

**FINANCIAL MONITORING REPORT - PERIOD 3 2022/23**

**SECTION 1: SUMMARY**

**Revenue Budget**

- 1.1 This is the third Financial Monitoring Report of 2022/23, covering the period from April 2022 to December 2022. The report has been prepared excluding the financial implications of any other reports presented on the same agenda. There will be a final outturn report covering the full-year financial performance for 2022/23.
- 1.2 Based on current forecasting there is a forecast service overspend of £10.203m against the current net revenue budget of £166.092m.
- 1.3 This position includes the impact of the Local Government Pay Award, which was higher than budgeted. The approved 2022/23 budget allowed for pay inflation to be in the region of 3%. As reported previously, this assumption was not unrealistic when considered against the Government's inflation forecasts, as included in the Autumn Budget and Spending Review 2021. The Local Government Finance Settlement itself used a 3.1% uplift for those elements that were subject to inflationary adjustments. However, in November 2022, agreement was reached on a £1,925 increase on all pay points, which equated to an average increase of approximately 7.71%.
- 1.4 Corporate variances will offset the forecast overspend by £4.952m, resulting in a net budget overspend variation of £5.251m.
- 1.5 These corporate variances are generally one-off in nature for 2022/23. Without them, the overall forecast position would be significantly worse, and would have resulted in a lower forecast level of General Fund balances.
- 1.6 In aggregate, service expenditure shows a favourable movement of £0.592m since the previous report, which was considered by Cabinet on 9 November 2022.
- 1.7 There are adverse forecast movements in the following portfolios since the last report:
- (i) Children and Young People (+£1.370m)
  - (ii) Regeneration and Planning (+£0.334m)
  - (iii) Safer, Stronger Communities (+£0.025m)

Other portfolios are showing a forecast favourable movement since the previous report.

- 1.8 For comparative purposes, these movements exclude the impact of the Pay Award. At Period 2, portfolio variances were reported exclusive of estimated Pay Award costs of £3.45m. As noted above, service expenditure forecasts now incorporate actual Pay Award costs incurred. These have been included on a separate line within each portfolio summary at Section 2, to aid comparison with Period 2 figures.
- 1.9 The previous report included detail around the Health and Social Care Levy (Repeal) Bill, which reversed the 1.25% increase in National Insurance contributions for 2022/23, effective from November. Savings resulting from this have been incorporated into the projections within this report.

- 1.10 The Financial Monitoring Report approved by Cabinet on 9 November 2022 described the extraordinary inflationary risks the Council faces in 2022/23 and future years. On 5 October 2022, Cabinet approved an Interim Budget Report forecasting these inflationary implications for 2022/23, including a sensitivity analysis. The report identified inflationary pressures of £7.5m based on a series of revised assumptions, with a risk that the upper exposure could be circa £12m.
- 1.11 The most significant non-pay inflationary pressure relates to the spiralling cost of energy. At Period 2, it was noted that the Council was eligible for the Government's Energy Bill Relief Scheme. Further detail about the specific mechanics of the scheme has since been released. The Government will provide discounts on the unit price of gas and electricity, reducing the wholesale portion of the unit price to a Government-supported baseline price. The scheme covers the six months from October 2022 to March 2023. It is estimated that the scheme will temporarily alleviate the running costs of Council buildings by some £780k (excluding schools). Further support has been announced for 2023/24, though the absolute detail remains unclear. Uncertainty surrounding the future cost of energy presents a serious risk to the Council.
- 1.12 The Medium Term Financial Strategy 2023-2026 and Revenue & Capital Budget 2023/24 is presented on the same agenda as this report and provides an update on the estimated funding gap and quantum of savings required to deliver a balanced budget in future years.
- 1.13 Since the last Financial Monitoring Report, a number of constitutional changes have been enacted, which include amendments to the Council's portfolio structure. To facilitate comparison with the previous period, these amendments have not been reflected in this report.

### **Savings Programme**

- 1.14 The 2022/23 budget was approved by Council on 2 March 2022, with Members agreeing the delivery of £6.044m savings during the year. In addition to the delivery of the 2022/23 savings, there was also a delay in the implementation of a number of 2021/22 savings.
- 1.15 It is currently forecast that £3.842m of savings are either not achievable or there is a delay in full implementation. Temporary mitigating actions of £1.413m have been identified for 2022/23. However, at this stage, £2.429m of approved savings (2022/23 and 2021/22) have no identified mitigations. £2.144m of these relate to the reduction of placement costs for children looked after within Children's Services, with further reductions of £2.090m previously having been approved for 2023/24. The Medium Term Financial Strategy 2023-2026 and Revenue & Capital Budget 2023/24 elsewhere on the agenda contains proposals in relation to this position.
- 1.16 Section 3 provides a summary of progress towards delivery of approved savings, and portfolio commentaries provide additional information.

### **Financial Outlook**

- 1.17 The financial environment within which the Council operates presents severe challenges that will continue for the foreseeable future. The threat from inflation is immense. Other serious financial risks to the Council include pressures from demand-led expenditure budgets, particularly within social care, and the potential for volatility within income budgets. Given the magnitude of these pressures, it has previously been reported that some use of reserves will be necessary during 2022/23.

- 1.18 Additionally, with a lack of clarity about how and when the mechanism of local-government funding will change, and how the Levelling Up agenda will translate into policy both nationally and locally, the financial outlook remains challenging and uncertain.

### **Capital Budget**

- 1.19 The capital programme covers a three-year period through to 2024/25. The capital budget has been updated, and key revisions this quarter relate to the rephrasing of schemes to reflect latest forecast activity and the addition of new schemes from the capital pipeline, including feasibility works for Parr Locality Hub and the demolition of the closed Parr Swimming and Fitness Centre. Further details are included in Annex F alongside commentary on progress on delivery of the most significant capital schemes.
- 1.20 The current economic climate is presenting challenges to delivery of the capital programme, including some increased costs and delays. This has been reflected in the latest programme, most notably where schemes have been rephased to 2023/24 to reflect long lead-in time and contractor availability.

### **Reserves and Balances**

- 1.21 The report provides an update on the Council's reserves and balances position. On approval of the Medium Term Financial Strategy 2022-25, Members agreed to rebuild reserves over the short to medium term, to afford the Council resilience to changes in funding, inflationary pressures and unexpected events. The Council's reserves are not set at excessive levels, and it is important to protect reserves to ensure financial sustainability and support the Council's ambitious strategic priorities.
- 1.22 However, given the challenging financial environment and the scale of the inflationary pressures the Council is experiencing, as discussed at 1.17, it has previously been reported that use of reserves will be necessary this year. An overspend position at year-end would result in a reduction in general balances, as demonstrated in Table 5 in Section 5.1.
- 1.23 Based on the forecast outturn position reported in Table 1, the level of General Fund balances at March 2023 is forecast to be £7.885m. While this is an increase of £2.445m from the previous report, it is still below the £12m level identified as part of the approved Reserves Strategy. The Medium Term Financial Strategy 2023-2026 and Revenue & Capital Budget 2023/24 elsewhere on the agenda contains provides further commentary and proposals in relation to this position.
- 1.24 Section 5.2 provides a summary of earmarked reserves until March 2023, whilst Annex E provides details on the forecast level of earmarked reserves to March 2025.

## **SECTION 2: REVENUE BUDGET**

- 2.1 The budget and forecast outturn position for 2022/23 are summarised in Table 1. At the end of period 3, there are forecast portfolio budget pressures of £10.203m.
- 2.2 The figures detailed in Table 1 include the impact of the Local Government Pay Award for 2022/23 and the implications of the Government's decision to reverse the 1.25% increase in National Insurance contributions for 2022/23 from 6 November 2022.
- 2.3 There are forecast underspends within the corporate budgets of £4.952m. In particular, the underspend against Treasury Management has increased to £3.712m. This is because:
  - The increased Bank Rate and available market returns have increased forecast investment interest by £250k
  - Forecast debt management costs have reduced by £363k to reflect the profile of future capital expenditure funded by borrowing, as well as decisions around the continued deferral of additional borrowing, given current PWLB rates
- 2.4 Overall, the portfolio budget movement is favourable (£0.592m) since the last report was approved by Cabinet on 9 November 2022, though net portfolio expenditure exceeds the current budget by £10.203m.
- 2.5 Section 3 of this report details progress towards the delivery of 2022/23 portfolio savings and savings from 2021/22 which were not implemented in full during that year.

<b>Table 1 – Revenue Budget 2022/23</b>	<b>Current Budget (a) £000</b>	<b>Forecast Outturn at Q3 (b) £000</b>	<b>Variance at Q3 + / - (b)-(a) £000</b>	<b>Variance at Q3 exc. Pay Award +/- £000</b>	<b>Variance at Q2 exc. Pay Award + / - £000</b>	<b>Section Ref.</b>
Inclusive Economy, Business and Skills	13,366	13,035	(331)	(454)	(304)	2.7
Children and Young People	47,788	54,280	+6,492	+5,981	+4,611	2.8
Integrated Care	56,760	58,529	+1,769	+986	+1,552	2.9
Wellbeing, Culture and Heritage	5,046	4,602	(444)	(565)	(365)	2.10
Finance and Governance	5,639	5,176	(463)	(711)	(265)	2.11
Transformation	1,464	1,133	(331)	(504)	(53)	2.12
Environment and Transport	21,192	23,379	+2,187	+1,190	+1,419	2.13
Regeneration and Planning	5,844	7,169	+1,325	+1,206	+872	2.14
Safer, Stronger Communities	8,993	8,992	(1)	(97)	(122)	2.15
<b>Pay Award</b>	0	0	0	+3,171	+3,450	
<b>Net Portfolio Budgets</b>	<b>166,092</b>	<b>176,295</b>	<b>+10,203</b>	<b>+10,795</b>		
Levies & Precepts	22,718	22,718	0	0		
Treasury Management	11,584	7,872	(3,712)	(3,099)		2.16
Restructuring Costs	1,002	568	(434)	0		
Transfers to / (from) Earmarked Reserves - General	(2,529)	(2,529)	0	0		
Transfers to / (from) Earmarked Reserves - Covid	(11,317)	(11,317)	0	0		
Capital Charges	(15,867)	(15,867)	0	0		
<b>Net Corporate Items</b>	<b>5,591</b>	<b>1,445</b>	<b>(4,146)</b>	<b>(3,099)</b>		
Council Tax / Retained Business Rates	(134,411)	(134,411)	0	0		
Collection Fund Deficit	8,682	8,682	0	0		
Top Up	(21,070)	(21,070)	0	0		
Business Rates Retention System Levy Account	0	(388)	(388)	0		2.16
Section 31 Grant	(12,516)	(12,516)	0	0		
2022/23 Services Grant	(3,186)	(3,186)	0	0		
Covid Additional Relief Fund (CARF) Grant	(3,189)	(3,189)	0	0		
Other Funding	(5,706)	(6,124)	(418)	0		2.16
<b>Funding</b>	<b>(171,396)</b>	<b>(172,202)</b>	<b>(806)</b>	<b>0</b>		
<b>NET POSITION 2022/23</b>	<b>287</b>	<b>5,538</b>	<b>+5,251</b>	<b>+7,696</b>		

2.6 The previous budget approved by Cabinet on 9 November 2022 has been revised to include:

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

- (iii) The use of £1.169m of earmarked reserves in 2022/23 to smooth the impact of a shortfall in Section 31 grants received during the year. Additional Business Rates income will be received in 2023/24, which will then be used to replenish reserves. This is due to the mechanics of the Collection Fund, and has been reflected in the reserves forecasts at Section 5 and Annex E.

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

### **Portfolio Budget Position**

For 2022/23, an in-year portfolio overspend of £10.203m against the current service budgets is being projected based on the respective forecast outturn positions, as shown in Table 1. Commentary in relation to the key portfolio variations is detailed in sections 2.7 to 2.15.

#### 2.7 Inclusive Economy, Business and Skills

<b>Inclusive Economy, Business and Skills</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q3 2022/23 £000 (e) =(d)-(c)</b>	<b>Variance Q2 2022/23 £000</b>
<b>Children &amp; Young People Department</b>						
<b>Schools - Devolved Budget</b>						
Schools Dedicated Budget	115,500	(115,500)	0	0	0	0
<b>Schools Total</b>	<b>115,500</b>	<b>(115,500)</b>				
<b>Non Schools</b>						
Other Expenditure Attributable to Schools	8,261	(2,901)	5,360	5,280	(80)	(50)
Early Years Development (incl. PVI's)	8,123	(7,813)	310	298	(12)	(12)
SEND Support for Children	8,799	(7,055)	1,744	1,621	(123)	(127)
Behaviour Support Services	3,659	(3,607)	52	52	0	0
Home to School/College Transport	3,496	(85)	3,411	3,366	(45)	+26
Youth Service	150	(30)	120	120	0	0
Management & Other Support Services	3,860	(2,177)	1,683	1,534	(149)	(125)
<b>Subtotal excl. Pay Award</b>	<b>36,348</b>	<b>(23,668)</b>	<b>12,680</b>	<b>12,271</b>	<b>(409)</b>	<b>(288)</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>120</b>	<b>+120</b>	<b>0</b>
<b>Non Schools Total</b>	<b>36,348</b>	<b>(23,668)</b>	<b>12,680</b>	<b>12,391</b>	<b>(289)</b>	<b>(288)</b>
<b>Total Children &amp; Young People Department</b>	<b>151,848</b>	<b>(139,168)</b>	<b>12,680</b>	<b>12,391</b>	<b>(289)</b>	<b>(288)</b>
<b>Place Services Directorate</b>						
Employment and Skills Initiatives	1,003	(461)	542	497	(45)	(16)
Place and Economic Delivery	144	0	144	144	0	0
<b>Subtotal excl. Pay Award</b>	<b>1,147</b>	<b>(461)</b>	<b>686</b>	<b>641</b>	<b>(45)</b>	<b>(16)</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>+3</b>	<b>0</b>
<b>Total Place Services</b>	<b>1,147</b>	<b>(461)</b>	<b>686</b>	<b>644</b>	<b>(42)</b>	<b>(16)</b>
<b>Total (excl. Schools)</b>	<b>37,4953</b>	<b>(24,129)</b>	<b>13,366</b>	<b>13,035</b>	<b>(331)</b>	<b>(304)</b>

- 2.7.1 It is forecast that there will be a number of underspends across a range of education support services (£329k), after budgeted efficiencies totalling £420k. Services include

Educational Psychology, Early Years Quality and Inclusion, School Improvement, the Special Educational Needs and Disabilities (SEND) team and the Virtual School. There is also a forecast underspend (£80k) against budget provision for historical retirement costs associated with school-based staff.

2.7.2 The Government is assessing options to reform the system of supporting children and young people with SEND, to help alleviate some of the service and financial pressures faced by many local authorities, and also to ensure that the additional investment they have made in recent years is targeted where it is most needed. To help identify options to alleviate pressures associated with the high-needs block of the ringfenced Dedicated Schools Grant, the Council is participating in the Department for Education's Delivering Better Value in SEND. This programme aims to support local authorities to improve delivery of SEND services for children and young people, while ensuring that those services remain sustainable.

2.7.3 It is currently forecast that there will be an underspend of £331k within the portfolio.

## 2.8 Children and Young People

<b>Children and Young People</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q3 2022/23 £000 (e) =(d)-(c)</b>	<b>Variance Q2 2022/23 £000</b>
Social Care and Commissioning Teams	11,730	(391)	11,339	12,618	+1,279	+1,046
Children Looked After	32,701	(4,545)	28,156	31,857	+3,701	+2,332
Child Protection	2,213	(107)	2,106	2,133	+27	+40
Children's Centres / Early Help Service	2,137	(674)	1,463	1,748	+285	+285
Support for Disabled Children	1,976	(260)	1,716	1,776	+60	+95
Family Support Services	2,913	(562)	2,351	2,974	+623	+883
Management & Other Support Services	1,868	(1,769)	99	154	+55	(20)
Youth Offending Teams	1,396	(838)	558	509	(49)	(50)
<b>Subtotal excl. Pay Award</b>	<b>56,934</b>	<b>(9,146)</b>	<b>47,788</b>	<b>53,769</b>	<b>+5,981</b>	<b>+4,611</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>511</b>	<b>+511</b>	<b>0</b>
<b>Total</b>	<b>56,934</b>	<b>(9,146)</b>	<b>47,788</b>	<b>54,280</b>	<b>+6,492</b>	<b>+4,611</b>

2.8.1 The budget position in respect of children's social care continues to be extremely challenging due to the ongoing national increased demand for services seen over the last decade. It is currently forecast that there will be an overall budget pressure of £6.492m for the portfolio in 2022/23. The 2022/23 budget contains a challenging programme of efficiencies totalling £2.739m in relation to the delivery of services associated with children looked after, early help/children's centres and family support.

