual Expenditure to Date £'000	2020/21 Cumulative Capital Allocation		Capital Allocation 2021/22 £'000	Capital Allocation 2022/23 £'000
		Quarter 3 £'000	Quarter 4 £'000		
<u>Enterprise Community & Resources Directorate</u>					
Community and Environment					
Stadium Minor Works	28	50	69	30	30
Kingsway House moves	17	13	13	0	0
Brookvale Pitch Refurbishment	0	0	488	12	0
New Leisure Centre	1,031	1,031	1,986	10,000	8,000
Open Spaces Schemes	302	310	542	0	0
Children's Playground Equipment	22	22	120	65	65
Upton Improvements	0	0	13	0	0
Crow Wood Park	21	21	91	20	0
Peelhouse Lane Cemetery	368	389	389	0	0
Victoria Park Glass House	21	21	25	0	0
Sandymoor Playing Fields	0	0	3	0	0
Widnes & Runcorn Cemeteries	0	3	3	0	0
Landfill Tax Credit Schemes	0	0	10	340	340
Runcorn Town Park	22	22	246	330	280
Bowling Greens	4	4	5	0	0
Litter Bins	26	20	20	20	20

Directorate/Department	Actual Expenditure to Date £'000	Cumulative Capital Allocation Quarter 3 £'000	Cumulative Capital Allocation Quarter 3 £'000	Capital Allocation 2021/22 £'000	Capital Allocation 2022/23 £'000
ICT & Support Services					
ICT Rolling Programme	33	33	700	700	700
Economy, Enterprise & Property					
3MG	30	30	72	167	0
SciTech Daresbury – Project Violet	2,180	2,180	6,389	0	0
The Croft	31	30	30	0	0
Murdishaw redevelopment	0	0	0	38	0
Advertising Screen at The Hive	0	0	0	100	0
Widnes Market Refurbishment	102	102	290	3	0
Broseley House	27	27	35	388	15
Solar Farm	754	754	766	0	0
Equality Act Improvement Works	68	68	93	380	300
Foundary Lane Residential Area	132	132	150	1,682	0
Kingsway Learning Centre – improved facilities	404	404	499	0	0
Kingsway Learning Centre – equipment	42	42	281	0	0
Halton Lea TCF	13	13	371	550	0
Runcorn Town Centre Development	42	42	750	0	0
Property Improvements	96	96	200	200	200
Mersey Gateway					
Land Acquisitions	237	230	1,738	0	0
Development Costs	75	75	100	0	0
Additional signage	48	48	48	0	0
Mersey Gateway handback land	104	100	100	0	0
Directorate/Department	Actual	Cumulative	Cumulative		

	Expenditure to Date £'000	Capital Allocation Quarter 3 £'000	Capital Allocation Quarter 3 £'000	Capital Allocation 2021/22 £'000	Capital Allocation 2022/23 £'000
Other					
Risk Management	68	68	355	120	120
Fleet Replacements	312	312	1,086	3,043	2,590
Policy, Planning & Transportation					
Bridge & Highway Maintenance	1,339	1,339	4,810	0	0
Integrated Transport & Network Management	269	269	1,169	0	0
Street Lighting – Structural Maintenance & Upgrades	175	175	1,484	2,200	200
STEPS Programme	159	0	0	0	0
SJB - Major Maintenance	320	320	641	0	0
Silver Jubilee Bridge Decoupling	6,778	6,778	10,247	0	0
SJB Deck Reconfiguration	502	453	453	0	0
SJB Decorative Lighting	7	7	500	0	0
Widnes Loops	1,474	1,474	4,258	0	0
KRN – Earle Road Gyratory	0	0	233	0	0
SUD Green Cycle / Walk Corridors	447	447	469	267	0
Windmill Hill Flood Risk Management	54	54	218	68	0
Total Enterprise Community & Resources	18,184	18,008	42,558	20,723	12,860
People Directorate					
Adult Social Care					
ALD Bungalows	0	0	0	199	0
Purchase of 2 adapted properties	9	10	369	0	0
Orchard House	156	160	200	0	0
Lilycross	955	960	1,026	0	0
Directorate/Department	Actual	Cumulative	Cumulative		

	Expenditure to Date £'000	Capital Allocation Quarter 3 £'000	Capital Allocation Quarter 3 £'000	Capital Allocation 2021/22 £'000	Capital Allocation 2022/23 £'000
Complex Pool					
Disabled Facilities Grant	425	430	570	600	600
Stairlifts (Adaptations Initiative)	123	200	270	270	270
RSL Adaptations (Joint Funding)	85	140	185	270	270
Carehome refurbishment	66	100	516	1,000	0
St Luke's Care Home	0	0	265	0	0
St Patrick's Care Home	2	10	55	0	0
Oak Meadow redesign	9	15	20	0	0
Madeline McKenna Care Home	8	8	10	0	0
Schools Related					
Asset Management Data	22	20	28	25	0
Capital Repairs	652	899	1,305	793	0
Asbestos Management	7	20	40	12	0
Schools Access Initiative	1	35	63	50	0
Basic Need Projects	0	0	315	0	0
Ashley School	243	250	263	6	0
Fairfield Primary School	10	15	17	0	0
Kitchen Gas Safety	11	14	31	0	0
Small Capital Works	30	75	125	0	0
SEND capital allocation	22	30	50	233	0
Healthy Pupils Capital Fund	2	2	2	0	0
Chesnut Lodge	174	174	174	4	0
Woodside Primary	129	130	130	3	0
Brookfields @ The Grange	9	9	9	0	0
Unallocated School Condition Grant	0	0	0	395	0
Total People Directorate	3,150	3,706	6,038	3,860	1,140
Directorate/Department	Actual	Cumulative	Cumulative		

	Expenditure to Date £'000	Capital Allocation Quarter 3 £'000	Capital Allocation Quarter 3 £'000	Capital Allocation 2021/22 £'000	Capital Allocation 2022/23 £'000
TOTAL CAPITAL PROGRAMME	21,334	21,714	48,596	24,583	14,000
Slippage (20%)			-9,719	-4,917	-2,800
				9,719	4,917
TOTAL	21,334	21,714	38,877	29,385	16,117

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

TITLE: Capital Strategy 2021/22

WARDS: Borough-wide

1.0 PURPOSE OF REPORT

1.1 To consider the Council's Capital Strategy for 2021/22 and recommend its approval by Council.

2.0 RECOMMENDATION: That Council be recommended to approve the 2021/22 Capital Strategy.

3.0 SUPPORTING INFORMATION

3.1 The revised 2017 Prudential and Treasury Management Code of Practice requires that all councils prepare annually a Capital Strategy, which will provide the following:

- a high-level, long term overview of how capital expenditure, capital financing and treasury management activity will contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

3.2 The aim of the Capital Strategy is to ensure that the Council understands the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

3.3 The Capital Strategy should be read in conjunction with the Treasury Management Strategy Statement, found elsewhere on the Agenda, which details the expected activities of the treasury management function and incorporates the Annual Investment Strategy and the Minimum Revenue Provision (MRP) policy for 2021/22.

4.0 POLICY IMPLICATIONS

4.1 The successful delivery of the Capital Strategy will assist the Council in planning and funding its capital expenditure over the next three years, enabling the Council to use capital expenditure to assist in delivering the Council's priorities and managing the revenue cost implications.

5.0 OTHER IMPLICATIONS

5.1 None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

7.0 RISK ANALYSIS

7.1 This report, along with the Treasury Management Strategy ensure that the Council operates within the guidelines set out in the Prudential Code. The aim at all times is to operate in an environment where risks are clearly identified and managed.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Working Papers	Financial Management	Matt Guest
CIPFA TM Code	Halton Stadium	
CIPFA Prudential Code		

HALTON BOROUGH COUNCIL

CAPITAL STRATEGY

2021/22

Revenues and Financial Management Division
Finance Department
February 2021

CAPITAL STRATEGY STATEMENT 2021/22**1 Background**

- 1.1 The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It is written in an accessible style to assist understanding of these, sometimes technical, areas.

2 Capital Expenditure and Financing

- 2.1 Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion as to what is treated as capital expenditure, for example assets costing below £35,000 are not capitalised and are charged to revenue in year. Further detail on how the Council differentiates between revenue and capital spend is shown in the Capital Guidance included at Appendix 1.
- 2.2 All capital expenditure must be financed, either from external sources (Government grants and other contributions), the Council's own resources (revenue, reserves or capital receipts) or debt (borrowing, leasing or Private Finance Initiative).
- 2.3 Capital expenditure and financing for 2019/20 is shown below, along with estimates for 2020/21 and the following three years:

Table 1 – Capital Expenditure and Funding

	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Capital Expenditure:					
People	5,033	6,037	3,859	1,140	1,140
Enterprise, Community & Resources	38,307	42,558	20,724	12,860	3,182
	43,340	48,595	24,583	14,000	4,322
Financed By:					
Capital receipts	(3,083)	(4,285)	(2,678)	(3,083)	(2,069)
Capital grants	(26,953)	(24,073)	(7,089)	(1,726)	(1,446)
Revenue	(211)	(153)	-	-	-
Net financing need for the year	13,093	20,084	14,816	9,191	807

3 Governance

- 3.1 The Council maintains a three year rolling programme of capital schemes (The Capital Programme). A summary of the three year Capital Programme is included in the Budget Report approved annually by Council. In addition a more detailed capital programme report is approved in June of each year, this contains detail of all known grant funded capital projects.
- 3.2 In line with Finance Standing Orders specific capital schemes are reported throughout the year to Executive Board with a recommendation for Council to subsequently approve. Changes to the Capital Programme during the year are reported quarterly to Council.
- 3.3 Capital project managers must complete a capital project form (Appendix 2) giving details of the financial impact of their capital schemes. The form will be completed in conjunction with Financial Management and will help to evaluate whether capital schemes are fully, correctly and effectively funded, that consideration has been given to contingency costs within the project and known future revenue costs are fully budgeted for. The project form should be included with reports to Executive Board by way of evidencing that the financial implications of schemes have been fully addressed.

4 Repayment of Borrowing:

- 4.1 Debt is only a temporary source of finance, since loans and leases must be repaid. This is therefore replaced over time by other financing, usually from revenue which is known as the Minimum Revenue Provision (MRP). Planned MRP payments are shown in the table below:

Table 2 – Minimum Revenue Provision

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Minimum Revenue Provision					
General Fund	2,116	2,377	2,094	2,100	2,071
Leases and PFI Schemes	614	534	479	558	616
Mersey Gateway unitary charge	5,509	6,310	6,518	6,766	7,326
Net financing need for the year	8,239	9,221	9,091	9,424	10,013

- 4.2 The table above includes MRP payable for finance leases, PFI schemes and the Mersey Gateway unitary charge. For accounting purposes these schemes are classed as borrowing and the annual payments are split between an interest charge and repayment of borrowing, which is shown as MRP above. It should be noted that leases, PFI schemes and Mersey Gateway unitary repayments have no impact on the Council's General Fund.

