

POLICY AND RESOURCES COMMITTEE

Wednesday, 10 November 2021

Present: Councillor J Williamson (Chair)

Councillors T Anderson T Jones
H Cameron J McManus
P Cleary Y Nolan
W Clements L Rennie
P Gilchrist J Robinson
JE Green P Stuart
S Hayes

Deputy: Councillor K Greaney (In place of EA Grey)

70 WELCOME AND INTRODUCTION

The Chair welcomed everyone to the meeting and those watching the webcast.

71 APOLOGIES

The Chair confirmed the apologies of Councillor Liz Grey, with Councillor Karl Greaney deputising.

72 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to declare any disclosable pecuniary interests and any other relevant interest and to state the nature of the interest.

Councillor Lesley Rennie declared a prejudicial interest in agenda item 12, 'Referral from Environment, Climate Emergency and Transport Committee: Appointment to Hilbre Island Nature Reserve Management Committee', due to her close contact with a family who owned a property on the island, and confirmed that she would leave the meeting whilst the item was under discussion.

Councillor Julie McManus declared a personal interest in agenda item 6, 'Household Support Fund' due to her employment and the company having put in an application for funding from the fund. She also declared a personal interest in agenda item 13, 'Referral from Shareholder Board: Edsential Request for Funding' due to her employment and the company having received funding from Edsential.

Councillor Jean Robinson declared a prejudicial interest in agenda item 7, 'Birkenhead Market New Development', due to her being a Wirral Growth Company Board member and confirmed that she would leave the meeting whilst the item was under discussion.

73 **MINUTES**

Resolved – That the minutes of the meetings held on 7 and 25 October, 2021, be approved and adopted as a correct records.

74 **PUBLIC AND MEMBER QUESTIONS**

The Chair reported that no questions from either members of the public or Members had been submitted. Nor were there any statements or petitions to receive.

75 **HOUSEHOLD SUPPORT FUND**

The Assistant Director: Neighbourhood Safety and Transport introduced a report which outlined indicative allocations and spend of a further extension to the government's COVID Local Support Grant, now the Household Support Fund (£3,049,345.09), which was available to support those most in need with the cost of food, energy (heating, cooking, lighting), water bills (including sewerage), housing support and other essentials.

Due to the absence of any lead-in time before the Grant was effective and given the urgent nature of the spend, the proposals had been implemented in the interim and retrospective ratification was sought from the Committee. This approach had been critical to ensure that help was available forthwith to those most in need, that organisations had sufficient lead-in time to deliver projects and ensure full spend of the Grant.

The Assistant Director responded to comments from Members and confirmed how the contingency element of the fund would be used in helping to address pressures which would arise through the Winter months, which might not be readily identifiable immediately. Spend was being mapped out on a regular basis and funding from the contingency could be moved around to help in those areas of need as they were identified. He commented upon the success of now being able to reach those harder to reach areas across the Borough through the much improved working with the third sector and community groups as a result of the work involved in supporting those most in need. A future piece of work when the grants had concluded would look at who the money had helped and how it had helped to enable a redesign of the crisis support systems in place for the future.

During the course of the discussion on this item, Councillor Lesley Rennie declared a personal interest by virtue of her being a member of the Merseyside Fire and Rescue Authority.

Members expressed their most sincere thanks to the Assistant Director and all the team who had worked so hard over the last eighteen months in helping the Borough's most vulnerable residents over this difficult time.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was –

Resolved – That,

(1) this Committee gives retrospective ratification to the indicative allocations and spend of the Household Support Fund as outlined below:

	Indicative allocations (£)
Wirral Household Support Fund - small grants programme	600,000
Wirral Family Cook Off project (Jan-Mar 2022)	300,000
Early Years food & essentials hampers (school holidays)	134,400
School Emergency Food Pantries	310,000
School winter coats and winter uniforms	80,000
Financial support with school meal food debt	100,000
Wirral Emergency Financial Support with Welfare Needs Scheme	500,000
Financial support with fuel (Fuelbank Foundation)	100,000
Financial support with fuel (direct debit customers)	100,000
Financial support with energy (fuel) and water bills debt	200,000
Crisis support with emergency heating (Energy Projects Plus)	30,000
Crisis support with white goods (North Birkenhead Development Trust/St Vincent de Paul Society)	45,000
Risk reduction items (Merseyside Fire & Rescue Service)	20,000
Housing Support Costs	40,000
Contingency	337,477.09
Admin (5%)	152,468
	£3,049,345.09

(2) it be agreed that this decision is urgent and therefore not subject to review.

