

FINANCIAL MONITORING REPORT - PERIOD 1 2023/24

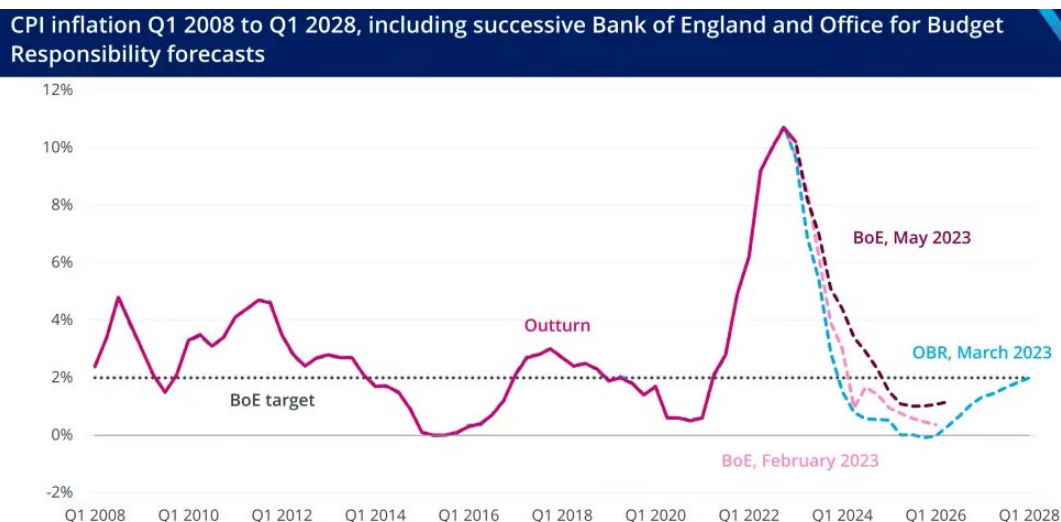
SECTION 1: SUMMARY

Revenue Budget

- 1.1 This is the first Financial Monitoring Report of 2023/24, covering the period from April 2023 to June 2023. The report has been prepared excluding the financial implications of any other reports presented on the same agenda. There will be a further two Financial Monitoring Reports covering quarters 2 and 3, and a final outturn report covering the full-year financial performance for 2023/24.
- 1.2 Based on current forecasting, there will be a service overspend of £3.010m against the updated service revenue budget of £177.356m. This excludes a potential underspend of circa £1.000m on gas and electricity referred to at 1.26 below. It should be noted that the environment in which the Council is operating is volatile and uncertain, and that financial modelling to quantify the implications of external events on the revenue budgets is ongoing. The impact of the current inflationary environment and legacy Covid-19 pressures continues to be monitored.
- 1.3 Corporate variances will offset the overspend by £0.100m, resulting in a forecast net budget overspend variation of £2.910m.
- 1.4 The main financial pressures with which the Council is faced are explored below.

The Cost-of-Living Crisis and Other Economic Pressures

- 1.5 Inflation had an enormous impact on the revenue budget in 2022/23. The rate of inflation relentlessly moved upwards throughout the year, reaching a 40-year high of 11.1% in October 2022. This was driven by a combination of demand for consumer goods, labour market shortages, the war in Ukraine and rising energy prices. Whilst the rate of inflation has since decreased slightly and is forecast to continue to decrease, inflationary pressures will continue to be felt in 2023/24.
- 1.6 The Bank of England's latest Monetary Policy Report measures the current rate of inflation at 8.7%, against a target of 2%. It expects enhanced levels of inflation continuing during the year, and it to be late 2024/early 2025 before its 2% target is reached, as illustrated in the following chart.



- 1.7 One of the main drivers behind the inflationary environment is Russia's invasion of Ukraine. The dependence of European countries on Russia and Ukraine for their food and energy needs is very high, and the conflict has therefore added considerably to inflationary pressures and pushed up consumer prices, including those prices for goods imported into the UK from abroad.
- 1.8 Domestic issues are also putting pressure on prices. Businesses are charging customers more because of the higher costs that they face. There is a high number of vacancies in the labour market, and employers are having to offer higher wages to attract applicants.
- 1.9 The Local Government Association (LGA) warns that councils face a perfect storm of demand for services continuing to increase when the price of providing those services is also accelerating dramatically. This is likely to impede council efforts to help communities and support residents through the cost-of-living crisis, and the LGA have warned the Government that it needs to ensure that councils have the necessary financial resources to meet these unpredicted costs and protect vital services.
- 1.10 In the absence of any significant additional government support to address inflationary pressures, there is an extremely high likelihood of further reductions being necessary in the Council's service offer. The financial pressure that the Council is facing cannot be overstated, and will continue to require robust management, including the identification of mitigations to reduce the budget pressures. Strong planning and decision-making will continue to be necessary.
- 1.11 Inflationary pressures are especially damaging to the Council's finances because, unlike in other sectors, the Council has very limited ability to pass on additional costs on to local residents, who are themselves under unprecedented pressure. 42% of St Helens households are likely to be impacted by fuel poverty. Many will be experiencing food poverty and other types of economic hardship, affecting their ability to afford accommodation, clothing and other essentials. The Council recognises the social responsibility it has to its residents.
- 1.12 Collectively, the Council and its partners in the Liverpool City Region have expressed their concerns to the Secretary of State regarding the magnitude and impact of inflation on Council budgets, and the ability to deliver key services.
- 1.13 The Institute for Government has noted that local authorities are collectively facing funding pressures of £3.4 billion in 2023/24 and £4.5 billion in 2024/25. A recent survey by the Special Interest Group of Municipal Authorities (SIGOMA) found that more than 50% of councils in England and Wales are likely to be unable to cover their costs in 2023/24. It also found a majority of councils report that they will be forced to take cost-cutting measures to reduce capital budgets for key regeneration and infrastructure projects.
- 1.14 The position will be closely monitored during the year and reported in subsequent Financial Monitoring Reports and other reports.
- 1.15 On 21 June 2023, Cabinet approved the Revenue and Capital Outturn Report 2022/23, subject to audit. The revenue outturn position for 2022/23 was an overspend of £4.505m, which reduced the Council's reserves levels at March 2023. It has previously been fully acknowledged that use of reserves to support the revenue budget is not sustainable, and that the Council must replenish reserves to provide resilience to inflationary pressures.
- 1.16 Further commentary in respect of specific areas of inflationary risk is detailed below.

Inflation

- 1.17 The 2023/24 revenue budget was approved by Council on 1 March 2023, with pay and general price inflation provided at 5% and separate analysis informing differential (higher) increases for specific spend areas such as fuel, energy, food and social care provision.
- In aggregate, over £21m of additional inflation driven costs were included in the 2023/24 budget.
- 1.18 In the event that inflation is even marginally higher than budget provision in 2023/24, there will inevitably be an unfavourable impact on the revenue budget, with further management action required to alleviate pressure on the wider Council budget. This may result in decisions to reduce expenditure on certain activities, reduce inputs to reflect the lower real-terms value of available budget provision, or – reluctantly – cease some activity.
- 1.19 It is also likely that the extreme inflationary environment will see an increase in business failure, with potential adverse effects on the availability of supplies and price increases as markets adjust to different levels of supply and demand.
- 1.20 Local business failure also presents further risk to the Council's financial position in terms of reductions in Business Rates yield and other income receivable via rents, service charges, service contracts and wider fees and charges.

Pay Inflation

- 1.21 The budget included provision for pay inflation of 5% in 2023/24. This assumption was not unrealistic when considered against the Government's inflation forecasts included in the Autumn Statement 2022 and the Government's statements on restraint of public sector pay.
- 1.22 The pay award for 2023/24 has still to be settled. In January 2023, the unions submitted a pay claim for staff to receive an increase of RPI (10.7% at that time) plus 2%. This claim was rejected by the National Employers, who made a counter-offer of a flat £1,925 increase to pay points 2 to 43 inclusive, equating to an average increase of 6.44% on those pay points. The financial impact of this offer would be greater than 6.44%, given the profile of the Council's workforce. Union members rejected this counter-offer, and it remains uncertain as to what the finally agreed pay settlement will be. For every additional 1% increase above the budget provision, the financial impact is circa £1m.

Energy and Fuel

- 1.23 Energy and fuel costs are significant contributory factors to the current inflationary environment, with prices extremely sensitive to a number of complex global influences, having recently reached volatile record highs and the regulator warning that future pricing forecasts are not reliable.
- 1.24 In response, the Government launched an Energy Bill Relief Scheme which provided discounts on the unit price of gas and electricity for the six months from October 2022. The scheme temporarily alleviated the Council's energy bills by some £1.086m in 2022/23 (excluding schools).
- 1.25 Some further energy relief support will be provided in 2023/24, but on a significantly scaled-down basis. Financial modelling is continuing to quantify the implications of the revised scheme on the Council's revenue budget.

- 1.26 Current data provided by the Council's energy broker YPO suggests that billed energy prices will decrease in 2023/24 and subsequent years. Comparing YPO's stated 2023/24 billing rates to the prices used to determine the 2023/24 budget, it is likely that there will be a combined underspend of circa £1.000m in 2023/24 on gas and electricity. This forecast is subject to a degree of estimation uncertainty and will continue to be refined for future Financial Monitoring Reports.

Capital & Borrowing

- 1.27 Inflationary pressures are also impacting on capital project expenditure, as contractors face higher prices for raw materials and incur higher wage costs. Alongside this is the risk that contractors can no longer continue to operate within agreed contracts and their financial viability becomes uncertain. There also remains an impact on lead times for materials, equipment and services, delaying delivery of some aspects of the capital programme.
- 1.28 Borrowing rates have increased significantly over the past year. Whilst movements will not impact on the Council's current borrowing portfolio, which is wholly composed of fixed-rate agreements, inflated rates will mean that servicing of future debt requirements becomes more expensive.
- 1.29 Future capital investment and borrowing decisions will need to be critically considered in the light of the inflationary pressures and increased revenue costs associated with borrowing.

Implications on the Medium Term Financial Strategy (MTFS)

- 1.30 The MTFS was approved by Council on 1 March 2023, and was underpinned by a number of key assumptions relating to funding and spending. These assumptions were themselves based on the government's own assumptions regarding levels of inflation in 2023 and 2024. The MTFS identified a residual budget gap of £6.470m for 2024/25, increasing to £10.406m in 2025/26. Inflationary pressures will inevitably increase this gap unless additional government funding is made available and/or mitigations are put in place to reduce the budget pressures.
- 1.31 Throughout 2023/24, the assumptions within the MTFS continue to be regularly reviewed. A Mid-Year Medium Term Financial Strategy Report will be brought to Cabinet for consideration in coming months and will provide an update on the financial position for the period 2023-2026, including detailed modelling of inflationary, demand and other pressures with which the Council is faced.

Savings Programme

- 1.32 The 2023/24 budget was approved by Council on 1 March 2023, and in doing so, Members agreed to the delivery of £7.445m savings during the year. This is in addition to £3.210m savings previously approved for 2023/24, along with £1.698m of savings slipped from previous years. Section 3 provides a summary of the latest position in relation to the progress towards delivering these savings, and portfolio commentaries provide additional information.
- 1.33 At this stage, it is forecast that savings of £4.199m (33.99%) may not be fully delivered in the year due to delays in implementation or savings not being achievable. With identified one-off mitigations of £2.181m, the total forecast financial saving is £2.018m less than required. It is critical that action plans continue to be addressed and implemented to ensure savings are delivered or alternative permanent reductions in expenditure are found.