The Council's MRP statement is included as an appendix to the Treasury Management Strategy which should be read in conjunction with this report.

5 Outstanding Debt – Capital Financing Requirement

- 5.1 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP. The table below shows the Council's Capital Financing Requirement for 2019/20 and how this is expected to change in 2020/21 and over the following three years.

Table 3 – Capital Financing Requirement

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Capital Financing Requirement	613,236	617,602	627,965	625,178	624,420
Movement in CFR due to:					
Net financing need for the year	13,093	20,084	14,816	9,191	807
PFI / Finance Leases	-	-	-	-	-
Use of Reserves to reduce MRP liability	(488)	(500)	(8,512)	(525)	(539)
Less Minimum Revenue Provision	(8,239)	(9,221)	(9,091)	(9,424)	(10,013)
Increase / (Decrease) in CFR	4,366	10,363	(2,787)	(758)	(9,745)

6 Asset Management

- 6.1 To ensure that capital assets continue to be of long-term use, the Council has an asset management plan in place. This summarises how the Council manages its land and property assets and sets out the Council's strategy to ensure that these assets can make the maximum contribution to achieving the aims and the objectives of the organisation.
- 6.2 The Council's Asset Management Plan comprises a number of sections including the accommodation plans; assets disposal plan and maintenance programme which are presented to the Asset Management Working Group, on a quarterly basis.

7 Asset Disposals

- 7.1 When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or the repayment of debt relating to the asset sold. The level of the Council's capital receipts reserve, the expected sales and planned expenditure is shown in the table below:

Table 4 – Capital Receipts Reserve

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Capital Receipts - 1st April	(7,741)	(5,640)	(2,411)	(5,949)	(6,901)
Asset Sales	(1,470)	(1,556)	(14,727)	(4,561)	(2,639)
Use of Capital Receipts					
- New Capital Expenditure	3,083	4,285	2,678	3,083	2,069
- Repayment of debt	488	500	8,511	526	539
Capital Receipts - 31st March	(5,640)	(2,411)	(5,949)	(6,901)	(6,932)

8 Treasury Management

- 8.1 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 8.2 The Treasury Management Strategy, elsewhere on the Agenda, details all aspects of the Treasury Management function and the associated risks as detailed below.
- Borrowing strategy
 - Investment strategy
 - Capital Financing Requirement
 - Capital Prudential Indicators
 - Treasury Indicators – Operational Boundary and Authorised Limit
 - Prospects for interest rates
 - MRP Policy

9 Knowledge and Skills

9.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions:

- The Operational Director - Finance is a CIPFA qualified accountant with over 35 years' experience in local government finance
- The Operational Director – Economy, Enterprise and Property has over 20 years' experience in Regeneration
- The Treasury Manager is a CIMA qualified accountant with 15 years' experience in local government finance and treasury management.
- The Council ensures all staff receive appropriate training for their roles including formal training and courses to support their development.
- The Council currently employs Link Asset Services to provide treasury management services in order to access specialist skills, advice and resources

CAPITAL GUIDANCE

1. Background & Purpose

- 1.1 The difference between capital and revenue expenditure is by no means simple to establish. In recent years it has become even more difficult, with the increasingly multi-funded and complex nature of many of the Council's services.
- 1.2 There is now an increased focus on the treatment of capital and revenue expenditure from Government and other funding bodies, along with the external auditor who have previously identified and reported upon capital transactions which had been incorrectly categorised. It is therefore essential to ensure the correct accounting treatment of capital and revenue transactions.
- 1.3 This Guidance is intended to clarify the difference between capital and revenue expenditure. It will also assist those involved in managing capital projects or processing capital transactions, to ensure the correct approval, accounting treatment, coding, monitoring, control and funding of capital expenditure.

2. Introduction

- 2.1 Capital expenditure is fundamentally different in its nature, funding and methods of control from revenue expenditure. It is therefore important that expenditure is correctly treated in terms of whether it constitutes capital or revenue expenditure and is correctly coded as such within the Agresso system. In addition, both revenue and capital expenditure must be accounted for correctly in order to comply with statutory accounting regulations.

3. Capital Definition

- 3.1 All costs must be treated as revenue expenditure, unless it is correct and proper to treat them as capital expenditure.
- 3.2 Capital expenditure is defined as expenditure on the acquisition of an asset (eg. land, property, plant, equipment, vehicles) or expenditure which adds to (rather than merely maintains) the value of an existing asset, or considerably extends the life of the asset. The asset must also provide benefit to the Council for more than one year.
- 3.3 For example, the construction of a Council office building will be treated as capital expenditure. Whereas, the on-going annual running costs for that building (eg. staffing, heating, lighting, contracts, supplies) will be treated as revenue expenditure.

4. What Constitutes Capital Expenditure?

- 4.1 In order to be included in the Council's Capital Programme, capital schemes must have a total estimated cost of at least £10,000 in respect of land, property and infrastructure and £5,000 in respect of equipment, plant and vehicles. Schemes having a total cost of less than these values must be treated as revenue expenditure.

- 4.2 Directly attributable costs incurred after a capital scheme has been formally approved in detail by Council, should be treated as capital expenditure.
- 4.3 Preparatory or feasibility costs incurred “prior” to the formal approval of a capital scheme must initially be treated as revenue expenditure, as these costs may prove abortive if the scheme does not ultimately go ahead and so may not ultimately result in the creation of an asset. However, once the scheme has been formally approved and will therefore proceed, the related preparatory or feasibility costs may be treated as part of the capital scheme costs.
- 4.4 The cost of providing an extension to a building should be treated as capital expenditure, as it is likely to increase the value of the building.
- 4.5 Major structural maintenance costs such as re-roofing, re-wiring, re-plumbing, boiler replacement, full window replacement etc., which are considered to considerably extend the life of a property, should also be treated as capital expenditure.
- 4.6 However, day-to-day building maintenance and repair costs such as roof repairs, electrical and plumbing repairs, decorating, building and window repairs must be treated as revenue expenditure.
- 4.7 Individual expenditure transactions of less than £1,000 should usually be treated as revenue expenditure, unless they form part of a larger capital cost which meets the capital definition eg. the balance of capital contract payments, monthly recharges of capital fees, invoices for specific elements of capital works.
- 4.8 Professional fees in respect of Valuers, Highway Engineers, Landscape Architects, and Regeneration staff are considered to add value to the assets they deal with and may therefore be charged to the relevant capital schemes. However, it is important to ensure that sufficient capital allocation exists to fund these costs. All other staffing costs must be treated as revenue expenditure.
- 4.9 Project support and implementation costs such as room hire, printing, hospitality, training, advertising, publicity etc. must be treated as revenue expenditure.
- 4.10 Expenditure on the initial, one-off purchase of computer software may be capitalised as an intangible asset. However, the on-going cost of annual software licences, support contracts, implementation consultancy and system training must be treated as revenue expenditure.
- 4.11 Where capital schemes are part or fully externally funded, the definition of what constitutes capital expenditure applied by the external funding body may differ to that presented in this Guidance and therefore the requirements of the external funding body should take precedence.

5. The Council’s Capital Programme

Scheme Approval

- 5.1 The Council maintains a three year rolling programme of capital schemes (The Capital Programme). A summary of the three year Capital Programme is included in the Budget Report approved annually by Council. In addition a more detailed capital programme report is approved by Executive Board in June of each year, this contains detail of all known grant funded capital projects. In line with Finance Standing Orders specific capital schemes are reported throughout the year to Executive Board with a recommendation for Council to subsequently approve. Proposed new capital starts will be considered and

prioritised in the light of the Council's Medium Term Financial Strategy, the Asset Management Plan, and delivery of the Council's corporate priorities.

- 5.2 Reports seeking approval for individual capital schemes should include the following financial information;
- (i) the gross cost of each scheme before any external contributions, reimbursements, or capital grants;
 - (ii) the estimated cashflows over the life of the scheme;
 - (iii) the expected revenue expenditure consequences of the scheme and how these will be funded;
 - (iv) details of any specific funding attributable to the scheme such as from capital grants, external contributions and other reimbursements.
- 5.3 The Operational Director, Finance will ensure that the estimated capital financing costs of the approved Capital Programme are incorporated within the annually set revenue budget.
- 5.4 Once a detailed scheme has been formally approved the designated Project Manager should contact the Revenues and Financial Management Division, providing details of the approval, in order for the appropriate capital accounting codes to be set-up to enable orders to be raised and expenditure incurred against the scheme.

Variations to the Capital Programme

- 5.5 Variations to the Capital Programme may be addressed by transfers (virements) between capital schemes within the Programme. This must be with the written approval of the Operational Director, Finance, and may only be up to 10% on schemes costing less than £5m or up to £500,000 on schemes costing more than £5m, as set out in the Council's Standing Orders Relating to Finance.
- 5.6 Any variations in excess of £500,000 must be reported for approval by Council. The report should include the reasons for the variation, details of how the variation might be contained or mitigated, revised cost estimates profiled over the life of the scheme, and the impact upon the scheme of the potential cost overrun.

Year-end Carry Forward / Slippage

- 5.7 Where total expenditure by year-end is less than the total capital allocation approved for a particular capital scheme, due to delays, slippage, or other exceptional circumstances, the Operational Director, Finance may choose to approve the carry forward of allocation into the following financial year. All applications for carry forward, including full details of the circumstances, must be made in writing to the Operational Director, Finance by 31st March each year.

6. Funding the Capital Programme

- 6.1 Capital expenditure may be funded from a variety of sources including capital receipts, capital grants, prudential borrowing, and revenue contributions. The Operational Director, Finance shall arrange for the financing of the Capital Programme as considered appropriate.

Capital Receipts

- 6.2 Where capital assets are sold the resulting income is termed capital receipts. Capital receipts can be used to fund additional capital expenditure or to repay outstanding capital financing debt, but they cannot be used for revenue purposes.

Capital Grants

- 6.3 Capital grants are provided with the specific purpose of funding capital expenditure. This will be stated within the grant conditions and therefore they cannot be used for revenue purposes.
- 6.4 Where funding agencies indicate that capital grants may be utilised for expenditure which does not meet the capital definition or constitute capital expenditure as per Sections 3 and 4 above, then the funding agency should be asked to re-assign part of the capital grant as a revenue grant.

Prudential Borrowing

- 6.5 The Council is able to borrow funds from approved external institutions. However, this must be in accordance with the Prudential Borrowing Code of Practice (The Prudential Code).
- 6.6 The fundamental requirements for compliance with the Prudential Code is that the Council must be able to demonstrate that its borrowing is prudent, affordable and sustainable ie. that it is able to repay the annual financing costs (principal and interest) over the life of the loan.

Revenue Contributions

- 6.7 The Council may decide to make a contribution from the revenue budget to assist with funding a capital scheme. It is “not” however possible to use capital funding for the purposes of meeting revenue expenditure.