2.8.2 As previously reported, the most significant aspect of the projected budget pressure is costs relating to children who are, or have been, in the care of the Council. Total expenditure associated with placement costs for these children and young people has been increasing annually and is currently forecast to be in the region of £31.060m, as detailed in the following table.

<b>Children Looked After / Leaving Care Forecast Placement Costs</b>	<b>Q2 Forecast £000</b>	<b>Q3 Forecast £000</b>
Residential Care	14,041	14,798
External Fostering	5,675	5,690
In-house/Kinship Fostering	3,879	3,832
Special Guardianship Orders	2,620	2,707
Leaving Care/Supported Lodgings	1,610	1,887
Adoption Support	670	685
Staying Put Placements	190	196
Residence Orders	72	37
Legal costs associated with above	988	1,228
<b>TOTAL</b>	<b>29,745</b>	<b>31,060</b>

2.8.3 Care placement costs associated with children looked after have increased significantly over the last ten years. The Council has a relatively high number of children in care (expressed as a rate per 10,000 of the under-18 population) when compared to other local authorities.

		<b>2012/13</b>	<b>2021/22</b>	<b>Current</b>
<b>Annual care placement expenditure</b>		£12.481m	£25.491m	£31.060m
<b>Children Looked After rate per 10,000 children aged under 18</b>	St Helens	121.0	128.0	129.2
	North West	79.0	97.0	Not available
	England	60.0	70.0	Not available

2.8.4 It should be noted that costs in relation to children looked after can be volatile and, in addition to the underlying demand for services, are impacted by the needs and demographics of service users. The complexity of support required can impact significantly on placement costs. Other factors such as placement breakdown and the current residential care market conditions also result in cost pressures.

2.8.5 The forecast level of expenditure on care placement costs for children looked after results in a projected budget pressure of £3.701m (including leaving care services). There is also a pressure on family support packages (£623k) designed to help young people remain in the



family environment and avoid the need to be brought into more expensive fostering or residential care.

- 2.8.6 The department seeks to address demand for these services in a sustainable and safe way. However, achieving significant reductions in the level of care costs is likely to be a medium- to long-term process that is dependent on being able to reduce the number of children being brought into care, reducing the number of external residential care placements and developing lower-cost alternatives such as in-house residential and foster care provision. There is a significant risk that the national economic climate could make this particularly challenging by increasing both the level of demand for services, and also the fees associated with the care of existing children looked after. The Council is seeing increased instances of the aforementioned fee increases as, notwithstanding inflationary pressures, demand and competition within the system nationally drives up costs, particularly in respect of residential care placements.
- 2.8.7 The department continues proactively to progress a number of initiatives to help mitigate this pressure. These include:
- The establishment of a project team to expand the Council's in-house residential care provision. Initial market engagement has been undertaken to explore potential operating models;
  - A week-long foster care recruitment campaign (Foster Fest) to attract new carers and celebrate the achievements of current carers;
  - Ensuring optimal use of the Council's existing in-house residential care setting (The Grove);
  - Exploring opportunities to ensure a robust process to identify and secure alternative funding for relevant packages of care;
  - Ensuring a robust panel process to review potential new entrants to care, to determine whether alternative support can be provided, to consider whether support for young people already in placements can be safely stepped down, and to review individual high-cost packages of care.
- 2.8.8 The use of agency staff and the engagement of additional short-term social work capacity has been necessary to ensure that the required workforce is in place to drive forward the necessary changes, as the Council continues its improvement journey following the Ofsted judgement. Consequently, there is an estimated budget pressure of approximately £1.279m in respect of the social care workforce.
- 2.8.9 The level of staff turnover and the difficulties in recruiting and retaining experienced and able social workers have, in recent times, had an adverse effect on the service. The associated consequences are higher caseloads and a reliance on temporary (agency) staff. The costs associated with agency staff are notably higher than directly employed staff, and result in significant budgetary pressures.
- 2.8.10 A workforce strategy has been developed to address the recruitment and retention challenges, and a number of measures have been implemented:
- A review of the salary levels of qualified social care staff has been completed which consolidates the (previously temporary) recruitment and retention allowances into the substantive pay grade, thereby making the increases permanent. The temporary nature of the allowances has been a barrier to permanent recruitment in some instances;
  - The recruitment of ten assistant social worker posts to undertake a range of non-statutory functions that are currently being performed by social workers. This will

assist in relieving workload burdens on social workers, help to reduce caseloads and allow more time to be dedicated to individual cases;

- The recruitment of social work professionals from overseas. An initial cohort of ten social workers has been recruited (subject to relocation arrangements being finalised), and it is intended that a further ten will be recruited. Although a comprehensive induction process will be necessary, it is expected that these permanent appointments will enable the department to reduce its reliance on agency staff.

## 2.9 Integrated Care

Integrated Care	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q3 2022/23 £000 (e) =(d)-(c)	Variance Q2 2022/23 £000
Physical Support - Frail & Elderly	34,257	(19,941)	14,316	14,165	(150)	(69)
Sensory Support	1,182	(224)	958	915	(43)	(64)
Support with Memory & Cognition	12,914	(4,919)	7,995	8,087	+92	+129
Learning Disability Support	32,500	(9,654)	22,846	23,530	+683	+1,186
Mental Health Support	4,378	(699)	3,679	4,179	+500	+291
Assistive Equipment & Technology	3,059	(2,303)	756	604	(152)	0
Care Management - Assessment & Review	9,899	(3,689)	6,210	6,415	+205	+106
Transport and Generic Services	1,441	(1,441)	0	0	0	0
Management & Support Services	5,210	(5,210)	0	(149)	(149)	(27)
<b>Subtotal excl. Pay Award</b>	<b>104,840</b>	<b>(48,080)</b>	<b>56,760</b>	<b>57,746</b>	<b>+986</b>	<b>+1,552</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>783</b>	<b>+783</b>	<b>0</b>
<b>Total</b>	<b>103,583</b>	<b>(46,948)</b>	<b>56,760</b>	<b>58,529</b>	<b>+1,769</b>	<b>+1,552</b>

2.9.1 At the end of third quarter of 2022/23, there is a forecast pressure on the Integrated Care portfolio of £1.769m. This includes £783k in relation to settlement of the 2022/23 Pay Award.

2.9.2 The pressure reflects estimates of ongoing demand for care support and the continued high level of hospital discharge activity. The main area of pressure is within Supported Living services for people requiring support for learning disability needs. The department continues to develop more financially efficient models of support for adults with learning disabilities and adults with mental-health issues. On 15 December 2022, a facility for supporting people with mental-health issues, Stadium View, opened. This facility provides short-term tenancies with support, which will reduce the requirement for more complex and costly specialist out-of-borough placements. Since opening, ten apartments have already been let. In addition, in April 2023, Alexander Court, a facility for adults with learning disabilities/complex needs, will open. This facility will similarly reduce the need for more costly specialist out-of-borough placements. Other schemes are in development and will assist in delivering a more cost-efficient model of support for adults with learning disabilities.

- 2.9.3 Since the withdrawal of NHS Hospital Discharge monies in September 2022, the department reintroduced charging for services at the point of discharge from hospital. This has increased charging revenue in year against hospital discharges.
- 2.9.4 The department also continues to operate three panels weekly, to ensure that all cost-efficient alternatives have been considered when meeting need. It is also introducing online self-assessment for financial assessments, to speed up charging for support. Further, it has electronic domiciliary care monitoring systems in place to ensure that the Council only pays for care that has been delivered.
- 2.9.5 The department has accelerated the assessment of double-handed domiciliary care calls, which will deliver further in-year efficiencies.
- 2.9.6 The risk regarding the cessation of health funding for hospital discharge activity from April 2022 was mitigated by a local agreement for the first half of the year and utilisation of the Better Care Fund uplift for the second half of the year. In addition, during November 2022, the Government announced details of the extra Hospital Discharge Funding (£500m national funding), which was first announced in September 2022 as part of 'Our plan for patients'. The Council has been allocated £0.802m directly, which will be pooled with health funding of £0.972m distributed from the Cheshire and Merseyside Integrated Care Board's allocation. This funding is for the period to March 2023, and is being utilised by the department to respond to winter pressures and requirements that more residents be discharged with support earlier in their recovery journey.
- 2.9.7 The Final Local Government Finance Settlement detailed funding for 2023/24, and further guidance is awaited. In addition, further funding was announced in January 2023 to support hospital discharges and was directed to health partners.
- 2.9.8 The Integrated Care Board (ICB) and Cheshire and Merseyside Partnership have been in place since 1 July 2022. It was agreed that 2022/23 is a year of stability, with no changes to core health contributions. As an integrated function, the department continues to work closely with health colleagues to ascertain any financial impact to the pooled fund and local agreements in future years. There are risks going into 2023/24 due to the uncertainty of ongoing funding and new NHS governance/decision-making requirements. St Helens' Section 75 agreement for 2023/24 will be revised to reflect the new arrangements.
- 2.9.9 The department continues to focus on fee-setting for 2023/24 and the revised national requirements around Market Sustainability. Whilst announcements have been made regarding Market Sustainability funding for 2023/24, further guidance is awaited. It is recommended that the Fair Cost of Care funding for 2022/23 be utilised to stabilise the care market, and these proposals will be brought forward as part of the governance process.
- 2.9.10 The initial tranche of funding of £98k for the implementation of the social care reforms has been received. A cross-disciplinary working group is in place within the portfolio, and support is being provided regionally and nationally to understand the potential impact on finances, resources and working practices. The Chancellor announced in the Autumn Statement 2022 that the reforms would be delayed for two years and that funding would be repurposed for other social care activity.

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

<b>Public Health Services</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q3 2022/23 £000 (e) =(d)-(c)</b>	<b>Variance Q2 2022/23 £000</b>
Sexual Health	2,037	0	2,037	1,979	(58)	(110)
Primary Care	95	0	95	49	(46)	0
Public Health Advice	611	0	611	611	0	0
Obesity	1,086	0	1,086	1,086	0	0
Physical Activity	1,545	0	1,545	1,545	0	0
Substance Misuse	2,800	0	2,800	2,800	0	+77
Stop Smoking Services and Interventions	592	0	592	592	0	0
Healthy Child Programme	4,656	0	4,656	4,614	(42)	(11)
Miscellaneous Public Health Services	1,990	(100)	1,890	1,921	+31	+46
Management & Support Services	2,099	(2,099)	0	0	0	0
Public Health Grant	0	(15,312)	(15,312)	(15,697)	(385)	(502)
<b>Total</b>	<b>17,511</b>	<b>(17,511)</b>	<b>0</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>

Note: the cost of the 2022/23 Pay Award is containable within the overall Public Health Grant allocation.

- 2.10.1 Public Health spend is expected to remain within the allocated resources for 2022/23. There are currently small projected underspends on Out-Of-Area Genito-Urinary Medicine services and Health Checks based on current and forecast activity levels.
- 2.10.2 The remaining funds for Contain Outbreak Management continue to be managed to provide an ongoing outbreak response, along with an all-hazards approach.
- 2.10.3 The portfolio has been awarded £402k from the Office for Health Improvement and Disparities (OHID) over a three-year period (2022-2025) to deliver support for people receiving community treatment for drug and alcohol dependence who are either unemployed or at risk of unemployment. For 2022/23, the funding is £115k, and the indicative funding for future years is £287k.

(ii) Culture and Heritage

Culture and Heritage	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q3 2022/23 £000 (e) =(d)-(c)	Variance Q2 2022/23 £000
<b>Children's Services Department</b>						
Adult Community Learning	637	(617)	20	20	0	0
<b>Place Services Department</b>						
Arts Development & Support	346	(43)	303	301	(2)	0
Archiving	379	(183)	196	192	(4)	(7)
Sports Development	569	(398)	171	81	(90)	(62)
Indoor Sports & Recreation	4,866	(3,424)	1,442	1,371	(71)	+56
Outdoor Sports & Recreation	482	(155)	327	340	+13	0
Library Services	2,397	(144)	2,253	2,352	+99	+148
Tourism & Events	360	(26)	334	324	(10)	0
<b>Subtotal excl. Pay Award</b>	<b>10,036</b>	<b>(4,990)</b>	<b>5,046</b>	<b>4,981</b>	<b>(65)</b>	<b>+135</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>121</b>	<b>+121</b>	<b>0</b>
<b>Total</b>	<b>10,036</b>	<b>(4,990)</b>	<b>5,046</b>	<b>5,102</b>	<b>+56</b>	<b>+135</b>

2.10.4 This area of the portfolio is currently projecting an overspend of £56k.

2.10.5 The main area of unachieved saving in the portfolio relates to the implementation of the Localities model (£640k) for both 2021/22 and 2022/23. Vacant posts are being held within Libraries and Leisure pending completion of the Libraries Strategy and the Phase 3 restructure, to partly mitigate the delay in implementation. Delivery of the Locality Hubs is phased over 1-5 years.

2.10.6 Although Indoor Sports & Recreation is forecasting a net underspend of £71k, the service is currently projecting an income shortfall of £161k across casual and school swimming income. This is being partly offset by additional membership income of £81k.

## 2.11 Finance and Governance

Finance and Governance	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q3 2022/23 £000 (e) =(d)-(c)	Variance Q2 2022/23 £000
Local Tax Collection	2,419	(847)	1,572	1,512	(60)	(10)
Emergency Planning	117	0	117	116	(1)	0
Local Welfare Assistance Schemes	192	0	192	169	(23)	0
Grants & Donations	50	(3)	47	40	(7)	0
Non-Distributed Costs	1,190	0	1,190	1,120	(70)	(60)
Finance	8,117	(8,117)	0	(462)	(462)	(223)
Audit & Risk	748	(748)	0	(28)	(28)	0
Coroners Court Services	270	0	270	270	0	0
Registration of Births, Deaths & Marriages	261	(199)	62	53	(9)	0
Democratic Representation & Management	1,721	0	1,721	1,717	(4)	0
Elections	471	(3)	468	466	(2)	0
Human Resources	2,916	(2,916)	0	(5)	(5)	+28
Legal Services	1,546	(1,546)	0	(34)	(34)	0
Governance & Administration	234	(234)	0	(6)	(6)	0
<b>Subtotal excl. Pay Award</b>	<b>20,252</b>	<b>(14,613)</b>	<b>5,639</b>	<b>4,928</b>	<b>(711)</b>	<b>(265)</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>248</b>	<b>+248</b>	<b>0</b>
<b>Total</b>	<b>20,252</b>	<b>(14,613)</b>	<b>5,639</b>	<b>5,176</b>	<b>(463)</b>	<b>(265)</b>

- 2.11.1 Based upon current vacancies within the portfolio and the costs of the in-year Pay Award, the slippage budgets for some services would not be met. However, from previous years' experience, it is expected that vacancies will arise throughout the final quarter of the year due to staff movement, and therefore that targets will be met. There are a couple of services that are currently forecasting that they will exceed their slippage target, based upon current vacancies and the forecast date for recruitment into posts, including slippage of £60k in Local Tax Collection and £462k in Finance.
- 2.11.2 The Occupational Health Service is currently forecasting a pressure of £28k, due to the cost of commissioning an external doctor to undertake referrals increasing from previous years.
- 2.11.3 There is a forecast underspend of £60k for historical pension costs. In addition, supplies and services underspends of £47k have been identified throughout the portfolio, based upon current levels of expenditure, as a result of actions taken by managers to minimise expenditure.
- 2.11.4 Savings within the portfolio are linked to the outcome of the Phase 3 restructure, which will be quantified during 2022/23. In the interim, mitigating actions have been taken to minimise spend on supplies and services through improved procurement processes and review of non-essential expenditure to meet the savings target.

