

APPENDIX 1

Extract of Executive Board Minutes relevant to the Corporate & Inclusion Policy and Performance Board

EXECUTIVE BOARD MEETING HELD ON 11 SEPTEMBER 2025

EXB30	NEW RISK MANAGEMENT POLICY
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The Board was presented with a revised Risk Management Policy which had been drafted in conjunction with Zurich Municipal, the Council's insurers. The aim of the Policy was to provide direction and alignment to current Risk Management processes across the Council Directorates.

RESOLVED: That the Board approves the updated Risk Management Policy, with the changes outlined in Section 3.3 of the report.

EXB31	EQUALITY, DIVERSITY AND INCLUSION POLICY
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The Board considered a report that set out the development of the Council's new Equality, Diversity and Inclusion Policy, a copy of which was attached as an appendix. The Policy set out in detail how the Council met its duties and responsibilities under the Equality Act 2010.

RESOLVED: That the Equality, Diversity and Inclusion Policy be approved.

EXB32	2025/26 COUNCILWIDE SPENDING AS AT 31 JULY 2025
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The Board received a report from the Director – Finance, which reported the Council's overall revenue net spending position as of 31 July 2025, together with a 2025/26 forecast outturn position.

A summary of spending against the operational revenue budget position as at 31 July was presented in Appendix 1 and Appendix 2 and these provided detailed figures for each individual Department. In overall terms net spending as at 31 July 2025 was £1.629m over budget. The outturn forecast for the year estimated that net spend would be over the approved budget by £5.572m. It was noted that the forecast position remained a matter of great concern and action needed to be taken to reduce net spend immediately.

The report detailed a review of the Council General Reserve as at 31 July 2025 it remained unchanged from the previous period at £5.149m.

Members were advised that Council had previously approved the capital programme for 2025/26 at its meeting on 5 March 2025. Since then, the capital programme had been revised to reflect a number of changes in spending profiles and funding as schemes had been developed. Appendix 4 brought all the separate elements together and outlined the Council's total planned capital programme expenditure.

RESOLVED: That

- 1) Executive Directors continue to implement the approved 2025/26 saving proposals as detailed in Appendix 3;
- 2) Executive Directors continue to identify areas where they can further reduce their directorate's spending or generate income, in order to ensure the Council wide forecast outturn overspend position for the year remains within budget;
- 3) the report be shared with each Policy and Performance Board, in order to ensure they have a full appreciation of the councilwide financial position, in addition to their specific areas of responsibility; and
- 4) Council be asked to approve the revisions to the capital programme set-out in paragraph 3.24 and incorporated within Appendix 4.

EXB33	MEDIUM-TERM FINANCIAL STRATEGY 2026/27 – 2030/31 - KEY DECISION
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The Board received a report from the Director – Finance, which included an update on the Council's Medium Term Financial Forecast for the period 2026/27 to 2030/31. The Medium-Term Financial Strategy set out the five-year projection of the Council's resources and spending and was based on the most recent information that was currently available. The forecast showed that it was vital that a significant level of budget saving was achieved over the next five years, the scale of which would be extremely difficult to implement.

It was noted that the Government had confirmed that there would be significant and wide-ranging changes introduced to the local government finance system in 2026/27, known as the Fair Funding Review. The aim of the review was to target funding where it was most needed by using updated funding formulae to determine the different needs and costs faced by individual authorities, as well as their ability to raise revenue locally through Council Tax. A consultation was issued in June with a closing date of 15 August 2025. The potential impact of the Fair Funding Review for Halton was set out in Medium Term Financial Strategy at Appendix 1.

Reason(s) for Decision

To seek approval for the Council's Medium Term Financial Strategy for 2026/27 to 2030/31.

Alternative Options Considered and Rejected

The alternative option of not maintaining a MTFS had been considered. However, this would not follow good financial management practice, as the MTFS was a key element in informing the Council's financial planning and budget setting processes.

Implementation Date

1 April 2026.

RESOLVED: That

- 1) the Medium-Term Financial Strategy presented in Appendix 1, be approved;
- 2) the 2026/27 base budget be prepared on the basis of the underlying assumptions set out in the Strategy;
- 3) the Reserves and Balances Strategy presented in Appendix 2 be approved; and
- 4) the award of Council Tax Support for 2025/26 remains at the 2025/26 level of 21.55%.

EXB34	FINANCIAL RECOVERY PLAN
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The Board considered a report of the Director - Finance, which outlined the Council's Financial Recovery position and provided options for the Council to achieve a sustainable budget position by the year 2030/31. The Council's Medium Term Financial Strategy (MTFS) showed that based upon current levels of spend, income and forecast growth in service costs and demand across the Council, by 2030/31 the cumulative deficit or funding gap on the Council's budget would have reached £118.613m. The position was unsustainable, and action must be taken over the MFTS period to ensure the Council had a balanced budget position by 2030/31 at the latest, removing the dependency upon Exceptional Financial Support. The report set out proposals regarding action that must be taken to ensure this was achieved.

In addition to the financial forecast included with the MTFS, the report provided a summary of two scenarios with a potential budget deficit position for each. Executive Directors were asked to take immediate action to identify the savings, cost control and income generation proposals identified under scenario B.

Members were also provided with detailed information on a benchmarking exercise undertaken to review the Council cost base across a number of services and this was compared to its nearest neighbour group.

RESOLVED: That

- 1) the report be noted;
- 2) benchmarking information be used to start the process of setting departmental budget reductions for the period 2026/27 to 2030/31;
- 3) Executive Directors supported by the Transformation Delivery Unit provide options for the Transformation Board, regarding how budget reductions on the scale outlined within this report might be achieved, along with details of the associated service delivery implications; and
- 4) Executive Directors identify specific budget savings proposals to be implemented from 1 April 2026 as a matter of urgency, utilising the template in Appendix B, in order to support setting the 2026/27 budget.

EXB35	TREASURY MANAGEMENT ANNUAL REPORT 2024-25
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The Board considered a report from the Director – Finance, which presented the Treasury Management Annual Report 2024-25.

The report updated Members on the activities undertaken on the money market, as required by the Treasury Management Policy.

Information was provided on the economic outlook, interest rate forecast, borrowing and investments, budget monitoring, new long-term borrowing, policy guidelines and treasury management indicators. The Council's approved Treasury and Prudential Indicators for 2024-25 were set out in the Treasury Management Strategy Statement and was attached as Appendix one.

RESOLVED: That the report be noted.

EXB46	PART 2 ITEM: VOLUNTARY SEVERANCE SCHEME
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The Board considered a report of the Interim Chief Executive, that provided details of options for the introduction of a Voluntary Severance Scheme.

RESOLVED: That the Board

- 1) note the options contained in the report in relation to Voluntary Redundancy approvals and the introduction of a Voluntary Severance Scheme; and
- 2) acknowledge that further work to draw up an operational scheme would be required and a report would be brought back for consideration and approval.