External Contributions and Reimbursements

- 6.8 External contributions or reimbursements from partner organisations or other bodies may be received towards the funding of capital schemes.
- 6.9 Where capital schemes are part or fully funded from external funding sources, the “gross” rather than “net” cost of the scheme must be included within the Council’s Capital Programme. All approval limits etc. will then apply to the gross expenditure total for the scheme.
- 6.10 Any external funding should be claimed regularly and as early as possible, in order to minimise the cash flow costs associated with schemes.
- 6.11 Where funding organisations indicate that their contribution may be utilised for expenditure which does not meet the capital definition or constitute capital expenditure as per Sections 3 and 4 above, then the funding organisation should be asked to re-assign part of their contribution as revenue funding.

7. Capital Expenditure Controls

- 7.1 Full narrative descriptions must be input on the Agresso system in respect of all capital transactions, to support their correct accounting treatment and to assist with reporting.
- 7.2 In order to ensure that all capital expenditure is correctly treated within the accounts, the Revenues and Financial Management Division will periodically check that all transactions charged to capital schemes meet the definition of capital expenditure outlined above.
- 7.3 Where transactions are identified which do not meet the capital expenditure definition they will be transferred to the revenue account.

- 7.4 All capital expenditure must be incurred in accordance with the Council's Procurement Standing Orders.

8. Capital Monitoring and Reporting Requirements

- 8.1 Comments should be sought from the Operational Director, Finance on all draft reports to Management Team or Members regarding capital proposals, spending and funding.
- 8.2 It is the responsibility of each designated Capital Project Manager to monitor expenditure for their schemes, in order to ensure they remain within the approved Capital Programme allocations.
- 8.3 Where expenditure is anticipated to exceed allocation, Capital Project Managers should liaise with their Finance Officer at the earliest opportunity, in order to agree the corrective action required to bring the scheme back in line with the Capital Programme.
- 8.4 Capital Project Managers are required to provide the Revenues and Financial Management Division with estimated quarterly expenditure profiles for each of their capital schemes, by 31 May each year. Any significant revisions to the profiles should also be notified to the Revenues and Financial Management Division during the year. The profiles will be used to monitor the Capital Programme and to provide quarterly Councilwide reports to Executive Board
- 8.5 The Revenues and Financial Management Division will provide access to appropriate financial reports, to assist Capital Project Managers with monitoring expenditure for each of their capital schemes.

9. Accounting for Capital Expenditure

- 9.1 Where capital expenditure does not increase the value of an asset or considerably extend its life, then at year-end the expenditure will be deemed "impaired" and certified as such by a Valuer. The impaired expenditure will then be charged against the Council's revenue budget.
- 9.2 The Council operates a five year rolling programme of land and property re-valuations, whereby a fifth of the land and property assets are re-valued each year. Changes in valuation arising from this exercise are then reflected in the value of assets held on the Council's balance sheet at year-end.
- 9.3 Changes in the valuation of assets are required by accounting regulations to be recorded and maintained as a historic record for each individual asset. This is to enable revaluations and impairments to be identified and accounted for on an individual asset basis.

APPENDIX 2

Capital Project Financial Assessment Form

Division	
Responsible Officer	
Project Name	
Brief Description of project	
Intended purpose of scheme (eg regeneration, operational, investment, maintenance of asset)	
Outcomes hoped to be achieved	
Projected total cost	
How funded (eg grant, S106, capital receipts, borrowing, revenue, other)	
Value of contingency within project costs	
Ongoing annual revenue costs	
Estimated Life of asset (in years)	
Projected start date	
Projected end date	
Sensitivity analysis (for invest to save schemes)	

Notes for completion of form

Responsible Officer	This should be the name of the officer responsible for implementing the project.
Brief description of project	Describe what the capital monies will be spent on e.g. building new commercial property to be rented out to bring in income, purchase nursing home, prepare land for sale etc.
Outcomes hoped to be achieved	describe the reason for the scheme e.g. to retain nursing beds, to generate future revenue savings, to prolong life of existing asset etc.
Projected cost	This should be the total estimated cost to complete the capital project including capitalised salary costs, landscaping the area after completion (if required) and should include a contingency for unexpected costs.
How funded	For each different funding stream state exactly where the funding is coming from and how much e.g. for grants state which grant, for S106 monies state the agreement number, if borrowing state how the borrowing is to be repaid (i.e. cost centre savings will be coming from and over what period), if revenue state cost centre, if other state exactly where funds are coming from i.e area forum (state cost centre), developer - state who. Note that the total of 'how funded' should equal the 'projected cost'.
Ongoing annual revenue costs	e.g if purchasing a nursing home what would be the annual net cost of running the home, if building a new building what would be the costs of utilities, repairs etc.
Estimated life of asset	How long do you think the asset will last. E.g a vehicle may be 5yrs or may be 7 yrs, a building in good repair may be 60yrs. For a capital project to develop land for resale this may not be applicable.
Projected start & end date	When is it proposed the project will commence and if everything goes to plan when is the project expected to be complete so that the building can be used, the land can be sold, savings can be achieved etc.
Sensitivity analysis	This is required only for those schemes where the purpose of the scheme is to generate future income and may require input from your finance officer. You should state how long it would take for the scheme to break given the assumptions you have made, and how long it would take for the scheme to break given if those assumptions where different. Eg. if the scheme was to generate future income from solar energy and you have assumed future income will increase @ 3% per year how long would it take to break even if the increase was only 2% per year, or if it was 4% per year.

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

TITLE: Treasury Management Strategy Statement 2021/22

WARDS: Borough-wide

1.0 PURPOSE OF REPORT

1.1 To consider the Treasury Management Strategy Statement which incorporates the Annual Investment Strategy (AIS) and the Minimum Revenue Provision (MRP) Strategy for 2021/22.

2.0 RECOMMENDATION: That Council be recommended to adopt the policies, strategies, statements, prudential and treasury indicators outlined in the report.

3.0 SUPPORTING INFORMATION

3.1 This Treasury Management Strategy Statement (TMSS) details the expected activities of the treasury function in the forthcoming financial year (2021/22). Its production and submission to Council is a requirement of the CIPFA Prudential Code and the CIPFA Treasury Management Code.

3.2 The Local Government Act 2003 requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

3.3 The Act requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy; this sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

3.4 Government guidance notes state that authorities can combine the Treasury Strategy Statement and Annual Investment Strategy into one report. The Council has adopted this approach and the Annual Investment Strategy is therefore included as section 4.

3.5 The Council is also required to produce a Minimum Revenue Provision (MRP) Policy Statement. There is a formal statement for approval detailed in paragraph 2.3 and the full policy is shown in Appendix A.

4.0 POLICY IMPLICATIONS

4.1 The successful delivery of the Strategy will assist the Council in meeting its budget commitments.

5.0 OTHER IMPLICATIONS

5.1 None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

7.0 RISK ANALYSIS

7.1 The Authority operates its treasury management activity within the approved code of practice and supporting documents. The aim at all times is to operate in an environment where risk is clearly identified and managed. This strategy sets out clear objectives within these guidelines.

7.2 Regular monitoring is undertaken during the year and reported on a half-yearly basis to the Executive Board.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Working Papers	Financial Management	Matt Guest
CIPFA TM Code	Halton Stadium	
CIPFA Prudential Code		

HALTON BOROUGH COUNCIL
TREASURY MANAGEMENT STRATEGY
STATEMENT

2021/22

Revenues and Financial Management Division
Finance Department
February 2021

TREASURY MANAGEMENT STRATEGY STATEMENT 2021/22

1 INTRODUCTION

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 Reporting requirements

Capital Strategy

The CIPFA 2017 Prudential and Treasury Management Codes requires all local authorities to prepare, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

Treasury Management Reporting

Council is required to receive and approve the following reports each year, which incorporate a variety of policies, estimates and actuals.

Prudential and treasury indicators and treasury strategy (this report) - which covers:

- The capital plans (including prudential indicators)
- A minimum revenue provision (MRP) policy - how residual capital expenditure is charged to revenue over time
- The treasury management strategy – how the investment and borrowing are organised, including treasury indicators
- An investment strategy – the parameters of how investments are to be managed

A mid-year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Executive Board.

1.3 Treasury Management Strategy for 2021/22

The strategy for 2021/22 covers two main areas:

Capital issues

- the capital plans and the prudential indicators
- the minimum revenue provision (MRP) policy

Treasury Management Issues

- The current treasury position
- Treasury indicators which limit the treasury risk and activities of the Council
- Prospects for interest rates
- The borrowing strategy
- Policy on borrowing in advance of need
- Debt rescheduling
- The investment strategy
- Creditworthiness policy
- Policy on use of external service providers

These elements cover the requirement of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury

management. This especially applies to Members responsible for scrutiny and therefore training was undertaken by Members in February 2018. The training needs of treasury management officers are periodically reviewed.

1.5 Treasury management consultants

The Council uses Link Asset Services as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2 THE CAPITAL PRUDENTIAL INDICATORS 2021/22 – 2023/24

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital Expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle.

Table 1 shows planned capital spend by directorate and summarises how these plans are being financed by capital or revenue resources, any shortfall of resources results in the need to borrow.

Table 1 – Capital Expenditure

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Capital Expenditure:					
People	5,033	6,037	3,859	1,140	1,140
Enterprise, Community & Resources	38,307	42,558	20,724	12,860	3,182
	43,340	48,595	24,583	14,000	4,322
Financed By:					
Capital receipts	(3,083)	(4,285)	(2,678)	(3,083)	(2,069)
Capital grants	(26,953)	(24,073)	(7,089)	(1,726)	(1,446)
Revenue	(211)	(153)	-	-	-
Net financing need for the year	13,093	20,084	14,816	9,191	807

The above financing need excludes other long-term liabilities such as PFI and leasing arrangements which already include borrowing instruments.

2.2 The Council's borrowing need – The Capital Financing Requirement

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for will increase the CFR.

The CFR does not increase indefinitely as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with the life of each asset, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes.

Table 2 – Capital Financing Requirement

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Capital Financing Requirement	613,236	617,602	627,965	625,178	624,420
Movement in CFR due to:					
Net financing need for the year	13,093	20,084	14,816	9,191	807
PFI / finance leases	-	-	-	-	-
Use of Reserves to reduce MRP liability	(488)	(500)	(8,512)	(525)	(539)
Less Minimum Revenue Provision	(8,239)	(9,221)	(9,091)	(9,424)	(10,013)
Increase / (Decrease) in CFR	4,366	10,363	(2,787)	(758)	(9,745)

2.3 Minimum revenue provision (MRP) statement

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge called the Minimum Revenue Provision (MRP).

MHCLG regulations require Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The full statement is detailed in Appendix A.

The Council is recommended to approve the following MRP Statement.

For capital expenditure incurred before 1 April 2008 the MRP policy will be to follow Option 1 (regulatory method), which will be charged on a 2% straight line basis.

For all unsupported borrowing since 1 April 2008, the MRP policy will be Option 3 (Asset Life Method) and is based on the estimated life of the assets. This will usually be charged using the equal instalment method, but the annuity method may also be used.