76 BIRKENHEAD MARKET NEW DEVELOPMENT

Having previously declared a prejudicial interest, Councillor Jean Robinson vacated the room during consideration of this item (minute 72 refers).

The Director of Regeneration and Place introduced a report which sought the Committee's approval to enter into a development agreement between the Council and the Wirral Growth Company LLP (WGC) to develop the new Birkenhead Market.

Having regard to timing constraints attached to the delivery of the Future High Streets programme and informed by additional consultation undertaken with Members, officers, and market traders it was considered that there was a sound basis for accommodating the permanent facility, to the former House of Fraser site. To facilitate this location a new Site Development plan (SDP) had been formulated and agreed at the WGC Joint Venture Board on 21 October 2021.

The Future High Streets Fund (FHSF) would be used to bring forward early designs and cost plans before a final design was brought back to the Economy, Regeneration & Development Committee for sign off.

Responding to comments from Members the Director confirmed that since the Council took ownership of the Market in 2018, his officers had been working alongside colleagues from Legal Services and Licensing to look at providing more flexibility in relation to applications from other place based initiatives, whilst protecting and safeguarding the operation of Birkenhead Market, and this would be shared with Members in the future. He acknowledged the risks of meeting the March, 2024 deadline within the confines of the grant funding agreement but was hopeful of spending the Future High Street funding upfront with remaining funding then flowing in behind. He commented upon the improved engagement with the Market Tenants' Association and market traders and how his officers would be taking their comments and concerns into account. He also commented upon the opportunities to lift the design quality and the cross cutting infrastructure the Council could introduce as well as the move to make sure carbon neutral design standards were built in from the outset and that progress was being made with this.

On a motion by Councillor Tony Jones, seconded by the Chair, it was -

Resolved – That,

- (1) the revised Wirral Growth Company stage 2 Site Development Plan for Birkenhead Town Centre (Appendix 4), be approved;**
- (2) the Director of Regeneration and Place be authorised to progress directly to a permanent market;**
- (3) the Director of Regeneration and Place be authorised to award the Wirral Growth Company LLP a development agreement to undertake the design and cost modelling to RIBA Stage 5 for the new permanent market and negotiate terms with WGC in accordance with**

the outline terms and specification attached at appendices 2 and 3 to the report, including any associated infrastructure and demolition works to support the new market facility on the site of the former House of Fraser building, adjacent to St Werburgh's Square;

- (4) the Director of Regeneration and Place be authorised to engage with the Liverpool City Region Combined Authority and agree, if required, any necessary changes to the grant funding agreement consequently to the inclusion of a new market on the House of Fraser site;**
- (5) the Director of Regeneration and Place be authorised to adopt the preferred option, to demolish, design and develop the former House of Fraser site, the cost of which to be met from within the planned Future High Street Fund and Wirral Growth Company Surplus resources allocated.**

77 2021-22 BUDGET MONITORING FOR QUARTER 2 (1 JULY - 30 SEPTEMBER)

The Director of Resources introduced a report which set out the financial monitoring information for the Council as at quarter 2 (July - September) of 2021-22. The report provided Members with an overview of budget performance to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to officers on the performance of those budgets.

The Committee was aware that the former Ministry for Housing, Local Government and Communities (now the Department for Levelling Up, Housing and Communities DLUHC) had provided a conditional offer of Exceptional Financial Support (capitalisation directive) for 2021/22 of up to £10.7m. One of the conditions of that offer was that the Council would need to provide evidence from the assurance review of the authority's financial position and its ability to meet any or all the identified budget gap without any additional borrowing. The review had concluded and the report had been received, and this would be considered at a briefing meeting on 15 November, with a response to be confirmed at a special meeting of the Committee on 30 November, 2021.

In light of this, the Director emphasised the vital importance of the Council having robust processes in place to manage and monitor the in-year financial position, to ensure it delivered a balanced position at the end of the year.

The projected year-end revenue outturn, recorded as part of Quarter 2 financial monitoring activity, represented a favourable variance against revenue budget of £0.496m. This improved forecast since quarter 1 reflected

the identification of mitigation for delayed savings options and mid-year reassessment of pressures. As any favourable variance had to contribute to the reduction in the value of the Exceptional Financial Support for 2021/22, the forecast year end position was a balanced budget.

This budget position included the utilisation of the Government's Exceptional Financial Support (EFS) but it was not anticipated that the full amount would be required, following a review of new funding received and a reduction in pressures estimated in March. Additional Government Funding of £3m had been received that was not known about when the request for Exceptional Financial Support was submitted and this was offsetting the value of the original request.

Responding to comments from Members, the Director stated that there was a need for a longer term review of the printing service with directorates not spending as much on printing as they had previously. With regard to interims, the Director acknowledged that there were currently more interims in the Authority than the Council had previously had, this was because of current recruitment difficulties. This was being addressed in a campaign led by HR with more digital advertising gaining a wider reach to recruit permanent staff and as soon as staff were recruited interims were let go.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

Resolved – That this Committee,

- (1) notes the favourable forecast position presented at Quarter 2;**
- (2) notes the forecast reduction in the requirement to utilise the Government's Exceptional Financial Support (EFS);**
- (3) approves the budget virement proposals detailed within each Directorate Area of the report;**
- (4) notes the impact of funding and expenditure as a direct consequence of Covid-19, including the additional funding sources which have been identified, but as yet, not received.**

78 **CAPITAL MONITORING QUARTER 2 2021/22**

The Director of Resources introduced a report which provided an update on the progress of the Capital Programme 2021/22 at the end of September 2021. The report recommended that the Committee agree the revised 2021/22 Capital Programme of £77.6 million which took account of re-profiling, virements, additional funding requirements and grant variations identified since the Capital Programme was formally agreed on 1st March 2021.

Responding to a Member's comment, the Chief Executive stated that with regard to the West Kirby Flood Alleviation Scheme, he would ensure that officers engaged with the RNLi and Ward Members in respect of the timings of when this work would take place.

The Director of Resources responding to a Member's comment assured the Committee that the spending for the Urban Tree Challenge Fund had been reprofiled and would be carried forward to go ahead.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED to Council:

(1) the approval of the revised Capital Programme of £77.6 million for 2021/22, including the addition of the new grant funding referred to in section 3.4 in the report, as follows:

- **Coastal Defence – Meols Feasibility Study - £100,000;**
- **Future High Street Fund – New Ferry - £3.214 million;**

(2) the approval of the virements referred to in Appendix 3 in the report.

79 **TREASURY MANAGEMENT MID-YEAR REPORT 2021/22**

A report by the Director of Resources advised that the Authority's treasury management activity was underpinned by CIPFA's Code of Practice on Treasury Management ("the Code"), which required the production of an annual Treasury Management Strategy Statement on likely financing and investment activity. The Code also recommended that Members were informed of treasury management activities at least twice a year.

The report fulfilled the Authority's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance.

At the Mid-Year point the Treasury Management budget forecast for this year was for a balanced outturn. Whilst the low interest rate environment continued to impede investment interest, this shortfall was being offset by lower interest costs on Treasury Management loans.

In response to a Member's question the Director explained to the Committee the principles behind inter authority lending, which many other authorities did also, and how this was of benefit to the Council, in that it did make money for the Council and as far as she was aware, no authority had ever defaulted on a loan.

She also elaborated on the LOBO (Lender's Option Borrower's Option) loans which the Council had entered into in the 1980/90's, and which, at the time, had very good long term fixed rates of interest, although if the Council wanted to redeem these loans now this often had very significant penalties. Work was ongoing with the Council's financial advisers on the possibility of replacing some of these with less costly loans and for some of the small value loans negotiations had been successful in achieving repayments without the high penalties.

With regard to the interest rate on the Capitalisation Directive the Director agreed that she would provide this information for all the Committee.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

Resolved – That the Treasury Management Mid-Year Report for 2021/22, be noted.