- 1.34 It should also be noted that a number of savings that are currently classed as on track to be delivered have not yet been implemented, with decisions to be approved at a future date.

Financial Outlook

- 1.35 The financial environment within which the Council operates presents severe challenges. The Council has never faced a more challenging funding position, after more than a decade of austerity and cuts in government funding. Given the current inflationary and wider economic environment, the crisis engulfing social care amid continually increasing demand, and the legacy of the global pandemic, 2023/24 will be another financially difficult year. These pressures, coupled with the requirement to deliver £12.353m of savings, will continue to require robust financial management.
- 1.36 The delivery of portfolio savings presents key risks across the Council, and other financial risks, particularly demand-led pressures within adults' and children's social care, will continue to be exacerbated by the cost-of-living crisis, with more families needing Council support. Within some income budgets, too, there is potential for further market volatility as customers' and residents' spending patterns continue to change.
- 1.37 With uncertainty over how the mechanics of local-government funding will change, and how the 'Levelling Up' agenda will translate into policy, the financial outlook remains extremely challenging and uncertain.

Capital Budget

- 1.38 The capital programme covers a three-year period through to 2025/26. The capital budget has been updated to reflect the outturn position for 2022/23 (subject to audit), as reported to Cabinet on 21 June 2023. The Highways Capital programme has also been updated to reflect the funding detailed in the Cabinet report approved on 26 April 2023.
- 1.39 Members will recall that as part of setting the 2023/24 budget, a number of potential strategic capital investment schemes were identified which were to be subject to detailed feasibility and design work, prior to being further considered for approval. A number of these schemes have now been approved and have been included within the programme this quarter. Other pipeline schemes will be considered for inclusion in the programme at quarter 2 and 3 subject to the required approval being secured and having regard to affordability as detailed in para 1.30.
- 1.40 The key revisions to the programme this quarter include:
- (i) Children's Residential Homes
 - (ii) New recycling containers and fleet as part of the Resources and Waste Strategy
 - (iii) Earlestown Regeneration
 - (iv) St Helens Town Multi-Modal Transport Interchange Strategic Acquisitions
 - (v) St Helens Manufacturing and Innovation Campus Strategic Acquisitions

Further details are included in Section 4 and Annex F, alongside commentary on progress on delivery of the most significant capital schemes.

Reserves and Balances

- 1.41 Section 5 of this report provides detail on the Council's reserves and balances. As part of the Medium Term Financial Strategy 2023-26, Members agreed to rebuild reserves to afford the Council additional financial resilience to changes in funding, inflationary pressures and unexpected events, whilst at the same time ensuring that it has sufficient resources to support its priorities.
- 1.42 Based on the projected outturn position in Table 1, the level of general fund balances at 31 March 2024 is forecast to be £9.090m.

Treasury Management

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

SECTION 2: REVENUE BUDGET

- 2.1 The budget and forecast outturn positions for 2023/24 are summarised in Table 1. At the end of period 1, there is a projected portfolio budget pressure of £3.010m. This excludes a potential underspend of circa £1.000m on gas and electricity noted at 1.26 above.
- 2.2 At this early point in the year, it is forecast that portfolio expenditure will exceed the current budget. It must be recognised that the impact of inflationary pressures (on which more expansive commentary is provided in Section 1) have the potential to impact adversely on this position. Work is continuing to quantify the financial impact of inflationary pressures, and will be reported in future Financial Monitoring Reports.
- 2.3 There is a forecast underspend within the corporate budgets of £0.100m relating to Treasury Management activity investment income. This is a result of the ability to secure fixed-term investments at rates in excess of the discount that would have been achieved from the prepayment of pension contributions to Merseyside Pension Fund. Delegated Executive Decision 0145 (2022/23) provided approval for this course of action.
- 2.4 The figures detailed in Table 1 exclude the implications of the local government pay settlement for 2023/24, which, as discussed at paragraph 1.22, is likely to exceed the current budget provision.
- 2.5 The progress towards the delivery of £10.655m of 2023/24 portfolio savings is detailed in Section 3. Matters relating to the delivery of £1.698m of savings from prior years which were not implemented in full during those years are also detailed in Section 3.

Table 1 – Revenue Budget 2023/24	Current Budget (a) £000	Forecast outturn at Q1 (b) £000	Variance at Q1 + / - (b)-(a) £000	Section Reference Annex C
Economy, Business and Skills	2,230	2,348	+118	(i)
Children and Young People	63,977	64,977	+1,000	(ii)
Integrated Health and Care	62,966	63,956	+990	(iii)
Wellbeing, Culture and Heritage	6,217	6,535	+318	(iv)
Corporate Services	8,358	8,271	(87)	(v)
Safer Communities	1,668	1,749	+81	(vi)
Environmental Services and Climate Change	9,683	10,016	+333	(vii)
Strategic Transport	13,595	13,644	+49	(viii)
Regeneration and Planning	8,662	8,870	+208	(ix)
Net Portfolio Budgets	177,356	180,366	+3,010	
Levies & Precepts	22,932	22,932	0	
Treasury Management	9,174	9,074	(100)	
Restructuring Costs	1,001	1,001	0	
Transfers to / (from) Earmarked Reserves	(5,005)	(5,005)	0	
Capital Charges	(15,645)	(15,645)	0	
Net Corporate Items	12,457	12,357	(100)	
Council Tax / Retained Business Rates	(145,105)	(145,105)	0	
Collection Fund Deficit	64	64	0	
Formula Top-Up	(18,628)	(18,628)	0	
Section 31 Grant	(18,449)	(18,449)	0	
2023/24 Services Grant	(1,869)	(1,869)	0	
Other Funding	(5,826)	(5,826)	0	
Funding	(189,813)	(189,813)	0	
NET POSITION 2023/24	0	2,910	+2,910	

2.7 The original approved budget has been revised to include adjustments arising from the outturn position for 2022/23 (subject to audit) which was considered by Cabinet on 21 June 2023. The revision to the original budget includes:

- (i) Acceleration of £311k of earmarked reserve-funded schemes from 2023/24 into 2022/23
- (ii) Carry-forward of earmarked reserve-funded schemes of £1,479k into 2023/24 from prior years;
- (iii) Carry-forward of unconditional grants/ICB funding of £821k from 2022/23
- (iv) Approved use of earmarked reserves in the period
- (v) Neutral 'technical adjustments' between portfolios (e.g. recharges)

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

Portfolio Budget Position

For 2023/24, an in-year overspend of £3.010m against the current service budgets is currently projected based on the respective forecast outturn positions, as shown in Table 1. Commentary in relation to the key portfolio variations is detailed in Annex C.

SECTION 3: IMPLEMENTATION OF 2023/24 SAVINGS PROPOSALS AND OUTSTANDING SAVING PROPOSALS FROM PRIOR YEARS

3.1 The budget for 2023/24 was set against a backdrop of significant demand and inflationary pressures, with the one-off use of £4m of earmarked reserves to balance the budget, and with significant savings that must be delivered during the year to protect the Council's financial position. It is therefore imperative that approved savings are delivered in a timely manner.

3.2 Savings for the financial year 2023/24 have been reported in three categories:

- Savings slipped from previous financial years
- 2023/24 savings approved when setting previous years' budgets
- 2023/24 savings approved in setting the latest Medium Term Financial Strategy

3.3 As Table 2 shows, of the required savings total of £12.353m, it is currently forecast that 66% of these savings will be achieved in year.

Table 2 - Budget Savings 2023/24	Total Saving 2023/24 £000	Savings on track to be delivered £000 (a)	Slippage on delivery in year £000 (b)	Saving Not Achievable £000 (c)	Mitigation 2023/24 £000 (d)
Integrated Health and Care	4,602	2,530	2,072	-	309
Public Health	376	156	220	-	220
Children's Services	1,858	1,682	176	-	66
Place Services	3,747	2,016	1,691	40	1,586
Corporate Services	1,361	1,361	-	-	-
Council Wide	409	409	-	-	-
Total	12,353	8,154	4,159	40	2,181
%	100%	66.01%	33.67%	0.32%	
Total forecast financial saving 2023/24 (a)+(d)	10,266				

3.4 The value of savings that are on track to be delivered is £8.154m.

3.5 Of the £4.159m of savings that have not yet been achieved, mitigations of £2.181m have been identified for the current year. The non-achievement of savings presents a risk for both current and future financial years. Even with mitigations of £2.181m, the total forecast financial saving is £2.018m less than required.

- 3.6 The only saving that is currently not considered achievable is in Place Services (Removal of cash payment options for car parking - £0.040m), following the government announcement that local-authority car parks must retain cash payment facilities.
- 3.7 It should also be noted that a number of savings that are currently classed as being on track to be delivered have not yet been implemented, with future dates for when decisions will be approved.
- 3.8 It is imperative that action is taken at the earliest opportunity to alleviate these risks by delivering the approved savings or identifying mitigations to offset the balance of savings that have slipped or cannot be delivered. These actions will be reported within future Financial Monitoring Reports.

SECTION 4: CAPITAL PROGRAMME 2023/24 to 2025/26

- 4.1 The capital budget has been updated to reflect the outturn position for 2022/23 (subject to audit), as reported to Cabinet on 21 June 2023. In addition, other key revisions to the programme this quarter relate to:
- (i) Updates to the Highways Capital programme to reflect the funding detailed in the Cabinet report approved on 26 April 2023.
 - (ii) Strategic acquisition of properties as part of the St Helens Manufacturing and Innovation Campus, as detailed in the Cabinet report approved on 24 May 2023.
 - (iii) Regeneration of Earlestown Town Centre, including revitalising the Market Square, bringing the Town Hall back into use, and Rail Station Improvements. This is funded by Levelling Up Fund grant funding and match funding from Council borrowing, identified in the Council's strategic capital pipeline as detailed in the Cabinet report approved on 26 April 2023.
- 4.2 In setting the 2023/24 budget, a number of other potential strategic pipeline capital investment schemes were identified and would be subject to detailed feasibility and design work, prior to being further considered for approval. A number of these schemes have been approved and have been included within the programme this quarter. Funding for these schemes is by borrowing. The following schemes have been added to the capital programme:
- (i) Children's Residential Homes

Cabinet approved £2.379m of investment in the purchase and refurbishment of Children's Residential Homes in order to provide high quality placements for Children Looked After in the Borough at its meeting on 26 April 2023.
 - (ii) Resources & Waste Strategy

Investment of £2.77m has been added to the Capital Programme to purchase new recycling containers and recycling vehicles, as part of funding approved by Cabinet to support with implementation of the Resources and Waste Strategy 2023-2030 at its meeting on 22 March 2023.
 - (iii) St Helens Town Multi-Modal Transport Interchange

At its meeting on 24 May 2023 Cabinet approved £2.58m to purchase properties to facilitate the delivery of a new transport interchange as part of the St Helens Town Centre Regeneration Plans.

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

Table 3 - Capital Programme 2023/24 to 2025/26	2023/24 £000	2024/25 £000	2025/26 £000
Children and Young People	15,570	2,361	1,300
Integrated Health and Care	25	0	0
Economy, Business and Skills	11	0	0
Wellbeing, Culture and Heritage	2,148	72	0
Corporate Services	2,154	0	0
Strategic Transport	48,203	12,539	7,645
Environmental Services and Climate Change	8,490	823	700
Regeneration and Planning	60,756	19,780	3,168
Safer Communities	35	0	0
Total	137,392	35,575	12,813
FINANCED BY			
Grants and Other Contributions	89,309	20,051	12,093
Capital Receipts	730	168	20
Revenue Contribution	1,483	88	0
Borrowing	45,870	14,268	700
Total	137,392	35,575	12,813

- 4.4 Increased prices due to inflation continue to cause pressures on the capital programme and particularly on schemes identified as potential investment in the 'pipeline', which are subject to detailed feasibility and design work prior to further consideration for approval.