One exception to the above is expenditure that the Council has incurred on the construction of the Mersey Gateway Bridge. As this debt will be repaid from future toll income the Council will not charge any MRP on this expenditure until the income is received. When received, MRP payments will be matched with income received thus having little impact on the Council's revenue budget.

The MRP relating to PFI schemes, finance leases and Mersey Gateway unitary charge payments will be based on the annual lease payment, and will have no direct impact on the Council's revenue budget.

2.4 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

2.5 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing net of investment income) against the net revenue stream.

Table 3 – Ratio of financing costs to net revenue stream

Ratio of finance costs to net revenue stream	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
Council's net budget	114,035	115,769	112,705	116,044	119,492
Finance Costs					
Net interest costs	4,341	4,786	5,211	5,549	5,562
Minimum Revenue Provision	2,116	2,377	2,094	2,100	2,071
	6,457	7,163	7,305	7,649	7,633
	5.7%	6.2%	6.5%	6.6%	6.4%

The MRP and Interest cost relating to PFI schemes and finance leases have been excluded from the figures above as they have no impact on the revenue budget.

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 Current portfolio position

The overall treasury management portfolio as at 31 March 2020 and the position as at 31 December 2020 are shown in Table 4 for borrowing and investments.

Table 4 – Current Portfolio Position

	31st March 2020		31st December 2020	
	£000	%	£000	%
Treasury Investments				
UK banks and building societies	36,354	34%	55,863	46%
Non-UK banks	10,000	9%	-	0%
Local authorities	55,000	52%	55,000	46%
Money market funds	-	0%	5,000	4%
Property funds	5,000	5%	5,000	4%
Total	106,354	100%	120,863	100%
Treasury External Borrowing				
Local authorities	(5,000)	3%	-	-
Public Works Loans Board (PWLB)	(162,000)	92%	(162,000)	94%
Other long term borrowoing	(10,000)	6%	(10,000)	6%
Total	(177,000)	100%	(172,000)	97%
Net treasury investments / (borrowing)	(70,646)		(51,137)	

The Council's treasury portfolio position at 31 March 2020, with forward projections are summarised in Table 5. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Table 5 – External debt

	2019/20 Actual £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000
External debt					
Borrowing					
Debt at 1 April	172,000	172,000	172,000	192,000	192,000
Expected change in debt	-		20,000	-	-
Debt at 31 March	172,000	172,000	192,000	192,000	192,000
Other long-term liabilities					
Debt at 1 April	381,074	374,519	367,675	360,678	353,354
Expected change in debt	(6,555)	(6,844)	(6,997)	(7,324)	(7,942)
Debt at 31 March	374,519	367,675	360,678	353,354	345,412
Total external debt at 31 March	546,519	539,675	552,678	545,354	537,412
Capital Financing Requirement	613,236	617,602	627,965	625,178	624,420
Under / (over) borrowing	66,717	77,927	75,287	79,824	87,008

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not (except in the short term) exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and the following two financial years.

This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

3.2 Treasury Indicators: limits to borrowing activity

The operational boundary

This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Table 6 – Operational Boundary

	2020/21	2021/22	2022/23	2023/24
	Estimate	Estimate	Estimate	Estimate
Operational boundary	£000	£000	£000	£000
Debt	192,000	192,000	212,000	212,000
Other long term liabilities	374,519	367,675	360,678	353,354
Operational boundary	566,519	559,675	572,678	565,354
Total external debt at 31 March	546,519	539,675	552,678	545,354
Estimated headroom	20,000	20,000	20,000	20,000

The authorised limit for external debt

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited. 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.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

Table 7 – Authorised Limit

	2020/21	2021/22	2022/23	2023/24
	Estimate	Estimate	Estimate	Estimate
Authorised limit	£000	£000	£000	£000
Capital Financing Requirement	617,602	627,965	625,178	624,420
Contingency	20,000	20,000	20,000	20,000
Total	637,602	647,965	645,178	644,420
Total external debt at 31 March	546,519	539,675	552,678	545,354
Estimated headroom	91,083	108,290	92,500	99,066

3.3 Prospects for Interest Rates

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Table 8 and supporting narrative gives their central view:

Table 8 – Interest rate forecast

Quarter average	Bank rate %	PWLB borrowing rates %			
		(including certainty rate adjustment)			
		5 year	10 year	25 year	50 year
Mar-21	0.10	0.8	1.1	1.5	1.3
Jun-21	0.10	0.8	1.1	1.6	1.4
Sep-21	0.10	0.8	1.1	1.6	1.4
Dec-21	0.10	0.8	1.1	1.6	1.4
Mar-22	0.10	0.9	1.2	1.6	1.4
Jun-22	0.10	0.9	1.2	1.7	1.5
Sep-22	0.10	0.9	1.2	1.7	1.5
Dec-22	0.10	0.9	1.2	1.7	1.5
Mar-23	0.10	0.9	1.2	1.7	1.5
Jun-23	0.10	1.0	1.3	1.8	1.6
Sep-23	0.10	1.0	1.3	1.8	1.6
Dec-23	0.10	1.0	1.3	1.8	1.6
Mar-24	0.10	1.0	1.3	1.8	1.6

Interest Rates

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut the Bank Rate to first 0.25%, and then to 0.10%, it left the Bank Rate unchanged at its subsequent meetings to 16th December 2020, although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected in the near-term as economic recovery is expected to be only gradual and, therefore, prolonged.

Gilt yields / PWLB Rates

There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was a heightened expectation that the US could have been heading for a recession in 2020. In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with

inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields.

While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers. This means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. The consequence of this has been the gradual lowering of the overall level of interest rates and bond yields in financial markets over the last 30 years. Over the year prior to the coronavirus crisis, this has seen many bond yields up to 10 years turn negative in the Eurozone. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields had therefore already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020. After gilt yields spiked up during the financial crisis in March, we have seen these yields fall sharply to unprecedented lows as investors panicked during March in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks took rapid action to deal with excessive stress in financial markets during March, and started massive quantitative easing purchases of government bonds: this also acted to put downward pressure on government bond yields at a time when there has been a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply. Gilt yields and PWLB rates have been at remarkably low rates so far during 2020/21.

As the interest forecast table for PWLB certainty rates above shows, there is expected to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment, (as shown on 9th November when the first results of a successful COVID-19 vaccine trial were announced). Such volatility could occur at any time during the forecast period.

Investment and borrowing rates

- Investment returns are likely to remain exceptionally low during 2021/22 with little increase in the following two years.
- Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England: indeed, gilt yields up to 6 years were negative during most of the first half of

2020/21. In November 2020, the increase of 100 bps in PWLB rates was reversed, although a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme. The council can now utilise the PWLB certainty rate which is gilt plus 80 basis points.

- As PWLB rates are at a very low level, longer term borrowing could be undertaken for the purpose of certainty, and the Council may not be able to avoid borrowing to finance new capital expenditure. But there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns) for any new short or medium-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

3.4 Borrowing Strategy

The Council is currently maintaining an under-borrowed position which means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, caution will be adopted with the 2021/22 treasury operations. The Operational Director - Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- If it was felt that there was a significant risk of a sharp fall in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
- If it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.

3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

3.6 Debt Rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and/or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment Policy

The Council's investment policy has regard to the following:

- MGCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, liquidity second, then yield.

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. The Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. These are split into specified and non-specified investments, as detailed below:

Specified investments

These are sterling denominated with maturities up to a maximum of 1 year and include the following:

- Debt Management Agency deposit facility
- UK Government gilts
- Bonds issued by an institution guaranteed by the UK Government
- Term deposits – UK Government
- Term deposits – other local authorities
- Term deposits - banks and building societies
- Certificates of deposit with banks and building societies

- Money market funds (rated AAA)

Non-specified investments

These are investments that do not meet the specified investment criteria. A variety of investment instruments can be used, subject to the credit quality of the institution:

- Term deposits – UK Government (maturities over 1 year)
 - Term deposits – Other local authorities (maturities over 1 year)
 - Term deposits – Banks and building societies (maturities over 1 year)
 - Certificates of deposit with banks and building societies (maturities over 1 year)
 - Property funds
5. Non-specified investments limit. The Council has determined that it will limit the maximum total exposure to non-specified investments as being 40% of the total investment portfolio at the time of investing.
 6. Lending limits, (amounts and maturity), for each counterparty will be set through applying the creditworthiness policy detailed in 4.2, and the Counterparty Limits detailed in 4.4.
 7. The Council will set a limit for the amount of its investments which are invested for longer than 1 year, (see paragraph 4.4).
 8. Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see paragraph 4.3).
 9. The Council has engaged external consultants, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
 10. All investments will be denominated in sterling.
 11. The Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund (IFRS9).

4.2 Creditworthiness Policy

Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit ratings agencies
- CDS spreads to give early warning of likely changes in credit ratings

- Sovereign ratings to select counterparties from only the most creditworthy countries

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years
- Purple 2 years
- Blue 1 year (only applies to nationalised and part nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No Colour May not be used

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of BBB. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored whenever new lending takes place. The Council is alerted to changes to ratings of all three agencies through its use of Link's creditworthiness service.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition the Council will also use market data, market information, and information on any external support for banks to help support its decision making process.

4.3 Country Limits

Other than the United Kingdom, the Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AAA from Fitch or equivalent.

4.4 Counterparty Limits for 2021/22

The Council has set the following counterparty limits for 2021/22, and will invest in line with the creditworthiness policy detailed in 4.2.

Table 9 – Counterparty limits

	Maximum limit per institution £m
UK Government	40
UK banks/building societies with:	
- Minimum rating of AAA	30
- Minimum rating of AA	25
- Minimum rating of A	20
- Minimum rating of BBB	10
Foreign banks in countries with a sovereign rating of AAA and:	
- Minimum rating of AAA	20
- Minimum rating of AA	10
- Minimum rating of A	5
Money market funds	
- Minimum rating of AAA	20
Local authorities	40
Property fund	10
Note: No more than 25% of the total portfolio will be placed with one institution at the time of investing, except where balances are held for cash-flow purposes	

4.5 Investment strategy

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable

- Conversely, if it is thought that Bank Rate is likely to fall within this time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

Investment return expectations

Base Rate is forecast to remain at 0.1% until at least March 2024. Base Rate forecasts for financial year ends (March) are shown below:

- 2020/21 0.1%
- 2021/22 0.1%
- 2022/23 0.1%

Investment treasury indicator and limit – Total principal funds invested for greater than 1 year

These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

Table 10 – Maximum principal sums invested over 365 days

Upper limit for principal sums invested for longer than 1 year	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Upper limit of principal sums invested for longer than 1 year	40,000	40,000	40,000	40,000
Current investments in excess of 1 years outstanding at year-end'	20,000	5,000	-	-

4.6 Investment rate benchmarking

The Council will use an investment benchmark to assess the investment performance of its investment portfolio of 7 days, 1, 3, 6, 12 month LIBID uncompounded.

4.7 End of year investment report

At the end of the financial year, the Council will report on its investment activities as part of its Annual Treasury Report

Minimum Revenue Provision

Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, machinery etc. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred therefore such expenditure is spread over several years in order to try to match the years over which such assets benefit the local community through their useful life. The manner of spreading these costs is through an annual Minimum Revenue Provision, which was previously determined under Regulation, and will in future be determined under Guidance.

