

Public Document Pack



Executive Board

Thursday, 14 July 2022 2.00 p.m.
Boardroom - Municipal Building, Widnes

S. Young

Chief Executive

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

PART 1

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2. DECLARATION OF INTEREST	
Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item.	
3. LEADER'S PORTFOLIO	
(A) DISCRETIONARY NON-DOMESTIC RATE RELIEF	11 - 14

Please contact Ann Jones 0151 511 8276 or ann.jones@halton.gov.uk for further information.

The next meeting of the Committee is on Thursday, 15 September 2022

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PART II	
<p>In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is RECOMMENDED that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.</p>	
7. DEPUTY LEADER'S PORTFOLIO	
(A) DISPOSAL OF LAND REAR OF FERLCO, DITTON ROAD, WIDNES	39 - 42

In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

EXECUTIVE BOARD

*At a meeting of the Executive Board on Thursday, 16 June 2022 in the Boardroom -
Municipal Building, Widnes*

Present: Councillors Wharton (Chair), Harris, M. Lloyd Jones, J. Lowe,
T. McInerney, Nelson, Nolan, Thompson and Wright

Apologies for Absence: None

Absence declared on Council business: None

Officers present: G. Cook, S. Young, M. Vasic, M. Reaney, E. Dawson,
S. Wallace-Bonner and A. Jones

Also in attendance: One member of the press

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

	<i>Action</i>
<p>EXB1 MINUTES</p> <p>The Minutes of the meeting held on 17 May 2022 were taken as read and signed as a correct record.</p> <p>LEADER'S PORTFOLIO</p> <p>EXB2 URGENT DECISIONS</p> <p>The Executive Board received a report from the Chief Executive, which provided information on the urgent decisions taken since the last meeting of the Board.</p> <p>It was noted that the Council's Constitution gave authority to the Chief Executive to take urgent decisions, in consultation with the Leader of the Council and the Operational Director Finance and/or the Operational Director Legal and Democratic Services, where necessary.</p> <p>Two urgent decisions had been made since the last meeting of the Board and full details were published on the Council's website.</p> <p>RESOLVED: That the urgent decisions taken since the last meeting of the Executive Board be noted.</p>	

EXB3 DISCRETIONARY NON DOMESTIC RATE RELIEF APPLICATIONS

The Board received a report from the Operational Director – Finance, which presented three applications for discretionary non-domestic rate relief, under Section 47 of the Local Government Finance Act 1988, for consideration.

It was noted that under the amended provisions of the Local Government Finance Act 1988, the Council was able to grant discretionary rate relief to any business ratepayer. This relief had previously only been available to organisations that were a registered charity, a community amateur sports club or a not for profit organisation.

The report outlined details of the applications from Feeding Britain, Halton Citizens Advice Bureau and Power in Partnership, in relation to their respective addresses. Appended to the report was the potential annual cost to the Council of granting the discretionary rate relief.

RESOLVED: That

- 1) the application for discretionary rate relief for Feeding Britain, in relation to 21 Queens Avenue, Widnes, WA8 8HR, be approved at 15%;
- 2) the application for discretionary rate relief for Halton Citizens Advice Bureau, in relation to units 1-2 Runcorn Shopping Centre, Runcorn, WA7 2BS, be approved at 15%; and
- 3) the application for discretionary rate relief for Power in Partnership, in relation to 5 Queens Avenue, Widnes, WA8 8HR and 108a Royal Avenue, Widnes, WA8 8HN, be approved at 90%.

Operational
Director - Finance

EXB4 2021/22 REVENUE AND CAPITAL FINANCIAL OUTTURN

The Board considered a report from the Operational Director – Finance, advising of the Council's overall revenue and capital net spending outturn position for the year 2021/22.

It was reported that the final accounts for 2021/22 were nearing completion. The revenue spending position for each Department was shown in Appendix one; which presented a summary of spending against the operational revenue budget and costs relating to Covid; Appendix two provided detailed figures for each individual Department. In

overall terms, the outturn position for the year showed that operational net spend was over the approved budget by £1.195m; this excluded unfunded Covid cost of £1.118m, the costs of which had been met directly from earmarked reserves. Appendix 3 contained the Capital Programme for each Directorate as at 31 March 2022.

The outturn position was a significant improvement on the forecast overspend of £2.998m reported at the end of quarter 3. There were a number of reasons for the improved financial position; these were detailed in the report. The key budget variances for the quarter were outlined for the Board, from the following Departments:

- Children and Families Department;
- Adult Social Care Department;
- Education, Inclusion and Provision;
- Public Health and Public Protection;
- Finance;
- Policy, Planning and Transportation; and
- Community and Environment.

Members were also advised of the financial impact of Covid-19 and a summary of the general Government funding made available to the Council to date was given.

RESOLVED: That the report be noted.

EXB5 DIRECTORATE PERFORMANCE OVERVIEW REPORTS FOR Q4 2021/22

The Board considered a report of the Operational Director – Policy, People, Performance and Efficiency, on progress against key objectives/milestones and performance targets for the fourth quarter period to 31 March 2022, for the People Directorate (Children and Young People; and Adult Social Care and Health); and the Enterprise, Community and Resources Directorate.

The Board was advised that the Directorate Performance Overview Report provided a strategic summary of key issues arising from the relevant quarter for each Directorate and was aligned to Council priorities or functional areas. The Board noted that such information was key to the Council's performance management arrangements and Executive Board had a key role in monitoring performance and strengthening accountability. Performance Management would continue to be important in the demonstration of value for money and strengthening accountability.

RESOLVED: That the report, progress and performance information be noted.

ADULT SOCIAL CARE PORTFOLIO

EXB6 REFURBISHMENT OF HALTON BOROUGH COUNCIL CARE HOMES - KEY DECISION

The Board considered a report of the Strategic Director – People, which gave details of a proposed refurbishment programme to Halton Borough Council's four care homes.

Halton Council was now the largest care home provider in the Borough for older people, following the acquisitions of Millbrow, St Luke's, St Patrick's and Madeline McKenna Care Homes. The Council was now presented with an opportunity to lead the sector, however to be able to ensure that a high level and quality of care continued to be provided, further significant investment was required.

The report set out the rationale behind the proposals, and their initial costings and funding proposals were set out in paragraph 6.1.

Reason for Decision

A decision was required, as the outcome would result in the Local Authority incurring expenditure. The expenditure will provide valuable services to Halton residents and enhance the care homes estate.

Alternative options considered and rejected

No alternative options were available to support the improvement required to Council owned care homes.

Implementation date

None agreed, subject to procurement procedures.