## 2.12 Transformation

Transformation	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q3 2022/23 £000 (e) =(d)-(c)	Variance Q2 2022/23 £000
Corporate Management	1,464	0	1,464	1,456	(8)	0
I.T.	9,939	(9,939)	0	(252)	(252)	(40)
Press and Public Affairs	1,005	(1,005)	0	(28)	(28)	0
Policy Development	2,100	(2,100)	0	(140)	(140)	(13)
Other Services	129	(129)	0	(25)	(25)	0
Corporate Training	887	(887)	0	(51)	(51)	0
<b>Subtotal excl. Pay Award</b>	<b>15,524</b>	<b>(14,060)</b>	<b>1,464</b>	<b>960</b>	<b>(504)</b>	<b>(53)</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>173</b>	<b>+173</b>	<b>0</b>
<b>Total</b>	<b>15,524</b>	<b>(14,060)</b>	<b>1,464</b>	<b>1,133</b>	<b>(331)</b>	<b>(53)</b>

- 2.12.1 Based upon current vacancies within the portfolio and the costs of the in-year pay award, the slippage budgets for some services would not be met. However, from previous years' experience, it is expected that vacancies will arise throughout the final quarter of the year due to staff movement, and therefore that targets will be met. There are a couple of services that are currently forecasting that they will exceed their slippage targets, based upon current vacancies and the forecast date for recruitment into posts, including slippage of £140k in Policy Development, £51k in Corporate Training and £252k in IT. Supplies and services underspends of £39k have been identified throughout the portfolio, based upon current levels of expenditure, as a result of actions taken by managers to minimise expenditure.
- 2.12.2 Savings within the portfolio are linked to the outcome of the Phase 3 restructure, which will be quantified during 2022/23. In the interim, mitigating actions will be taken to minimise spend on supplies and services, through improved procurement processes and review of non-essential expenditure, to meet the savings target.

## 2.13 Environment and Transport

<b>Environment and Transport</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q3 2022/23 £000 (e)=(d)-(c)</b>	<b>Variance Q2 2022/23 £000</b>
Parks & Open Spaces	2,459	(210)	2,249	2,319	+70	+151
Street Cleansing	1,806	(171)	1,635	1,639	+4	+10
Cemetery and Crematorium	1,672	(2,514)	(842)	(657)	+185	+22
Waste Collection	3,091	(654)	2,437	2,370	(67)	(62)
Recycling	6,226	(3,015)	3,211	3,561	+350	+324
Climate Change	260	(163)	97	97	0	0
Parking Services	1,435	(1,150)	285	331	+46	+46
Highway Maintenance	11,039	(1,708)	9,331	8,534	(797)	(368)
Street Lighting	2,111	(158)	1,953	2,655	+702	+703
Traffic Management & Road Safety	859	(211)	648	683	+35	+46
Direct Services	18,282	(18,318)	(36)	664	+700	+569
Management & Support Services	1,761	(1,761)	0	(38)	(38)	(22)
Councillor Improvement Fund	224	0	224	224	0	0
<b>Subtotal excl. Pay Award</b>	<b>51,225</b>	<b>(30,033)</b>	<b>21,192</b>	<b>22,382</b>	<b>+1,190</b>	<b>+1,419</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>997</b>	<b>+997</b>	<b>0</b>
<b>Total</b>	<b>51,225</b>	<b>(30,033)</b>	<b>21,192</b>	<b>23,379</b>	<b>+2,187</b>	<b>+1,419</b>

- 2.13.1 The portfolio is projecting an overspend of £2.187m, which mainly consists of the additional cost of the employee pay award settlement (£997k), along with inflationary pressures on street lighting energy (£708k), school meal food provision (£420k) and the increased cost of vehicle fuel (£219k). Further detail on these pressures is included below.
- 2.13.2 There is a forecast underspend of £797k within Highways Maintenance, of which £464k relates to slippage on vacant posts. The service has also reported additional income of £133k on Streetworks and £200k on Section 38/278 agreements with developers.
- 2.13.3 The non-achievement of staffing savings is currently being offset by vacant posts held to mitigate the impact of the delay in the implementation of Phase 3 restructures.
- 2.13.4 Cemetery & Crematorium are forecasting a budget pressure of £200k, which is predominantly caused by a shortfall in income due to a lower number of burials and cremations taking place throughout the year when compared to 2021/2022.
- 2.13.5 The Recycling service is forecasting a budget pressure of £350k, of which £237k relates to overspend on agency staff. There is also an £83k net shortfall in income due to a challenging income target, which is being partly mitigated by an underspend of £109k on tipping fees.
- 2.13.6 There is currently a projected shortfall in income (£97k) for the Grounds Maintenance service, which is due to limited capacity to deliver external contract work. It is anticipated that this position may improve following the implementation of the Phase 3 restructure when recruitment is undertaken.
- 2.13.7 Street Lighting energy costs are currently forecast to overspend by £708k. Whilst the Government's Energy Bill Relief Scheme may help to mitigate some of this budget



pressure, the exact impact of the scheme is not yet known due to technical problems experienced by our energy supplier relating to their invoicing system.

- 2.13.8 There is a forecast pressure within the Transport service of £367k, of which £219k is due to the increased cost of fuel. Whilst the price per litre of diesel reduced to £1.26 in December 2022 from a peak of £1.64 in June 2022, this is still some 17% higher than budgeted costs. This forecast assumes a similar level of throughput to 2021/22 and prices remaining at the current level. In addition, there is a forecast budget pressure on external vehicle hire of £67k based on the current number of replacement vehicles that are subject to external hire contracts. There is also a forecast overspend on repairs and maintenance of £125k, caused by a combination of increasing prices and high-value repairs being required.
- 2.13.9 Within the School Meals service, there is a forecast pressure of £452k (excluding the impact of the Pay Award), of which £420k is due to the increasing cost of food throughout the year. The service is frequently encountering significant price increases from suppliers upon contract renewal, though there are a number of contracts that currently remain protected whilst still in fixed-price arrangements. All price lists and menu sizes are currently being reviewed, with some high-cost items being restricted. Service provision is bound by standards, and reduction in quality or origin cannot be considered.
- 2.13.10 Volatility in the market caused by inflation and the conflict in Ukraine is expected to continue impacting on service budgets, particularly in relation to the cost of food and energy. The impact of these factors will continue to be updated and reported in future Financial Monitoring Reports.

#### 2.14 Regeneration and Planning

Regeneration and Planning	Current Expend. Budget 2022/23 £000 (a)	Current Income Budget 2022/23 £000 (b)	Current Net Budget 2022/23 £000 (c)=(a)+(b)	Forecast Outturn 2022/23 £000 (d)	Variance Q3 2022/23 £000 (e)=(d)-(c)	Variance Q2 2022/23 £000
Building Control	700	(359)	341	394	+53	+4
Development Control	1,493	(954)	539	604	+65	+58
Planning Policy	819	(175)	644	537	(107)	(79)
Estates - Industrial & Commercial Premises (including Town Centre)	8,154	(5,912)	2,242	2,781	+539	+196
Market Undertakings	829	(357)	472	662	+190	+158
Economic Development	422	(140)	282	369	+87	+87
Growth Delivering Prosperity	1,592	(711)	881	871	(10)	0
Management & Support Services	1,399	(1,399)	0	(58)	(58)	0
Transport Planning, Policy & Strategy	1,734	(1,291)	443	330	(113)	(75)
Building Support Services	6,434	(6,434)	0	474	+474	+536
Estates Management	558	(558)	0	86	+86	(13)
<b>Subtotal exc. Pay Award</b>	<b>24,134</b>	<b>(18,290)</b>	<b>5,844</b>	<b>7,050</b>	<b>+1,206</b>	<b>+872</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>119</b>	<b>+119</b>	<b>0</b>
<b>Total</b>	<b>24,134</b>	<b>(18,290)</b>	<b>5,844</b>	<b>7,169</b>	<b>+1,325</b>	<b>+872</b>

- 2.14.1 The portfolio is projecting an overspend of £1.325m, which mainly consists of the additional cost of the employee pay award settlement (£119k), inflationary pressures on energy

(£868k) and additional costs arising at the Hardshaw Centre (£313k). Further detail on these pressures is included below.

- 2.14.2 The non-achievement of staffing savings is being offset by vacant posts held to mitigate the impact of the delay in the implementation of the Phase 3 restructure.
- 2.14.3 The Estates service is currently forecasting a budget pressure of £539k, which includes reduced rental and service charge income from Church Square Shopping Centre of £97k. The Hardshaw Centre service charge has increased by £176k due to inflationary increases on energy, staffing and supplies & services, and the Council is also paying an additional £137k of the service charge as landlord, due to units becoming void as the centre is emptied.
- 2.14.4 There are also void Business Rates costs of £43k forecast across other industrial and commercial premises, along with an anticipated shortfall in income of £90k.
- 2.14.5 Energy costs within the portfolio are forecast to overspend by £868k, though a projected underspend on water charges (£65k) is partly offsetting this and other pressures. This forecast includes the impact of the Government's Energy Bill Relief Scheme (estimated at £780k for 22/23), which has helped mitigate further price rises experienced from October 2022. Measures to bring about reductions in energy usage, including review and rationalisation of the Council's operational buildings, are key to minimising these pressures.

## 2.15 Safer, Stronger Communities

<b>Safer, Stronger Communities</b>	<b>Current Expend. Budget 2022/23 £000 (a)</b>	<b>Current Income Budget 2022/23 £000 (b)</b>	<b>Current Net Budget 2022/23 £000 (c)=(a)+(b)</b>	<b>Forecast Outturn 2022/23 £000 (d)</b>	<b>Variance Q3 2022/23 £000 (e) =(d)-(c)</b>	<b>Variance Q2 2022/23 £000</b>
Housing Services	3,034	(2,564)	470	489	+19	+63
Homelessness	1,177	(904)	273	273	0	(65)
Housing Benefit Administration	49,690	(49,532)	158	158	0	0
Supporting People	5,075	0	5,075	4,917	(158)	(124)
Community Safety	2,197	(830)	1,367	1,366	(1)	(1)
Environmental Health	1,649	(536)	1,113	1,243	+130	+82
Trading Standards	615	(40)	575	498	(77)	(77)
Licensing & Land Charges	626	(664)	(38)	(48)	(10)	0
<b>Subtotal exc. Pay Award</b>	<b>64,063</b>	<b>(55,070)</b>	<b>8,993</b>	<b>8,896</b>	<b>(97)</b>	<b>(122)</b>
<b>Pay Award</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>96</b>	<b>+96</b>	<b>0</b>
<b>Total</b>	<b>64,063</b>	<b>(55,070)</b>	<b>8,993</b>	<b>8,992</b>	<b>(1)</b>	<b>(122)</b>

- 2.15.1 The portfolio is currently projecting an underspend of £1k.
- 2.15.2 The non-achievement of staffing savings is currently being offset by vacant posts held to mitigate the impact of the implementation of the Phase 3 restructure.
- 2.15.3 The budget saving against the Supporting People programme (£245k) has been achieved as a result of the awarding of two-year contracts to providers for the period 2021-2023. In addition, based on current forecast activity levels, there is a projected budget underspend of £158k.
- 2.15.4 There is a forecast income shortfall within the Environmental Health service of £135k, which is predominantly in relation to the failure to meet income targets in the Environmental

Warden service (£120k). This is being partly offset by employee slippage within the service (29k), with a further pressure of £24k across supplies and services.

## **2.16 Corporate Items**

- 2.16.1 The forecast Minimum Revenue Provision charge for 2022/23 has reduced by £304k as a consequence of rephasing of schemes within the capital programme in future years, as reported in the Revenue and Capital Outturn Report considered by Cabinet on 22 June 2022.
- 2.16.2 Debt management costs have been reduced (£908k) to reflect the profile of future capital expenditure funded by borrowing and decisions around the continued deferral of additional borrowing, given current PWLB rates.
- 2.16.3 Investment interest has increased by £2,500k as a result of the increased Bank Rate and available market returns.
- 2.16.4 As part of the Mid-Mersey Business Rates pooling arrangement with Warrington and Halton Councils, St Helens is due a sum of £175k in relation to previous financial years, this being a proportionate share of the levy savings that would otherwise have been payable in relation to Warrington's Business Rates growth.
- 2.16.5 The Council will receive additional discount above budget of £243k from the prepayment of pension contributions for 2022/23 that was approved as part of setting the budget for 2021/22.
- 2.16.6 On 8 February 2023, the Department for Levelling Up, Housing and Communities confirmed the distribution to local authorities of a surplus on the Business Rates Retention System Levy Account for 2022/23. The allocation for St Helens is £388k, which has been factored into the forecast outturn position (see Table 1).

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

- 3.1 In setting the 2022/23 budget, Council approved the delivery of £6.044m of savings during the year. Table 2 details progress on the delivery of these savings.
- 3.2 In addition to the delivery of 2022/23 savings, there was also a delay in the implementation of a number of 2021/22 savings. Table 3 provides a summary of the anticipated impact of these on the 2022/23 budget position.
- 3.3 At the end of December, as summarised in Tables 2 and 3, £3.842m of savings (red and amber) are forecast to either be not achievable or there is a delay in full implementation. Temporary mitigating actions totalling £1.413m have been identified for 2022/23. However, at this stage, £2.429m of approved savings have no identified mitigations. £2.144m of these relate to the reduction of placement costs for children looked after within Children's Services, with further reductions of £2.090m previously having been approved for 2023/24. As noted at 1.15 above, the Medium Term Financial Strategy 2023-2026 and Revenue & Capital Budget 2023/24 report elsewhere on the agenda contains proposals in relation to this position.

### Budget Savings 2022/23

Table 2 - Budget Savings 2022/23	Total Saving 2022/23 £000	Saving on track to be delivered £000 (a)	Slippage on delivery in year £000 (b)	Saving Unachievable £000 (c)	Mitigation 2022/23 £000 (d)
Children's Services	3,159	973	626	1,560	341
Integrated Care	733	733	-	-	-
Public Health	752	689	63	-	63
Place Services	1,191	812	379	-	379
Corporate Services	209	107	102	-	102
<b>Total</b>	<b>6,044</b>	<b>3,314</b>	<b>1,170</b>	<b>1,560</b>	<b>885</b>
%	100%	54.83%	19.36%	25.81%	-
Total Forecast Financial Saving 2022/23 (a)+(d)	4,199				
Total Saving not deliverable (b)+(c)-(d)	1,845				

### Budget Savings 2021/22

Table 3 - Budget Savings 2021/22 impact on 2022/23 budget	Total Saving 2021/22 £000	Saving on track to be delivered £000 (a)	Slippage on delivery in year £000 (b)	Saving Unachievable £000 (c)	Mitigation 2022/23 £000 (d)
Children's Services	799	215	-	584	-
Integrated Care	917	717	200	-	200
Public Health	389	389	-	-	-
Place Services	1,420	1,092	328	-	328
<b>Total</b>	<b>3,525</b>	<b>2,413</b>	<b>528</b>	<b>584</b>	<b>528</b>
%	100%	68.45%	14.98%	16.57%	-
Total Forecast Financial Saving 2022/23 (a)+(d)	2,941				
Total Saving not deliverable (b)+(c)-(d)	584				

- 3.4 It was forecast at Period 2 that savings of £200k within Integrated Care were forecast to be unachievable. These savings will now be delivered in full from 2023/24, while temporary mitigations have been identified for 2022/23.
- 3.5 Within Public Health, it was noted at Period 2 that one saving of £0.063m was forecast as being unachievable. This saving will now be achieved in full from April 2023, while the balance of Public Health Grant carried forward will be utilised to mitigate the saving in 2022/23.
- 3.6 Previously agreed savings will be achieved within Children's Services through the review of Early Help and Family Support services. However, these reviews are unlikely to be completed in the current financial year, delaying the delivery of £600k of savings. Mitigations of £315k have been identified for 2022/23.
- 3.7 Within Place Services, there has been a delay in the delivery of some savings, particularly in relation to the delivery of a Localities model within Leisure and Libraries. A report on the Parr Localities Hub seeking approval to progress to RIBA Stage 2 was approved by

Cabinet on 30 November 2022. In the interim, these and other delayed savings are being mitigated by employee slippage.