Statutory duty

Statutory Instrument 2008 no. 414 s4 lays down that:

- “A local authority shall determine for the current financial year an amount of minimum revenue provision that it considers to be prudent.”
- The above is a substitution for the previous requirement to comply with regulation 28 in S.I. 2003 no. 3146 (as amended).
- There is no requirement to charge MRP where the Capital Financing Requirement is nil or negative at the end of the preceding financial year.
- The share of Housing Revenue Account CFR is not subject to an MRP charge.

Government Guidance

Along with the above duty, the Government issued guidance which came into force on 31st March 2008 which requires that a Statement on the Council's policy for its annual MRP should be submitted to the full Council for approval before the start of the financial year to which the provision will relate. This guidance was updated in February 2018.

The Council is legally obliged to “have regard” to the guidance, which is intended to enable a more flexible approach to assessing the amount of annual provision than was required under the previous statutory requirements. The guidance offers four main options under which MRP could be made, with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. The requirement to ‘have regard’ to the guidance therefore means that: -

1. although four main options are recommended in the guidance, there is no intention to be prescriptive by making these the only methods of charge under which a local authority may consider its MRP to be prudent.
2. it is the responsibility of each authority to decide upon the most appropriate method of making a prudent provision, after having had regard to the guidance.

Option 1: Regulatory Method

Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the adjusted CFR (i.e. adjusted for “Adjustment A”) on a reducing balance method (which in effect meant that MRP charges would stretch into infinity). From the 2016/17 financial year the Council changed this to a 2% straight line as the new method:

- will aid forecasting as option 1 MRP will remain unchanged each year and enable the Council to link additional MRP costs to specific assets
- will ensure that option 1 MRP is paid off by 2065. If the reducing balance method was used, there would still be a balance of £5.4m by this date

Option 2: Capital Financing Requirement Method

This is a variation on option 1 which is based upon a charge of 4% of the aggregate CFR without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation. The CFR is the measure of an authority’s outstanding debt liability as depicted by their balance sheet.

Option 3: Asset Life Method

This method may be applied to most new capital expenditure, including where desired that which may alternatively continue to be treated under options 1 or 2.

Under this option, it is intended that MRP should be spread over the estimated useful life of either an asset created, or other purpose of the expenditure. There are two useful advantages of this option: -

- longer life assets e.g. freehold land can be charged over a longer period than would arise under options 1 and 2
- no MRP charges need to be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use (this is often referred to as being an ‘MRP holiday’). This is not available under options 1 and 2

There are two methods of calculating charges under option 3: -

- a. equal instalment method – equal annual instalments
- b. annuity method – annual payments gradually increase during the life of the asset

Option 4: Depreciation Method

Under this option, MRP charges are to be linked to the useful life of each type of asset using the standard accounting rules for depreciation (but with some exceptions) i.e. this is a more complex approach than option 3.

The same conditions apply regarding the date of completion of the new expenditure as apply under option 3.

Date of implementation

The previous statutory MRP requirements ceased to have effect after the 2006/07 financial year. Transitional arrangements included within the guidance no longer apply for

the MRP charge for 2009/10 onwards. Therefore, options 1 and 2 should only be used for Supported Capital Expenditure (SCE). Authorities are however reminded that the DCLG document remains as guidance and authorities may consider alternative individual MRP approaches, as long as they are consistent with the statutory duty to make a prudent revenue provision.

Strategy Adopted for 2021/22 and future years

In order to determine its MRP for 2021/22 and taking into consideration the available options the Council has applied the following strategy:

- For all capital expenditure incurred before 2009/10 and for all capital expenditure funded via supported borrowing MRP to be calculated using Option 1 – The Regulatory Method, calculated using a 2% straight-line charge.
- For all capital expenditure incurred from 2009/10 financed by prudential borrowing MRP to be calculated using Option 3 the Asset Life Method, with the MRP Holiday option being utilised for assets yet to come into service use.
- For Mersey Gateway expenditure the options above will not be used. The MRP Holiday option will be utilised until the Council receives toll income to repay outstanding capital expenditure. MRP payments will then be matched with income received.
- For credit arrangements such as on-balance sheet leasing arrangements (finance leases), the MRP charge will be equal to the principal element of the annual rental.
- For on balance sheet PFI contracts MRP charge will be equal to the principal element of the annual rental.
- For the unitary payments for the Mersey Gateway, the MRP charge will equal the principal repayment elements of the payments made.
- For assets that have an outstanding balance in the Capital Adjustment Account at the time of disposal, the Council have the option of using the capital receipts raised from the sale to repay the balance. Although this will not affect the MRP charge in year (this will be a direct charge from Capital Receipts Reserve to the Capital Adjustment Account) this will reduce an MRP charge for future years. Please note:
 - If the sale of the asset does not raise sufficient receipts to repay the outstanding balance the council has the option to use the Capital Receipts Reserve to make the repayment
 - If the Council choose not to use the methods detailed above, the MRP should be repaid over a period that is considered prudent

REPORT TO:	Executive Board
DATE:	25 th February 2021
REPORTING OFFICER:	Strategic Director, Enterprise, Community and Resources
PORTFOLIO:	Resources
SUBJECT:	Pensions Discretions Statement 2021/22.
WARD(S)	Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 The Council is required to publish a Pensions Discretion Statement annually, to advise the discretions it intends to exercise under the Local Government Pension Scheme (LPGS).
- 1.2 This report accompanies the proposed statement for 2021/22.

2.0 RECOMMENDATION: That:

- i. **the Board approve the Pensions Discretions Statement for 2021/22.**

3.0 SUPPORTING INFORMATION

- 3.1 The Pensions Discretion Statement for 2021/22 is based upon the statement for 2020/21, which was approved by Executive Board in March 2020.
- 3.2 No new discretions have been added, nor have any discretions been removed.
- 3.3 There have been no material changes to the Local Government Pension Scheme Regulations 2013 that would result in a change to the statement. Regulation 60 of those regulations sets out what the statement should contain, and the statement is compliant.

4.0 POLICY IMPLICATIONS

- 4.1 The Council is required to publish a written policy statement on how it will exercise its discretions provided by the scheme. The policies adopted seek to achieve the correct balance between cost to the council tax payer, good employee relations and staff recruitment and retention.

5.0 FINANCIAL IMPLICATIONS

- 5.1 There are financial implications for the Council in considering the application of these discretions. Each case will be different, and a business case will be required when such a discretion is exercised, balancing the interests of the Council with the interests of the individual.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 There are no direct implications to be noted for any of the Council's priorities.

7.0 RISK ANALYSIS

- 7.1 The statement complies with the Local Government Pension Scheme Regulations 2013, and enables the Council to make balanced decisions taking into account all risks.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 The recommendations will apply equally to all staff who are members of the LGPS. Employees have a right of appeal if they feel they have been treated incorrectly/unfairly.
- 8.2 In the first instance, appeals are made to the Operational Director Policy, People, Performance & Efficiency, who acts in the capacity of the Independent Person for the Independent Disputes and Resolution Procedure.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
The Local Government Pension Scheme Regulations 2013 (Statutory Instrument 2013 No. 2356)	Municipal Building, Kingsway, Widnes	Richard Rout

**PENSIONS DISCRETIONS
STATEMENT 2021/22**

HALTON BOROUGH COUNCIL

Introduction

This statement is prepared and published in accordance with the requirements of Regulation 60 (1) of the Local Government Pension Scheme Regulations 2013, which states that;

A Scheme employer must prepare a written statement of its policy in relation to the exercise of its functions under regulations –

- (a) 16(2)(e) and 16(4)(d) (funding of additional pension);
- (b) 30(6) (flexible retirement);
- (c) 30(8) (waiving of actuarial reduction); and
- (d) 31 (award of additional pension),

and an administering authority must prepare such a statement in relation to the exercise of its functions under regulation 30(8) in cases where a former employer has ceased to be a Scheme employer. This statement fulfils that requirement.

There are no material changes to the discretions contained within this statement for 2021/22.

Where relevant, monetary amounts used within the explanations of discretions have been revised as appropriate.

This document is confirmed as the Council's Pensions Discretions Statement for the financial year 2021/22.

The discretions will be exercised by the appropriate Strategic Director, in consultation with the Portfolio Holder for Resources, and Operational Director Finance. (In the case of applications from Strategic Directors or the Chief Executive, the discretions will be exercised by the Chief Executive, in consultation with the Portfolio Holder for Resources and Strategic Director, Enterprise, Community and Resources).

Any questions relating to this statement should be directed to:

Pay & Pensions Team (HR Service Centre)
Policy, People, Performance & Efficiency Division,
Enterprise, Community & Resources Directorate,
Halton Borough Council,
Municipal, Building,
Kingsway,
Widnes,
WA8 7QF
e-mail: payandpensions@halton.gov.uk

**COMPULSORY POLICY STATEMENTS IN ACCORDANCE WITH LOCAL GOVERNMENT
PENSION SCHEME REGULATIONS 2013**

Regulation 16 (2) (e) & 16 (4) (d)

Ability to contribute to a shared cost additional pension contribution (APC) scheme.

Explanation:

Where an active scheme member wishes to purchase extra annual pension of up to £7,194 (2020/21 rate) by making an Additional Pension Contribution (APC) the employer may voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).

HBC decision:

A SCAPC will only be entered into when the member decides that they wish to make an APC in order to repay the loss of pension which they have suffered from the purchase of unpaid leave relating to the changes to Terms and Conditions.

As long as the member enters into the APC contract by the 31st March of the leave year in which they wish to repay the loss of pension (i.e. 31st March 2022 for the unpaid leave purchased in 2021/22) then the Council will contribute two thirds of the cost of repayment.

All other APC contracts will be funded in full by the member.

Regulation 30 (6)

Ability to award Flexible Retirement

Explanation:

A member who is aged 55 or over and with their employers consent reduces their hours/or grade, can then, but only with the agreement of the employer, make an election to the administering authority to receive all or part payment of their accrued benefits without having retired from that employment.

HBC decision:

The Council will adopt this discretion and will assess applications from those employees aged 55 and over who reduce their hours by 25% (not for a grade reduction). Applications will be considered on the basis of future service provision and cost. The decision to release benefits will be taken by the appropriate Strategic Director.

Regulation 30 (8)

Waiving of Actuarial Reduction on Flexible Retirement and early retirement (age 55+)

Explanation:

Employers can elect to waive some or all of the reduction on benefits if a member chooses to take flexible retirement and take their benefits before Normal Pension Age (NPA)

HBC decision:

HBC will only waive actuarial reduction on flexible retirement in exceptional circumstances.

Transitional Protections – Regulation 1 (1) (c) Schedule 2

Power of the Employing Authority to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.

Explanation:

A member who meets the 85 year rule and elects to draw their pension benefits from age 55 will no longer require their employers consent if they retire after 31st March 2014. However, certain members will lose some 85 year rule protections if they wish to draw their pension between age 55 and 60.