SECTION 5: RESERVES AND BALANCES

5.1 General Balances

The general balances position at 31 March 2024 is forecast to be as follows, having regard to the net current forecast outturn position as detailed in Table 4.

Table 4 – General Balances	Original Estimate £000	Forecast Outturn £000
General Balances at 1 April 2023	12,000	12,000
Net Position 2023/24	-	(2,910)
General Balances at 31 March 2024	12,000	9,090

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 Reserve Strategy is included within the *Medium-Term Financial Strategy 2023-2026 and Revenue and Capital Budget 2023/24* report considered by Cabinet on 22 February 2023 and approved by Council on 1 March 2023.

5.2 Earmarked Balances

The forecast position in relation to General Earmarked Balances at 31 March 2024 is provided in Table 5. The position with regard to Covid-19 balances is provided in Table 6. Annex D details approved use of General Earmarked Balances during the period and Annex E provides details of General Earmarked Balances to 2025/26.

Table 5 – General Earmarked Balances	£000
General Earmarked Balances at 1 April 2023	46,815
Transfer to / (from) during the year	(1,516)
Forecast General Earmarked Balances at 31 March 2024	45,299

Table 6 – Covid-19 Earmarked Balances	Collection Fund £000	Other £000
Covid Earmarked Balances at 1 April 2023	488	4,210
Transfer to / (from) during the year	(488)	(3,000)
Forecast Covid-19 Earmarked Balances at 31 March 2024	-	1,210

5.3 Schools Balances

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

Table 7 – School Balances	£000
School Balances at 1 April 2023	11,887
Forecast Net Position 2023/24	(1,927)
Forecast School Balances at 31 March 2024	9,960

5.4 Usable Capital Receipts

Table 8 – Usable Capital Receipts	£000
Capital Receipts brought forward at 1 April 2023	19,103
Receipts generated in year to date from land, property and fleet sales	85
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	(1,000)
Receipts from the repayment of Council grants and loans ring-fenced for future years' Housing Programme	(224)
Required to fund Capital Programme 2022/23 to 2024/25	(918)
Available Balance (after taking commitments into account)	7,046

SECTION 6: OTHER FINANCIAL MONITORING MATTERS

6.1 External Grant Funding

6.1.1 Turnaround Programme

The Ministry of Justice's Turnaround Programme provides additional funding to Youth Offending Teams (YOT) to help deliver early interventions to young people at risk of entering the criminal justice system. St Helens YOT has been awarded a total of £245k to deliver a Youth Crime Prevention Programme through to March 2025, with £101k for the financial year 2023/24. Further details are provided in Delegated Executive Decision 0006 (2023/24).

6.1.2 Air Quality Grant

The Council's Public Health and Environmental Health teams, with support from partners, have successfully applied to DEFRA for funding for a one-year project to improve outcomes for children with asthma who live in Air Quality Management Areas (AQMAs). The Council has been awarded £405k, and the project will focus on indoor air quality monitoring and health promotion interventions. Delegated Executive Decision 0002 (2023/24) provides further information.

6.1.3 Household Support Fund

St Helens has received a 2023/24 allocation of £3,559k from the DWP's Household Support Fund to support residents with the rising cost of living and provide help to those who would otherwise struggle to pay bills or meet other essential living costs. In accordance with delegations previously approved by Cabinet a delivery plan for 2023/24 has been approved by Delegated Executive Decision PROP000187.

6.1.4 Domestic Abuse Statutory Duty Grant

A Domestic Abuse Partnership Board was created in 2022 to provide strategic oversight of the commissioning of domestic abuse services in the Borough in response to the Domestic Abuse Act 2021, which placed new duties on local authorities to provide safe accommodation to victims of domestic abuse. The Council has been awarded £446k from DLUHC's Domestic Abuse Support in Safe Accommodation Fund to fund this work during 2023/24, as detailed in Delegated Executive Decision PROP000181.

6.1.5 Libraries Improvement Fund

The Library Service have been successful in submitting an application to the Libraries Improvement Fund (administered by Arts Council England) and the Council awarded a grant of £276k towards the costs of creating a SEND-friendly library offer in Haydock Library. Delegated Executive Decision 0140 (2022/23) provides further details.

SECTION 7: TREASURY MANAGEMENT POSITION STATEMENT

7.1 A summary of the Council's Treasury position at the end of the reporting period is included in Table 9. The Treasury Management Position Statement is included in Annex G.

Table 9 – Treasury Management Position	As at 1 April 2023	As at Current Period
Investments Outstanding	£127.0m	£154.4m
Investment Returns (average for the year to date)	-	4.026%
Benchmark Returns	-	4.018%
Borrowing	£137.5m	£137.5m

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

PORTFOLIO	Approved Budget	Carry Forward/ Acceleration of Earmarked Reserves	Release of Grants/ICB Funding	Use of Reserves in Period	Technical & Accounting Adjustments	Current Budget
	£000	£000	£000	£000	£000	£000
	*1	*2	*3	*4	*5	
Economy, Business and Skills	1,973	260	13	59	(75)	2,230
Children and Young People	64,074	9	-	-	(106)	63,977
Integrated Health and Care	60,170	-	80	-	2,716	62,966
Wellbeing, Culture and Heritage	5,388	177	385	-	267	6,217
Corporate Services	7,973	260	-	125	-	8,358
Strategic Transport	13,568	27	-	-	-	13,595
Environmental Services and Climate Change	9,757	(74)	-	-	-	9,683
Regeneration and Planning	11,243	100	35	-	(2,716)	8,662
Safer Communities	951	409	308	-	-	1,668
TOTAL DIRECTORATE BUDGETS	175,097	1,168	821	184	86	177,356
Council-Wide Budgets	(175,097)	(1,168)	(821)	(184)	(86)	(177,356)
Net Position 2023/24	-	-	-	-	-	-

*1 Approved budget – Council, 1 March 2023

*2 Approved earmarked reserve carry-forward from 2022/23 into 2023/24 and acceleration of earmarked reserves from 2023/24 into 2022/2023 (see Section 2.7)

*3 Approved earmarking of unconditional grants/ICB funding for commitments in 2023/24 (see Section 2.7)

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

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

Portfolio Budgets on a Priority Basis

	Current Net Budget 2023/24 £000	Forecast Outturn 2023/24 £000	Variance 2023/24 £000
Priority 1 – Ensure children and young people have a positive start in life	63,977	64,977	+1,000
Priority 2 – Promote good health, independence, and care across our communities	63,268	64,258	+990
Priority 3 – Create safe and strong communities and neighbourhoods for all	8,024	8,143	+119
Priority 4 – Support a strong, thriving, inclusive and well-connected local economy	6,153	6,522	+369
Priority 5 – Create green vibrant places that reflect our heritage and culture	28,602	29,319	+717
Priority 6 – Be a modern, efficient and effective Council	7,332	7,147	(185)
Total	177,356	180,366	+3,010

Annex C

(i) Economy, Business and Skills

Economy, Business and Skills	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
People's Services Directorate					
Adult Community Learning	657	(626)	31	31	0
Non-Schools Total	657	(626)	31	31	0
Total People's Services	657	(626)	31	31	0
Place Services Directorate					
Economic Development	1,665	(1,158)	507	544	+37
Environmental Health	1,722	(610)	1,112	1,219	+107
Trading Standards	599	(15)	584	546	(38)
Licensing and Land Charges	672	(676)	(4)	8	+12
Total Place Services	4,658	(2,459)	2,199	2,317	118
Total	5,315	(3,085)	2,230	2,348	118

- 1.1 The portfolio is currently projecting an overspend of £118k.
- 1.2 The non-achievement of staff savings across the portfolio (£184k) is currently being offset by staff slippage across the portfolio of £165k. The impact of these savings is included in the forecast outturn above.
- 1.3 In addition, Environmental Health are forecasting a further overspend of £99k, which is predominantly in relation to the failure to meet income targets in the Environmental Warden service (£94k), with a further pressure of £5k across supplies and services.

(ii) Children and Young People

Children and Young People	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
People's Services Directorate					
Schools					
Schools Delegated Budget	117,689	(117,689)	0	0	0
Schools Total	117,689	(117,689)	0	0	0
Non-Schools					
Other Expenditure Attributable to Schools	8,429	(2,841)	5,588	5,588	0
Early Years Development (incl.PVIs)	8,106	(7,767)	339	339	0
Support for Children with SEND	9,376	(7,267)	2,109	2,109	0
Behaviour Support Services	3,736	(3,684)	52	52	0
Home to School/College Transport	3,760	(95)	3,665	3,665	0
Management & Other Support Services	6,202	(3,871)	2,331	2,331	0
Social Care and commissioning Teams	12,446	(424)	12,022	12,022	0
Children Looked After	36,181	(6,978)	29,203	29,203	0
Child Protection	2,025	(157)	1,868	1,868	0
Children's Centres/Early Help Service	2,731	(1,034)	1,697	1,697	0
Support for Disabled Children	2,069	(278)	1,791	1,791	0
Family Support Services	6,653	(4,010)	2,643	3,643	+1,000
Youth Justice Services	1,775	(1,106)	669	669	0
Total	103,489	(39,512)	63,977	64,977	+1,000

- 2.1 It is anticipated that the portfolio will continue to experience financial challenges during 2023/24 due to both demand pressures within children's social care and a challenging programme of efficiencies across the portfolio.
- 2.2 Although expenditure in respect of Children Looked After is currently projected to be broadly in line with budget, these costs remain at a historically high level. Placement costs in relation to Children Looked After can be volatile, and are impacted by the needs and demographics of service users, as the complexity of support required can impact significantly on placement costs. Factors such as placement breakdown and residential care market conditions can also result in cost pressures.
- 2.3 In April 2023, Cabinet approved proposals to invest to expand in-house residential care capacity over the next two years. This investment will support the Council's aspiration to be able to have greater influence and control over the financial challenges associated with Children Looked After.
- 2.4 However, it is forecast that there will be a pressure of approximately £1m in relation to support packages designed to help young people remain in the family environment and avoid the need to be brought into more expensive fostering or residential care.

This pressure relates to a relatively small cohort of young people who have complex and challenging needs.

- 2.5 The need to maintain appropriate levels of staffing resource within the children's social care workforce is resulting in an ongoing need to engage agency staff. The costs associated with agency staff tend to be higher than those directly employed, and can result in significant budgetary pressures. Should expenditure on social care agency staff continue throughout 2023/24 at the current rate, it is projected that annual expenditure would be at similar levels to those experienced in 2022/23. That expenditure contributed to a social care staffing budget pressure of approximately £1.7m (excluding costs associated with the engagement of additional short-term social work capacity to alleviate specific service pressures).
- 2.6 The challenges associated with the recruitment of suitably skilled and experienced staff are prevalent across the whole sector. The department has been proactive in attempting to address these recruitment and retention challenges through a number of actions, including the review of salary levels of qualified social care staff to ensure a competitive level of remuneration, additional staffing capacity to undertake non-statutory functions to alleviate social worker workloads, programmes to train and develop staff to the level of qualified social worker status, and an ongoing recruitment campaign.