- 3.8 There is a delay in the delivery of savings within Corporate Services linked to the outcome of Phase 3 restructures. Management have identified appropriate mitigating actions to manage these savings targets during 2022/23.
- 3.9 Annex C details the deliverability of savings for 2022/23 by type of saving proposal.

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

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

### 4.2 Rephasing of Schemes

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

- (i) Uncommitted school grants have been rephased into 2023/24 (£825k)
- (ii) Parkside Link Road (£10.6m to 2023/24) has been rephased to reflect current progress
- (iii) St Helens Southern Gateway (£2.7m to 2023/24) has been rephased to reflect slippage to the first quarter of next year due to matters relating to procurement
- (iv) Climate Change Emergency Response Fund (£650k) has been rephased as the grant scheme will commence into 2023/24
- (v) Fleet replacement Programme (£462k into 2023/24) has been rephased due to extended delivery timescales for some vehicles
- (vi) The St Helens Town Centre Masterplan (£1.2m to 2023/24) has been rephased to reflect expected completion dates on compensation/relocation agreements relating to the Hardshaw Centre
- (vii) The Housing Capital programme has been rephased (£1.3m into 2023/24) due to contractor delays across multiple properties

4.3 Additions to the programme include:

- (i) Additional funding of £628k for energy efficiency schemes at relevant schools as part of the devolved formula capital grant
- (ii) Additional investment in the Parkside Joint Venture, through loans of £885k in 2022/23 and an equity investment totalling £17.5m over 2022/23 & 2023/24 as detailed in the Council report of 18 January 2023

4.4 The programme also reflects the addition of £12.4m of capital expenditure on five Town Deal projects. There are a further three Town Deal projects subject to Council or external match funding. Business cases for these will be presented to Cabinet for consideration before the schemes are added to the capital programme. Further detail is included in Section 6 of this report.

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

(i) CCTV

An initial investment of £75k to replace 15 cameras has been added to the 2022/23 capital programme, of which £25k is funded by a contribution from Merseyside Police. A further report will be brought to Cabinet to consider the wider upgrade of the system and control room.

(ii) Parr Locality Hub

Cabinet approved the allocation of £625k to commission a Parr Locality Hub and Rugby League Training Centre Outline Business Case to refine design plans and inform future investment in a multipurpose centre that provides a range of high quality and cost-effective services to the local community, as detailed in the Cabinet report of 30 November 2022. This has been added to the 2023/24 programme.

(iii) Parr Swimming and Fitness Centre

Cabinet also approved the addition of £1.032m to the 2023/24 programme to demolish Parr Swimming and Fitness Centre as it is deemed to be beyond economic repair, as detailed in the Cabinet report of 30 November 2022.

(iv) Gamble Building

Cabinet approved the addition of £533k to the capital programme, split over 2022/23 and 2023/24 to progress with Phase 4 of the Gamble Building property improvement programme, as detailed in the Cabinet Report of 11 January 2023.

(v) Earlestown Town Centre Regeneration

The Council has recently been successful in a bid for £20m of Levelling Up Funds towards the regeneration of Earlestown Town Centre. In order to support with this scheme, £375k has been added to the capital programme in order to progress design works on the Town Hall, Market Square and Public Realm. A future report will be brought to Cabinet to accept the grant award and approve further commitment to deliver the regeneration programme.

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

<b>Table 4 - Capital Programme 2022/23 to 2024/25</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
Inclusive Economy, Business and Skills	11,639	12,486	1,300
Children and Young People	19	0	0
Integrated Care	41	25	0
Wellbeing, Culture and Heritage	24	2,118	0
Finance & Governance	210	640	0
Transformation	0	1,292	0
Environment and Transport	32,997	51,807	6,900
Regeneration and Planning	7,805	29,572	1,358
Safer, Stronger Communities	3,862	5,750	3,598
<b>Total</b>	<b>56,597</b>	<b>103,690</b>	<b>13,156</b>
<b>FINANCED BY</b>			
Grants and Other Contributions	39,411	61,085	11,898
Capital Receipts	2,551	638	168
Revenue Contribution	1,115	1,411	88
Borrowing	13,520	40,556	1,002
<b>Total</b>	<b>56,597</b>	<b>103,690</b>	<b>13,156</b>



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

### **5.1 General Balances**

The general balances position at 31 March 2023 is forecast to be as follows, having regard to the net current forecast outturn position as detailed in Table 1.

<b>Table 5 – General Balances</b>	<b>Original Estimate £000</b>	<b>Forecast Outturn £000</b>
General Balances at 1 April 2022	12,000	13,423
Net Position 2022/23	-	(5,538)
<b>General Balances at 31 March 2023</b>	<b>12,000</b>	<b>7,885</b>

5.1.1 The Council recognises that the level of reserves it maintains must have regard to its future sustainability, priorities and the operational and financial risks it faces. The Council's Reserves Strategy is included within the Medium Term Financial Strategy 2022-2025 and Revenue and Capital Budget 2022/23 report considered by Cabinet on 23 February 2022 and approved by Council on 2 March 2022.

5.1.2 The movement in 2022/23 is due to the approved carry-forward request from 2021/22 of £287k, as detailed in the Revenue and Capital Outturn Report (approved by Cabinet on 14 July 2022) and the forecast overspend of £5,251k in 2022/23.

This forecast level of general balances is significantly less than the £12m detailed in the MTFS and further proposals will be considered as part of the Medium Term Financial Strategy 2023-2026 and Revenue and Capital Budget 2023/24 report as contained elsewhere on the agenda.

### **5.2 Earmarked Balances**

5.2.1 The forecast position in relation to earmarked balances at 31 March 2023 is provided in Tables 6 and 7.

5.2.2 Annex D details approved use of earmarked balances during the period, whilst Annex E provides details of earmarked balances to 2024/25.

<b>Table 6 – General Earmarked Balances</b>	<b>£000</b>
General Earmarked Balances at 1 April 2022	48,675
Transfer to / (from) during the year	(2,529)
<b>Forecast General Earmarked Balances at 31 March 2023</b>	<b>46,146</b>

<b>Table 7 – Covid Earmarked Balances</b>	<b>Collection Fund £000</b>	<b>Other £000</b>
Covid Earmarked Balances at 1 April 2022	8,565	9,336
Transfer to / (from) during the year	(8,076)	(3,241)
<b>Forecast Covid Earmarked Balances at 31 March 2023</b>	<b>489</b>	<b>6,095</b>

### 5.3 **Schools Balances**

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

<b>Table 8 – School Balances</b>	<b>£000</b>
School Balances at 1 April 2022	13,540*
Forecast Net Position 2022/23	(2,540)
<b>Forecast School Balances at 31 March 2023</b>	<b>11,000</b>

\*Confirmed balance at 2021/22 outturn

### 5.4 **Usable Capital Receipts**

<b>Table 9 – Usable Capital Receipts</b>	<b>£000</b>
Capital Receipts brought forward at 1 April 2022	20,817
Receipts generated in year to date from land, property and fleet sales	1,970
Receipts set aside for the Land and Property Acquisition Fund	(10,000)
Receipts set aside to resource the Transformation Programme where the use of flexibilities can be applied (Council, 2 March 2022)	(1,000)
Required to fund Capital Programme 2022/23 to 2024/25*	(3,357)
<b>Available Balance (after taking commitments into account)</b>	<b>8,430</b>

\*Excludes building demolition costs at Redbank School site as detailed in the Cabinet Report of 8 January 2019, the costs of demolition subsequently being reimbursed to the Capital Receipts Reserve upon any future disposal of the site by Redbank Schools Ltd.

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

### **6.1 Tier 2 Family Hubs Funding**

- 6.1.1 Earlier this year, the Council was notified that it is one of 75 local authorities eligible for Tier 2 Family Hubs funding, jointly overseen by the Department of Health and Social Care and the Department for Education. An application was submitted in October 2022, and confirmation has been received that the Council has been successful in securing funding. At the time of drafting this report, the Council is awaiting the details of the funding allocations for the period up to March 2025.
- 6.1.2 The Director of Public Health and the Director of Children and Young People Services will work with the national team, key stakeholders and families to develop the delivery model for St Helens, and a further report will be brought to Cabinet outlining the details. It is recommended that approval be granted for the delegation of accepting the confirmed grant funding to the Director of Public Health and Director of Children and Young People Services in consultation with the relevant portfolio members and the Executive Director of Corporate Services.

### **6.2 UK Shared Prosperity Fund (UKSPF) Grant**

- 6.2.1 The Combined Authority has approved an allocation of £942k to St Helens for 2022-2025, for delivery of the St Helens UKSPF Investment Plan in relation to the following themes:
- Green, safe and resilient communities
  - Local culture, arts and heritage
  - Town centres
- 6.2.2 It is recommended that approval be granted for delegation of accepting the confirmed grant funding to the Executive Director of Place Services in consultation with the relevant portfolio members and the Executive Director of Corporate Services.

### **6.3 St Helens Town Deal**

- 6.3.1 As part of the Department for Levelling Up, Housing and Communities (DLUHC) Town Fund programme, St Helens has developed a Town Investment Programme comprising 8 individual projects. Following submission of business cases for the projects, as approved by Cabinet on 13 July 2022 and 9 November 2022, the Government has confirmed the award of £20.75m towards the six tranche 1 schemes and the Council is awaiting confirmation of £3m for the two tranche 2 schemes, which will be received as a Section 31 grant. This is in addition to £1.25m advance funding already received for early development work, taking the total Town Deal grant award to £25m.
- 6.3.2 The total capital grant awarded to St Helens is £23.75m, including £1.25m received for advance development expenditure (early capital funding to support project initiation and design). The capital expenditure by project is set out below, which includes an additional £536k contribution from the revenue element of the grant (the remaining £714k will remain as revenue expenditure to support programme management activity).

<b>Profiled Grant Funded Capital Expenditure</b>					
<b>Project</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>Total £000</b>
<b>External/Fully Funded Schemes</b>					
Glass Futures Phase 2	41	5,590	-	-	5,631
Cannington Shaw	356	1,152	88	-	1,596
The World of Glass	540	394	-	-	934
Digital Infrastructure	-	1,250	1,250	-	2,500
Health Hub (Tranche 2)	85	1,703	-	-	1,788
<b>Subtotal</b>	<b>1,022</b>	<b>10,089</b>	<b>1,338</b>	<b>-</b>	<b>12,449</b>
<b>Schemes Subject to Council or External Match Funding</b>					
Connected Places	-	1,269	1,981	-	3,250
Town Centre Living & Regen- Infrastructure	-	1,725	5,515	-	7,240
Youth Zone (Tranche 2)	-	50	649	648	1,347
<b>Subtotal</b>	<b>-</b>	<b>3,044</b>	<b>8,145</b>	<b>648</b>	<b>11,837</b>
<b>Total</b>	<b>1,022</b>	<b>13,133</b>	<b>9,483</b>	<b>648</b>	<b>24,286</b>

6.3.3 Three of the schemes are subject to match funding requirements, from sources that are applicable to the type of approved project. Updated business cases for each project will be presented to Cabinet as appropriate to progress any Council supported funding and borrowing requirements. Connected Places will include a business case submission for Liverpool City Region funding during 2023/24. Where schemes are reliant on the approval of further Council funding, these will not be added to the capital programme until this funding is approved by Cabinet.

6.3.4 The total revenue grant of £1.25m is allocated as set out in the table below.

<b>Revenue Funding Allocation</b>	<b>£000</b>
Contribution to capital	536
Revenue project expenditure	294
Programme management	420
<b>Total</b>	<b>1,250</b>

6.3.5 For externally managed projects, the Council will enter into a grant funding agreement with lead project partners. Funding agreements will cover governance arrangements required to ensure the Council meets its ongoing responsibility for the delivery of the programme, and profile the timing of cash flows to projects.

#### 6.4 Other External Grant Funding

##### 6.4.1 Woodland Creation Accelerator Fund

Following a successful expression of interest, the Council has been awarded grant funding of £149k from the Department for Environment, Food & Rural Affairs (DEFRA) to support the creation of woodland throughout the Borough. Operational Decision ENVP002609 provides further details.

#### 6.4.2 Brownfield Land Release Fund 2

Following a successful bid, the Council has been awarded £812k from DLUHC's Brownfield Land Release Fund 2 (BLRF2) as part of the St Helens Town Centre Regeneration and Living Phase 1 scheme, to transform unused sites into high-quality new homes. Conditions of the grant state that funding must be spent over the next three years and land must be released by 31 March 2026.

#### 6.4.3 Individual Placement and Support (IPS) Funding

The Council has been awarded funding from the Department of Work and Pensions (DWP) for the delivery of Individual Placement and Support (IPS) employment support in community drug and alcohol treatment services. Funding of £115k has been awarded for 2022/23, and indicative allocations of up to £142k for 2023/24 and £144k for 2024/25 have also been awarded.

#### 6.4.4 Supplemental Substance Misuse Treatment and Recovery Grant

The Council has been awarded funding from the DHSC to improve drug and alcohol treatment services in line with the ambitions of the Government's 2021 Drug Strategy. St Helens has been allocated £642k for 2022/23, with a further £1.051m for 2023/24 and £2.029m for 2024/25.

#### 6.4.5 Multiply Grant Funding

St Helens has been awarded £142k for the 2022/23 financial year in relation to Multiply, the national programme to improve adult numeracy skills.

#### 6.4.6 Homelessness Prevention Grant – Winter Pressures Top-Up

The Council has been awarded an additional top-up allocation of £52k in relation to the Homelessness Prevention Grant, to support local authorities in helping protect vulnerable families from homelessness this winter.

#### 6.4.7 Adult Social Care Discharge Fund

In November 2022, the DHSC announced details of additional hospital discharge funding. The Council has been allocated £802k directly, which will be pooled with health funding of £972k distributed from the Cheshire and Merseyside Integrated Care Board allocation. This funding is for the period to March 2023, and is being utilised by the department to respond to winter pressures.

#### 6.4.8 Levelling-Up Fund

The Council has been awarded £20m following a successful Levelling-Up Fund bid for the regeneration of Earlestown. The scheme will support the transformation of the historic Market Square together with the public realm, bring Earlestown Town Hall back into public use, and support improvements at Earlestown Rail station. Unfortunately, a second bid for funding for The Gamble building was unsuccessful, but the Council remains committed to delivery of the scheme. Funding for initial design fees for both schemes has been built into the capital programme and further reports will be brought to Cabinet as the schemes progress.

#### 6.5 Appointment of External Auditors

- 6.5.1 The Council approved the arrangements for the appointment of external auditors via reports that were considered by Audit & Governance Committee on 8 November 2021 and Council on 19 January 2022.

- 6.5.2 The arrangements approved the acceptance of Public Sector Audit Appointments (PSAA) invitation to opt into the sector-led option for the appointment of external auditors for five financial years from 1 April 2023.
- 6.5.3 PSAA advised the Council on 17 October 2022 that Grant Thornton UK LLP was successful in winning the contract, subject to the outcome of a consultation exercise.
- 6.5.4 Following the consultation period, on 19 December 2022 PSAA confirmed the appointment for a period of 5 years from 2023/24 to 2027/28.
- 6.6 Term-Time-Only Workers
- 6.6.1 In June 2020, the Supreme Court granted The Harpur Trust permission to appeal a previous Court of Appeal decision on the method of calculating holiday pay for part-year workers. A report to Cabinet has previously been provided in relation to this case.
- 6.6.2 The appeal to the Supreme Court was heard in November 2021 and the written judgement was handed down on 20 July 2022, which will potentially have significant implications for all employers of term-time-only (TTO) workers.
- 6.6.3 Claims were 'stayed' pending the appeal. However, the Employment Tribunal has now lifted the stay and directed employers to enter into settlement negotiations and/or provide a detailed response to each claim, of which over 1,200 are now live following the Supreme Court judgement.
- 6.6.4 Arrangements have been approved via Operational Decision for handling/management of these claims to be outsourced.
- 6.6.5 Updates will be provided in future Financial Monitoring Reports or Cabinet reports.