RESOLVED: That

- 1) the proposed refurbishment programme for the Council's four care homes, as outlined in the report, be approved;
- 2) Council be recommended to include the proposed scheme within the capital programme, with a total estimated cost of £4.2m over three years, to be

Strategic Director
- People

funded as outlined in paragraph 6.1; and

- 3) a further report be presented to the Board, to provide details of the proposed refurbishment works, once the scheme has been developed.

EXB7 DEMENTIA FRIENDLY HALTON BOROUGH COUNCIL (HBC)

The Board received a report of the Strategic Director – People, which presented the draft Dementia Friendly Halton Borough Council (HBC) Action Plan for approval.

The report outlined details of the Dementia Friendly Communities Programme from the National Alzheimer’s Society that encouraged everyone to share responsibility for ensuring that people with dementia felt understood, valued and able to contribute to their community.

Approval was given in 2020 to develop a dementia friendly HBC approach and an initial draft Action Plan was presented to Management Team in late 2021. A number of achievable actions had been identified and formed the Dementia Friendly HBC Action Plan. The three Priority Actions identified were:

- Organisational support and infrastructure to support development of a Dementia Friendly HBC;
- Raising Dementia Awareness across the Council and beyond; and
- Service Area Specific Actions.

The Action Plan, appended to the report, gave the context, rationale and details on how the actions would be delivered.

RESOLVED: That

- 1) the contents of the report and appendix be noted; and
- 2) the Action Plan be approved.

HEALTH AND WELLBEING PORTFOLIO

EXB8 UPDATE ON ONE HALTON PLACE BASED PARTNERSHIP

The Board considered a report which provided an update on One Halton Place Based Partnership development with Cheshire Merseyside Integrated Care

Strategic Director
- People

System (ICS) context.

The Health Policy and Performance Board received reports in November 2021 and February 2022 setting out the requirements for the formation of Integrated Care Systems regionally. This consists of an Integrated Care Board (ICB) and an Integrated Care Partnership (ICP), along with at Place level, a Place Based Partnership (PBP). Locally, this was the One Halton Place Based Partnership – these arrangements were set out in NHS Reforms White Paper, Integration and Innovation, published in February 2021.

It was noted that these were the most significant changes to health arrangements in a decade which aimed to improve outcomes and reduce inequalities. The report provided the Board with some context, an overview of progress and the current position.

RESOLVED: That the Board notes the report.

COMMUNITY SAFETY PORTFOLIO

EXB9 WHOLE FAMILY RESPONSE TO DOMESTIC ABUSE SUPPORT AND SERVICE PROVISION

The Board received a report of the Strategic Director – People, which gave an overview of a revised approach to delivering specialist domestic abuse support and services in Halton that aligned with the local whole picture approach.

The Halton Domestic Abuse Partnership Strategy 2022-24 adopted the SafeLives Whole Picture approach, which was considered to be best practice when developing effective domestic abuse service models that responded to the needs of the individual, the family, the community and the wider society.

The report outlined these proposals, which over a two year period presented savings for the Council and would bring some service elements into the remit of the Local Authority.

RESOLVED: That Executive Board

- 1) agree to take forward the proposal outlined in the report to ensure a full service offer for victims, children and perpetrators of domestic abuse that is more fit for purpose and would deliver a saving of £39,605, over a two year period;

Strategic Director
- People

- 2) approve the commencement of a procurement exercise for two separate commissions, firstly the Halton Domestic Abuse Specialist Accommodation Service and secondly, a separate Specialist Children and Young Peoples Domestic Abuse Service;
- 3) approve Community Support provision being brought in house; and
- 4) agree that contracts are offered on a two year fixed basis and note that TUPE may apply to all aspects of future service provision.

ENVIRONMENT AND URBAN RENEWAL PORTFOLIO

EXB10 AMENDMENT TO CAPITAL PROGRAMME

The Board considered a report from the Operational Director – Community and Environment, which provided information on planned landscape and public open space improvement schemes to be undertaken and to ask Members to approve a capital budget allocation and expenditure in order to complete these works.

There were several major landscape improvement schemes planned over the next 2-3 years – the report provided details of these projects, the costings for each, and how they would be funded.

RESOLVED: That the Executive Board approves

- 1) the sum of £1,988,342.71, received from Mersey Link for the reinstatement of Mersey Gateway temporary works areas, be added to the Capital Programme;
- 2) that £1m of capital borrowing be added to the Capital Programme to be used as match funding towards the Brindley Green element of Runcorn Town Centre Investment Plan;
- 3) the annual revenue cost of £57k to service the £1m capital borrowing to be funded from the Contingency budget; and
- 4) the Council’s Environment Services Division prepare remedial works plans for the former Mersey Gateway temporary works areas and appoint any necessary consultants and contractors to carry out these works.

Operational
Director -
Community &
Environment

EXB11 EAST RUNCORN CONNECTIVITY SCHEME

The Board considered a report from the Operational Director – Policy, Planning and Transportation, which sought approval for further feasibility work (Year 2) on the business case for the East Runcorn Connectivity (ERC) Scheme (this follows the Year 1 programme approved by the Board in June 2021).

The full ERC scheme comprised four elements:

- A558 dualling from Pitts Heath Lane to Innovation Way;
- A56 Major Maintenance – Keckwick Lane to M56 junction 11;
- Potential loop road M56 junction 11 to A533; and
- A suite of active and sustainable travel interventions.

Further details of the four elements were discussed in the report, and Appendix one presented the Year 2 outline of programme activity for the ERC for Members approval. It was noted that a Year 2 proposal had been submitted to the Liverpool City Region (LCR) and Halton was now in receipt of an offer letter to support Year 2 with pre-development funding.

RESOLVED: That the Executive Board

- 1) approve the further development of the East Runcorn Connectivity business case;
- 2) approve the Year 2 programme as set out in Appendix 1;
- 3) approve the amendment of the Council's Capital Programme to incorporate the Year 2 sum of £2.71m;
- 4) approve the principle of commissioning Mott MacDonald as external consultant for the project via the Merseytravel Consultancy Framework to 2025; and
- 5) delegate power to the Operational Director – Policy, Planning and Transportation, in consultation with the Leader and Portfolio Holder for Environment and Urban Renewal, to implement the Year 2 works on the East Runcorn Connectivity Scheme, within funding deadlines.

Operational
Director - Policy,
Planning and
Transportation

EXB12 SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- 1) whether members of the press and public should be excluded from the meeting of the Board during consideration of the following items of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972, because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972; and
- 2) whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

RESOLVED: That, as in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, members of the press and public be excluded from the meeting during consideration of the following item of business, in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it was likely that, in view of the nature of the business, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972.