80 **WORK PROGRAMME UPDATE**

The Head of Legal Services introduced a report which advised how this Committee, in co-operation with the other Policy and Service Committees, was responsible for proposing and delivering an annual committee work programme.

The work programme was formed from a combination of key decisions, standing items and requested officer reports. The report provided the Committee with an opportunity to plan and regularly review its work across the municipal year and was attached as an appendix to the report.

Resolved – That the Policy & Resources Committee work programme for the 2021/22 municipal year, be agreed.

81 **REFERRAL FROM ENVIRONMENT, CLIMATE EMERGENCY AND TRANSPORT COMMITTEE - APPOINTMENT TO HILBRE ISLAND NATURE RESERVE MANAGEMENT COMMITTEE**

Having previously declared a prejudicial interest, Councillor Lesley Rennie vacated the room during consideration of this item (minute 72 refers). Councillor Jeff Green also declared a prejudicial interest and vacated the room, as current Chair of the Management Committee.

The Head of Legal Services introduced a report on the Environment, Climate Emergency and Transport Committee's recommendations from its meeting on 7 September in respect of membership of the Hilbre Island Nature Reserve Management Committee.

In moving the motion Councillor Tom Anderson suggested that the status quo be maintained in allocating places. The motion was seconded by Councillor Yvonne Nolan, and it was -

Resolved – That the Monitoring Officer as proper officer, be authorised to carry out the wishes of the Group Leaders in allocating Members to membership of the Hilbre Island Nature Reserve Management Committee and to appoint those Members with effect from the date at which the proper officer is advised of the names of such Members.

82 **REFERRAL FROM SHAREHOLDER BOARD - ESENTIAL REQUEST FOR FUNDING**

The Head of Legal Services introduced a report on the recommendations of the Shareholder Board meeting of 28 October, in respect of the request for funding from Edsential. The minute of the Shareholder Board and associated report of the Director of Resources were provided for information.

Members expressed thanks for the work which Edsential had undertaken during the difficult circumstances presented by Covid.

On a motion by the Chair, seconded by Councillor Jeff Green, it was -

Resolved – That,

- (1) the Director of Resources, be authorised, in consultation with the Director of Law and Governance to approve financial support to be provided to the company over the forthcoming financial year, in the form of Covid related funding support grant of £643,000 and an interest bearing loan of £857,000 as set out in the report and its appendices.**
- (2) the Director of Resources, be authorised, in consultation with the Director of Law and Governance to provide a letter of comfort to Edsential confirming the agreed financing and support.**

83 **MINUTES OF THE SHAREHOLDER BOARD**

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

Resolved – That the minutes of the Shareholder Board meetings held on 1 September and 28 October, 2021, be noted.

84 **MINUTES OF THE SENIOR OFFICER AND APPOINTMENTS STAFFING SUB-COMMITTEE**

In respect of minute 6, 'Employment Appeals' of 13 October, 2021 meeting Councillor Gilchrist, having voted at the Sub-Committee against the proposal asked that his vote against that particular minute be recorded also in these minutes.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

Resolved – That the minutes of the Senior Officer and Appointments Staffing Sub-Committee meetings held on of 18 August, 27 September and 13 October, 2021, be noted.

85 **EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

Resolved – That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

86 **REFERRAL FROM ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE - HIND STREET REGENERATION**

The Head of Legal Services introduced a report in respect of one particular recommendation of the Economy, Regeneration and Development Committee from its meeting on 29 September with regard to the Hind Street Regeneration area.

On a motion by the Chair, seconded by Councillor Tony Jones, it was -

Resolved – That the recommendation in the report be approved and the Director of Law and Governance, in consultation with the Director of Regeneration and Place, be authorised to finalise the associated legal documentation.

87 **EXEMPT APPENDICES - BIRKENHEAD MARKET NEW DEVELOPMENT**

Resolved – That the exempt appendices to the Birkenhead Market New Development report, be noted.

**88 EXEMPT APPENDICES TO REFERRAL FROM SHAREHOLDER BOARD -
EDSENTIAL REQUEST FOR FUNDING**

Resolved – That the exempt appendices to the referral from the Shareholder Board: Edsential Request for Funding report, be noted.