An employer may decide to “switch on” protection to the 85 year rule for a member who voluntarily retires from age 55 but before age 60 and meet any additional cost of the retirement.

HBC decision:

In exceptional circumstances, where this is in the interest of the Council and the costs of allowing such requests are considered against the benefits to the Council, the Council will pay the additional cost of an unreduced pension.

Regulation 31

Ability to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency.

Explanation:

An employer may decide to award a member additional pension up to a limit of £6822 per year (or revised amount as stated in the scheme rules) payable from the same date as their pension is payable.

HBC decision:

The Council will not award additional pension.

NON COMPULSORY DISCRETIONS

Regulation 9 (3)

Contributions Payable by an Active Member.

Explanation:

Employers must assess the appropriate rate of contribution band, in a reasonable and consistent manner and review the contribution bands on any material change in pay.

HBC decision:

The Council will review contribution bands annually or at a significant change, unless an employee exercises their right to appeal their band allocation when the review may be conducted earlier.

Regulation 22 (7) & (8)

Re-employed and Re-joining Deferred Members

Explanation:

This provision permits an employer the discretion to extend the statutory 12 month window within which a scheme member can elect to aggregate deferred LGPS benefits into their current employment.

HBC decision:

The Council will not normally extend the time limit beyond 12 months.

Regulation 100 (6)

Inward Transfer of Pension Rights

Explanation:

This provision allows an employer the discretion to extend the statutory 12 month window within which a scheme member can elect to transfer benefits from another scheme into their current scheme.

HBC decision:

The Council will not normally extend the time limit beyond 12 months.

Regulation 30 (5)

Ability to Waive Actuarial Reduction on Compassionate Grounds

Explanation:

This regulation provides for early payment of retirement benefits, reduced by the amount shown in actuarial guidance issued by the Secretary of State for Local Government, in relation to an employment, for a scheme member who is not an employee in local government service in that employment, and has not attained normal pension age, but is aged over 55 years.

HBC Decision:

The Council will consider, on a case by case basis, exercising its discretion to waive some or all of the reduction. This will be where it is felt to be in the best interests of the Council as well as the employee (deferred member) and the costs of allowing such requests will be considered against the benefits to the Council.

**Discretion under the
Local Government (Early Termination of Employment) (Discretionary Compensation)
(England and Wales) Regulations 2006.**

The Council is required to formulate, publish and keep under review a statement of policy on how it will exercise its discretion under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. Such a statement is contained in the Councils Staffing Protocol. It is reproduced here for completeness.

By virtue of regulation 7 (1) of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 Scheme employers are required to formulate a Statement of Policy on whether it intends to base a redundancy payment on an employee's actual weeks' pay where this exceeds the statutory weeks' pay limit and whether to make a termination payment (inclusive of any redundancy payment) of up to a maximum of 104 weeks' pay (regulation 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

The Council will pay a redundancy payment based on actual weeks' pay where this exceeds the redundancy payment and will enhance payments in line with the multiplier applicable at that time and contained in the Councils Staffing Protocol. The multiplier has been set at 1.4, effective from 1st April 2016.

REPORT TO: Executive Board

DATE: 25 February 2021

REPORTING OFFICER: Strategic Director Enterprise, Community and Resources

PORTFOLIO: Resources

SUBJECT: Taxi Licensing - Temporary Policy amendment to the current age restrictions on Licensed Hackney Carriage and Private Hire Vehicles

WARDS: Borough wide

1. PURPOSE OF REPORT

To receive a report from the Regulatory Committee meeting on 13 January 2021 recommending that the Executive Board approve a temporary amendment to the current age restrictions of licensed Hackney Carriage and Private Hire Vehicles.

2. RECOMMENDED: That the Executive Board -

Temporarily amend the maximum age restriction on Hackney Carriage and Private Hire Vehicles by two years for a two-year period with the following conditions:

- i. Any vehicle taking advantage of the relaxation of the restriction be subject to 3 tests per year.
- ii. No vehicle taking advantage of the relaxation of the restriction may be transferred to another proprietor.

3. BACKGROUND INFORMATION

- 3.1 At their meeting on 13 January 2021 the Regulatory Committee were advised that a member of the local taxi and private hire trade's licensed vehicle would need to be replaced due to the age restrictions imposed by this Council. The request by the driver was to temporarily extend the maximum age that a vehicle may remain licensed.
- 3.2 The individual explained that due to Corona virus pandemic and the resulting economic situation it was felt that it would assist those members of the trade whose vehicles would soon need to be replaced due to age and who may struggle to obtain finance for a replacement vehicle.

3.3 Following the request the Chair and Vice Chair of the Regulatory Committee were notified and a consultation exercise of the taxi trade was undertaken.

3.4 The consultation exercise was undertaken by e mailing those members of the trade who had supplied email addresses to the Licensing Section.

3.5 They were asked for comments on the following:

(1) Whether they considered an extension of the maximum age limit was needed

(2) If they believed an extension is needed, what did they consider the length of time for the temporary extension should be.

4. CURENT AGE LIMITS

4.1 The Council's current policy on age limits of licensed vehicles are:

Non fully wheelchair accessible vehicles

Can be no more than 5 years old when first licensed and the maximum age limit is 10 years old.

Fully wheelchair accessible vehicles

Can be no more than 13 years old when first licensed and the maximum age limit is 16 years old.

4.2 Some Members may recall that a similar request to temporarily increase the age limits of licensed vehicles was made in 2012 following the banking recession.

4.3 On 19th March 2012 the Regulatory Committee resolved to allow a two year extension of licensed vehicles with two conditions:

- Any vehicle taking advantage of the extension shall be subject to three tests per year.
- No vehicle taking advantage of the extension may be transferred to another proprietor.

5. CONSULTATION FINDINGS

5.1 There were 77 replies to the consultation which has provided the following information:

- 63 are in favour of an extension to the current maximum vehicle age

- 9 of those in favour of an extension stated that a 12 month extension is appropriate
- A further 5 in favour of an extension of 12 months stated that it should then be reviewed further
- 11 were in favour of a two year extension
- A further 4 were in favour of a two year extension then be reviewed again
- Many of those who were in favour of an extension to the current age policy made various other comments
- 11 replies were against any extension to the current age policy

5.2 The findings with comments were collated and can be found at Appendix A of this report.

6. POLICY IMPLICATIONS

6.1 The subject matter of this report is to adopt the temporary amendment to the licensed vehicle age policy.

7. MATTERS TO TAKE INTO ACCOUNT

7.1 Replacing a licensed vehicle on attaining current age limits could, in the current time of austerity, be punitive to the proprietor and place unreasonable financial and/or personal pressures on Licence holders.

7.2 Removing the Conditions in their entirety could lower the standards achieved in the Borough since age restrictions were established, to the detriment of the service to which the public are entitled.

7.3 Any extension that may be granted would only benefit a small percentage of the trade whose vehicles reach the current maximum age in the next year or two. Even those licence-holders who may benefit from any temporary extension to the current policy may not necessarily take advantage of any potential rule change and chose to obtain a newer vehicle anyway.

8. IMPLICATIONS FOR THE COUNCILS PRIORITIES

8.1 Children and Young People in Halton
N/A

8.2 Employment Learning and Skills in Halton
N/A

8.3 A healthy Halton

It might be considered that allowing older vehicles to be used as taxis may cause more pollution. However, as the potential uptake for the

dispensation is slightly less than 4% of the taxi and private hire fleet and the dispensation is only for 2 years this is not considered an issue.

8.4 A Safer Halton

N/A

8.5 Halton's Urban Renewal

N/A

9. RISK ANALYSIS

N/A

10. EQUALITY AND DIVERSITY ISSUES

N/A

11. LIST OF BACKGROUND PAPERS UNDER SECTION 100D LOCAL GOVERNMENT ACT 1972

Regulatory Committee Item and Minutes

APPENDIX A

Driver	1 Year Extension	2 Year Extension	Against	Comments
1			No	Six months would be acceptable, vehicles can still be purchased but may take a little longer otherwise we are taking steps backwards
2			Yes	All drivers know the expiry date of the vehicle licence from the date it is registered, to blame the pandemic for the lack of funds erroneous as it is only 6 months when it began. Most responsible drivers have plans in place.
3		Yes	No	
4		Yes	No	As long as the vehicles passes the rigorous inspection at the testing centre which are already in place.
5			No	3 year extension should be considered, 3 mots a year. Vehicle due to be replaced next year
6		Yes	No	
7		Yes	No	Vehicles are doing less miles due to not a lot of work
8			Yes	If drivers forward plan their business more thoroughly rather than leaving the replacement of their vehicle to last minute they would not have a problem
9			No	A temporary change over the age of vehicles would be a great help for drivers
10		Yes and then review	No	As vehicles get older they are more expensive to maintain so drivers may decide to change the vehicles
11				No comment as did not directly affect
12		Yes	No	Are the council refunding the fees like Liverpool
13				See email commented a lot but not really stated much
14		Yes and then review	No	
15			Yes	It's a bit ridiculous when taxis licensed outside the borough are working here, lots of vehicles don't meet our standards
16			No	Extend the vehicle life no objection
17			No	Age limits of vehicles could be abolished and left to driver/owners discretion and councils test centre. Hopes it would be extended for all vehicles not just for now
18			No	3 year extension would be appropriate
19			No	Ok at extending the age of vehicles if there is a genuine reason maybe review the said driver/vehicle every 6/12 months
20			No	Any help at this time would be helpful
21	Yes		No	
22		Yes	No	Lift the age limit from 5 years to 7 years
23	Yes		No	
24			No	Spoken to drivers and they are in favour as long as its applied to all vehicles

25			No	Not opposed to help struggling drivers, or maybe people who are due to renew let them have a car old than 5 years instead.
26			No	Good idea and would help
27			No	Thinks an extension is necessary
28			Yes	Don't agree they know the age limit and had plenty of time
29			No	Was a bit confused thinks its should be across the board not just now
30			Yes	Think it is ok as it is
31			No	Let the Council decide or each case should be looked at individually
32			Yes	10 years is enough
33			No	No problem but the fair way is vehicles already on the system get the extra years
34			Yes	Happy as it is at the moment – vehicle can be unfit for purpose
35	Yes and then review		No	
36	Yes and then review		No	
37	Yes		No	
38		Yes	No	
39	Yes		No	
40	Yes		No	
41			No	Good idea for extension but there shouldn't be a time on how long vehicles are on for as they are built better as long as it passes test and is clean and tidy
42				No opinion as retired and no longer a driver
43		Yes	No	
44		Yes	No	
45			No	Age should be extended on a temp basis until we are out the other side
46			No	In favour of a temporary extension
47	Yes		No	
48			Yes	No age limits are long enough
49			No	Good idea to have a temporary age limit due to pandemic
50		Yes	No	
51			No	Saloons should be increased to 16 years and remove age limit for wheelchair accessible
52	Yes		No	
53			No	Vehicles should be extended once they are on the system
54			No	It should be applies to all vehicles currently licensed not just drivers who are due to renew
55			No	Age could be extended on some vehicles but based on past test history
56	Yes		No	
57			Yes	No because I asked the same question a couple of months ago and could not get an answer, changed vehicle at cost to me. Refund council fees like Liverpool
58	Yes		No	