ENVIRONMENT AND URBAN RENEWAL PORTFOLIO

EXB13 HIGHWAYS IMPROVEMENT CONTRACT AWARD

The Board considered a report from the Operational Director – Policy, Planning and Transportation, which made a recommendation for the award of a contract for capital funded highway improvement works.

RESOLVED: That the Board approves the award of the ‘Highway Improvement Contract’ as recommended in the report, to commence on 6 August 2022, for three years initially, with a one-year extension option.

Operational
Director - Policy,
Planning and
Transportation

MINUTES ISSUED: 21 June 2022

CALL- IN: 28 June 2022 at 5.00 pm

Any matter decided by the Executive Board may be called in no later than 5.00pm on 28 June 2022.

Meeting ended at 2.40 p.m.

REPORT TO: Executive Board

DATE: 14 July 2022

REPORTING OFFICER: Operational Director - Finance

SUBJECT: Discretionary Non-Domestic Rate Relief

PORTFOLIO: Leader

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to consider an application for discretionary non-domestic rate relief, under Section 47 of the Local Government Finance Act 1988.

2.0 RECOMMENDATION: That the application for 15% discretionary rate relief for Widnes Gymnastics Academy from 21 June 2021, be approved.

3.0 SUPPORTING INFORMATION

3.1 Under the amended provisions of the Local Government Finance Act 1988, the Council is able to grant discretionary rate relief to any business ratepayer. This relief had previously only been available to organisations that were a registered charity, a community amateur sports club or a not-for-profit organisation.

3.2 From 1st April 2017 the Council became responsible for meeting the full cost of all mandatory and discretionary relief granted, as part of the Liverpool City Region 100% Business Rates Retention Pilot Scheme.

3.3 An application for 15% discretionary rate relief has been received as outlined below, from Widnes Gymnastics Academy. Currently, where discretionary rate relief has been granted to registered charities, it has been provided until 31 March 2025 in order to provide the organisations with some degree of certainty.

Widnes Gymnastics Academy
Alexandra Street, Widnes, WA8 7RX

3.4 Widnes Gymnastics Academy is a registered charity. The organisation aims to provide facilities for the recreation or leisure time in the sport of

gymnastics, in the interest of social welfare for young people under the age of 18.

- 3.5 The premises are used as a club by the group and offers coaching and competitive opportunities in the sport. The institute is affiliated to British Gymnastics, the appropriate governing body.
- 3.6 As a registered charity the organisation automatically qualifies for 80% mandatory rate relief and has now applied for an additional 15% discretionary rate relief from 21 June 2021, when they moved into the premises.
- 3.7 The annual cost of providing both mandatory and discretionary rate relief is as follows;

80% mandatory rate relief for 2022/23	£ 8,089.60
15% discretionary rate relief for 2022/23	<u>£ 1,516.80</u>
Total	<u>£ 9,606.40</u>

4.0 POLICY IMPLICATIONS

- 4.1 The Board is required by the regulations to consider each application on its own merit. Any recommendations provided are given for guidance only, are consistent with Council policy and, wherever possible, previous decisions.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The Appendix presents the potential costs to the Council of granting rate relief.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

The organisation provides gymnastics facilities for children and young people.

6.2 Employment, Learning and Skills in Halton

None

6.3 A Healthy Halton

Provides sporting facilities for the community, which should assist with improving the health of residents.

6.4 A Safer Halton

None

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

7.1 There are no risks associated with the proposed action.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The applicant offer their services to all sections of the community, without any prejudice.

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

9.1	Document	Place of Inspection	Contact Officer
	Application form	Halton Stadium, Lower House Lane, Widnes	Louise Bate Revenues Manager – Business Rates

APPENDIX

Ratepayer	Address	Annual Rates Liability 2022/23	Mandatory Rate Relief Awarded 2022/23	Annual Cost of Mandatory Rate Relief to HBC 2022/23	Disc. Rate Relief	Annual Cost of Disc. Rate Relief to HBC 2022/23	Actual Rates Liability 2022/23	Actual Cost of Mandatory Relief to HBC from 01.04.22 – 31.03.22	Actual Cost of Disc. Rate Relief to HBC from 01.04.22 – 31.03.22
		£		£		£	£	£	£
Widnes Gymnastics Academy	Alexandra Street, Widnes, WA8 7RX	10,112.00	80%	8,089.60	15%	1,516.80	10,112.00	8,089.60	1,516.80

REPORT TO:	Executive Board
DATE:	14 July 2022
REPORTING OFFICER:	Operational Director – Finance
PORTFOLIO:	Leader
TITLE:	Treasury Management Annual Report 2021-22
WARDS:	Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an update regarding activities undertaken on the money market as required by the Treasury Management Policy.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Economic Outlook

- 3.1 The following analysis of the economic situation has been provided by Capita Asset Services, the Council's treasury management advisors.
- 3.2 During the six months ended 31 March 2022
- War broke out in the Ukraine in February leading to CPI inflation reaching a 30 year high of 6.2% in February
 - Bank of England Base rate rose from 0.10% to 0.25% in December and then a further 0.5% in the last quarter of the financial year, taking it to a post Global Financial Crisis high of 0.75%
- 3.3 The UK economy got off to a good start in Q1, growing by 0.8% in January. That more than reversed the 0.2% fall in December triggered by the Omicron wave. It took GDP 0.8% above the pre-virus February 2020 level.
- 3.4 With inflation set to keep rising, households are in for a prolonged period of negative real wage growth. The surge in CPI inflation to a new 30-year high of 6.2% in February means that it is now more than three times the Bank of England's 2% target. The rise in core inflation (excluding energy, food and alcohol) from 4.4% in January to 5.2% in February also left it at a 30-year high.

A 1.0% price rise this February meant that food and drink inflation rose from 4.3% to 5.1%. That was the highest rate since September 2011.