(iii) Integrated Health and Care

Integrated Health and Care	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
People's Services Directorate					
Physical Support - Frail & Elderly	38,238	(23,365)	14,873	15,076	+203
Sensory Support	1,321	(254)	1,067	1,067	0
Support with Memory & Cognition	14,402	(5,467)	8,935	8,785	(150)
Learning Disability Support	37,039	(11,409)	25,629	26,354	+725
Mental Health Support	4,782	(647)	4,135	4,028	(107)
Assistive Equipment & Technology	3,830	(2,719)	1,111	1,430	+319
Care Management - Assessment & Review	10,979	(3,763)	7,217	7,217	0
Transport and Generic Services	1,513	(1,513)	0	0	0
Management, Commissioning & Support Services	5,627	(5,627)	0	0	0
Total	117,731	(54,764)	62,966	63,956	+990

- 3.1 The budget for Adult Social Care has been updated to reflect the transfer of the Supporting People budgets for Adult Social Care services from the Place Services directorate, as detailed in Delegated Executive Decision PROP000192.
- 3.2 Even at this early stage in the year, it is anticipated that it will be extremely challenging for the department to deliver a balanced budget in 2023/24. In addition to the pressures already identified, and subject to further detailed monitoring of commissioning budgets during the year, the delivery of a £4.4m savings target for 2023/24 presents a significant financial challenge. It is worth noting that additional savings against some of these 2023/24 schemes will continue into 2024/25.
- 3.3 The department operates a monthly savings programme task group involving key service leads to monitor and update on progress. The most significant saving is in relation to the delivery of £1.7m savings within the Learning Disability service. Specific work in the department to deliver this saving includes:
- The opening of a scheme called Heathside in partnership with Torus, NHS, ICB, HMS and Creative Support. The scheme consists of seven apartments for adults with Autism and Learning Disabilities. It is anticipated that this facility will reduce the need for more costly specialist out-of-borough placements;
 - A review of day services provision to support the delivery of a more cost-efficient model of support for adults with learning disabilities. The Council is currently re-providing support to individuals with complex needs;

- A targeted review of the commissioned services provided to individuals with complex needs.
- 3.4 To support the delivery of savings, the department operates three panels weekly, to ensure that all cost-efficient alternatives are considered when meeting need. In addition, the department actively reviews the support levels for all young people transitioning from children's social care into adult services.
- 3.5 The department continues to work with social care providers in relation to fees and has proposed fees for 2023/24 inclusive of the real living wage, with the aspiration this will go some way to stabilising the workforce and addressing some of the recruitment and retention challenges facing the sector. The decision to fund care providers in St Helens at a rate deemed sufficient to pay care staff the real living wage was ratified by Cabinet on 24 May 2023 following an Urgent Leaders Decision on 26 April 2023.
- 3.6 The department will in coming months commence the fee-setting process for 2024/25 and will need to consider the implications of funding the real living wage in this process.
- 3.7 A further key risk to the budget position is in relation to costs supporting hospital discharges. Work is ongoing to assess the level of increased demand and associated costs from hospital discharge activity. Funding of £1.471m was provided by the Department of Health and Social Care in 2023/24 to support discharges, and this has been pooled into the Better Care Fund alongside ICB funding of £1.449m. However, there remains a risk that this funding may not be sufficient to meet demand.
- 3.8 NHS Cheshire & Merseyside Integrated Care Board has now been in place for a year, and St Helens' Section 75 agreement has been revised to reflect the new arrangements, covering the period 2023-2025. As an integrated function, the department continues to work closely with ICB colleagues to ascertain any future financial impacts to the pooled fund and local agreements from the organisational change. The Integrated Finance Group has been re-established from June 2023.

(iv) Wellbeing, Culture and Heritage

(a) Public Health Services

Public Health Services	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
People's Services Directorate					
Sexual Health	2,052	0	2,052	2,052	0
Primary Care	95	0	95	95	0
Public Health Advice	647	0	647	647	0
Obesity	1,143	0	1,143	1,143	0
Physical Activity	1,584	0	1,584	1,584	0
Substance Misuse	3,986	(1,193)	2,793	2,793	0
Stop Smoking Services and Interventions	590	0	590	590	0
Healthy Child Programme	4,553	0	4,553	4,553	0
Miscellaneous Public Health Services	2,501	(100)	2,401	2,401	0
Management & Support Services	2,223	(2,223)	0	0	0
Public Health Grant	0	(15,557)	(15,557)	(15,557)	0
Total	19,375	(19,073)	302	302	0

- 4.1 The ringfenced Public Health Grant for 2023/24 was published on 14 March 2023, and the allocation for 2023/24 is £15.557m. There are no changes in the grant conditions from previous years. The budget has been revised to reflect the Public Health Grant allocation.
- 4.2 The Council has been awarded funding from the Department for Environment, Food and Rural Affairs (DEFRA) to improve air quality. Nationally, £10.7m was provided to local authorities to support such projects. St Helens was awarded £405k in total (capital £103k and revenue £302k). The revenue budget has been revised to reflect the grant allocation.
- 4.3 NHS Cheshire and Merseyside Integrated Care Board has made available new funding of £176k to support a number of public health-related activities during the next 12 months. This funding is non-recurrent.
- 4.4 The Public Health service continues to deliver against the National Drug Strategy, and confirmation of the Supplementary Substance Misuse Treatment and Recovery Grant funding for 2023/24 and 2024/25 was announced by the Office for Health Improvement and Disparities (OHID) in February 2023: £1.051m and £2.029m respectively. The funding is to improve local drug treatment services and is in line with earlier funding arrangements.

(b) Culture and Heritage

Culture and Heritage	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
Arts Development and Support	485	(152)	306	303	(3)
Archiving	407	(222)	185	185	0
Sports Development	525	(357)	168	87	(81)
Indoor Sports & Recreation	5,400	(3,279)	2,121	2,308	+187
Outdoor Sports & Recreation	509	(147)	362	343	(19)
Library Services	2,646	(150)	2,496	2,730	+234
Tourism and Events	303	(26)	277	277	0
Total Culture and Heritage Services	10,248	(4,333)	5,915	6,233	+318

- 4.5 The portfolio is currently projecting an overspend of £318k.
- 4.6 The main area of unachieved saving in the portfolio relates to the implementation of the Localities model, which is now at £582k following the completion of the Leisure Services Phase 3 restructure. Vacant posts are being held within the Libraries Services pending completion of the Libraries Strategy and the Phase 3 restructure, partially mitigating the delay in implementation (total slippage £163k). Delivery of the Locality Hubs is phased over 1-5 years.
- 4.7 The non-achievement of portfolio-wide staff savings (£58k) is currently being covered by additional staff slippage across the portfolio of £95k.
- 4.8 In addition to the aforementioned savings, Indoor Sports & Recreation are forecasting an underspend of £58k, with overspend on employees (£27k) being covered by an underspend on general supplies & services (£31k) and a net overachievement of £54k.

(v) Corporate Services

Corporate Services	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
Local Tax Collection	1,341	0	1,341	1,341	0
Emergency Planning	130	0	130	130	0
Local Welfare Assistance Schemes	190	0	190	190	0
Grants & Donations	50	(3)	47	47	0
Non-Distributed Costs	2,242	(17)	2,225	2,225	0
Coroners Court Services	270	0	270	270	0
Registration of Births, Deaths & Marriages	262	(211)	51	51	0
Democratic Representation & Management	1,673	0	1,673	1,673	0
Elections	425	(3)	422	422	0
Housing Benefit Administration	44,151	(43,614)	537	537	0
Corporate Management	1,472	0	1,472	1,472	0
Finance	9,755	(9,755)	0	(87)	(87)
Audit & Risk	1,209	(1,209)	0	0	0
People Management	2,798	(2,798)	0	0	0
Legal Services	1,941	(1,941)	0	0	0
Governance & Administration	281	(281)	0	0	0
I.T.	9,428	(9,428)	0	0	0
Press and Public Affairs	1,289	(1,289)	0	0	0
Policy Development	2,345	(2,345)	0	0	0
Organisational Development	1,180	(1,180)	0	0	0
Other Services	129	(129)	0	0	0
Total	82,561	(74,203)	8,358	8,271	(87)

- 5.1 Currently, there are a number of vacancies within Finance generating projected slippage of £87k. This underspend is likely to increase if posts remain vacant due to recruitment issues.
- 5.2 In other areas, current vacancy levels suggest that slippage budgets for some services will not be met. However, from previous years' experience, it is expected that vacancies will arise as the year progresses due to staff movement, and therefore that targets will be met.
- 5.3 In previous years, the YPO dividend has experienced pressure due to the pandemic severely affecting purchasing. Work is currently ongoing with YPO to ascertain the position for the current financial year, and an updated position will be reported as a part of future Financial Monitoring Reports.

(vi) Safer Communities

Safer Communities	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
Place Services Directorate					
Community Safety	2,350	(682)	1,668	1,749	+81
Total	2,350	(682)	1,668	1,749	+81

6.1 The portfolio is currently projecting an overspend of £81k, which relates to the non-achievement of staff savings within the portfolio.

(vii) Environmental Services and Climate Change

Environmental Services and Climate Change	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
Place Services Directorate					
Parks & Open Spaces	2,535	(203)	2,253	2,376	+44
Street Cleansing	1,977	(179)	1,798	1,876	+78
Cemetery and Crematorium	2,035	(2,624)	(589)	(551)	+38
Waste Collection	3,062	(676)	2,386	2,430	+44
Recycling	6,249	(2,633)	3,616	3,989	+373
Climate Change	102	(25)	77	77	0
Direct Services	20,343	(20,380)	(37)	(252)	(215)
Management & Support Services	1,830	(1,830)	0	(29)	(29)
Councillor Improvement Fund	100	0	100	100	0
Total	38,233	(28,550)	9,683	10,016	+333

- 7.1 The portfolio is currently projecting an overspend of £333k.
- 7.2 The non-achievement of portfolio-wide staff savings (£403k) is currently being offset by staff slippage across the portfolio (£279k), whilst non-staffing savings of £228k remain outstanding. The impact of these savings is included in the forecast outturn above.
- 7.3 Parks & Open Spaces are forecasting additional income of £42k, related to playground inspections and events, along with a net underspend on general supplies and services of £13k.
- 7.4 Waste Collection are forecasting additional trade waste tipping fees of £52k, but this is being mitigated by additional income of £45k and an underspend on external vehicle hire of £11k. The service is seeing a reduction in the amount of residual waste collected, and whilst this does not result in any direct revenue savings, it is likely to deliver a reduction on the Waste Levy Charge from the Waste Disposal Authority in future years.
- 7.5 Recycling are forecasting additional tipping fees for food disposal of £196k, but this is being partially mitigated by additional recycling credit income of £183k for disposal of this waste. The service is also forecasting a reduction in external vehicle hire income of £74k, and an underachievement of recyclate sales and recycling credits of £74k, as a result of reduced rates payable by our contractor and the Waste Disposal Authority. It is anticipated that income levels will improve once the recommendations of the Waste Strategy are implemented later in the year, both in terms of new containers and the appointment of a new waste recycling contractor.
- 7.6 In Direct Services, Grounds Maintenance are forecasting a shortfall in income of £35k, along with an overspend on chemical purchases of £6k. There is also a forecast underspend on fuel costs within the Transport service of £13k, assuming the same level of purchases as 2022/23 at today's diesel price (£1.17 per litre). As the service increasingly looks to replace older diesel vehicles with new electric alternatives, it is anticipated that there will be further reductions in these fuel costs. It should be noted, however, that electricity charges will increase at the same time, although the expectation is that there will be a net financial benefit to the Council in

doing so. In addition, the Recycling and Waste Collection services are currently undertaking a full rerouting exercise that should also provide a revenue saving via a reduction in mileage.