59	Yes and then review		No	
60			No	Temporary increase
61			Yes	Don't agree keeping a standard of vehicles is important. Refund or don't charge years as per Liverpool city region agreement
62		Yes	No	And discount on fees for the next year
63			No	Yes as a temporary measure
64	Yes and then review		No	Temporary measure until the 31 st December 2021 may need to be reviewed
65			No	Supports it but do 3 test a year
66			No	Great idea any help would be welcome
67			No	Should extend the vehicles
68		Yes and then review	No	
69			No	Agrees would help drivers if extended
70	Yes and then review		No	
71			Yes	Government is offering loans with no interest and no repayments for the first year – problem solved. Extension is just laziness on the part of the driver
72			No	Increase for an indefinite period
73			No	Extension is a good idea but offer a plate to a driver who collar taxis for a temporary 12 months
74			No	Agree it would help out
75			No	Good idea to extend the life of a vehicle HBC should give out hardship payments to drivers like Liverpool council
76		Yes and then review	No	
77			No	Should extend to between 12 and 15 years permanently

REPORT TO:	Executive Board
DATE:	25 February 2021
REPORTING OFFICER:	Strategic Director – Enterprise, Community and Resources
PORTFOLIO:	Resources
SUBJECT:	Calendar of Meetings – 2021/22
WARDS:	Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To approve the Calendar of Meetings for the 2021/22 Municipal Year attached at Appendix 1 (NB light hatched areas indicate weekends and Bank Holidays, dark hatched areas indicate school holidays).

2.0 RECOMMENDATION: That Council be recommended to approve the Calendar of Meetings for the 2021/22 Municipal Year.

3.0 SUPPORTING INFORMATION

- 3.1 Members are asked to consider and recommend approval of the calendar of meetings for the 2020/21 Municipal Year.

4.0 POLICY IMPLICATIONS

None.

5.0 OTHER IMPLICATIONS

None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None.

6.2 Employment, Learning and Skills in Halton

None.

6.3 A Healthy Halton

None.

6.4 A Safer Halton

None.

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

Should a Calendar of Meetings not be approved, there will be a delay in publishing meeting dates. This would result in practical difficulties in respect of the necessary arrangements required and the planning process regarding agenda/report timetables.

8.0 EQUALITY AND DIVERSITY ISSUES

Once a Calendar of Meetings has been approved the dates will be published, hence assisting public involvement in the democratic process.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.

NB Lightly shaded areas indicate weekends and Bank Holidays; dark shaded areas indicate school holidays.

	MAY 2021	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN 2022	FEB	MARCH	APR	MAY
M	3 Early May Bank Holiday			2 Dev Control Com			1 Dev Control Com		3 New Year Bank Holiday				2 Early Spring Bank Holiday
T	4	1		3			2 Corporate PPB		4	1 Safer PPB	1 Dev Control Com		3
W	5	2		4	1		3	1 Regulatory	5	2	2 COUNCIL		4
T	6 Elects - Local Parish Mayoral PCC	3	1	5	2		4	2	6	3	3		5 Local Elections
F	7	4	2	6	3	1	5	3	7	4	4	1	6
S	8	5	3	7	4	2	6	4	8	5	5	2	7
S	9	6	4	8	5	3	7	5	9	6	6	3	8
M	10 Dev Control Com	7 Dev Control Com	5 Dev Control Com	9	6 Dev Control Com	4 Dev Control Com	8 CYPF PPB	6	10 Dev Control Com	7 Dev Control Com	7 SEMINAR	4 Dev Control Com	9 Dev Control (prov)
T	11	8 Corporate PPB	6 SEMINAR	10 SEMINAR	7 Corporate PPB	5 SEMINAR	9 Safer PPB	7 Dev Control Com	11	8	8	5	10
W	12	9	7 H W Board B E Board	11	8 SEMINAR	6 HW Board Regulatory	10	8 COUNCIL	12 Regulatory	9 Mayoral Com Standards Com	9 Regulatory	6	11
T	13	10	8	12	9	7	11	9 Executive Board	13	10	10	7	12
F	14	11	9	13	10	8	12	10	14	11	11	8	13
S	15	12	10	14	11	9	13	11	15	12	12	9	14
S	16	13	11	15	12	10	14	12	16	13	13	10	15
M	17	14 CYP&F PPB	12	16	13 CYP&F PPB	11	15 ELS&C PPB	13	17	14	14	11	16
T	18 Exec Board Select Comm	15 Safer PPB	13	17	14 Safer PPB	12	16	14	18 SEMINAR	15 Health PPB	15	12	17 Exec Board Select Com (prov)
W	19	16 Schools Forum	14 COUNCIL	18	15	13 Schools Forum COUNCIL	17 Environment PPB	15	19 H W Board Schools Forum	16 Environment PPB - Schools Forum	16	13	18
T	20	17 Executive Board	15 Executive Board	19	16 Executive Board	14 Executive Board	18 Executive Board	16	20 Executive Board	17 Executive Board	17 Executive Board	14 Executive Board	19
F	21 Annual Council (prov)	18	16	20	17	15	19	17	21	18	18	15 GOOD FRIDAY	20 ANNUAL COUNCIL (prov)
S	22	19	17	21	18	16	20	18	22	19	19	16	21
S	23	20	18	22	19	17	21	19	23	20	20	17	22
M	24	21 ELS&C PPB	19	23	20 ELS&C PPB	18	22	20	24 CYP&F PPB	21	21	18 EASTER MONDAY	23
T	25	22	20	24	21	19	23 Health PPB	21	25 Corporate PPB	22	22	19	24
W	26	23 Environment PPB	21	25	22 Environment PPB	20	24 BE Board	22	26	23	23 H W Board B E Board	20	25
T	27	24	22	26	23	21	25	23	27	24	24	21	26
F	28	25	23	27	24	22	26	24	28	25	25	22	27
S	29	26	24	28	25	23	27	25 Christmas Day	29	26	26	23	28
S	30	27	25	29	26	24	28	26 Boxing Day	30	27	27	24	29
M	31 Spring Bank Holiday	28	26	30 Summer Bank Holiday	27	25	29	27 Bank Holiday	31 ELS&C PPB	28	28	25	30 Spring Bank Holiday
T		29 Health PPB	27	31	28 Health PPB	26	30	28 Bank Holiday			29	26	31
W		30 Regulatory	28		29 B E Board	27		29			30	27	
T			29		30	28		30			31	28	
F			30			29		31				29	

REPORT TO:	Executive Board
DATE:	25 February 2021
REPORTING OFFICER:	Strategic Director – Enterprise, Community & Resources
PORTFOLIO:	Physical Environment
SUBJECT:	Foundry Lane Residential
WARDS:	Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to update Members on proposals for residential development at Foundry Lane, Widnes, and to seek approval to appoint a Development Partner following a procurement process.

2.0 RECOMMENDATION: That Executive Board:

- (1) approves the appointment of Cityheart Limited to act as Development Partner in the regeneration of the Foundry Lane area.**
- (2) authorises the Operational Director for Economy, Enterprise and Property and/or the Operational Director for Legal & Democratic services, to ensure full legal compliance with statutory planning matters throughout the regeneration project; and**
- (3) the Operational Director for Economy, Enterprise and Property, be authorised to seek and secure grant funding in relation to the project.**

3.0 SUPPORTING INFORMATION

- 3.1 This regeneration project was last reported to Executive Board in January 2019 (EXB77). Members supported the acquisition of the Stobart site, forming a larger site with the former Tarmac site. Both sites have now been vacant since February 2020.

At the time £1.8m Homes England grant funding was agreed in principle to 'kick-start' this project in December 2019. At pre-contract stage in June 2020 however, due to delays caused by Covid-19, Homes England withdrew this grant funding.

The Liverpool City Region Combined Authority however, has agreed as part of its Brownfield Land Fund, to make the grant funding of this project one of its key priorities, subject to a formal application process. Discussions with the Combined Authority are relatively advanced – and it has been agreed that Halton Borough Council will work up a funding application in conjunction with the Development Partner, early in 2021.

- 3.2 Tender Process** - In conjunction with the Combined Authority acting in full participation throughout (including evaluation and interview), a procurement exercise was undertaken as per the timetable below:

Event:	Date:
Publication of RFQ	19 October 2020
Closing date for questions	10 November 2020
Closing date for submission	23 November 2020
Evaluation	24 November - 15 December 2020
Verification Interview	6 January 2021
Contract Award	TBC
Contract Start Date	TBC

Two tenders were received one from Cityheart Limited, and another from an unsuccessful bidder. Both responses were valid and credible. A robust 3-party evaluation process was then carried out, comprising two Council Officers and the Housing Partnerships Lead Officer at the Combined Authority.

All three evaluators unanimously scored the tender provided by Cityheart Limited the highest. Cityheart Limited scored highest overall, and in each of the six 'Quality' question areas individually. This meant that the varied weighting attached to each question (see below for percentage weightings) was academic, as Cityheart Limited scored highest in each question, and therefore by default overall.

The input of the Combined Authority was invaluable at two particular points – firstly in the assembly of the RFQ document itself, and secondly as part of the evaluation process. This input ensured genuine objectivity at all times.

All three evaluators used the same scoring criteria to evaluate the two responses. The scoring criteria – set by the Council's procurement team – were as follows:

- 5 Exceeds the service standards – Excellent detail with added value
- 4 Meets all the service standards – Good detail and evidence
- 3 Meets all the service standards – Basic detail provided
- 2 Mostly meets but fails in some of the service standards
- 1 Mostly Fails but meets in some of the service standard
- 0 Completely fails to meet the service standard

These criteria were applied uniformly to each of the six 'Quality' question areas respondents were asked to respond to:

- 1 Development Appraisal (25%)
- 2 Work Programme (20%)
- 3 Critical Path analysis (15%)
- 4 Organisational team (15%)
- 5 Risk Register (15%)

6 Social / added value (10%)

The combined scoring matrix assimilating all three evaluators' individual evaluation scores was as follows:

	Unsuccessful bidder	Cityheart Limited
Development Appraisal	2	4
Work Programme	3	4
Critical Path analysis	2	4
Organisational team	3	4
Risk Register	3	4
Social / added value	2	4

Executive Board is therefore asked to approve the appointment of Cityheart Limited to act as Development Partner in taking forward the Foundry Lane area regeneration project.

3.3 Council-owned land (the former Tarmac and Stobart sites)

The Council commissioned detailed site/ground investigations work across the 1.93ha land in its ownership in March/April 2020. The findings of the investigation, carried out by Tier Construction Ltd) revealed, as expected, land contamination. The extent of contamination is not as extensive as anticipated however, and the re-development of this land will be 'relatively' straightforward. The remediation of this land will become a priority for the Development Partner.