- 3.5 CPI inflation will continue to rise in the first quarter of 2022/23. The scheduled 54% rise in utility prices on 1st April 2022 will add an extra 1.4% to CPI inflation. The surge in agricultural commodity prices triggered by the war in Ukraine, means that food price inflation is expected to soon climb above 6%.
- 3.6 The Chancellor announced some support for households in his Spring Fiscal Statement in March, in the form of tax cuts. Despite the downward revision to the Office for Budget Responsibility's (OBR) real GDP growth forecast for this year (from 6.0% to 3.8%) and for next year (from 2.1% to 1.8%), the OBR's public finance forecasts still improved and gave the Chancellor a windfall of about £20bn. Nevertheless, the £9.2bn (0.4% of GDP) package for 2022/23, or £18.2bn (0.8% of GDP) if the support measures announced in February are included, will help to offset about half the impact for household finances from higher energy and food bills.
- 3.7 Households are drawing on their estimated £161bn of excess savings to offset lower real term incomes. The household saving rate dropped from 7.5% in Q3 to 6.8% in Q4. The £4.0bn rise in cash sitting in households' bank accounts in February, which was smaller than the 2019 average rise of £4.6bn, suggests that households have stopped adding to their excess savings and have begun to reduce them.
- 3.8 Meanwhile, the tight labour market will fuel the Bank of England's fears that high inflation is feeding through into a rise in wage growth that will feed back into inflation. The unemployment rate fell from 4.1% in December to 3.9% in January. That is only just above the pre-virus rate of 3.8%.
- 3.9 Job vacancies increased to a new record high of 1.3 million in February and maintained the upward pressure on wage growth. The rate of average earnings growth rose from 4.6% in December to 4.8% in January.
- 3.10 Meanwhile, the lasting financial market effects from the war in Ukraine so far appear to be higher commodity prices, higher interest rate expectations and wider corporate bond spreads. UK financial conditions have tightened to levels similar to those seen after the Brexit referendum in 2016.
- 3.11 Gilt yields have risen back above their pre-war levels, driven largely by an increase in inflation rates.

- 3.12 After the Bank of England became the first major western central bank to put interest rates up in December, it has quickly followed up its first 0.15% rise by a further two 0.25% rises to 0.75%, in what is very likely to be a series of increases during 2022.

Interest Rate Forecast

- 3.13 The following forecast has been provided by Capita Asset Services.

Link Group Interest Rate View 7.2.22													
	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
3 month av. earnings	0.80	1.00	1.00	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
6 month av. earnings	1.00	1.10	1.20	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
12 month av. earnings	1.40	1.50	1.60	1.70	1.70	1.60	1.60	1.50	1.40	1.40	1.40	1.40	1.40
5 yr PWLB	2.20	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
10 yr PWLB	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
25 yr PWLB	2.40	2.50	2.50	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60
50 yr PWLB	2.20	2.30	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40

During the period of this report the bank base rate increased from 0.1% to 0.25% in December 2021, 0.50% in Feb 2022 and 0.75% in March 22.

Treasury Management Annual Report 2021-22

- 3.14 The borrowing rates from September 2021 to March 2022 are shown below:

Short Term Borrowing Rates

	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	%	%	%	%	%	%	%
Call Money (Market)	0.04	0.05	0.00	0.10	0.15	0.40	0.65
1 Month (Market)	0.05	0.10	0.05	0.15	0.30	0.50	0.70
3 Month (Market)	0.08	0.05	0.20	0.35	0.45	0.75	1.10

Longer Term Borrowing Rates

	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	%	%	%	%	%	%	%
1 Year (Market)	0.37	0.70	0.50	0.85	0.90	1.40	1.55
10 Year (PWLB)	1.84	1.85	1.64	1.82	2.10	2.27	2.45
25 Year (PWLB)	2.19	1.99	1.76	2.02	2.27	2.47	2.63

- 3.15 Market rates are based on rates provided by Reuters and PWLB rates are for new loans based on principal repayable at maturity. The rates are shown for the end of each month.

Borrowing and InvestmentsTurnover During the Period

	No of deals	Turnover £m
Short Term Borrowing	-	-
Short Term Investments	6	50

Position at Month End

	Sep £m	Oct £m	Nov £m	Dec £m	Jan £m	Feb £m	Mar £m
Total Borrowing	172	172	172	172	172	172	172
Total Investments	(101)	(106)	(101)	(101)	(111)	(111)	(111)
Call Account Balance	(41)	(33)	(31)	(30)	(23)	(13)	(11)

Investment Benchmarking

Benchmark	Benchmark Return %	Performance Oct - Mar %	Investment Interest Earned £000
1 day	0.19	0.04	5
1 month	0.26	-	-
3 month	0.41	-	-
6 month	0.63	0.30	68
12 month	0.84	0.30	59
Over 12 months	-	0.92	137
Property Fund	-	3.35	69
Total			338

- 3.16 This shows the Council is under the benchmark on all investment returns due to the rising interest environment as the majority of investments were made before the increase in the base rate. Depending on the base rate increases over the following year the rate received on investments will increase and should get closer to the benchmark shown.
- 3.17 At 31st March 2022 Halton Borough Council held £10m in the CCLA Local Authority Property Fund after investing an additional £5m during the year. There is no benchmark available for this income, or for investments over twelve months.

Budget Monitoring

	Net Interest at 31st March 2022		
	Annual Budget £000	Actual £000	Variance £000
Investments	(671)	(735)	64
Borrowings	1,099	1,099	-
Total	428	364	64

New Long Term Borrowing

3.18 The Council has not borrowed any long term funds during this period.

Policy Guidelines

3.19 The Treasury Management Strategy Statement (TMSS) for 2021/22, which includes the Annual Investment Strategy, was approved by the Council on 03 March 2021. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield

3.20 The Council will also aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate and the heightened credit concerns it is considered appropriate to keep the majority of investments short term and to ensure all investments are in line with credit rating methodology.

Treasury Management Indicators

3.21 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators were set out in the Treasury Management Strategy Statement and are reviewed in Appendix 1.

Debt Rescheduling

3.22 No debt rescheduling was undertaken during the quarter.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 FINANCIAL IMPLICATIONS

5.1 The financial implications are as set out in the report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

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

7.0 RISK ANALYSIS

7.1 The main risks with Treasury Management are security of investment and volatility of return. To combat this, the Authority operates within a clearly defined Treasury Management Policy and annual borrowing and investment strategy, which sets out the control framework

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

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

9.1 There are no background papers under the meaning of the Act.

Treasury and Prudential Indicators – 2021/22

Prudential Indicators	2020/21	2021/22	
	Full Year Actual £000	Original Estimate £000	Full Year Actual £000
Capital Expenditure	21,901	24,583	21,319
Net Financing Need for the Year <i>(Borrowing Requirement)</i>	3,254	14,816	9,023
Increase / (Decrease) in CFR <i>(Capital Financing Requirement)</i>	(14,817)	(2,787)	(891)
Ratio of Financing Costs to Net Revenue Stream <i>(Proportion of cost of borrowing to Council's net revenue)</i>	6.5%	6.5%	6.6%
External Debt <i>(Borrowing plus PFI and lease liabilities)</i>	539,675	552,678	532,678
Operational Boundary <i>(Limit of which external debt is not expected to exceed)</i>	566,519	599,675	599,675
Authorised Limit <i>(Limit beyond which external debt is prohibited)</i>	637,602	647,965	647,965

Upper limit for principal sums invested for longer than 1 year	31/03/2021 £000	31/03/2022 £000
Upper limit of principal sums invested for longer than 1 year	40,000	40,000
Investments in excess of 1 years outstanding at year-end'	10,000	20,700

REPORT TO:	Executive Board
DATE:	14 July 2022
REPORTING OFFICER:	Operational Director – Finance
PORTFOLIO:	Leader
SUBJECT:	2022.23 to 2024.25 Capital Programme
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

1.1 Council approved the capital programme for 2022/23 on 2 March 2022. Since then new capital grant allocations have been received and slippage to capital projects for 2021/22 has been rolled forward to 2022/23. The purpose of this report is to bring all the separate elements together and report on the Council's total planned capital programme expenditure and associated funding over the next three years.