(viii) Strategic Transport

Strategic Transport	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
Place Services Directorate					
Parking Services	1,330	(1,064)	266	342	+76
Highways Maintenance	11,348	(2,151)	9,197	9,174	(23)
Street Lighting	2,870	(158)	2,712	2,805	+93
Traffic Management & Road Safety	819	(213)	606	611	+5
Transport Planning, Policy & Strategy	814	0	814	712	(102)
Total	17,181	(3,586)	13,595	13,644	+49

- 8.1 The portfolio is currently projecting an overspend of £49k.
- 8.2 The non-achievement of portfolio-wide staff savings (£268k) is currently being covered by staff slippage across the portfolio (£309k), whilst non-staffing savings of £90k remain outstanding.

(ix) Regeneration and Planning

Regeneration and Planning	Current Expend. Budget 2023/24 £000 (a)	Current Income Budget 2023/24 £000 (b)	Current Net Budget 2023/24 £000 (c)=(a)+(b)	Forecast Outturn 2023/24 £000 (d)	Variance Q1 2023/24 £000 (e) =(d)-(c)
Place Services Directorate					
Building Control	733	(366)	367	374	+7
Development Control	1,603	(974)	629	693	+64
Planning Policy	776	(175)	501	580	(21)
Estates - Industrial & Commercial Premises (including Town Centre)	8,047	(6,611)	1,436	1,787	+351
Market Undertakings	1,074	(363)	711	763	+52
Growth Delivering Prosperity	791	0	791	675	(116)
Management & Support Services	1,493	(1,493)	0	21	+21
Building Support Services	8,360	(8,360)	0	(61)	(61)
Estates Management	609	(609)	0	(46)	(46)
Housing Services	6,067	(2,322)	3,745	3,705	(40)
Homelessness	1,274	(892)	382	379	(3)
Total	30,827	(22,165)	8,662	8,870	+208

- 9.1 The portfolio is currently projecting an overspend of £208k.
- 9.2 The non-achievement of portfolio-wide staff savings (£333k) is currently being covered by staff slippage across the portfolio (£419k), whilst non-staffing savings of £320k remain outstanding. The impact of these savings is included in the forecast outturn above.
- 9.3 Housing Services are currently projecting a shortfall in income of £72k linked to the Disabled Facilities Grant, although it is anticipated that this position will improve as the capital programme gathers pace throughout the year. This is also being offset by a projected underspend on general supplies and services of £41k.
- 9.4 The budget saving against the Supporting People programme (£282k) has been achieved following cessation of the programme, with the associated budget being re-allocated into existing departmental programmes within Housing Services and Adult Social Care. In addition, based on current forecast activity levels within the Housing Services programme, there is a projected budget underspend of £109k.
- 9.5 Market Undertakings and Estates services are both forecasting overspends on Business Rates of £31k, as a result of void units across their respective property portfolios.
- 9.6 There are also minor underspends on general supplies and services across the portfolio of £10k.

Utilisation of Earmarked Reserves during the period

Annex D

This table details the approved decisions to utilise Earmarked Reserves in 2023/24 during the period				
Portfolio / Corporate Items	Reserve	Detail	Decision Reference	Cash Limit Change 2023/24 £000
Economy, Business and Skills	Growth Reserve	Delivery of a skills pilot programme in St Helens	ENVP002931	+59
Corporate Services	Transformation Reserve	To create additional project management capacity	CORP001316	+125
Economy, Business and Skills	Funding Reform and Volatility Reserve	Release of unringfenced grants and contributions earmarked in 2022/23 to support specific programmes of work	Cabinet 21 June 2023	+13
Integrated Health and Care				+80
Wellbeing, Culture and Heritage				+385
Safer Communities				+308
Regeneration and Planning				+35
Total				+1,005

Annex E

EARMARKED BALANCES 2023/24 to 2025/26

Reserve	Balance at 31 March 2023 £000	Balance at 1 April 2023 £000	Balance at 31 March 2024 £000	Balance at 31 March 2025 £000	Balance at 31 March 2026 £000
Transformation Reserve	6,171	6,171	4,965	5,415	5,665
Growth Reserve	5,711	5,711	5,483	5,539	6,598
Councillor Improvement Fund	356	356	356	356	356
Insurance & Contingent Liability Reserve	3,208	3,208	3,208	3,208	3,208
Waste Management Development Fund	647	647	295	295	295
Inflationary Reserve	4,000	4,746	5,622	6,622	7,622
Restructuring Reserve	3,707	3,707	3,707	3,707	3,707
Funding Reform Volatility Reserve ¹	3,213	7,269	6,663	7,423	12,723
Pension Reserve	20,000	10,000	10,000	10,000	10,000
Tax Increment Financing (TIF) Reserve	-	5,000	5,000	5,000	5,000
Subtotal - General Earmarked Balances	47,013	46,815	45,299	47,565	55,174
Covid-19 Reserve - Collection Fund	488	488	-	-	-
Covid-19 Reserve - Other	6,095	4,210	1,210	-	-
TOTAL	53,596	51,513	46,509	47,565	55,174

¹ The balance as at 1 April 2023 includes earmarking of unconditional grants and contributions and other previously approved requests for use in 2023/24 to deliver specific programmes of work (£1,286k). At the time of drafting this report, £821k of this has been released into revenue budgets in 2023/24, as detailed in Annex D.

PORTFOLIO					Funding			
	2023/24	2024/25	2025/26	Total	Borrowing	Capital Receipts	Revenue	Grants / Conts.
	£000	£000	£000	£000	£000	£000	£000	£000
Children and Young People	15,570	2,361	1,300	19,231	2,379	0	0	16,852
Integrated Health & Care	25	0	0	25	0	0	0	25
Economy, Business & Skills	11	0	0	11	11	0	0	0
Wellbeing, Culture & Heritage	2,148	72	0	2,220	2,118	0	0	102
Corporate Services	2,154	0	0	2,154	875	515	764	0
Strategic Transport	48,203	12,539	7,645	68,387	13,875	0	15	54,497
Environmental Services & Climate Change	8,490	823	700	10,013	8,335	45	476	1,157
Regeneration & Planning	60,756	19,780	3,168	83,704	33,235	358	316	49,795
Safer Communities	35	0	0	35	10	0	0	25
TOTAL	137,392	35,575	12,813	185,780	60,838	918	1,571	122,453

CHILDREN & YOUNG PEOPLE PORTFOLIO				
	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Primary Schools				
Ashurst Primary Rebuild	1,132	0	0	1,132
Bleak Hill Roof Repairs	50	0	0	50
Carr Mill - Heating Works	230	0	0	230
Longton Lane Rebuilding Programme	158	0	0	158
Merton Bank Structural Works	29	0	0	29
Newton Le Willows Primary Heating	15	0	0	15
Queens Park Roof Replacement	100	0	0	100
Queens Park H&S Works	30	0	0	30
Rivington Boiler Replacement	30	0	0	30
Sutton Manor Health & Safety Works	50	0	0	50
Sutton Oak Boiler Replacement	40	0	0	40
Thatto Heath Structural Works	25	0	0	25
The District Primary - Nursery Provision	41	0	0	41
The District Primary - Roof Replacement	40	0	0	40
The District Primary - Fire Doors	6	0	0	6
Secondary Schools				
Cowley Roof Replacement	32	0	0	32
De La Salle SEND Base	944	0	0	944
Special & Other Schools				
Lansbury Bridge - Refurbishment of classroom	12	0	0	12
Launchpad Roof Renewal	100	0	0	100
Penkford Relocation	52	0	0	52
Pupil Referral Heating	40	0	0	40
Other Schemes				
School Devolved Formula Capital	1,279	300	300	1,879
Harnessing Technology	5	0	0	5
Various Schools Fire Risks	36	0	0	36
Various Schools Heating	8	0	0	8
Children and Families Accommodation	19	0	0	19
Sutton Children's Centre External Play Area	63	0	0	63
Children's Residential Homes	1,380	999	0	2,379
Family Hubs	89	62	0	151
Uncommitted Grant Funding				
Healthy Pupils Capital Funding	125	0	0	125
Higher Needs Provision Capital	3,652	0	0	3,652
Basic Need Uncommitted	730	0	0	730
School Condition Funding Uncommitted	5,028	1,000	1,000	7,028
TOTAL	15,570	2,361	1,300	19,231

INTEGRATED HEALTH & CARE PORTFOLIO				
	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Unallocated Community Capacity Grant	25	0	0	25
TOTAL	25	0	0	25

ECONOMY, BUSINESS & SKILLS PORTFOLIO				
	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Replacement of Housing & Regulatory Services Case Management System	11	0	0	11
TOTAL	11	0	0	11

2023/24	2024/25	2025/26	Total
£000	£000	£000	£000
1,132	0	0	1,132
50	0	0	50
230	0	0	230
158	0	0	158
29	0	0	29
15	0	0	15
100	0	0	100
30	0	0	30
30	0	0	30
50	0	0	50
40	0	0	40
25	0	0	25
41	0	0	41
40	0	0	40
6	0	0	6
32	0	0	32
944	0	0	944
12	0	0	12
100	0	0	100
52	0	0	52
40	0	0	40
1,279	300	300	1,879
5	0	0	5
36	0	0	36
8	0	0	8
19	0	0	19
63	0	0	63
1,380	999	0	2,379
89	62	0	151
125	0	0	125
3,652	0	0	3,652
730	0	0	730
5,028	1,000	1,000	7,028
15,570	2,361	1,300	19,231

Funding			
Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
0	0	0	1,132
0	0	0	50
0	0	0	230
0	0	0	158
0	0	0	29
0	0	0	15
0	0	0	100
0	0	0	30
0	0	0	30
0	0	0	50
0	0	0	40
0	0	0	25
0	0	0	41
0	0	0	40
0	0	0	6
0	0	0	32
0	0	0	944
0	0	0	12
0	0	0	100
0	0	0	52
0	0	0	40
0	0	0	1,879
0	0	0	5
0	0	0	36
0	0	0	8
0	0	0	19
0	0	0	63
2,379	0	0	0
0	0	0	151
0	0	0	125
0	0	0	3,652
0	0	0	730
0	0	0	7,028
2,379	0	0	16,852

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
0	0	0	25
0	0	0	25

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
11	0	0	0
11	0	0	0

WELLBEING, CULTURE & HERITAGE PORTFOLIO			
2023/24	2024/25	2025/26	Total
£000	£000	£000	£000
Libraries ICT Refresh	44	0	44
Newton Le Willows Health and Fitness Centre Equipment	65	0	65
Parr Locality Hub (feasibility)	625	0	625
Parr Swimming & Fitness Centre Demolition	1,032	0	1,032
Sutton Leisure Centre - Swimming provision	352	0	352
UK Shared Prosperity Fund - Culture, Arts and Heritage	30	72	102
TOTAL	2,148	72	2,220

2023/24	2024/25	2025/26	Total
£000	£000	£000	£000
44	0	0	44
65	0	0	65
625	0	0	625
1,032	0	0	1,032
352	0	0	352
30	72	0	102
2,148	72	0	2,220

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
44	0	0	0
65	0	0	0
625	0	0	0
1,032	0	0	0
352	0	0	0
0	0	0	102
2,118	0	0	102

CORPORATE SERVICES PORTFOLIO			
2023/24	2024/25	2025/26	Total
£000	£000	£000	£000
ICT Device Refresh	1,279	0	1,279
Telephone & Contact Centre System	129	0	129
Finance System (Unit4 ERP)	746	0	746
TOTAL	2,154	0	2,154

2023/24	2024/25	2025/26	Total
£000	£000	£000	£000
1,279	0	0	1,279
129	0	0	129
746	0	0	746
2,154	0	0	2,154

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
0	515	764	0
129	0	0	0
746	0	0	0
875	515	764	0

STRATEGIC TRANSPORT PORTFOLIO				
2023/24	2024/25	2025/26	Total	
£000	£000	£000	£000	
Highway Schemes				
A49 to M6 Junction 22 Link Road	25,800	4,814	0	30,614
A49 to M6 Junction 22 Link Road (Junction Mitigation Works)	5,810	0	0	5,810
Active Travel Fund - Tranche 2	3	0	0	3
Active Travel Fund - Tranche 3	2,056	0	0	2,056
Active Travel Fund - Tranche 4	1,334	0	0	1,334
Carriageway Maintenance	44	0	0	44
Highway / Road Investment	447	0	0	447
Huskisson Bridge Repairs	170	0	0	170
LCR Sustainable Urban Development	550	0	0	550
Local Safety Schemes	62	0	0	62
Local Transport Plan Unallocated (CRSTS)	0	7,020	7,020	14,040
CRSTS- Active Travel-City Region	870	0	0	870
CRSTS- Strategic Maintenance	3,365	0	0	3,365
CRSTS - Bridges	710	0	0	710
CRSTS - Technology & Comms Upgrade	1,010	0	0	1,010
CRSTS - Potholes	410	0	0	410
CRSTS - Flooding / Drainage	710	0	0	710
CRSTS - Resource Funding	1,315	705	625	2,645
Safer Routes to Schools	49	0	0	49
Section 106 Arrangements	81	0	0	81
St. Helens Southern Gateway Package	3,327	0	0	3,327
Traffic Signal Improvements on A58 and A572	80	0	0	80
TOTAL	48,203	12,539	7,645	68,387

2023/24	2024/25	2025/26	Total
£000	£000	£000	£000
25,800	4,814	0	30,614
5,810	0	0	5,810
3	0	0	3
2,056	0	0	2,056
1,334	0	0	1,334
44	0	0	44
447	0	0	447
170	0	0	170
550	0	0	550
62	0	0	62
0	7,020	7,020	14,040
870	0	0	870
3,365	0	0	3,365
710	0	0	710
1,010	0	0	1,010
410	0	0	410
710	0	0	710
1,315	705	625	2,645
49	0	0	49
81	0	0	81
3,327	0	0	3,327
80	0	0	80
48,203	12,539	7,645	68,387

Borrowing	Capital Receipts	Revenue	Grants / Conts.
£000	£000	£000	£000
13,180	0	0	17,434
0	0	0	5,810
0	0	0	3
0	0	0	2,056
0	0	0	1,334
44	0	0	0
447	0	0	0
170	0	0	0
0	0	0	550
0	0	0	62
0	0	0	14,040
0	0	0	870
0	0	0	3,365
0	0	0	710
0	0	0	1,010
0	0	0	410
0	0	0	710
0	0	0	2,645
34	0	15	0
0	0	0	81
0	0	0	3,327
0	0	0	80
13,875	0	15	54,497

ENVIRONMENTAL SERVICES & CLIMATE CHANGE PORTFOLIO				
	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Air Quality	650	0	0	650
Air Quality - Indoor Monitoring Equipment	103	0	0	103
Climate Change Emergency Response Fund	46	0	0	46
Haydock KGV Playing Field- Site Improvements	128	0	0	128
Recycling & Waste Collection	406	0	0	406
Section 106 Arrangements (Non-Highway Schemes)	48	0	0	48
St. Helens Cemetery-Drainage Scheme	2	0	0	2
Two Butt Lane Open Space (S.106)	20	0	0	20
Sherdley Park Skate Park	122	0	0	122
UK Shared Prosperity Fund - Green, Resilient & Safe Communities	78	123	0	201
Resources and Waste Strategy	2,770	0	0	2,770
Fleet Replacement Programme	4,117	700	700	5,517
TOTAL	8,490	823	700	10,013

	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Borrowing	0	0	0	650
Capital Receipts	0	0	0	103
Revenue	46	0	0	0
Grants / Conts.	0	0	79	49
	0	45	361	0
	0	0	0	48
	2	0	0	0
	0	0	0	20
	0	0	36	86
	0	0	0	201
	2,770	0	0	0
	5,517	0	0	0
TOTAL	8,335	45	476	1,157

	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Chalon Way Meanwhile Use	142	0	0	142
Ground Conditions Survey	101	20	20	141
St Helens Town Centre Masterplan	2,876	0	0	2,876
Church Square	300	0	0	300
Hardshaw Brook Depot Review	89	0	0	89
Modernisation of St Helens Crematorium	108	0	0	108
The Gamble Building (Phase 4)	533	0	0	533
Earlestown Regeneration	522	0	0	522
Earlestown Market	7,417	3,763	0	11,180
Earlestown Town Hall (Internal)	3,718	3,500	0	7,218
Earlestown Railway Station	1,945	7,518	0	9,463
Town Deal - Glass Futures Ph 2	5,600	0	0	5,600
Town Deal - Cannington Shaw	1,451	88	0	1,539
Town Deal - The World of Glass	402	0	0	402
Town Deal - Digital Infrastructure	1,250	1,250	0	2,500
Town Deal - Health Hub	1,750	0	0	1,750
Town Centre Bus Station Strategic Acquisitions	2,580	0	0	2,580
St Helens Manufacturing and Innovation Campus Strategic Acquisitions	7,200	0	0	7,200
Parkside Regeneration Equity Investment	17,500	0	0	17,500
UK Shared Prosperity Fund - Town Centres	0	43	0	43
Housing Schemes				
Disabled Facilities Grants and Adaptations	4,711	3,248	3,148	11,107
General Fund Housing (Housing Assistance)	190	100	0	290
Housing Clearance and Enforcement	88	50	0	138
Insulation Measures and Fuel Poverty	283	200	0	483
TOTAL	60,756	19,780	3,168	83,704

	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Borrowing	142	0	0	0
Capital Receipts	21	120	0	0
Revenue	2,876	0	0	0
Grants / Conts.	300	0	0	0
	89	0	0	0
	108	0	0	0
	533	0	0	0
	522	0	0	0
	2,658	0	0	8,522
	1,537	0	0	5,681
	3,258	0	0	6,205
	0	0	100	5,500
	0	0	169	1,370
	0	0	0	402
	0	0	0	2,500
	0	0	47	1,703
	2,580	0	0	0
	0	0	0	7,200
	17,500	0	0	0
	0	0	0	43
	611	0	0	10,496
	200	0	0	90
	138	0	0	0
	162	238	0	83
TOTAL	33,235	358	316	49,795

	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Community Safety Schemes				
CCTV Replacement	35	0	0	35
TOTAL	35	0	0	35

SAFER COMMUNITIES PORTFOLIO				
	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Community Safety Schemes				
CCTV Replacement	35	0	0	35
TOTAL	35	0	0	35

	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
Borrowing	10	0	0	25
Capital Receipts	0	0	0	0
Revenue	0	0	0	0
Grants / Conts.	10	0	0	25
TOTAL	10	0	0	25

	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000
TOTAL ALL PORTFOLIO'S	137,392	35,575	12,813	185,780

TOTAL ALL PORTFOLIO'S	137,392	35,575	12,813	185,780
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TOTAL ALL PORTFOLIO'S	60,838	918	1,571	122,453
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CAPITAL PROGRAMME 2023/24

CHILDREN & YOUNG PEOPLE PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Primary Schools						
Ashurst Primary Rebuild	1,132			0	1,132	New school building completed Easter 23. Works now beginning on demolition of old building and landscaping - scheduled for completion in Dec 23.
Bleak Hill Roof Repairs	50			0	50	
Broad Oak Primary WC Refurbishment	1	-1		-1	0	Design works for the scheme are currently being undertaken.
Carr Mill - Heating Works		230		230	230	
Grange Valley Primary - Remodel Staff Room	1	-1		-1	0	Scheme approved via Delegated Executive Decision 0001 2023/24.
Legh Vale Heating Replacement	2	-2		-2	0	
Longton Lane Rebuilding Programme	158			0	158	The overall scheme is being delivered externally by the Education & Skills Funding Agency. Budget provision relates to works being delivered at the request of the Authority.
Merton Bank Structural Works	29			0	29	
Newton Le Willows Primary Heating	15			0	15	Specifications for the scheme are currently being finalised. It is anticipated that tenders will be sought during the summer period.
Queens Park Window Replacement	7	-7		-7	0	
Queens Park Roof Replacement	100			0	100	Design works for the scheme are currently being undertaken.
Queens Park H&S Works	30			0	30	
Rivington Boiler Replacement	30			0	30	Design works for the scheme are currently being undertaken.
Robins Lane Health & Safety Works	4	-4		-4	0	
Sutton Manor Health & Safety Works	50			0	50	Design works for the scheme are currently being undertaken.
Sutton Oak Boiler Replacement	40			0	40	
Thatto Heath Structural Works	25			0	25	Options to complete the full design for the scheme are currently being considered.
The District Primary - Nursery Provision	41			0	41	
The District Primary - Roof Replacement	40			0	40	Options to complete the full design for the scheme are currently being considered.
The District Primary - Fire Doors	6			0	6	
Secondary Schools						
Cowley Roof Replacement	32			0	32	Options to complete the full design for the scheme are currently being considered.
Cowley Drainage Works	5	-5		-5	0	
Cowley Boiler Replacement	2	-2		-2	0	Options to complete the full design for the scheme are currently being considered.
De La Salle SEND Base	944			0	944	

CHILDREN & YOUNG PEOPLE PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Special & Other Schools						
Lansbury Bridge - Refurbishment of classroom	12			0	12	Delivery of the scheme has been paused pending identification and evaluation of the optimal solution, in terms of both the existing building and the needs of the service.
Launchpad Roof Renewal	100			0	100	
Penkford Relocation	52			0	52	
Pupil Referral Heating	40			0	40	
Other Schemes						
School Devolved Formula Capital	1,282	-3		-3	1,279	The 2023/24 allocation has been confirmed as £0.297m.
Harnessing Technology	5			0	5	
Various Schools Fire Risks	36			0	36	
Various Schools Heating	8			0	8	
Children and Families Accommodation	19			0	19	
Sutton Children's Centre External Play Area		63		63	63	
Children's Residential Homes		1,380		1,380	1,380	Scheme approved by Cabinet on 26th April 2023.
Family Hubs	0	89		89	89	
Uncommitted Grant Funding						
Healthy Pupils Capital Funding	125			0	125	Funding to improve and increase availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions for children and young people.
Higher Needs Provision Capital	3,652			0	3,652	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. £1.158m of the 2023/24 allocation was paid during the 2022/23 financial year.
Basic Need Uncommitted	730			0	730	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.
School Condition Funding Uncommitted	4,563	465		465	5,028	School Condition capital grant is received for the purpose of supporting the Authority to ensure that school buildings are appropriately maintained. The 2023/24 allocation has been confirmed as £1.841m.
TOTAL	13,368	2,202	0	2,202	15,570	

INTEGRATED HEALTH & CARE PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Unallocated Community Capacity Grant	25			0	25
TOTAL	25	0	0	0	25

Narrative

ECONOMY, BUSINESS & SKILLS PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Replacement of Housing & Regulatory Services Case Management System	11			0	11
TOTAL	11	0	0	0	11

Narrative
Work progressing, system will go live in the Autumn

WELLBEING, CULTURE & HERITAGE PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Libraries ICT Refresh	44			0	44
Newton Le Willows Health and Fitness Centre Equipment	65			0	65
Parr Locality Hub (feasibility)	625			0	625
Parr Swimming & Fitness Centre Demolition	1,032			0	1,032
Sutton Leisure Centre - Swimming provision	352			0	352
UK Shared Prosperity Fund - Culture, Arts and Heritage		30		30	30
TOTAL	2,118	30	0	30	2,148

Narrative
Service currently working on hardware solution with IT. On hold pending Libraries review.
Equipment for pool- Reliant on manufacturing solution. Site visit has now taken place (May) with the supplier and awaiting formal quotation
Review of procurement route for underway to determine best solution. Work to be progress once the Options Appraisal on the future of Leisure Provision is considered.
Electricity sub station located on the site which will need relocating before demolition can begin. Awaiting a date from Scottish power regarding the reloaction of the sub station.
Scheme paused pending outcome of Leisure Options Appraisal. Report recieved from consultants received and will be reviewed by officers and Members to consider direction of travel.
Delivery of a variety of projects linked to Borough of Culture

CORPORATE SERVICES PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
ICT Device Refresh	1,279			0	1,279
Telephone & Contact Centre System		129		129	129
Finance System (Unit4 ERP)	746			0	746
TOTAL	2,025	129	0	129	2,154

Narrative
System is currently being built with planned go live date of April 2024.