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

- 7.1 The Council's Treasury Management Position Statement is included in Annex G.

**Budget Movements since the previous reporting period**

**Annex A**

<b>PORTFOLIO</b>	<b>Approved Budget</b>	<b>Use of Reserves in Period</b>	<b>Earmarked Reserves Rephased into Future Years</b>	<b>Earmarked Reserves Not Required</b>	<b>Technical &amp; Accounting Adjustments</b>	<b>Current Budget</b>
	<b>£000 *1</b>	<b>£000 *2</b>	<b>£000</b>	<b>£000</b>	<b>£000 *3</b>	<b>£000</b>
Inclusive Economy, Business and Skills	13,101	173	-	-	92	13,366
Children and Young People	47,827	60	-	-	(99)	47,788
Integrated Care	56,488	366	-	-	(94)	56,760
Wellbeing, Culture and Heritage	5,050	20	-	-	(24)	5,046
Finance and Governance	6,504	-	-	-	(865)	5,639
Transformation	1,464	-	(722)	(7)	729	1,464
Environment and Transport	21,600	17	(650)	-	225	21,192
Regeneration and Planning	5,228	23	-	-	593	5,844
Safer, Stronger Communities	9,064	-	-	-	(71)	8,993
<b>TOTAL DIRECTORATE BUDGETS</b>	<b>166,326</b>	<b>659</b>	<b>(1,372)</b>	<b>(7)</b>	<b>486</b>	<b>166,092</b>
Council-Wide Budgets	(166,039)	(659)	1,372	7	(486)	(165,805)
<b>Net Position 2022/23</b>	<b>287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>287</b>

\*1 Approved budget – Cabinet 9 November 2022

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

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

**Portfolio Budgets on a Priority Basis**

	<b>Current Net Budget 2022/23 £000</b>	<b>Forecast Outturn 2022/23 £000</b>	<b>Variance 2022/23 £000</b>
Priority 1 – Ensure children and young people have a positive start in life	60,468	66,671	+6,203
Priority 2 – Promote good health, independence, and care across our communities	56,760	58,029	+1,269
Priority 3 – Create safe and strong communities and neighbourhoods for all	8,993	8,992	(1)
Priority 4 – Support a strong, thriving, inclusive and well-connected local economy	6,835	7,574	+739
Priority 5 – Create green vibrant places that reflect our heritage and culture	26,551	28,562	+2,011
Priority 6 – Be a responsible Council	6,485	6,467	(18)
<b>Total</b>	<b>166,092</b>	<b>176,295</b>	<b>+10,203</b>



## Annex C

Nature of Saving Proposal 2022/23	Total 2022-23 £000	Green £000	Amber £000	Red £000
<b>Integrated Care Service Reviews</b>				
- Learning Disability Service Reviews	417	417	-	-
- Commissioned Services	191	191	-	-
- Care Packages	125	125	-	-
<b>Total Integrated Care</b>	<b>733</b>	<b>733</b>	<b>-</b>	<b>-</b>
<b>Children's Social Care Service Reviews</b>				
- Residential and Foster Care Placement /Young People Leaving Care	1,560	-	-	1,560
- Children's Centres and Early Help Services	700	100	600	-
- Family Support Services	479	479	-	-
<b>Total Children's Social Care</b>	<b>2,739</b>	<b>579</b>	<b>600</b>	<b>1,560</b>
<b>Children's Services Service Reviews</b>				
- Education Services	145	119	26	-
- Young People's Services	150	150	-	-
- Department Wide	125	125	-	-
<b>Total Children's Services</b>	<b>420</b>	<b>394</b>	<b>26</b>	<b>-</b>
<b>Public Health Service Reviews</b>				
- Review of Public Health Funded Programmes	752	689	63	-
<b>Total Public Health</b>	<b>752</b>	<b>689</b>	<b>63</b>	<b>-</b>
<b>Place Service Reviews</b>				
- Councillor Improvement Fund	75	75	-	-
- Department Wide Service Reviews	771	442	329	-
- Supporting People	245	245	-	-
- Other	100	50	50	-
<b>Total Place Services</b>	<b>1,191</b>	<b>812</b>	<b>379</b>	<b>-</b>
<b>Corporate Service Reviews</b>				
- Department Wide	209	107	102	-
<b>Total Corporate Services</b>	<b>209</b>	<b>107</b>	<b>102</b>	<b>-</b>
<b>TOTAL</b>	<b>6,044</b>	<b>3,314</b>	<b>1,170</b>	<b>1,560</b>

**Utilisation of Earmarked Reserves during the period**

**Annex D**

This table details use of reserves approved in the period (a); previously approved usage of earmarked reserves rephased into 2023/24 (b); and previously approved use of earmarked reserves that have now been identified as not being required and returned to reserves (c).

Portfolio / Corporate Items	Reserve	Detail	Decision Reference	Cash Limit Change 2022/23 £000
Regeneration and Planning (a)	Transformation	To fund feasibility costs in connection with the development of proposals for the redevelopment of Earlestown Rail Station for the Levelling Up Fund Round 2 bid.	Operational Decision ENVP002622	+23
Inclusive Economy, Business and Skills (a)	Growth	To allocate match funding to St Helens Chamber to deliver the ERDF-funded Business Growth Programme.	Delegated Executive Decision 0108	+173
Environment and Transport (a)	Waste Management Development Fund	To extend the technical advisor support the Council is receiving pertaining to the recycle contract.	Operational Decision ENVP002690	+17
Integrated Care (a)	Funding Reform & Volatility	To release Omicron funding earmarked at 2021/22 outturn.	Technical Adjustment	+241
Wellbeing, Culture and Heritage (a)	Transformation	To fund support to undertake an options appraisal with regards to future leisure provision within the Borough.	Operational Decision ENVP002743	+20
Integrated Care (a)	Funding Reform & Volatility	To release ICB funding earmarked at 2021/22 outturn.	Technical Adjustment	+125
Children and Young People (a)	Transformation	To fund external consultancy support to progress the Children's Services residential programme.	Operational Decision PEOP002170	+60

Transformation (b)	Transformation	Corporate website/Contact Centre	Delegated Executive Decision 0123	(29)
Environment and Transport (b)	Transformation	Flood Mitigation Measures - Rainford Brook	Operational Decision ENVP001608	(30)
Environment and Transport (b)	Transformation	Installation of 3 Controlled Puffin Crossings	Operational Decision ENVP0001621	(15)
Transformation (b)	Transformation	IT Refresh	Cabinet 18 September 2019	(600)
Transformation (b)	Transformation	Programme Management	Cabinet 24 February 2021	(3)
Environment and Transport (b)	Waste Management Development Fund	Recycling and Waste Review	Cabinet 24 October 2019	(605)
Transformation (b)	Funding Reform & Volatility	Cyber Security	Cabinet 22 June 2022	(90)
Transformation (c)	Transformation	St Helens Sustainable Growth Commission	Operational Decision CORP000534	(6)
Transformation (c)	Transformation	Outlook Mail Implementation & Migration	Cabinet 18 September 2019	(1)
<b>Total</b>				<b>(720)</b>

## EARMARKED BALANCES 2022/23 to 2024/25

Reserve	Balance at 1 April 2022 £000	Balance at 31 March 2023 £000	Balance at 31 March 2024 £000 <sup>4</sup>	Balance at 31 March 2025 £000
Transformation Reserve <sup>1</sup>	8,056	5,712	5,252	5,702
Growth Reserve	5,930	5,190	5,379	5,435
Councillor Improvement Fund	576	452	452	452
Insurance & Contingent Liability Reserve	3,208	3,208	3,208	3,208
Waste Management Development Fund	1,204	901	295	295
Inflationary Reserve	3,000	4,000	4,877	5,877
Restructuring Reserve	3,707	3,707	3,707	3,707
Funding Reform & Volatility Reserve <sup>1,3</sup>	2,994	2,976	6,401	7,162
Pension Reserve	20,000	20,000	10,000	10,000
Tax Increment Financing Reserve <sup>5</sup>	-	-	5,000	5,000
<b>Subtotal - General Earmarked Balances</b>	<b>48,675</b>	<b>46,146</b>	<b>44,571</b>	<b>46,838</b>
Covid-19 Reserve - Collection Fund <sup>2</sup>	<b>8,565</b>	<b>489</b>	-	-
Covid-19 Reserve – Other	<b>9,336</b>	<b>6,095</b>	<b>1,000</b>	-
<b>TOTAL Earmarked Balances</b>	<b>66,576</b>	<b>52,729</b>	<b>45,571</b>	<b>46,838</b>

<sup>1</sup> The balance as at 31 March 2022 includes earmarking of unconditional grants and contributions, and other previously approved requests for use in 2022/23 to deliver specific programmes of work (£1,833k). At the time of writing this report, £1,004k has been released into revenue budgets in 2022/23 and £829k remains in earmarked reserves.

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

<sup>3</sup> The table includes use of £1.169m from the Funding Reform & Volatility Reserve in 2022/23 to smooth the impact of a shortfall in Section 31 grants received during the year. Additional Business Rates income will be received in 2023/24, which will then be used to replenish reserves. This is due to timing differences arising from the (prescribed statutory) mechanics of the Collection Fund.

<sup>4</sup> The Medium Term Financial Strategy 2023-2026 and Revenue & Capital Budget 2023/24 report, presented on the same agenda as this report, proposes a realignment of reserves in order to reset General Fund balances at £12m for 2023/24.

<sup>5</sup> The Medium Term Financial Strategy 2023-2026 and Revenue & Capital Budget 2023/24 report, presented on the same agenda as this report, proposes the creation of a new reserve, the Tax Increment Financing (TIF) Reserve. If approved, this reserve will be used to smooth the impact on the revenue budget where there are timing delays between costs incurred relating to borrowing under TIF regulations, and the receipt of Business Rates relief associated with the Freeport site.

**CAPITAL PROGRAMME SUMMARY 2022/23 TO 2024/25**

PORTFOLIO	Capital Programme				Funding			
	2022/23	2023/24	2024/25	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Inclusive Economy, Business and Skills</b>	11,639	12,486	1,300	25,425	2,822	784	215	21,604
<b>Children and Young People</b>	19	0	0	19	0	0	0	19
<b>Integrated Care</b>	41	25	0	66	41	0	0	25
<b>Wellbeing, Culture and Heritage</b>	24	2,118	0	2,142	2,140	0	2	0
<b>Finance &amp; Governance</b>	210	640	0	850	86	0	764	0
<b>Transformation</b>	0	1,292	0	1,292	764	528	0	0
<b>Environment and Transport</b>	32,997	51,807	6,900	91,704	21,419	1,696	1,068	67,521
<b>Regeneration and Planning</b>	7,805	29,572	1,358	38,735	26,142	111	519	11,963
<b>Safer, Stronger Communities</b>	3,862	5,750	3,598	13,210	1,664	238	46	11,262
<b>TOTAL</b>	<b>56,597</b>	<b>103,690</b>	<b>13,156</b>	<b>173,443</b>	<b>55,078</b>	<b>3,357</b>	<b>2,614</b>	<b>112,394</b>

INCLUSIVE ECONOMY, BUSINESS & SKILLS PORTFOLIO	Capital Programme				Funding			
	2022/23	2023/24	2024/25	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Primary Schools</b>								
Ashurst Primary Rebuild	6,586	750	0	7,336	0	0	0	7,336
Bleak Hill Roof Repairs	5	45	0	50	0	0	0	50
Broad Oak Primary WC Refurbishment	60	0	0	60	0	0	60	0
Legh Vale Heating Replacement	50	0	0	50	0	0	0	50
Longton Lane Rebuilding Programme	0	158	0	158	0	0	0	158
Queens Park Window Replacement	80	0	0	80	0	0	0	80
Queens Park Roof Replacement	10	90	0	100	0	0	0	100
Robins Lane Health & Safety Works	44	0	0	44	0	0	0	44
Sutton Manor Health & Safety Works	5	45	0	50	0	0	0	50
The District Primary - Fire Doors	72	0	0	72	0	0	1	71
SEND base Wargrave/Grange Valley Partnership	172	0	0	172	0	0	62	110
Other Schemes less than £50k	67	185	0	252	0	0	0	252
<b>Secondary Schools</b>								
Cowley Roof Replacement	32	0	0	32	0	0	0	32
De La Salle SEND Base	44	900	0	944	0	0	0	944
Other Schemes less than £50k	41	0	0	41	0	0	7	34
<b>Special &amp; Other Schools</b>								
Launchpad Roof Renewal	0	100	0	100	0	0	0	100
Penkford Relocation	3,691	0	0	3,691	2,822	784	85	0
Other Schemes less than £50k	35	35	0	70	0	0	0	70
<b>Other Schemes</b>								
Various Schools Fire Risks	10	32	0	42	0	0	0	42
Other Schemes less than £50k	56	0	0	56	0	0	0	56
<b>Uncommitted Grant Funding</b>								
Healthy Pupils Capital Funding	0	125	0	125	0	0	0	125
School Devolved Formula Capital	450	1,211	300	1,961	0	0	0	1,961
Higher Needs Provision Capital	54	3,610	0	3,664	0	0	0	3,664
Basic Need Uncommitted	30	700	0	730	0	0	0	730
School Condition Funding Uncommitted	45	4,500	1,000	5,545	0	0	0	5,545
<b>TOTAL</b>	<b>11,639</b>	<b>12,486</b>	<b>1,300</b>	<b>25,425</b>	<b>2,822</b>	<b>784</b>	<b>215</b>	<b>21,604</b>
<b>CHILDREN AND YOUNG PEOPLE PORTFOLIO</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Children and Families Accommodation	19	0	0	19	0	0	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
<b>INTEGRATED CARE PORTFOLIO</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Unallocated Community Capacity Grant	0	25	0	25	0	0	0	25
Brookfield Wet Room	41	0	0	41	41	0	0	0
<b>TOTAL</b>	<b>41</b>	<b>25</b>	<b>0</b>	<b>66</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>25</b>
<b>WELLBEING, CULTURE AND HERITAGE PORTFOLIO</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Astro-Turf Pitch St Augustines	2	0	0	2	0	0	2	0
Libraries ICT Refresh	0	44	0	44	44	0	0	0
Newton Le Willows Health and Fitness Centre Equipment	0	65	0	65	65	0	0	0
Parr Locality Hub (feasibility)	0	625	0	625	625	0	0	0
Parr Swimming & Fitness Centre Demolition	0	1,032	0	1,032	1,032	0	0	0
Sutton Leisure Centre - Swimming Provision	22	352	0	374	374	0	0	0
<b>TOTAL</b>	<b>24</b>	<b>2,118</b>	<b>0</b>	<b>2,142</b>	<b>2,140</b>	<b>0</b>	<b>2</b>	<b>0</b>

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

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

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

FINANCE & GOVERNANCE PORTFOLIO
Finance System (Unit4 ERP)
<b>TOTAL</b>

2022/23	2023/24	2025/26	Total
£000	£000	£000	£000
210	640	0	850
<b>210</b>	<b>640</b>	<b>0</b>	<b>850</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
86	0	764	0
<b>86</b>	<b>0</b>	<b>764</b>	<b>0</b>

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

2022/23	2023/24	2024/25	Total
£000	£000	£000	£000
15,038	29,246	0	44,284
300	5,700	0	6,000
13	0	0	13
38	0	0	38
24	0	0	24
551	0	0	551
450	1,879	0	2,329
30	0	0	30
44	0	0	44
94	0	0	94
453	0	0	453
950	0	0	950
578	0	0	578
515	0	0	515
165	0	0	165
0	6,200	6,200	12,400
380	0	0	380
3,200	0	0	3,200
600	0	0	600
900	0	0	900
300	0	0	300
600	0	0	600
760	0	0	760
152	0	0	152
10	0	0	10
0	81	0	81
1,900	3,314	0	5,214
77	0	0	77
31	0	0	31
497	0	0	497
30	0	0	30
0	650	0	650
13	46	0	59
151	0	0	151
66	423	0	489
5	48	0	53
11	0	0	11
40	0	0	40
20	0	0	20
0	122	0	122
4,011	4,098	700	8,809
<b>32,997</b>	<b>51,807</b>	<b>6,900</b>	<b>91,704</b>

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
13,180	0	0	31,104
0	0	0	6,000
13	0	0	0
0	0	0	38
0	0	0	24
0	0	0	551
0	0	0	2,329
0	0	0	30
44	0	0	0
0	0	0	94
142	311	0	0
950	0	0	0
0	0	0	578
0	0	0	515
0	0	0	165
0	0	0	12,400
0	0	0	380
0	0	0	3,200
0	0	0	600
0	0	0	900
0	0	0	300
0	0	0	600
0	0	0	760
35	0	15	102
0	0	10	0
0	0	0	81
0	0	0	5,214
0	0	0	77
0	0	0	31
0	0	0	497
0	0	0	30
0	0	0	650
59	0	0	0
0	0	79	72
0	45	444	0
0	0	0	53
11	0	0	0
0	0	0	40
0	0	0	20
0	0	36	86
6,985	1,340	484	0
<b>21,419</b>	<b>1,696</b>	<b>1,068</b>	<b>67,521</b>

<b>REGENERATION AND PLANNING PORTFOLIO</b>				
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Chalon Way Meanwhile Use	185	0	0	185
Ground Conditions Survey	81	20	20	121
St Helens Town Centre Masterplan	1,484	2,354	0	3,838
Hardshaw Brook Depot Review	365	0	0	365
Modernisation of St Helens Crematorium	276	150	0	426
Registry Office Demolition	33	0	0	33
The Gamble Building and Earlestown Town Hall	2	0	0	2
The Gamble Building (External works)	992	0	0	992
The Gamble Building (Phase 4)	224	309	0	533
Earlestown Town Hall (External Refurbishment)	1,031	0	0	1,031
Earlestown Regeneration	375	0	0	375
Town Deal - Glass Futures Ph 2	41	5,590	0	5,631
Town Deal - Cannington Shaw	356	1,152	88	1,596
Town Deal - The World of Glass	540	394	0	934
Town Deal - Digital Infrastructure	0	1,250	1,250	2,500
Town Deal - Health Hub	85	1,703	0	1,788
Predevelopment Parkside Regeneration	885	0	0	885
Parkside Regeneration Equity Investment	850	16,650	0	17,500
<b>TOTAL</b>	<b>7,805</b>	<b>29,572</b>	<b>1,358</b>	<b>38,735</b>

<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
185	0	0	185
81	20	20	121
1,484	2,354	0	3,838
365	0	0	365
276	150	0	426
33	0	0	33
2	0	0	2
992	0	0	992
224	309	0	533
1,031	0	0	1,031
375	0	0	375
41	5,590	0	5,631
356	1,152	88	1,596
540	394	0	934
0	1,250	1,250	2,500
85	1,703	0	1,788
885	0	0	885
850	16,650	0	17,500
<b>7,805</b>	<b>29,572</b>	<b>1,358</b>	<b>38,735</b>

<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
185	0	0	0
21	100	0	0
3,838	0	0	0
365	0	0	0
426	0	0	0
0	0	33	0
0	2	0	0
983	9	0	0
533	0	0	0
1,031	0	0	0
375	0	0	0
0	0	131	5,500
0	0	226	1,370
0	0	44	890
0	0	0	2,500
0	0	85	1,703
885	0	0	0
17,500	0	0	0
<b>26,142</b>	<b>111</b>	<b>519</b>	<b>11,963</b>

<b>SAFER, STRONGER COMMUNITIES PORTFOLIO</b>				
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Community Safety Schemes</b>				
CCTV Replacement	75	0	0	75
Replacement of Housing & Regulatory Services Case Management System	281	0	0	281
Remediation - Tickle Avenue	256	0	0	256
<b>Housing Schemes</b>				
Disabled Facilities Grants and Adaptations	3,000	5,280	3,248	11,528
General Fund Housing (Housing Assistance)	30	170	100	300
Housing Clearance and Enforcement	20	80	50	150
Insulation Measures and Fuel Poverty	200	220	200	620
<b>TOTAL</b>	<b>3,862</b>	<b>5,750</b>	<b>3,598</b>	<b>13,210</b>

<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
75	0	0	75
281	0	0	281
256	0	0	256
3,000	5,280	3,248	11,528
30	170	100	300
20	80	50	150
200	220	200	620
<b>3,862</b>	<b>5,750</b>	<b>3,598</b>	<b>13,210</b>

<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue</b>	<b>Grants / Conts.</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
50	0	0	25
235	0	46	0
256	0	0	0
611	0	0	10,917
200	0	0	100
150	0	0	0
162	238	0	220
<b>1,664</b>	<b>238</b>	<b>46</b>	<b>11,262</b>

<b>TOTAL</b>
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<b>56,597</b>	<b>103,690</b>	<b>13,156</b>	<b>173,443</b>
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<b>55,078</b>	<b>3,357</b>	<b>2,614</b>	<b>112,394</b>
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## CAPITAL PROGRAMME 2022/23

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
<b>Primary Schools</b>						
Ashurst Primary Rebuild	6,586	0	0	0	6,586	Work commenced on site in January 2022 and is expected to complete in February 2023. Phase 2 of the scheme, demolition of the existing buildings, will commence immediately after.
Bleak Hill Roof Repairs	5	0	0	0	5	
Broad Oak Primary WC Refurbishment	67	-7	0	-7	60	Scheme is now complete and delivered within the original budget estimate.
Grange Valley Primary - Remodel Staff Room	1	0	0	0	1	
Legh Vale Heating Replacement	50	0	0	0	50	Scheme is now complete.
Merton Bank Structural Works	30	0	-25	-25	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Newton Le Willows Primary Heating	15	0	-15	-15	0	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Queens Park Window Replacement	92	-12	0	-12	80	Scheme is now complete and delivered within the original budget estimate.
Queens Park Roof Replacement	10	0	0	0	10	
Queens Park H&S Works	30	0	-30	-30	0	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Rivington Boiler Replacement	30	0	-25	-25	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Robins Lane Health & Safety Works	50	-6	0	-6	44	Scheme is now complete and delivered within the original budget estimate.
Sutton Manor Health & Safety Works	5	0	0	0	5	
Sutton Oak Boiler Replacement	40	0	-35	-35	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
Thatto Heath Structural Works	25	0	-20	-20	5	Identification of the scheme requirements are ongoing following which options to deliver will be evaluated.
The District Primary - Nursery Provision	41	0	0	0	41	
The District Primary - Roof Replacement	5	0	0	0	5	
The District Primary - Fire Doors	72	0	0	0	72	Scheme is now complete.

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
<b>Primary Schools cont.</b>						
SEND base Wargrave/Grange Valley Partnership	172	0	0	0	172	Scheme is now complete.
<b>Secondary Schools</b>						
Cowley Roof Replacement	60	-28	0	-28	32	Budget provision has been reassigned to deliver an urgent boiler replacement scheme as per Operational Decision PEOP002172.
Cowley Drainage Works	5	0	0	0	5	
Cowley Room Conversion	7	0	0	0	7	
Cowley Boiler Replacement	0	28	0	28	28	Urgent scheme as per Operational Decision PEOP002172 which is now fully complete.
Haydock High Sports Hall Lighting	1	0	0	0	1	
De La Salle SEND Base	44	0	0	0	44	
<b>Special &amp; Other Schools</b>						
Lansbury Bridge - Refurbishment of classroom	30	0	0	0	30	
Mill Green Key Stage 5 Base	8	-8	0	-8	0	Scheme is now complete.
Penkford Relocation	3,691	0	0	0	3,691	The new school premises are now fully operational.
Pupil Referral Heating	5	0	0	0	5	
<b>Other Schemes</b>						
Harnessing Technology	5	0	0	0	5	
Various Schools Roller Shutters	1	0	0	0	1	
Various Schools Fire Risks	22	0	-12	-12	10	Funding is committed to a fire door replacement schemes at Sutton Oak CE Primary, and a fire alarm panel replacement at Lansbury Bridge.
Various Schools Heating	49	0	0	0	49	
Various Schools Asbestos Removal	1	0	0	0	1	

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
<b>Uncommitted Grant Funding</b>					
School Devolved Formula Capital	475	0	-25	-25	450
Higher Needs Provision Capital	154	0	-100	-100	54
Basic Need Uncommitted	230	0	-200	-200	30
School Condition Funding Uncommitted	527	18	-500	-482	45
<b>TOTAL</b>	<b>12,641</b>	<b>-15</b>	<b>-987</b>	<b>-1,002</b>	<b>11,639</b>

Narrative
<p>The 2022/23 Devolved Formula Capital budget provision reflects the estimated expenditure during the current financial year on schemes and equipment that schools have identified in their own plans as being priorities for them.</p> <p>In December 2022, relevant schools received additional funding totalling £0.628m to improve energy efficiency.</p> <p>Funding is intended to support the capital costs associated with providing new places and improving existing provision for children and young people with SEND and those who require alternative provision. Options to ensure that the required capacity is available are being considered and schemes will be brought forward as appropriate.</p> <p>Basic Need capital grant is made available to ensure there are adequate numbers of school places available. Officers work closely with schools and their governing bodies to deliver schemes required to ensure adequate availability and further schemes will be brought forward at the appropriate time should the need for works to deliver additional capacity be identified.</p> <p>School Condition capital grant is received for the purpose of supporting the Authority to ensure that school buildings are appropriately maintained. Further schemes are currently being developed and will be brought forward in due course. It is anticipated that these will be scheduled to be delivered in 2023/24.</p>

CHILDREN AND YOUNG PEOPLE PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Children and Families Accommodation	19	0	0	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>

Narrative

<b>INTEGRATED CARE PORTFOLIO</b>	<b>Approved Budget Q2</b>	<b>New Schemes/ Funding Changes</b>	<b>Reprofiled into / from Future Years</b>	<b>Changes to be approved in this Period</b>	<b>Revised Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Unallocated Community Capacity Grant	25	0	-25	-25	0
Brookfield Wet Room	40	1	0	1	41
<b>TOTAL</b>	<b>65</b>	<b>1</b>	<b>-25</b>	<b>-24</b>	<b>41</b>

<b>Narrative</b>
Funding slipped into 2023/24. New scheme as per operational decision PEO002081 - £35,006.50 plus 15% fees.  Scheme now practically complete, expected to outturn at £41k with fees.

<b>WELLBEING, CULTURE AND HERITAGE PORTFOLIO</b>	<b>Approved Budget Q2</b>	<b>New Schemes/ Funding Changes</b>	<b>Reprofiled into / from Future Years</b>	<b>Changes to be approved in this Period</b>	<b>Revised Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Astro-Turf Pitch St Augustines	2	0	0	0	2
Libraries ICT Refresh	44	0	-44	-44	0
Newton Le Willows Health and Fitness Centre Equipment	65	0	-65	-65	0
Sutton Leisure Centre - Swimming Provision	374	0	-352	-352	22
<b>TOTAL</b>	<b>485</b>	<b>0</b>	<b>-461</b>	<b>-461</b>	<b>24</b>

<b>Narrative</b>
Delayed pending Libraries review Equipment for pool- Reliant on manufacturing solution, slipped to 23/24 Report on hold in light of current budget position

<b>TRANSFORMATION PORTFOLIO</b>	<b>Approved Budget Q2</b>	<b>New Schemes/ Funding Changes</b>	<b>Reprofiled into / from Future Years</b>	<b>Changes to be approved in this Period</b>	<b>Revised Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
ICT Device Refresh	412	0	-412	-412	0
<b>TOTAL</b>	<b>412</b>	<b>0</b>	<b>-412</b>	<b>-412</b>	<b>0</b>

<b>Narrative</b>
Refresh has been reprofiled to 23/24 following devices having a longer life than expected

<b>FINANCE &amp; GOVERNANCE PORTFOLIO</b>	<b>Approved Budget Q2</b>	<b>New Schemes/ Funding Changes</b>	<b>Reprofiled into / from Future Years</b>	<b>Changes to be approved in this Period</b>	<b>Revised Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Finance System (Unit4 ERP)	0	210	0	210	210
<b>TOTAL</b>	<b>0</b>	<b>210</b>	<b>0</b>	<b>210</b>	<b>210</b>

<b>Narrative</b>
Delivery of a new finance and procurement system, with planned go live date of April 24

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
<b>Highway Schemes</b>						
A49 to M6 Junction 22 Link Road	25,664	0	-10,626	-10,626	15,038	Further to a positive public inquiry decision in November 2021, the construction stage of the project commenced March 2022. Work is progressing well on site. Engagement continues with the public and wider stakeholders with a dedicated public liaison officer in place.
A49 to M6 Junction 22 Link Road (Junction Mitigation Works)	0	0	300	300	300	Approval for £6m mitigation works from LCRCA, split from main scheme above.
A58 Liverpool Rd/A580 East Lancs Rd Junct.Impvts (Pewfall). KRN (Employment Hubs)	13	0	0	0	13	Minor remedial works required. Carry over from 21/22 at this stage it is anticipated that the budget will be fully committed.
Accessibility Improvements Supporting Regeneration	38	0	0	0	38	Carry over from 21/22. All funding has been committed.
Active Travel Fund - Tranche 1	24	0	0	0	24	Carry over from 21/22. All funding has been fully committed.
Active Travel Fund - Tranche 2	551	0	0	0	551	Discussions ongoing around cycle lane on Chester lane/ Jubits Lane/ & Clockface road. Sherdley Road, Warrington Road and Peasley Cross now completed. Some minor footpath works to complete in January 2023. All funding fully committed.
Active Travel Fund - Tranche 3	450	0	0	0	450	To deliver cycling & walking network improvements within the borough. Schemes will be designed and committed by end of March, with completion as soon as possible thereafter.
Bridge Strengthening & Maintenance	30	0	0	0	30	Scheme complete
Carriageway Maintenance	44	0	0	0	44	Scheme complete
Highways Challenge Fund	94	0	0	0	94	Carriageway resurfacing on Key Route Network, Tender on the Chest January 2023 with works completed by March 2023.
Highway / Road Investment	453	0	0	0	453	Order placed January 2023 for delivery of 3,000 LED lanterns to be installed March 2023.
Huskisson Bridge Repairs	950	0	0	0	950	Repairs to fire damaged bridge, providing access to Sankey Valley Industrial Estate. Anticipated completion by March 2023. Cabinet Report 5 October 2022.

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Key Route Network	578	0	0	0	578	Ring fenced for works on the Key Route Network (A580 East Lancs Rd / A570 Rainford Bypass / A570 St. Helens Linkway), schemes identified using GAIST survey evidence base. Tenders on the Chest January 2022 with works taking place by March 2023 (2 weeks work).
LCR Sustainable Urban Development	515	0	0	0	515	Bridge refurbishment works completed, design work being undertaken on bridge replacement at Markfield Crescent. Works to commence on site mid-February 2023. Detailed design on canal wall repairs being undertaken. £180k vired from Bridge Strengthening & Maintenance, £220k from CRSTS Active Travel LCR.
Local Safety Schemes	165	0	0	0	165	Traffic counts/speed surveys ongoing and will be used in conjunction with accident data to formulate schemes. Received quotes for SID (Speed Indication Devices) signs which will be used as a traffic calming measure as well as data collection. Looking at potential police speed enforcement sites (new & existing) and the works required to facilitate. Procuring contractor for up to 4 anti-skid sites.
CRSTS- Active Travel-City Region	380	0	0	0	380	Active Travel- Gaist surveys commissioned - highway and footway network survey complete. PROW and cycleway survey work programmed for January 2023. Funding to assist in the completion of the Islands brow works - toucan crossing works (£70k est) + canal edge protective barriers (£85k). (linked to the SUDS project). coming from Year 1 quick wins. Small scale active travel works under development. Works to replace 4no Goyt Valley boardwalks (est £42,876).

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
CRSTS- Strategic Maintenance	3,200	0	0	0	3,200

Narrative
<p>All works in batch 1 have now been completed. The next tranche of works has been procured through the Project Amber (Blackpool framework). This requires specialist surfacing &amp; applies to Millfield Lane, Clinkham Wood Estate and Westfield Street. Works are being carried out in January 2023. Further sites are being identified for works taking place in February/ March 2023.</p> <p>£300k of patching works is ongoing, works at Corporation Street, Standish Street and Vista Road are now complete. Camp Road, Gibbons Road, Lodge Lane and Hall Street are to be completed in December 2022 and January 2023. Further sites are being identified for works taking place February/ March 2023.</p> <p>Carriageway resurfacing works have been completed on Elephant Lane, Ellamsbridge Road, Grimshaw Street, Leslie Road and Stevens Street as part of Batch 2. Booths Brow Road and Peter Street will be completed in January 2023 due to conflicting works.</p> <p>Batch 3 (£850k) will include the remaining sites within the Cabinet Report. Site Investigation is ongoing, with works to be carried out Jan-March 2023.</p> <p>£89k of funding has been used to supplement the Active Travel scheme at Peasley Cross Lane / Marshalls Cross Road junction.</p> <p>Batch 1 footway works to be spot tendered Jan 2022, works start Feb/March 2023</p>

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
CRSTS - Bridges	600	0	0	0	600	<p>£150k is committed as part of Southern Gateway scheme, to waterproof maintenance on the Marshalls Cross rail bridge. An opportunity was identified to include this work with the CYCLOPS junction improvement to minimise disruption and prevent prolonged traffic management in this area.</p> <p>Small Bridge repairs - there has been a review of the remedial works identified through general and principal inspections. These reviews have allowed the prioritisation of the repairs and categorisation into work packages.</p> <p>Batch 1 works: Sites visited and work confirmed and issued late November 2022. Batches 2 to 6: Contract documents drafted. Finalising specification and bill of quantities.</p>
CRSTS - Technology & Comms Upgrade	900	0	0	0	900	<p>UTC - Network Enhancements:</p> <p>Lugsmore Lane Toucan works completed. Baldwin St. - Works to commence on site mid-January 2023. Boundary/ Kirkland Street -Works to complete mid - January 2023</p> <p>Resurfacing works for the above are programmed January -March 2023.</p>
CRSTS - Potholes	300	0	0	0	300	<p>Work identified by Highways Inspectors whilst undertaking cyclic highway safety inspections. Allocation forecast for full spend by March 2023</p>
CRSTS - Flooding / Drainage	600	0	0	0	600	<p>Drainage surveys being undertaken prior to carriageway resurfacing.</p> <p>Site investigations being carried out at Muncaster Drive and Ormskirk Road where there are known drainage issues. Tenders on the Chest January 2023.</p>



ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
CRSTS - Resource Funds	760	0	0	0	760	Resource funding being spent proportionately across the CRSTS programme throughout the financial year.
Safer Routes to Schools	152	0	0	0	152	A programme of works is to be undertaken to refresh lining and anti-skid surfacing outside all schools with in the Borough, starting on Primary then moving on to Secondary as well as looking at replacement amber flashing units.
SCP - Amber Flashing Lights	10	0	0	0	10	Funding to be used to replace the old 'magnetic' style units to the new remote programmable ones.
Section 106 Arrangements	81	0	-81	-81	0	S.106 funding to be reviewed and allocated to project delivery in liaison with the Growth Delivering Prosperity Team.
St. Helens Southern Gateway Package	4,642	0	-2,742	-2,742	1,900	Work commenced on site. Slippage £1.994m into qtr 1 23/24 due to issues around procurement. An additional £400k funding has been agreed in principle with LCRCA to assist in funding Route 6 (Elton Head Rd).
Street Lighting	77	0	0	0	77	Funding being utilised for the ongoing replacement of concrete columns.
Traffic Calming & Restraint	31	0	0	0	31	Budget will be fully committed (carry over).

ENVIRONMENT AND TRANSPORT PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Traffic Signal Improvements on A58 and A572	497	0	0	0	497
Walking & Cycling Measures	30	0	0	0	30
<b>Environmental Schemes</b>					
Air Quality	650	0	-650	-650	0
Climate Change Emergency Response Fund	59	0	-46	-46	13
Haydock KGV Playing Field- Site Improvements	151	0	0	0	151
Recycling & Waste Collection	489	0	-423	-423	66
Section 106 Arrangements (Non-Highway Schemes)	53	0	-48	-48	5
St. Helens Cemetery-Drainage Scheme	11	0	0	0	11
Play Equipment (S.106) Rainhill	40	0	0	0	40
Two Butt Lane Open Space (S.106)	20	0	0	0	20
<b>Other Schemes</b>					
Fleet Replacement Programme	4,473	0	-462	-462	4,011
<b>TOTAL</b>	<b>47,775</b>	<b>0</b>	<b>-14,778</b>	<b>-14,778</b>	<b>32,997</b>

Narrative
A58 Chancery Lane Design complete. All equipment has been ordered and works commenced January 2023 with an approximate duration of 6 weeks.
A572 Parr St/Ashcroft St Design complete. All equipment has been ordered and works commenced January 2023 with approximate duration of 8 weeks.
Scheme complete
DEFRA grant award to set up a programme to provide business grants to retrofit or replace highly polluting vehicles to low or zero emission alternatives. Scheme to commence in 2023/24 to be completed by March 2024.
Expenditure on grant scheme complete
Anticipate all work will be completed this year.
Pending Waste and Recycling Review.
Schemes to be determined.
Survey completed.
To complete by March 23
ENVP002373- New footpaths. Anticipate completion by March 2023 subject to Planning approval.
Slippage on programme due to extended delivery timescales for some vehicles.

REGENERATION AND PLANNING PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Chalon Way Meanwhile Use	185	0	0	0	185	Delegated Executive Decision 0098 2021/22. In progress, anticipate spend in 22/23.
Ground Conditions Survey	81	0	0	0	81	
St Helens Town Centre Masterplan	2,670	0	-1,186	-1,186	1,484	Compensation / relocation costs, Harshaw Centre. Potential slippage in 23/24 based on agreements to date.
Hardshaw Brook Depot Review	365	0	0	0	365	Scheme progressing anticipate spend by March 2023.
Modernisation of St Helens Crematorium	426	0	-150	-150	276	Main contract for refurbishment complete and final account received. Some additional work to be completed in 23/24.
Registry Office Demolition	30	3	0	3	33	Scheme complete.
The Gamble Building and Earlestown Town Hall	1	1	0	1	2	Scheme complete.
The Gamble Building (External works)	992	0	0	0	992	Scheme complete.
The Gamble Building (Phase 4)	0	224	0	224	224	Approval via Cabinet on 18th Jan to progress the next phase of the Gamble works (internal works and design surveys)
Earlestown Town Hall (External Refurbishment)	1,031	0	0	0	1,031	Approval via Cabinet on 2 February and Delegated Executive Decision 0090 2021/22. Work commenced 3/5/22 with 37 week programme, anticipated completion February 2023. Works include masonry repairs, window & door replacements, roof repairs and works to eradicate dry rot.
Earlestown Regeneration	0	375	0	375	375	Initial stage 2 design fees for Earlestown Town Hall, Market Square and Public Realm
Town Deal - Glass Futures Ph 2	0	41	0	41	41	Town Deal Grant contribution to Glass Future 2 medical glass production facility
Town Deal - Cannington Shaw	0	356	0	356	356	Town Deal Grant contribution to restoration works at Cannington Shaw Bottle Shop
Town Deal - The World of Glass	0	540	0	540	540	Town Deal Grant contribution to re-imagination of visitor experience at World of Glass
Town Deal - Health Hub	0	85	0	85	85	Town Deal Grant contribution to development of a Health and Social Care Hub in St Helens
Predevelopment Parkside Regeneration	0	885	0	885	885	Predevelopment loans to Parkside Joint Venture, as approved through DED 0102 and DED 0119
Parkside Regeneration Equity Investment	0	850	0	850	850	Additional equity investment in Parkside Joint Venture as approved by Cabinet 18 Jan 2023
<b>TOTAL</b>	<b>5,781</b>	<b>3,360</b>	<b>-1,336</b>	<b>2,024</b>	<b>7,805</b>	

SAFER, STRONGER COMMUNITIES PORTFOLIO	Approved Budget Q2	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
<b>Community Safety Schemes</b>					
CCTV Replacement	0	75	0	75	75
Replacement of Housing & Regulatory Services Case Management System	281	0	0	0	281
Remediation - Tickle Avenue	256	0		0	256
<b>Housing Schemes</b>					
Disabled Facilities Grants and Adaptations	4,230	0	-1,230	-1,230	3,000
General Fund Housing (Housing Assistance)	100	0	-70	-70	30
Housing Clearance and Enforcement	50	0	-30	-30	20
Insulation Measures and Fuel Poverty	200	0	0	0	200
<b>TOTAL</b>	<b>5,117</b>	<b>75</b>	<b>-1,330</b>	<b>-1,255</b>	<b>3,862</b>

Narrative
Initial replacement of 15 cameras Progressing well and anticipate spend by March 2023 Scheme complete.
Cabinet report 5 October 22. Additional £30k Better Care Fund from ASCH. Estimated slippage £1.2m to 23/24. Extensive commitments and works on site subject to contractor delays across multiple grant application properties.
as above.
as above.
as above.

## CAPITAL PROGRAMME 2022/23 FINANCING

INCLUSIVE ECONOMY, BUSINESS AND SKILLS PORTFOLIO	FINANCING ELEMENTS						Total Funding £000
	Revised Budget	Borrowing	Capital Receipts	Revenue Contributions / Reserves	Capital Grants	Capital Contributions	
	£000	£000	£000	£000	£000	£000	
<b>Primary Schools</b>							
Ashurst Primary Rebuild	6,586	0	0	0	6,586	0	6,586
Bleak Hill Roof Repairs	5	0	0	0	5	0	5
Broad Oak Primary WC Refurbishment	60	0	0	60	0	0	60
Legh Vale Heating Replacement	50	0	0	0	50	0	50
Queens Park Window Replacement	80	0	0	0	80	0	80
Queens Park Roof Replacement	10	0	0	0	10	0	10
Robins Lane Health & Safety Works	44	0	0	0	44	0	44
Sutton Manor Health & Safety Works	5	0	0	0	5	0	5
The District Primary - Fire Doors	72	0	0	1	71	0	72
SEND base Wargrave/Grange Valley Partnership	172	0	0	62	110	0	172
Other Schemes less than £50k	67	0	0	0	67	0	67
<b>Secondary Schools</b>							
Cowley Roof Replacement	32	0	0	0	32	0	32
De La Salle SEND Base	44	0	0	0	44	0	44
Other Schemes less than £50k	41	0	0	7	34	0	41
<b>Special &amp; Other Schools</b>							
Penkford Relocation	3,691	2,822	784	85	0	0	3,691
Other Schemes less than £50k	35	0	0	0	35	0	35
<b>Other Schemes</b>							
Various Schools Fire Risks	10	0	0	0	10	0	10
Other Schemes less than £50k	56	0	0	0	56	0	56
<b>Uncommitted Grant Funding</b>							
School Devolved Formula Capital	450	0	0	0	450	0	450
Higher Needs Provision Capital	54	0	0	0	54	0	54
Basic Need Uncommitted	30	0	0	0	30	0	30
School Condition Funding Uncommitted	45	0	0	0	45	0	45
<b>TOTAL</b>	<b>11,639</b>	<b>2,822</b>	<b>784</b>	<b>215</b>	<b>7,818</b>	<b>0</b>	<b>11,639</b>

<b>CHILDREN AND YOUNG PEOPLE PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Children and Families Accommodation	19	0	0	0	19	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>19</b>

<b>INTEGRATED CARE PORTFOLIO</b>	<b>Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Brookfield Wet Room	41	41	0	0	0	0	41
<b>TOTAL</b>	<b>41</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41</b>

<b>WELLBEING, CULTURE AND HERITAGE PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Astro-Turf Pitch St Augustines	2	0	0	2	0	0	2
Sutton Leisure Centre - Swimming Provision	22	22	0	0	0	0	22
<b>TOTAL</b>	<b>24</b>	<b>22</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>24</b>

<b>TRANSFORMATION PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
ICT Device Refresh	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FINANCE &amp; GOVERNANCE PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Finance System (Unit4 ERP)	210	0	0	210	0	0	210
<b>TOTAL</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>210</b>

<b>ENVIRONMENT AND TRANSPORT PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Highway Schemes</b>							
A49 to M6 Junction 22 Link Road	15,038	0	0	0	0	15,038	15,038
A49 to M6 Junction 22 Link Road (Junction Mitigation Works)	300	0	0	0	0	300	300
A58 Liverpool Rd/A580 East Lancs Rd Junct.Impvts (Pewfall). KRN (Employment Hubs)	13	13	0	0	0	0	13
Accessibility Improvements Supporting Regeneration	38	0	0	0	0	38	38
Active Travel Fund - Tranche 1	24	0	0	0	0	24	24
Active Travel Fund - Tranche 2	551	0	0	0	0	551	551
Active Travel Fund - Tranche 3	450	0	0	0	0	450	450
Bridge Strengthening & Maintenance	30	0	0	0	0	30	30
Carriageway Maintenance	44	44	0	0	0	0	44
Highways Challenge Fund	94	0	0	0	0	94	94
Highway / Road Investment	453	142	311	0	0	0	453
Huskisson Bridge Repairs	950	950	0	0	0	0	950
Key Route Network	578	0	0	0	0	578	578
LCR Sustainable Urban Development	515	0	0	0	58	457	515
Local Safety Schemes	165	0	0	0	0	165	165
CRSTS- Active Travel-City Region	380	0	0	0	0	380	380
CRSTS- Strategic Maintenance	3,200	0	0	0	0	3,200	3,200
CRSTS - Bridges	600	0	0	0	0	600	600
CRSTS - Technology & Comms Upgrade	900	0	0	0	0	900	900
CRSTS - Potholes	300	0	0	0	0	300	300
CRSTS - Flooding / Drainage	600	0	0	0	0	600	600
CRSTS - Resource Funding	760	0	0	0	0	760	760
Safer Routes to Schools	152	35	0	15	0	102	152
SCP - Amber Flashing Lights	10	0	0	10	0	0	10
St. Helens Southern Gateway Package	1,900	0	0	0	0	1,900	1,900
Street Lighting	77	0	0	0	0	77	77
Traffic Calming & Restraint	31	0	0	0	0	31	31
Traffic Signal Improvements on A58 and A572	497	0	0	0	497	0	497
Walking & Cycling Measures	30	0	0	0	0	30	30
<b>Environmental Schemes</b>							
Climate Change Emergency Response Fund	13	13	0	0	0	0	13
Haydock KGV Playing Field- Site Improvements	151	0	0	79	0	72	151
Recycling & Waste Collection	66	0	45	21	0	0	66
Section 106 Arrangements (Non-Highway Schemes)	5	0	0	0	0	5	5

<b>ENVIRONMENT AND TRANSPORT PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
St. Helens Cemetery-Drainage Scheme	11	11	0	0	0	0	11
Play Equipment (S.106) Rainhill	40	0	0	0	0	40	40
Two Butt Lane Open Space (S.106)	20	0	0	0	0	20	20
<b>Other Schemes</b>							
Fleet Replacement Programme	4,011	2,187	1,340	484	0	0	4,011
<b>TOTAL</b>	<b>32,997</b>	<b>3,395</b>	<b>1,696</b>	<b>609</b>	<b>555</b>	<b>26,742</b>	<b>32,997</b>