2.0 RECOMMENDED: That:

- (i) **Council be recommended to approve the updated capital programme for 2022-25, including forecast spend and funding, as set out in Table 1 and Table 2;**
- (ii) **The Operational Director Finance in liaison with the portfolio holder Transportation, finalise the detailed implementation programme of Highways and Transportation schemes to be delivered in 2022/23;**

3.0 SUPPORTING INFORMATION

3.1 The 2022/25 Capital Strategy Statement was approved by Council on 02 March 2022. It provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It summarised the expected capital spend over the medium term and the sources of funding available.

3.2 At the time of writing the Capital Strategy Statement estimates of capital allocations at that time were known to be subject to variations. This report updates the latest position, which includes confirmed and indicative capital grant allocations for 2022/23 and future years.

3.3 The capital programme is subject to regular review and monitoring reports are presented on a quarterly basis. Information is presented to

show the actual spend incurred to date and how this compares to the capital allocation for the year. A forecast is provided to indicate if the capital programme will be utilised in full during the year or if there is any expected slippage to capital schemes.

Planned Capital Programme Expenditure

- 3.4 Table 1 below presents the planned Capital Programme for 2022/23 onwards based on current information for approved schemes, funding available and slippage of scheme expenditure from 2021/22. The capital programme is subject to continuous change as new resources and projects are identified, and will be updated throughout the year as revisions are approved by Council.

Table 1 - Planned Capital Programme Expenditure 2022/23 to 2024/25

	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
People Directorate				
Asset Management Data (CAD's)	5.9	-	-	5.9
Schools Capital Repairs	1,448.9	-	-	1,448.9
Asbestos Management	29.5	-	-	29.5
Schools Access Initiative	61.7	-	-	61.7
Basic Need Projects	278.6	-	-	278.6
Early Education for 2 year olds	0.4	-	-	0.4
Fairfield Primary remodelling	20.0	282.6	20.0	322.6
Kitchen Gas Safety	1.1	-	-	1.1
Small Capital Works – Schools	124.1	-	-	124.1
SEMH Free School	78.5	232.4	-	310.9
Cavendish School extension	442.6	23.3	-	465.9
High Need Provision unallocated	1,771.9	1,552.4	-	3,324.3
Grants – Disabled Facilities	671.1	600.0	600.0	1,871.1
Stair Lifts	323.5	270.0	270.0	863.5
Joint Funding RSL Adaptations	270.0	270.0	270.0	810.0
ALD Bungalows	199.0	-	-	199.0
Madelaine McKenna Care Home	89.0	-	-	89.0
Purchase of 2 adapted properties	358.0	-	-	358.0
Millbrow Care Home	1,316.0	-	-	1,316.0
St Lukes Care Home	233.7	-	-	233.7
St Patricks Care Home	1.6	-	-	1.6
Care Home Refurbishment	0.0	1,300.0	1,300.0	2,600.0
People Directorate Total	7,725.1	4,530.7	2,460.0	14,715.8
Enterprise, Community & Resources Directorate				
Stadium Minor Works	37.1	30.0	30.0	97.1
Open Spaces Schemes	984.6	600.0	600.0	2,184.6
Upton Improvements	13.0	-	-	13.0
Brookvale Pitch Refurbishment	70.4	-	-	70.4
Leisure Centre	8,580.6	10,000.0	3,000.0	21,580.6
Children's Playground Equipment	79.9	65.0	65.0	209.9
Landfill Tax Credit Schemes	340.0	340.0	340.0	1,020.0
Crow Wood Park Play Area	39.3	-	-	39.3
Runcorn Town Park	556.1	300.0	300.0	1,156.1
Widnes Crematorium Replacement Cremator	200.0	-	-	200.0
Spike Island / Wigg Island	1,988.3	-	-	1,988.3
Litter Bins	20.0	20.0	20.0	60.0
IT Rolling Programme	700.0	700.0	700.0	2,100.0
3MG	164.0	-	-	164.0
Murdishaw redevelopment	31.0	-	-	31.0

	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
Equality Act Improvement Works	425.4	300.0	300.0	1,025.4
Widnes Market Refurbishment	5.8	-	-	5.8
Broseley House	21.3	-	-	21.3
Solar Farm Extension	10.9	-	-	10.9
Foundary Lane Residential Area	2,116.7	2,116.7	-	4,233.4
Kingsway Learning Centre Improved Facilities	35.9	-	-	35.9
Halton Lea TCF	500.6	-	-	500.6
Property Improvements	212.6	200.0	200.0	612.6
Astmoor Regen	13.8	-	-	13.8
Woodend, Unit 10 Catalyst	500.0	-	-	500.0
St. Paul's Mews	500.0	-	-	500.0
Runcorn Town Centre Dev	2,089.2	-	-	2,089.2
Runcorn Station Quarter	529.7	-	-	529.7
Bridge & Highways Maintenance	1,024.5	-	-	1,024.5
Highway Challenge Fund Part 1 & Part 2 - unallocated	1,289.8	-	-	1,289.8
Pot Hole & Flood Resistance	1,104.1	-	-	1,104.1
KRN Highways Maintenance - additional	1,054.2	-	-	1,054.2
Integrated Transport	755.9	-	-	755.9
CRSTS funded Schemes	3,670.0	-	-	3,670.0
Street Lighting - Structural Maintenance	853.3	200.0	200.0	1,253.3
Street Lighting - Upgrades	2,530.1	-	-	2,530.1
SUD Green Cycle / Walk Corridors	197.0	-	-	197.0
EATF - Hough Green, Greenoaks & Widnes Town Centre Connectivity	30.7	-	-	30.7
EATF - Cycle Storage Provision	11.0	-	-	11.0
EATF - Runcorn Busway	1,545.8	-	-	1,545.8
Runcorn Busway Pre Dev	755.8	-	-	755.8
East Runcorn Connectivity	5,568.7	-	-	5,568.7
Risk Management	495.5	120.0	120.0	735.5
Fleet Replacements	5,759.6	1,207.0	1,147.0	8,113.6
Silver Jubilee Bridge - Major Maintenance Scheme	320.5	-	-	320.5
Silver Jubilee Bridge - Lighting	468.8	-	-	468.8
Mersey Gateway Land Acquisition	1,003.7	-	-	1,003.7
Mersey Gateway Crossings Board	40.2	-	-	40.2
Enterprise, Community & Resources Directorate Total	49,245.4	16,198.7	7,022.0	72,466.1
Total Capital Programme	56,970.5	20,729.4	9,482.0	87,181.9

- 3.5 The Council receives one principal source of funding from Government, City Region Sustainable Transport Settlement (CRSTS). This is received from Liverpool City Region Combined Authority (LCRCA), as the co-ordinating body. This replaces the previous two principal sources of formula based capital funding from Government to improve local transport conditions, namely Integrated Transport Block (ITB) used to fund small transport improvements and Highways Maintenance Block (HM) used to maintain the highway, associated structures and covering works such as resurfacing, bridge maintenance and street lighting.
- 3.6 A detailed implementation programme of local capital projects which will be undertaken using CRSTS allocations has not yet been finalised for 2022/23. This is a result in a delay of finalising funding allocations. A detailed programme will be set over the coming months and the full allocation will be spent or fully committed by the end of the financial year.

Funding the Programme

- 3.7 Table 2 below summarises how the capital programme will be funded.

Table 2 Capital Programme Funding 2022/23 to 2024/25

	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
Specific & General Grants	28,369.9	6,380.7	2,460.0	37,210.6
External Contributions	4,176.0	1,206.0	1,206.0	6,588.0
Borrowing	20,909.2	11,073.7	2,747.0	34,729.9
Revenue Contributions	86.2	-	-	86.2
Capital Receipts	3,429.2	2,069.0	3,069.0	8,567.2
Total Funding	56,970.5	20,729.4	9,482.0	87,181.9

- 3.8 The Council will continue to seek and secure further additional external resources to reduce on-going revenue implications and enhance the capital programme. For example, through Section 106 agreements.
- 3.9 Borrowings undertaken to support the capital programme are undertaken in line with the Prudential Code and Council's Treasury Management Strategy. This ensures that external borrowings are affordable and within prudent and sustainable levels. Borrowings to fund the capital programme over the three years will be repayable in future years from either Government grant, forecast capital receipts or funded from future revenue streams.
- 3.10 Prudential borrowing remains an option to fund future capital schemes, but the financing costs as a result of the borrowing will need to be found from savings within the revenue budget.

Capital Receipts

- 3.11 Available capital receipts are used to fund the capital programme. Sales from the disposal of surplus land and buildings may only be used to fund capital expenditure. These funds cannot be used to fund revenue expenditure, with the exception of up to 4% of the proceeds of the sale of capital assets being allowable to fund the revenue cost of disposing of an asset.
- 3.12 Estimates of capital receipts over the medium term are based on forecast land and building sales.
- 3.13 Table 3 below shows the expected balance of capital receipts over the next three years. The Council attempts to maintain a minimum value of £3m of retained receipts towards funding the capital programme.

Table 3 Capital Receipts

	2022/23 £'000	2023/24 £'000	2024/25 £'000
Balance B/F	1,061.2	5,496.4	8,927.4
In-Year Anticipated Receipts	16,075.5	5,500.0	3,075.0
Receipts Utilised	-11,640.3	-2,069.0	-3,069.0
Balance C/F	5,496.4	8,927.4	8,933.4

The in-year anticipated receipts includes anticipated receipts for the disposal of all the remaining land at HBC Fields (with corresponding repayment of grant liability) and Mersey Gateway handback sites. If any disposals do not materialise this will reduce the balance of capital receipts available to use on capital projects.

4.0 POLICY IMPLICATIONS

4.1 None

5.0 FINANCIAL IMPLICATIONS

5.1 The financial implications are as set out within the report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Children & Young People in Halton**

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

6.3 **A Healthy Halton**

6.4 **A Safer Halton**

6.5 Halton's Urban Renewal

There are no direct implications, however, the capital programme support the delivery and achievement of all the Council's priorities. The capital programme will also support to ongoing implementation of the Council's Climate Change Strategy.

7.0 RISK ANALYSIS

7.1 There is a risk that slippage to the capital programme, could result in increases to the cost of delivering schemes. Additional revenue costs could be incurred if the schemes are not delivered in time.

7.2 Many grants which fund capital expenditure come with conditions to how funding can be used and outcome targets for when the asset is brought into use. Deviation against these conditions may result in requests for clawback to the funding from approving bodies.

7.3 The capital programme is heavily funded from prudential borrowing; of total capital expenditure, £35m or 40% will come from future and existing borrowings. Risks exist in schemes funded from prudential borrowing. It is important to recognise on undertaking borrowing that a clear plan exists which identifies how the principal and interest will be re-paid on the borrowing end date.

7.4 There is a cashflow risk to capital schemes funded from future capital receipts, the cost to the Council of the short to medium term cashflow impact needs to be recognised at the start of each scheme.

7.5 Regular monitoring and reporting of spending against the capital programme will seek to mitigate the above risks.

7.6 Balance of capital receipts is below the Council minimum value of £3m at 31 March 2022 but forecast to increase over the medium term. Use of future capital receipts should be monitored against this target to ensure annual standing items within the capital programme remain affordable.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no equality and diversity issues.

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

9.1 None under the meaning of the Act.

REPORT TO:	Executive Board
DATE:	14 th July 2022
REPORTING OFFICER:	Operational Director Economy, Enterprise & Property
PORTFOLIO:	Deputy Leader
SUBJECT:	Moor Lane Bus Depot
WARD(S)	Borough-wide

1.0 **PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to provide Members with an update on negotiations regarding the Moor Lane Bus Depot and to seek approval to negotiate a long-term lease with company Y

2.0 **RECOMMENDATION: That:**

- i) **It is recommended that:
Members authorise officers to progress a long-term lease with company Y.**

3.0 **SUPPORTING INFORMATION**

- 3.1 In March 2022, the Executive Board considered two proposals that had been received from local businesses.

The Executive Board authorised officers to progress more detailed discussions with Company Y, which would culminate in Company Y being granted a lease for the building.

Company Y is based just outside the borough and relocated following a fire. The company is keen to return to the borough for operational reasons and most of its employees are Widnes residents.

In their original proposal, Company Y offered a 'baseline' figure per calendar month but caveated the offer by stating that this would be subject to further surveys and dependent upon repairs and Health and Safety requirements.

The advantage of this offer is that it could utilise the building for the purposes for which it was intended and, therefore, was unlikely to impact on the Listed Building and planning requirements.

The main disadvantage identified was the uncertainty surrounding the level of repairs the company would take on.

Since March, further discussions have taken place with the company and it has emerged that the company directors would be eager to secure a long-term lease (minimum thirty years) with the Council. This would enable the company to secure funds to undertake improvements and invest in the building, as well as give the company certainty that the building could be retained over a longer period of time, thereby avoiding any disruption from the requirement to relocate.

Granting a long-term lease to the company would obviously prevent the Council from exploring alternative uses and options as outlined in the report to Executive Board in March. However, as reported at the last meeting, the building would require significant investment to bring it back into use. The listed status of the building would also have a bearing on any future uses.

Given the budget constraints that the Council is facing, it is unlikely that alternative options could be brought to fruition in the short-term. Unfortunately, this would leave the Council with an empty building to manage and maintain.

Consequently, the Executive Board is requested to authorise officers to continue negotiations with company to secure a long-term lease, and a rent to reflect this.

4.0 POLICY IMPLICATIONS

4.1 There are no further policy implications at this stage.

5.0 OTHER/FINANCIAL IMPLICATIONS

5.1 There are no further financial implications

IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.0 Children & Young People in Halton

N/A

6.1 Employment, Learning & Skills in Halton

N/A

6.2 A Healthy Halton

N/A

6.3 **A Safer Halton**

N/A

6.4 **Halton's Urban Renewal**

The bus depot is in a prominent site and will be opposite the new leisure centre on Moor Lane. The listed status of the building will have an impact on the type of regeneration and development that can be progressed in this part of Widnes.

7.0 **RISK ANALYSIS**

7.1 An options appraisal and associated risks was presented to the Executive Board in March 2022. However, there is a risk that company Y may choose not to proceed with the lease.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 There are no equality and diversity issues arising from this report.

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

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

REPORT TO: Executive Board

DATE: 14th July 2022

REPORTING OFFICER: Strategic Director, People

PORTFOLIO: Adult Social Care

SUBJECT: Contractual arrangements with Cheshire & Merseyside Integrated Care Board with the implementation of the Integrated Care System and; provide an update on One Halton Place Based Partnership

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 To approve amendment to contractual arrangements with the dissolution of Halton Clinical Commissioning Group and arrangements transferring to NHS Cheshire & Merseyside Integrated Care Board and;
- 1.2 Provide an update on One Halton Place Based Partnership development with Cheshire Merseyside Integrated Care System (ICS) context.

2.0 RECOMMENDATION: That the Board:

- i) **Note the update on One Halton;**
- ii) **Approve the amendment to contractual arrangements as set out in the report**

3.0 SUPPORTING INFORMATION

- 3.1 The Executive Board received a comprehensive report on 16th June 2022 setting out the statutory requirements of the Health and Care Act 2022 which dissolved Clinical Commissioning Groups and implemented Integrated Care Systems (ICS's) as of the 1st July 2022.
- 3.2 An Integrated Care System consists of an Integrated Care Board (ICB) and Integrated Care Partnership (ICP).
- 3.2.1 Former Clinical Commissioning Groups functions, staff and resources have lifted and shifted to the ICB, this will be referred to as NHS Cheshire and Merseyside. The ICB is a statutory organisation bringing the NHS together locally to improve population

health and establish shared strategic priorities.

- 3.2.2 The ICP brings together a wider range of partners, not just the NHS, to develop a plan to address the broader health, public health, and social care needs of the population. The ICP will retain the existing Cheshire and Merseyside Health and Care Partnership brand.
- 3.2.3 The ICS is for the whole of Cheshire & Merseyside, it is one of 42 across England. The geography covers nine Local Authority areas and in each of those a Place Based Partnership (PBP) is required to be established, locally this is One Halton.
- 3.2.4 One Halton, the place based partnerships future role is to:-
- Understand and work with Halton's communities
 - Join up and co-ordinate services around population needs
 - Address social and economic factors that influence health and wellbeing (wider determinants of health)
 - Support quality and sustainability of local services
- 3.2.5 One Halton has been developed to be a Joint Committee to the ICS so it can receive delegated responsibilities from the Integrated Care Board. The ambition is for services to be commissioned as close to residents as possible.
- 3.2.6 It should be emphasised One Halton is continuing to develop, this is an iterative process with further guidance and structures emerging. The first year will be a transition period, ensuring arrangements land safely with the changeover to ICB with any more significant changes and delegations to place being considered from 2023.
- 3.3 Prior to these arrangements the Council and Halton Clinical Commissioning Group had a Joint Working Agreement (JWA), known as a Section 75 agreement. This agreement allows partners (NHS bodies and Councils) to contribute to a common fund which can be used to commission health or social care related services. The JWA is in place until 31st March 2023, for the remainder of the term this will be transferred to the ICB and renegotiated with a new agreement set out from April 2023.
- 3.4 Similarly, the contract for funding people in Care Homes, has also transferred to the ICB.
- 3.5 The Council have received a letter regarding the transfer to Cheshire & Merseyside ICB advising there is no new documentation to sign and the existing contractual agreements will continue (appendix one).
- 3.6 Further reports will be provided regarding agreements beyond April 2023 in due course.

4.0 **POLICY IMPLICATIONS**

4.1 White Paper, *Integrating Care: Next steps to building strong and effective integrated care systems across England* published February 2021. Once legislation is passed, a new NHS Framework will be shared which is likely to have impact on a number of policies and will need to be reviewed in due course.

4.2 White Paper, *Joining Up Care for People, Places and Populations*, February 2022 sets out future ambitions for shared outcomes by 2023 with shared accountability and a single person accountable at place level. A single health & care record to be achieved by 2024 which has significant implications on resources and ways of working.

5.0 **FINANCIAL IMPLICATIONS**

5.1 Anticipated, but not yet known. Cheshire & Merseyside ICB need to agree services to be delivered direct from ICB, any at scale and provision delegated to One Halton to enable us to fully understand the resource and financial impacts; this will be worked through in the transition (first) year.

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

6.1 **Children & Young People in Halton**

One Halton supports the Council's Health & Wellbeing Boards priority of improving levels of early child development. One of the system priorities is Start Well.

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

One Halton shares the Council's priorities for employment, learning and skills in Halton. The workforce that supports the health & care system is significant in Halton and there will be a focussed work stream in the transition arrangements to ensure current staff are supported and there is planning and investment to develop skills and the future workforce.