STRATEGIC TRANSPORT PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget	Narrative
	£000	£000	£000	£000	£000	
Highway Schemes						
A49 to M6 Junction 22 Link Road	30,614		-4,814	-4,814	25,800	<p>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 with completion planned for mid-April 2024. Engagement continues with the public and wider stakeholders with a dedicated public liaison officer in place.</p> <p>Approved LCR funding for junction mitigation works at A49/A572, A572/A573 and Parkside Rail Bridge. Provisional commencement dates are: A49/A572 Sept/Oct 23 A572/A573 Jan 24 Parkside Rail Bridge - works to be scoped, completion by April 25 Remaining budget to be used for additional lining requirements on Clock Face Road</p> <p>Completion programed for Q3. Works substantially complete - remaining works programmed for summer 2023 (bridge painting and expansion joint). Canal wall repairs - works commenced on site Markfield Crescent footbridge works to commence in late June Works will be complete in Q2 CRSTS fundings of £7.02m confirmed and allocated to schemes as per Cabinet Report 26/4/23 Active Travel - Gaist surveys now received - currently assessing programme Links to Southern Gateway project (cyclops) - Route 5 and 6 being developed for tender June/July 23. Works to replace 4no Goyt Valley boardwalks (est £42,876) - In-House.</p> <p>Carriageway Schemes to be split into packages of schemes and contractors procured via an open tender on the chest. First batch to put out soon comprising of 15 schemes to be completed in the Summer holidays. Schemes will focus around schools to reduce disruption. Footway works are dependent on large scale broadband roll out, works are to be coordinated to reduce excavations in the new schemes.</p> <p>Inspections commenced on site. Small bridges package is out to tender</p>
A49 to M6 Junction 22 Link Road (Junction Mitigation Works)	5,810			0	5,810	
Active Travel Fund - Tranche 2	3			0	3	
Active Travel Fund - Tranche 3	2,056			0	2,056	
Active Travel Fund - Tranche 4		1,334		1,334	1,334	
Carriageway Maintenance	44			0	44	
Highway / Road Investment	447			0	447	
Huskisson Bridge Repairs	170			0	170	
LCR Sustainable Urban Development	283	267		267	550	
Local Safety Schemes	62			0	62	
Local Transport Plan Unallocated (CRSTS)	6,200	-6,200		-6,200	0	
CRSTS- Active Travel-City Region	0	870		870	870	
CRSTS- Strategic Maintenance	55	3,310		3,310	3,365	
CRSTS - Bridges	0	710		710	710	

STRATEGIC TRANSPORT PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
CRSTS - Technology & Comms Upgrade	0	1,010		1,010	1,010
CRSTS - Potholes	0	410		410	410
CRSTS - Flooding / Drainage	0	710		710	710
CRSTS - Resource Funding	539	776		776	1,315
Safer Routes to Schools	49			0	49
Section 106 Arrangements	81			0	81
St. Helens Southern Gateway Package	3,327			0	3,327
Traffic Signal Improvements on A58 and A572	80			0	80
TOTAL	49,820	3,197	-4,814	-1,617	48,203

Narrative
<p>Woodlands Road Shuttle Bridge upgrade - July/August start approx. 4-6 weeks</p> <p>Baxters Lane Shuttle Bridge upgrade - November start approx. 4-6 weeks (if completion is expected before Xmas)</p> <p>New Street Shuttle Bridge upgrade - Jan/Feb start approx. 4-6 weeks</p> <p>Concrete Column Replacement - 290 columns over 4 full wards, plus 2 additional part-wards.</p> <p>Works ongoing. Pothole repairs identified by highways inspectors during cyclic inspections. Works being undertaken by in house teams.</p> <p>Increased funding as detailed in Cabinet Report 26/4/23</p> <p>Signal installation at Elton Head Road junction complete, awaiting full commission as part of the wider scheme.</p> <p>Discussion ongoing with contractor around planned road closures and diversion routes to complete the main cyclops junction - completion early September 2023.</p> <p>Route 5 and 6 are subject to final design review - with a view to implementing summer 2023.</p>

ENVIRONMENTAL SERVICES & CLIMATE CHANGE PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Air Quality	650			0	650
Air Quality - Indoor Monitoring Equipment		103		103	103
Climate Change Emergency Response Fund	46			0	46
Haydock KGV Playing Field- Site Improvements	128			0	128
Recycling & Waste Collection	406			0	406
Section 106 Arrangements (Non-Highway Schemes)	48			0	48
St. Helens Cemetery-Drainage Scheme	2			0	2
Two Butt Lane Open Space (S.106)	20			0	20
Sherdley Park Skate Park	122			0	122
UK Shared Prosperity Fund - Green, Resilient & Safe Communities		78		78	78
Resources and Waste Strategy	0	2,770		2,770	2,770
Fleet Replacement Programme	4,117			0	4,117
TOTAL	5,539	2,951	0	2,951	8,490

Narrative
<p>Scheme to provide business grants to retrofit or replace highly polluting vehicles to low or zero emission alternatives. This will be delivered by March 2024.</p> <p>Joint scheme between Environmental Health and Public Health, in partnership with Warrington Borough Council to monitor and improve indoor air quality.</p> <p>Delivery of a variety of projects, including provision of Parklets</p> <p>Cabinet approved up to £4.2m to support with implementation of the strategy and currently £2.77m of this has been added to the programme to fund new recycling containers and 10 new recycling vehicles.</p> <p>Continued investment in replacing aging fleet. Delivery of some new vehicles was delayed to the 23-24 financial year due to extended lead times.</p>

REGENERATION & PLANNING PORTFOLIO	Post Outturn Budget	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	142.00			0	142	
Ground Conditions Survey	101			0	101	
St Helens Town Centre Masterplan	2,876			0	2,876	Discussions are progressing on the remaining relocations
Church Square		300		300	300	
Hardshaw Brook Depot Review	89			0	89	
Modernisation of St Helens Crematorium	108			0	108	Completed
The Gamble Building (Phase 4)	533			0	533	Completed
Earlestown Town Hall (External Refurbishment)	0			0	0	
Earlestown Regeneration	85	437		437	522	Initial design received
Earlestown Market		7,417		7,417	7,417	Initial design received
Earlestown Town Hall (Internal)		3,718		3,718	3,718	Initial design received
Earlestown Railway Station		1,945		1,945	1,945	Initial design received
Town Deal - Glass Futures Ph 2	5,600			0	5,600	Awaiting Council purchase of site, and lease to SINA, grant from Town Deal will be for building renovation work required
Town Deal - Cannington Shaw	1,451			0	1,451	Main capital works due to take place in Autumn 2023
Town Deal - The World of Glass	446	-44		-44	402	Project in delivery stage and due for completion in July
Town Deal - Digital Infrastructure	1,250			0	1,250	Procurement stage next as part of this project plan
Town Deal - Connected Places	0			0	0	
Town Deal - TC Living & Regen - Infrastructure	0			0	0	
Town Deal - Health Hub	1,750			0	1,750	Project being progressed with delivery partners
Town Deal - Youth Zone	0			0	0	
Town Centre Bus Station Strategic Acquisitions		2,580		2,580	2,580	Completed on 3 acquisitions, further discussions ongoing
St Helens Manufacturing and Innovation Campus Strategic Acquisitions		7,200		7,200	7,200	Strategic Acquisitions as approved by Cabinet May 2023. Completion is expected in Summer 2023.
Predevelopment Parkside Regeneration	0			0	0	
Parkside Regeneration Equity Investment	17,500			0	17,500	Additional equity investment in Parkside Joint Venture as approved by Cabinet 18 Jan 2023. Legal agreements expected to be finalised later this financial year.
UK Shared Prosperity Fund - Town Centres				0	0	Scheme to commence in 23-24
Housing Schemes						
Disabled Facilities Grants and Adaptations	4,711			0	4,711	Proposed budget to be considered by Cabinet in July
General Fund Housing (Housing Assistance)	190			0	190	as above
Housing Clearance and Enforcement	88			0	88	as above
Insulation Measures and Fuel Poverty	294	-11		-11	283	as above
TOTAL	37,214	23,542	0	23,542	60,756	

SAFER COMMUNITIES PORTFOLIO	Post Outturn Budget	New Schemes/ Funding Changes	Reprofiled into / from Future Years	Changes to be approved in this Period	Revised Budget
	£000	£000	£000	£000	£000
Community Safety Schemes					
CCTV Replacement	35			0	35
TOTAL	35	0	0	0	35
TOTAL ALL PORTFOLIOS	110,155	32,051	-4,814	27,237	137,392

Narrative
Equipment ordered and installed. Further investment in replacement of the wider system is being considered by Cabinet.

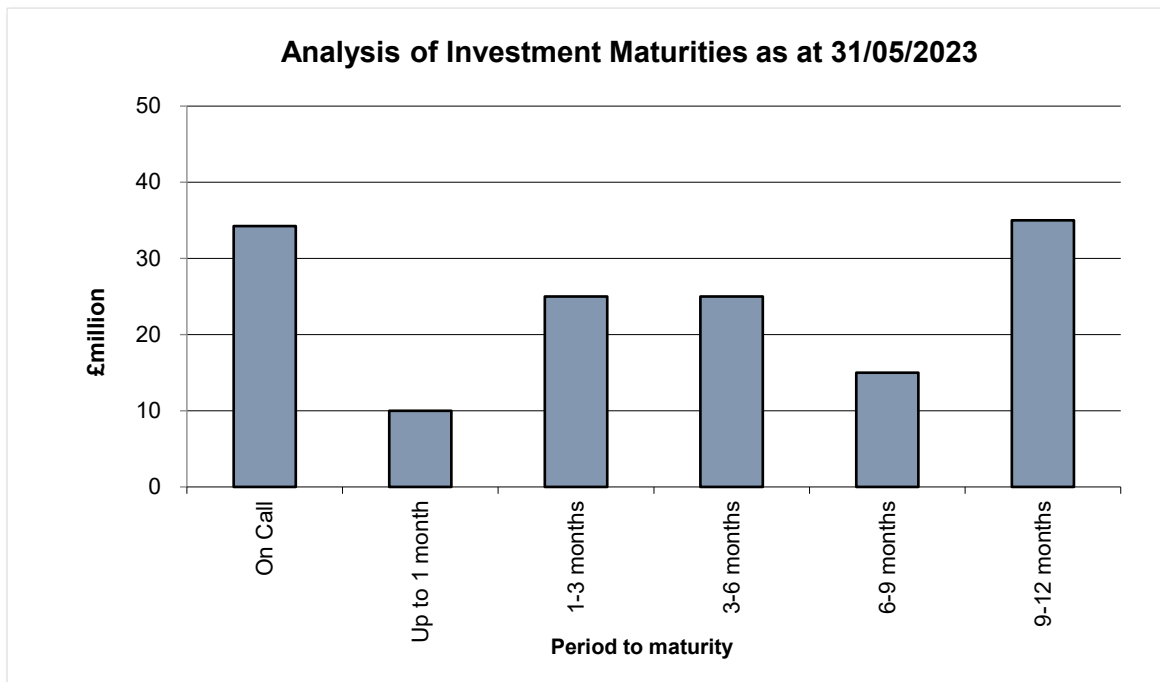
TREASURY MANAGEMENT POSITION STATEMENT

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

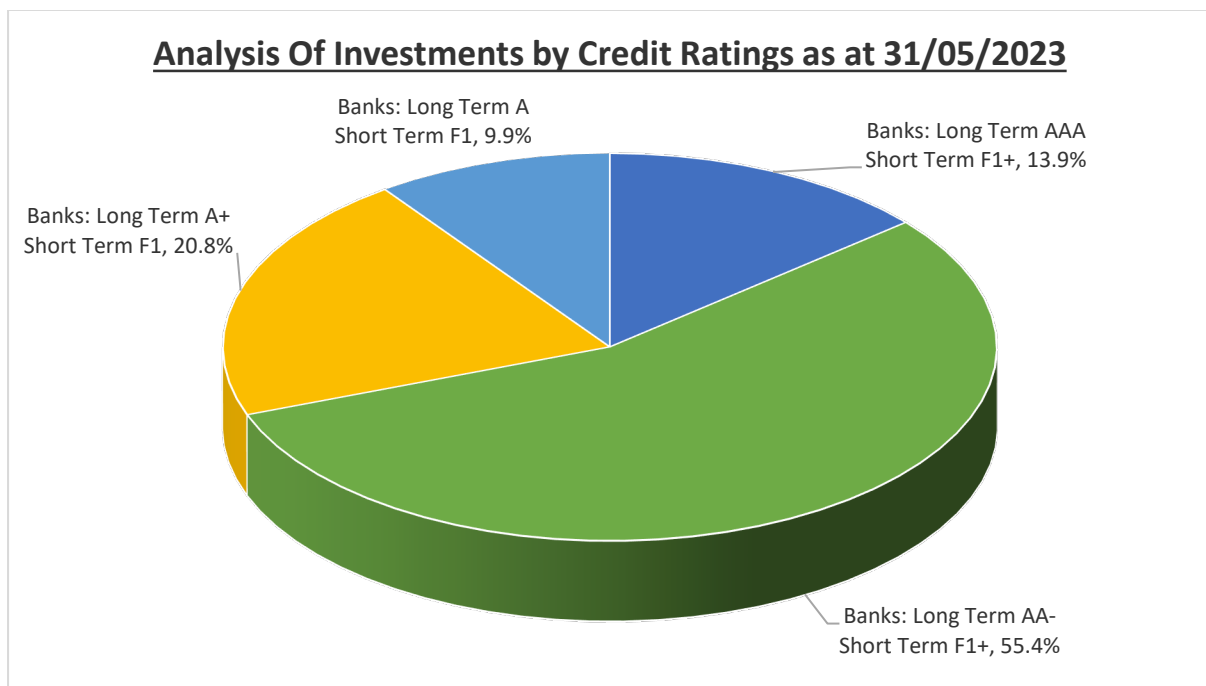
Investments

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

The following chart provides an overview of the split in the Authority's investment by maturity as at 31 May 2023.



1.5 At the time of drafting this report, the Council has investments of £144.245m. 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. £27.4m) held in relation to Schools and Merseyside Recycling and Waste Authority.

1.6 Of the institutions identified in the pie chart above, 13.87% 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, 86.13% are held with counterparties with a Long Term credit rating of at least A but below AA.

1.7 The average level of funds available, for investment purposes, for the period April to May 2023 was £138.834m. Investment rates available in the market have increased sharply over the past six months due to the continuing increases in Bank Rate to address inflation. Any sudden changes in rates will impact upon performance against benchmarks as investment decisions need to be made based, having properly assessed all inherent risks, upon ensuring the security of investments, managing the liquidity of the authorities' investments for cashflow purposes, and achieving the optimum return on its investments.

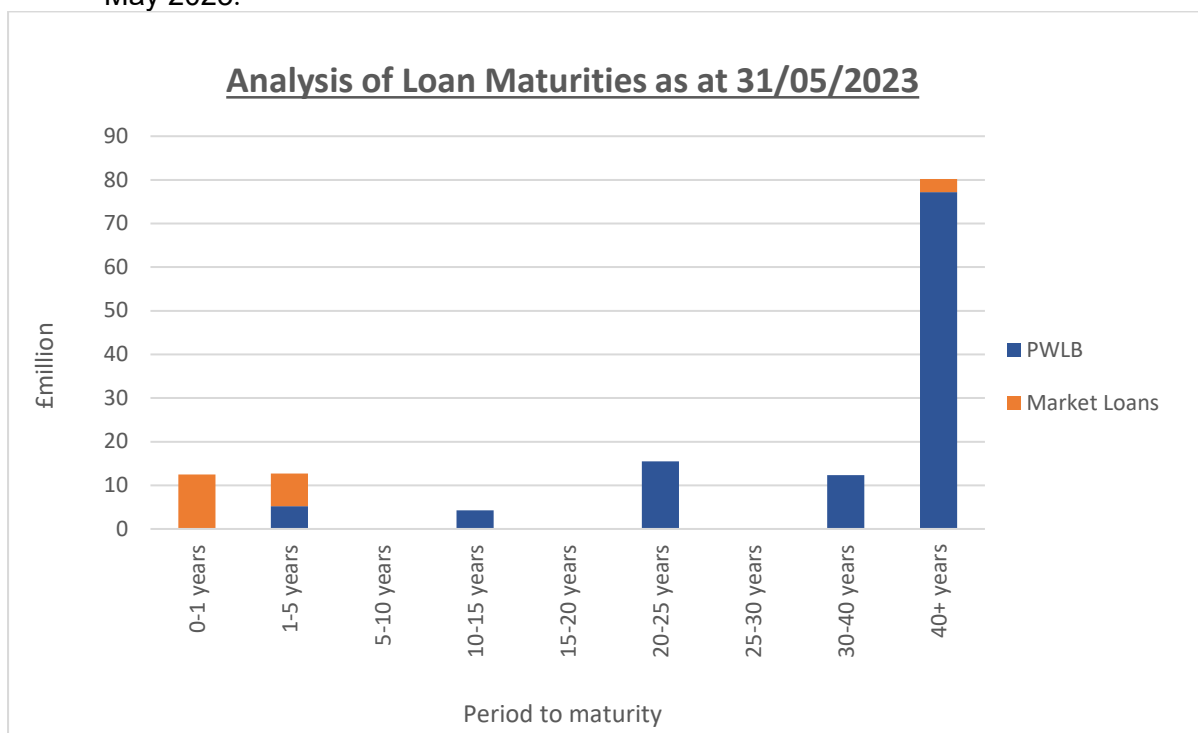
Investment Returns 2023/24 up to 31/05/2023					
2023/24	Returns Achieved			Benchmark Returns	Performance relative to Benchmarks
Month	Fixed Term Investments	Call Accounts	Combined Return	Backward Looking 90 Day SONIA	Overall +/- return
April	3.891%	4.039%	3.915%	3.919%	(0.004%)
May	4.119%	4.191%	4.137%	4.116%	0.021%

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

Borrowing

1.9 At the time of drafting this report, the Council has outstanding debt of £137.520m. No new borrowing has been taken during the period.

1.10 The following chart shows the maturity profile of the Council's loan portfolio as at 31 May 2023.



- 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 25+ years.
- 1.12 The current economic conditions mean that there will be volatility in gilt yields, and in turn PWLB borrowing rates. Whilst movements will not impact on the Council's current borrowing portfolio, which is wholly comprised of fixed rate agreements, inflated rates will mean that servicing of future debt requirements becomes more expensive and future capital investment and borrowing decisions will need to be considered in that light, as part of the Council's Medium Term Financial and Capital Investment strategies.

Bank Rate

- 1.13 The Treasury Management Strategy Statement included a forecast for future changes in Bank Rate, with predicted increases over the course of the year. Due to the underlying economic conditions, including the highest level of inflation for forty years, the current Bank Rate is higher than forecast at 5%. The latest forecasts predict the Bank Rate will continue to rise and remain elevated throughout the rest of the year.

Prudential Indicators

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

Appendix 1

Treasury Limits and Prudential Indicators 2023/24			2023/24 Revised	2024/25 Estimates	2025/26 Estimates	2026/27 Estimates
1(i)	Proposed capital expenditure that the Council plans to commit to during the forthcoming and subsequent two financial years.	Capital Expenditure (£m)	137.392	35.575	12.813	0.700
1(ii)	Additional in-year borrowing requirement for capital expenditure.	In Year Capital Financing Requirement (CFR) (£m)	41.616	8.742	(4.838)	(4.794)
2	The CFR is an aggregation of historic and cumulative capital expenditure, which has yet been paid for by either revenue or capital resources.	Capital Financing Requirement as at 31 March (£m)	239.551	248.293	243.455	238.661
3	The “net borrowing” position represents the net of the Authority’s gross external borrowing and investments sums held.	Net Borrowing Requirement:				
		External Borrowing (£m)	137.509	137.496	137.481	137.466
		Investments Held (£m)	<u>(91.000)</u>	<u>(83.000)</u>	<u>(88.000)</u>	<u>(93.000)</u>
		Net Requirement (£m)	(46.509)	(54.496)	(49.481)	(44.466)
4	Identifies the impact and trend of the revenue costs of capital financing decisions will have on the General Fund Budget over time.	Ratio of financing cost to net revenue stream	3.58%	4.01%	3.87%	3.65%

Treasury Limits and Prudential Indicators 2023/24			2023/24 Revised	2024/25 Estimates	2025/26 Estimates	2026/27 Estimates
5	The Council's Budget Strategy with regards to unsupported borrowing is such that there is no incremental impact to Council Tax.	Incremental impact of capital investment decisions (increase in Council Tax Band D equivalent)	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.	Authorised Limit for External Debt (£m)	207.702	227.619	231.173	228.037
7	This is the limit beyond which external debt is not normally expected to exceed.	Operational Limit for External Debt (£m)	202.250	204.392	202.895	201.537
8	These limits seek to ensure that the authority does not expose itself to an inappropriate level of interest rate risk, and has a suitable proportion of debt.	Upper Limit for Fixed Interest Rate Exposure	100%	100%	100%	100%
		Upper Limit for Variable Interest Rate Exposure	50%	50%	50%	50%
9	This limit seeks to ensure liquidity and reduce the likelihood of any inherent or associated risk.	Upper Limit for Sums Invested over 365 Days	60%	60%	60%	60%
10	This indicator is used to highlight where an authority may be borrowing in advance of need	Gross Debt and the CFR (£m)	(82.062)	(91.701)	(87.688)	(83.618)

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 Liability Benchmark: -

1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans Capital Financing Requirement (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 Minimum Revenue Provision (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.