<b>REGENERATION AND PLANNING PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Chalon Way Meanwhile Use	185	185	0	0	0	0	185
Ground Conditions Survey	81	21	60	0	0	0	81
St Helens Town Centre Masterplan	1,484	1,484	0	0	0	0	1,484
Hardshaw Brook Depot Review	365	365	0	0	0	0	365
Modernisation of St Helens Crematorium	276	276	0	0	0	0	276
Registry Office Demolition	33	0	0	33	0	0	33
The Gamble Building and Earlestown Town Hall	2	0	2	0	0	0	2
The Gamble Building (External works)	992	983	9	0	0	0	992
The Gamble Building (Phase 4)	224	224	0	0	0	0	224
Earlestown Town Hall (External Refurbishment)	1,031	1,031	0	0	0	0	1,031
Earlestown Regeneration	375	375	0	0	0	0	375
Town Deal - Glass Futures Ph 2	41	0	0	0	41	0	41
Town Deal - Cannington Shaw	356	0	0	0	356	0	356
Town Deal - The World of Glass	540	0	0	0	540	0	540
Town Deal - Health Hub	85	0	0	0	85	0	85
Predevelopment Parkside Regeneration	885	885	0	0	0	0	885
Parkside Regeneration Equity Investment	850	850	0	0	0	0	850
<b>TOTAL</b>	<b>7,805</b>	<b>6,679</b>	<b>71</b>	<b>33</b>	<b>1,022</b>	<b>0</b>	<b>7,805</b>



<b>SAFER, STRONGER COMMUNITIES PORTFOLIO</b>	<b>Revised Budget</b>	<b>Borrowing</b>	<b>Capital Receipts</b>	<b>Revenue Contributions / Reserves</b>	<b>Capital Grants</b>	<b>Capital Contributions</b>	<b>Total Funding</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Community Safety Schemes</b>							
CCTV Replacement	75	50	0	0	0	25	75
Replacement of Housing & Regulatory Services Case Management System	281	235	0	46	0	0	281
Remediation - Tickle Avenue	256	256	0	0	0	0	256
<b>Housing Schemes</b>							
Disabled Facilities Grants and Adaptations	3,000	0	0	0	2,991	9	3,000
General Fund Housing (Housing Assistance)	30	0	0	0	30	0	30
Housing Clearance and Enforcement	20	20	0	0	0	0	20
Insulation Measures and Fuel Poverty	200	0	0	0	200	0	200
<b>TOTAL</b>	<b>3,862</b>	<b>561</b>	<b>0</b>	<b>46</b>	<b>3,221</b>	<b>34</b>	<b>3,862</b>
<b>TOTAL ALL PORTFOLIOS</b>	<b>56,597</b>	<b>13,520</b>	<b>2,551</b>	<b>1,115</b>	<b>12,635</b>	<b>26,776</b>	<b>56,597</b>

**TREASURY MANAGEMENT POSITION STATEMENT**

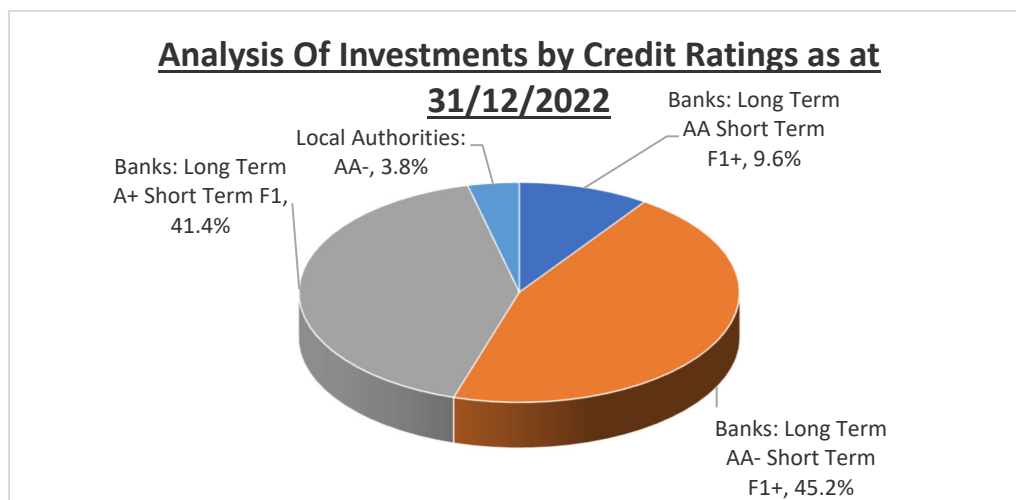
1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that Members be updated on treasury management activities regularly. This Section therefore ensures the Council is implementing best practice in accordance with the Code.

**Investments**

1.2 As detailed in the Council's Annual Investment Strategy (which is incorporated into the annual Treasury Management Strategy Statement) the Council's investment priorities are the security of capital and liquidity of funds. The Council's investment dealings in the period, therefore, have been undertaken in order to achieve the optimum return on its investments, commensurate with the proper levels of security and liquidity and having properly assessed all inherent risks.

1.3 It is considered appropriate to ensure that all investments are placed with highly credit rated financial institutions in line with the Council's authorised Counterparty List. It has also been deemed appropriate to ensure that the Council maintains a high degree of liquidity with its investments, to ensure cash is available to deal with emerging pressures due to the current inflation environment.

1.4 At the time of drafting this report, the Council has investments of £132.780m; the chart below details the split of the Council's investment by type and the credit rating assigned to the different groups of Counterparties.



These investments include funds (circa. £16.8m) held in relation to Schools and Merseyside Recycling and Waste Authority.

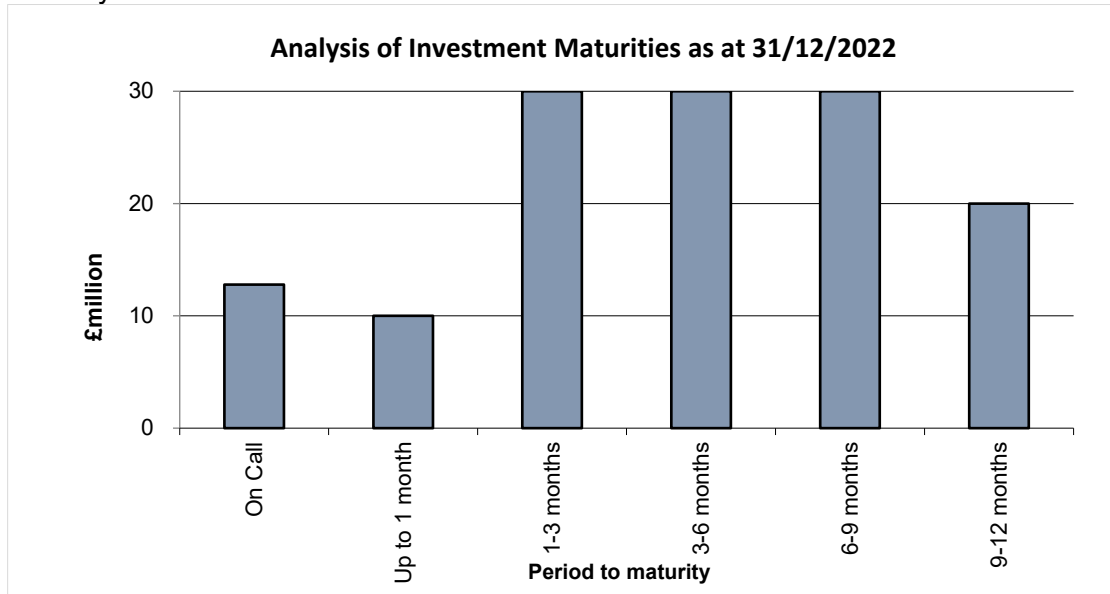
1.5 Of the institutions identified in the pie chart above, 9.6% of funds are invested with counterparties which have a Long Term credit rating of AA or above, all of these institutions are Banks. Of the remaining investments, 90.4% are held with counterparties with a Long Term credit rating of at least A- but below AA.

1.6 The Council has sought to maintain a mix of investments with the Counterparties who meet the Council's criteria. However, the profile of maturities has been influenced by a number of factors:

- i) the availability of advantageous call rates from some high quality Counterparties;

- ii) limits on the duration of investments with certain counterparties;
- iii) availability of investment opportunities in excess of one year with a number of Counterparties.

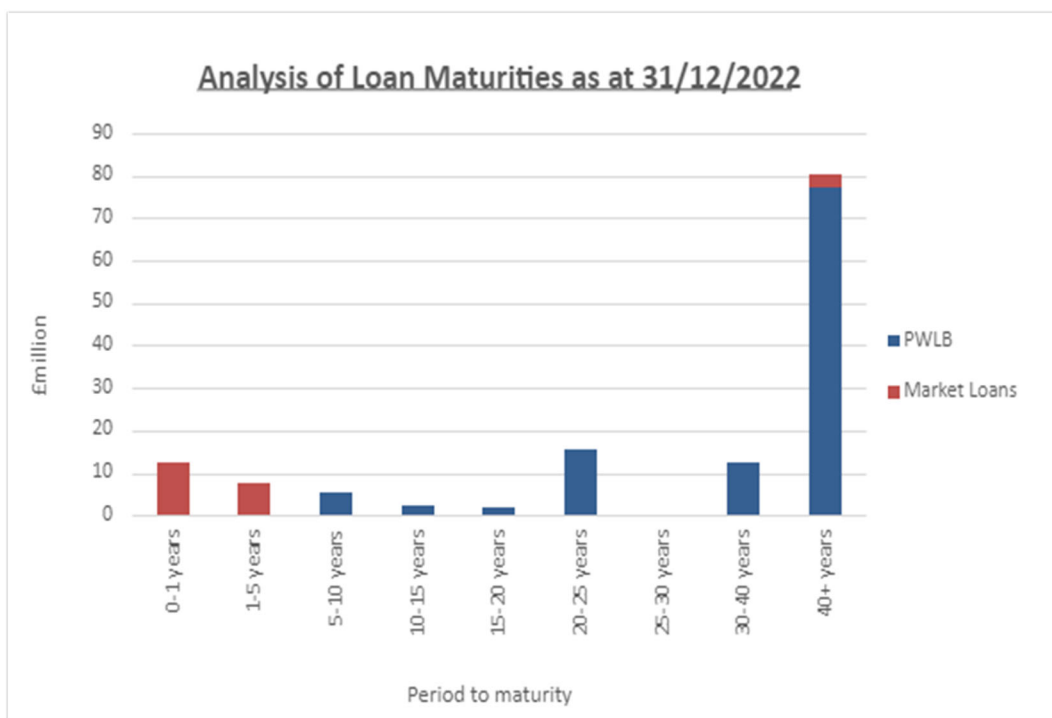
The following chart provides an overview of the split in the Authority's investment by maturity as at 31 December 2022.



- 1.7 The average level of funds available, for investment purposes, for the period April to December 2022 was £165.293m. Investment rates available in the market have increased sharply over the past six months due to increases in Bank Rate, as a result of underlying economic conditions. Any sudden changes in rates will impact upon performance against benchmarks as investment decisions need to be made based upon both the desire to maximise interest returns and, more importantly, managing the liquidity of the authorities' investments for cashflow purposes. For a number of years, where possible, the Council has taken advantage of favourable rates and locked into investment deals for longer periods.
- 1.8 Cash holdings are currently in line with forecast levels in the Treasury Management Strategy Statement.

### Borrowing

- 1.9 At the time of drafting this report, the Council has outstanding debt of £137.527m. No new borrowing has been taken during the period.
- 1.10 The chart below shows the maturity profile of the Council's loan portfolio as at 31 December 2022.



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

### Prudential Indicators

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

### Budget Estimates

- 1.14 The budgeted and projected treasury costs for 2022/23 are detailed in the following table.

<b><u>Treasury Management Budget 2022/23</u></b>	<b>2022/23 Allowed Estimate £'000</b>	<b>2022/23 Revised Estimate £'000</b>	<b>2022/23 Variation £'000</b>
<b><u>Debt Management Costs</u></b>			
External Interest	8,366	7,458	(908)
Revenue Provision (repayment of principal)	3,775	3,471	(304)
Investment Interest	(887)	(3,387)	(2,500)
<b>Total Treasury Cost</b>	<b>11,254</b>	<b>7,542</b>	<b>(3,712)</b>

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

**Annex H**

<b><u>TREASURY LIMITS AND PRUDENTIAL INDICATORS 2022/23 to 2025/26</u></b>			<b>2022/23 Revised</b>	<b>2023/24 Estimates</b>	<b>2024/25 Estimates</b>	<b>2025/26 Estimates</b>
1(i)	Proposed capital expenditure that the Council plans to commit to during the forthcoming and subsequent two financial years.	<b>Capital Expenditure (£m)</b>	56.597	103.690	13.156	11.368
1(ii)	Additional in-year borrowing requirement for capital expenditure.	<b>In Year Capital Financing Requirement (CFR) (£m)</b>	10.049	36.402	(5.421)	(5.735)
2	The CFR is an aggregation of historic and cumulative capital expenditure, which has not yet been paid for by either revenue or capital resources.	<b>Capital Financing Requirement as at 31 March (£m)</b>	201.937	238.338	232.917	227.182
3	The “net borrowing” position represents the net of the Council’s gross external borrowing and investments sums held.	<b>Net Borrowing Requirement:</b> External Borrowing (£m)	137.520	137.508	137.495	137.490
		Investments Held (£m)	<u>(140.000)</u>	<u>(135.000)</u>	<u>(135.000)</u>	<u>(135.000)</u>
		Net Requirement (£m)	<b>2.520</b>	<b>2.508</b>	<b>2.495</b>	<b>2.490</b>
4	Identifies the impact and trend of the revenue costs of capital financing decisions will have on the General Fund Budget over time.	<b>Ratio of financing cost to net revenue stream</b>	3.89%	3.41%	4.22%	4.05%

<b>TREASURY LIMITS AND PRUDENTIAL INDICATORS 2022/23 to 2025/26</b>			<b>2022/23 Revised</b>	<b>2023/24 Estimates</b>	<b>2024/25 Estimates</b>	<b>2025/26 Estimates</b>
5	The Council's Budget Strategy, as a general principle is that no unsupported borrowing should be undertaken as a means of financing capital expenditure plans.	<b>Incremental impact of capital investment decisions (increase in Council Tax Band D equivalent)</b>	Nil	Nil	Nil	Nil
6	This represents an absolute limit of borrowing at any one point in time. It reflects the level of external debt, which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.	<b>Authorised Limit for External Debt (£m)</b>	205.454	209.720	227.012	223.484
7	This is the limit beyond which external debt is not normally expected to exceed.	<b>Operational Limit for External Debt (£m)</b>	193.292	202.270	201.110	199.448
8	These limits seek to ensure that the Council does not expose itself to an inappropriate level of interest rate risk and has a suitable proportion of debt.	<b>Upper Limit for Fixed Interest Rate Exposure</b>	100%	100%	100%	100%
		<b>Upper Limit for Variable Interest Rate Exposure</b>	50%	50%	50%	50%
9	This limit seeks to ensure liquidity and reduce the likelihood of any inherent or associated risk.	<b>Upper Limit for Sums Invested over 365 Days</b>	60%	60%	60%	60%
10	This indicator is used to highlight where an authority may be borrowing in advance of need.	<b>Gross Debt and the CFR (£m)</b>	(43.667)	(80.851)	(76.327)	(71.416)

**Liability Benchmark**

A new prudential indicator for 2023/24 is the Liability Benchmark. The Authority is required to estimate and measure the Liability Benchmark for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Authority’s existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP. Due to only approved prudential borrowing being included in the calculation a peak will appear after four years as no further borrowing will be approved at this point.
3. **Net loans requirement:** this will show the Authority’s gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast. This becomes a negative due to the position the Authority is in as a result of the balance of treasury investments, which are in excess of borrowing; this allows the Authority flexibility in regard to the timing of taking out future borrowing and therefore allows it to make sound treasury management decisions.
4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.