6.3 **A Healthy Halton**

One Halton is a key stakeholder locally supporting the Council & Health and Wellbeing Boards priorities for supporting improved health outcomes and reducing health inequalities for Halton's population.

6.4 **A Safer Halton**

One Halton supports the Council's priorities to create a safer Halton. Health and wellbeing are pivotal characteristics of resilient

communities; a whole system approach to place will intrinsically contribute to building a safer Halton.

6.5 Halton's Urban Renewal

The NHS reforms to Integrated Care Systems and Place Based Partnerships seek to engender a whole place collaborative approach.

As arrangements progress there will be a work stream around assets to understand the estate that supports delivery in Halton.

It is also imperative to plan appropriately for healthy communities utilising Public Health ensuring an evidence led approach to meeting the future needs of Halton's population. One Halton should be linked into future regeneration schemes and developments in the Borough to ensure appropriate planning and system partner involvement. There are recent examples of joint working with the delivery of a Hospital Hub in Shopping City (opening April 2022) and the development of the Town Deal for Runcorn Old Town.

7.0 RISK ANALYSIS

7.1 This will require further work to be shared in future reports as and when One Halton understands the services and activity that will be delivered at scale (Cheshire & Merseyside footprint) and those delegated to place (One Halton).

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 In developing One Halton, all services will continue to require equality impact assessments for any fundamental changes to service delivery to ensure equality and access to services is considered.

8.2 The One Halton Board and its sub-committees also has membership of Halton's Third Sector organisations and will actively work alongside them to consider equality and diversity issues. Many of Halton's voluntary sector organisations exist to support vulnerable, disadvantaged or disenfranchised cohorts of the community and have a reach often beyond public service delivery.

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

None under the meaning of the Act.

Our ref: Contract Transfer

27th May 2022

BY EMAIL ONLY

Susan.Wallace-Bonner@halton.gov.uk

tisha.baynton@halton.gov.uk

louise.yates@halton.gov.uk

NHS Halton CCG
No.1 Lakeside
920 Centre Park
Warrington
WA1 1QY
Tel: 01925 303030

Dear Colleagues,

RE: Notice of NHS Halton CCG - intent to transfer contract to Cheshire and Merseyside Integrated Care Board

We are writing to you following the Health and Care Bill receiving Royal Assent on 28 April 2022 to become the Health and Care Act 2022. The new Act will change the landscape of current commissioning arrangements and the intent is that NHS Clinical Commissioning Groups will cease to exist in statutory form from 30th June 2022. In addition, from 1st July 2022, there will be a formalisation of the Integrated Care Systems into a new statutory body, which will be an Integrated Care Board (ICB).

Therefore, we wish to outline to you, the plans for the establishment of the Cheshire and Merseyside ICB which will assume the responsibility of NHS Halton CCG. As such, we are writing to all our providers of healthcare services to notify them of the planned changes and to confirm our intentions regarding the services delivered under our existing joint working agreements, contracts or grants.

All NHS Clinical Commissioning Group (CCG) functions and duties will transfer to an ICB when they are established, along with all CCG assets and liabilities, including their commissioning responsibilities and contractual agreements.

Collectively, CCGs across Cheshire and Merseyside have established a consistent approach that will be adopted in respect of all existing healthcare agreements, in preparation for the establishment of a single body that will become responsible for commissioning services for the population of Cheshire and Merseyside.

The Integrated Care Board and contracting with providers

The ICB NHS body will be a statutory organisation responsible for specific functions that enable it to deliver against four core purposes:

- to improve outcomes in population health and healthcare
- tackle inequalities in outcomes, experience, and access
- enhance productivity and value for money
- help the NHS support broader social and economic development

One of the functions for which the ICB will be responsible, is arranging for the provision of health services in line with the allocated resources across the ICS, through a range of activities that include putting in place contracts and agreements with providers to secure delivery of its plan to meet the needs of the population within their area. These may be contracts and agreements with individual providers or lead providers within a place-based partnership or provider collaboratives and will reflect the resource allocations, priorities and specifications developed across the whole system and at place level.

Contracts will be awarded by the ICB with all payments also made by the ICB as the legal entity and are expected to be strategic, long-term and based on outcomes, with providers responsible for designing services and interventions to meet agreed system objectives.

Financial framework and funding flows

NHS England and NHS Improvement will make financial allocations to each ICB NHS body for the performance of its functions. Funding will continue to be linked to population need and allocations will be based on longstanding principles of supporting equal opportunity of access for equal needs and contributing to the reduction of health inequalities.

Decisions about spending will be devolved to ICB NHS bodies and will include budgets for: acute, community and mental health services (currently CCG commissioned), primary medical care (general practice) services (currently delegated to CCGs). The ICB NHS body will agree how the allocation will be distributed to perform its internal functions and how funding will flow from the ICB NHS body to providers largely through contracts for services/outcomes, which may be managed by place-based partnerships or provider collaboratives.

Continuity of Service Provision

As it has now been confirmed that the ICB will be established on 1st July 2022 and the CCG will cease to exist from 30th June 2022 your contract will automatically 'Transfer' to the Cheshire and Merseyside ICB as the new statutory commissioning body. As this change is brought about due to the implementation of the new Act, the handover of assets, including contractual agreements will be undertaken via a 'Transfer Scheme' rather than the more traditional 'Novation' process. This means that there is no new documentation to sign and your existing contractual agreements will continue with the ICB.

Next Steps

You will be contacted in due course separately, with a letter from the NHS Halton CCG finance team regarding future billing arrangements, new invoice address details and to confirm any change in process. If you do not receive this letter in the coming weeks, please contact us via warringtonccg.performance@nhs.net.

Please note you may receive similar letters from other local CCGs as we are all required to advise our providers of the proposed changes.

We would also wish to highlight that in future, as contracts come to their natural expiry, we may wish to review historic contractual terms and conditions and where these are not on NHS standard formats, consider moving these over to the standard published contract versions.

Finally, may we take the opportunity to thank you for the commitment that Halton Borough Council has continued to show day to day in response to the evolving pressures and challenges that have impacted every part of healthcare during and following the COVID pandemic.

Your support in maintaining high quality services for the population of Halton area during the transfer period and beyond, and the flexibility you have demonstrated in the face of the most challenging period the NHS has ever experienced, is very much appreciated.

We thank you in advance for your patience and co-operation as we undertake this process.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'David Cooper', written in a cursive style.

David Cooper
Chief Finance Officer
NHS Halton Clinical Commissioning Group
NHS Warrington Clinical Commissioning Group

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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