3.4 Non Council-owned land

There are a further 14 parcels of land adjoining the Council-owned 'phase one' land, which would form a 'phase two' of regeneration. These parcels of land are owned by a multiplicity of landowners. This second phase of regeneration is a far more complex proposition – hence the need for an experienced Development Partner.

No detailed site investigation has been able to be carried out across these 14 land parcels – although it is known that land contamination will be found, and flood mitigation works will be required.

Land acquisition will clearly be key to the success of this regeneration project. The Council will work closely with the Development Partner to ensure full and ongoing consultation and negotiation. The Council is keen to avoid utilising a CPO and it will be the option of last resort. No authority is requested at this time.

Communication and negotiation with landowners and their tenants is in its infancy – although an initial newsletter was sent to all known stakeholders in November 2020. Some landowners are known to be keen to sell; whilst some are

known to be reluctant; some are interested in selling at highly inflated prices; and the views of some are simply not known at this stage.

4.0 POLICY IMPLICATIONS

- 4.1 The Foundry Lane site is within an action area within the Unitary Development Plan (UDP) – which allows for residential use. In relation to the Emerging Local Plan, the site is allocated for residential use.
- 4.2 An Outline Planning application in relation to the ‘phase one’ Council-owned land and also includes a concept master plan for the whole area is currently with the Local Planning Authority (LPA) – with determination expected in February 2021. The application contains information on ecology, highway impacts, noise, flooding and contaminated land.
- 4.3 Replacing some of the current industrial uses in the Foundry Lane area with housing, will also have the benefit of removing some of the heavy goods vehicles from the local roads and with it, potentially reduce noise.
- 4.4 Members and Officers alike are keen to support all legitimate businesses find alternative premises. The Business Improvement & Growth team are currently working with businesses who have started looking at relocation. Where at all possible, we would want to retain these businesses within the borough. However, it is acknowledged that a number of the businesses affected will not be paying market rents, and to move to alternative premises at market rents could prove challenging for them.

5.0 FINANCIAL IMPLICATIONS

Every effort will be made to make the scheme cost neutral to the Council, by accessing grant funding and working closely with the Development Partner. If there is a requirement for the Council to make a contribution to this important regeneration project, it will be subject to a separate report.

6.0 IMPLICATIONS FOR THE COUNCIL’S PRIORITIES

6.1 Children and Young People in Halton

The project will provide new, quality family homes – some of which will be affordable housing.

6.2 Employment, Learning and Skills in Halton

The project will provide opportunities for people seeking construction related employment.

6.3 A Healthy Halton

New, quality homes will help to promote a better quality of life locally.

6.4 A Safer Halton

The design of the homes provided will take security fully into account, and safer by design principles will feature. It will also remove a long standing nuisance area.

6.5 Halton's Urban Renewal

This project will act as a catalyst to attract house-builders and developers into the area by creating an attractive and well-accessed built environment.

7.0 RISK ANALYSIS

The project is not without inherent risks. However, the Council will manage and mitigate these risks. A directly employed, dedicated Project Officer with extensive housing and regeneration experience has been in post since January 2020 to oversee the project. The Project Officer also has the full support of the Regeneration Manager, as well as the full support of the wider Economy, Enterprise & Property department (which includes Asset Management, Property Services, Business Improvement & Growth and External Funding). The project will have to obtain all necessary consents and statutory approvals. However, there will be resources available to administer these aspects of the project from Council colleagues in Contaminated Land, Planning and Highways.

8.0 EQUALITY AND DIVERSITY ISSUES

Not applicable.

9.0 LIST OF BACKRGOUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.

REPORT TO:	Executive Board
DATE:	25 th February 2021
REPORTING OFFICER:	Strategic Director, People
PORTFOLIO:	Physical Environment
SUBJECT:	Homelessness Funding Grant Allocations
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 This Report describes the various grants that have been issued by Central Government to support rough sleepers and people who are, or are likely to become, homeless. It makes proposals for the allocation of these grants.

2.0 **RECOMMENDATION: That:**

- i) Executive Board note and consider the contents of this Report; and
- ii) Approve the recommendations for expenditure against the grants, as described in Appendices 1 and 2.

3.0 **SUPPORTING INFORMATION**

3.1 **Context:**

3.1.1 For some time, the plight of rough sleepers and people who are, or are likely to become homeless, has been a key political priority for Central Government. New legislation has been enacted (The Homelessness Reduction Act 2017) which laid more rigorous duties on councils to assess and support people who might become homeless, and national guidance was issued to promote these duties.

3.1.2 The coronavirus pandemic has made the need to support rough sleepers and potentially homeless people more urgent, and further guidance has been issued to councils as a result. A report was brought to Executive Board in November 2020, detailing the temporary changes to the statutory eligibility criteria for help and support that had been adopted by Halton Borough Council. This has resulted in considerable extra expenditure being committed by the council to support these groups of people.

3.1.3 The introduction of the Homelessness Reduction Act, followed in

2020 by the coronavirus pandemic, have both placed considerable pressures on the delivery of services for homeless people and rough sleepers. The numbers of people presenting as homeless rose from 97 in 2018/19 to 1987 from April – December 2020. The numbers of people placed in bed and breakfast accommodation as a result rose from 15 in 2018/19 to 298 in 2020/21. New resources had to be very rapidly developed during the pandemic, including the re-opening of mothballed units at Grangeway Court, and the development of a new short-term unit at Columba House in Widnes. Much of this has been able to be reclaimed from the funding received by the council to manage the pandemic, but there has still been a considerable impact on finances and on the use of staff time.

- 3.1.4 Two key government grants have been issued to support the legislative change and to manage the additional financial burden on local authorities arising from supporting people who are at risk of, or actually, homeless or rough sleeping. This Report details those grants and identifies proposals for their use.

3.2 Homelessness Prevention Grant

- 3.2.1 The purpose of the Homelessness Prevention Grant is to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness, and to deliver the following priorities:

- To fully enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness
- Reduce family temporary accommodation numbers through maximising family homelessness prevention,
- Eliminate the use of unsuitable bed and breakfast accommodation for families for longer than the statutory six week limit

- 3.2.2 Halton has been allocated grant funding for 2021/22 of £344.828, which is an increase of £92,077 from 2020/21. The proposals for allocation of these monies are in **Appendix 1**. The funding is specifically ring-fenced to providing services which meet the purposes described in paragraph 3.2.1 above.

3.3 Rough Sleeper Initiative Funding:

- 3.3.1 This funding is described as being made available for local authorities to support people living on the streets. Halton received an allocation of £109,000 for 2020/ 21, with the commitment that the allocation for 2021/ 22 will be at least the same amount of money. Again, it is ring-fenced to ensure that the funding is used for this purpose. The proposals for use of this grant are in **Appendix 2**.

- 3.3.2 The above service delivery is a continuation of the service presently being delivered, which has proven successful. The additional request for outreach support is to provide additional support to clients placed within the four temporary accommodation unit.

4.0 **POLICY IMPLICATIONS**

- 4.1 There are no policy implications arising from this Report.

5.0 **FINANCIAL IMPLICATIONS**

- 5.1 The financial implications are as described in this report. The increased demand in homelessness presentations has placed additional pressure upon the team. The funding grant will provide additional staffing to deliver homelessness services and reduce/prevent homelessness and will complement the ongoing delivery of services for homelessness clients, with additional financial assistance to promote lifestyle change and sustainability.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

- 6.1 **Children & Young People in Halton:** the services and supports provided by the Housing Solutions Team apply to young people, families and care leavers, as well as to individuals who find themselves homeless. These can be some of the most vulnerable groups in our communities, and many rely on accessing suitable social housing to meet their needs.
- 6.2 **Employment, Learning & Skills in Halton:** there are no direct implications for Employment, Learning and Skills in Halton.
- 6.3 **A Healthy Halton:** key elements of the services for rough sleepers include the provision of an outreach nurse practitioner, and an outreach team to help entrenched rough sleepers to engage with services, move off the streets and address housing and health needs. The nurse practitioner can prescribe and can provide direct health advice and support, thereby reducing pressures on hard-pressed GP and secondary care services.
- 6.4 **A Safer Halton:** although the number of rough sleepers in Halton is small, they can be perceived as being a public nuisance, particularly when associated with begging. The services and supports funded by the grant allocations help to reduce the numbers of people sleeping rough and to manage their situations more effectively.
- 6.5 **Halton's Urban Renewal:** there are no implications for Halton's urban renewal arising from this Report.

7.0 **RISK ANALYSIS**

7.1 On an individual basis, the provision of help and support from the housing and homelessness service is addressing the needs of some of the most vulnerable people in our area.

7.2 The provision of services to support rough sleepers and potentially homeless people is a statutory requirement. Without the services and support described in this Report and funded by grant allocation, the council would be at risk of legal challenge.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 There are no equality implications arising from the contents of this Report.

Appendix 1**Proposals for allocation of the Homelessness Prevention Grant**

Funding	Service Delivery	Purpose
£64.000	2 x Housing Solutions Advisers	Increased levels of homelessness put additional pressure upon Housing Solutions Team. Additional officers to meet demand and ensure LA is fully compliant with statutory requirement
£40.000	CGL Homelessness Nurse Practitioner	Continuation of provision to deliver outreach health advice and prescribing to homelessness clients.
£55.000	Prevention Fund	Offer financial funding to prevent homelessness. E.g., rent arrears, safety certificates, deposits etc. Assist migrant Families (including those experiencing domestic abuse) who have NRPF, whilst applying for immigration status.
£18.000	No Recourse to Public Funds (NRPF) – Families	Homelessness data reporting IT system (Jigsaw) Accommodation and support referral IT system across LCR Mainstay
£25.000	Mainstay & Jigsaw	
£50.000	Bond Guarantee Service	Financial uplift for private landlords to encourage engagement and assist with accommodation provision
£30.000	Mortgage Rescue	Financial assistance to homeowners to prevent homelessness
£30.000	GIFT Initiative	Furniture package for homelessness clients to assist when undertaking new tenancy.
£32,000	Support Officer Columba	Officer based at Columba to provide additional support for clients placed there during COVID.
£828.00	Staff Training	Additional training for staff to ensure they are compliant with Homelessness legal requirements

Appendix 2**Proposals for the allocation of the Rough Sleepers Initiative Grant**

Funding	Delivery	Purpose
£17.000	Changing Lives Sit up service	Provide 3 crisis spaces for rough sleepers for upto 3 nights.
£64.000	Whitechapel 1 x Intensive Support Officer 1 x Move On Officer	Outreach support provision for rough sleepers.
£15.000	Prevention Fund	Financial assistance for rough sleepers. E.g. enhanced deposits, rent in advance etc.
£10.000	No Recourse to Public Funds	Assist migrants who have NRPF, whilst applying for immigration status.
£32.000	Outreach support	Provide intensive support to rough sleepers placed at Lacy St/Market Street accommodation.
£20.000	Co-ordinator (joint service covering Halton & Knowsley	Coordinator role to work alongside team. Strategic approach, identify trends, demands, gaps in services.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted