



## **Business Overview and Scrutiny Committee**

**Date:** Tuesday, 23 January 2018

**Time:** 6.00 pm

**Venue:** Committee Room 1 - Wallasey Town Hall

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## **AGENDA SUPPLEMENT**

- 6. BUDGET PROPOSALS WORKSHOP - SCRUTINY REPORT (Pages 1 - 14)**

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## **Business Overview and Scrutiny Committee Tuesday 23<sup>rd</sup> January 2018**

<b>REPORT TITLE:</b>	<b>2018/19 Budget Proposals Scrutiny Report</b>
<b>REPORT OF:</b>	<b>Councillor Mike Sullivan, Chair of the Committee</b>

### **REPORT SUMMARY**

This report presents the work of the Business Overview & Scrutiny Committee in relation to scrutinising the 2018/19 budget proposals. This follows a workshop held on Monday 15<sup>th</sup> January for Members to explore in more detail the various budget proposals being put forward that fall under the remit of this committee. A report is included as an appendix to this report. The Business Overview & Scrutiny Committee is requested to acknowledge this report as its response to the 2018/19 budget proposals to be referred to Cabinet as part of its considerations in developing any budget recommendation to Council.

### **RECOMMENDATION/S**

- Committee acknowledges this report as its response to the 2018/19 budget proposals, adding any amendments as necessary.
- Committee refers this report to Cabinet as part of its considerations in developing any budget recommendation to Council.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

The recommendations will enable the Business Overview and Scrutiny Committee's comments in relation to the 2018/19 budget proposals to be referred for future consideration by Cabinet.

### **2.0 OTHER OPTIONS CONSIDERED**

Not Applicable

### **3.0 BACKGROUND INFORMATION**

A consistent approach for the scrutiny of the 2018/19 budget proposals was agreed by the Chairs of each of the four Overview & Scrutiny Committees in November 2017. It was proposed to follow a similar approach to that adopted for the 2017/18 budget process with a separate workshop for each of the Overview & Scrutiny committees.

The complete list of budget proposals was reviewed by the Chair and Spokespersons of the committee and those proposals falling within the committee's remit were prioritised for further scrutiny at the workshop. Relevant officers were invited to the workshop to provide an overview and to answer questions for the proposals selected. The final report is attached as **Appendix 1** to this report.

### **4.0 FINANCIAL IMPLICATIONS**

There are none arising from this report.

### **5.0 LEGAL IMPLICATIONS**

There are none arising from this report.

### **6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS**

There are none arising from this report.

### **7.0 RELEVANT RISKS**

There are none arising from this report.

### **8.0 ENGAGEMENT/CONSULTATION**

Not Applicable

### **9.0 EQUALITY IMPLICATIONS**

This report is for information to Members and there are no direct equality implications.

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**APPENDICES**

**Appendix 1: 2018/19 Budget Proposals - Scrutiny Report of Business Overview & Scrutiny Committee**

**REFERENCE MATERIAL**

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>

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## **2018/19 Budget Proposals**

### **Scrutiny Report of the Business Overview & Scrutiny Committee**

**January 2018**

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## **1. Introduction**

A dedicated 2018/19 budget proposals workshop for Members of the Business Overview and Scrutiny Committee was held on Monday 15<sup>th</sup> January 2018. The workshop provided the committee with the opportunity to examine in greater detail a number of budget proposals affecting services that fall under the remit of the committee.

The budget proposals selected for further examination were identified by the Chair and Party Spokespersons as those deemed to be of greatest significance in terms of value, public interest and impact.

This report summarises the proposals scrutinised and the comments and suggestions of Members attending the workshop.

## 2. INTRODUCTION OF CAR PARKING CHARGES – COASTAL SITES

### Summary of Proposal

The proposal is to introduce on and off-street car parking charges in six coastal locations. These locations are:

- 1) South Parade - West Kirby
- 2) North Parade - Hoylake / Meols
- 3) Leasowe Lighthouse area
- 4) The Gunsite – Leasowe
- 5) Derby Pool - New Brighton
- 6) Kings Parade Area - New Brighton

The daily tariff has been set at £1 for 1 hour, £2 all day and £20 for overnight parking. The day tariff will run from 8am to 6:30pm and the overnight tariff will apply from 10pm to 8am. The proposal is expected to generate increased income totalling £250k. A new payments system installed by the Council will allow contactless payments to be made. Payments can also be made by phone from summer 2018 as well as paying by cash. Existing and new Country Park Permit holders will be able to use their permit in the three off-street coastal locations at no additional cost.

Net income for 2018/19 is calculated at £100,000 and collection of income is due to begin in Nov 2018 based on the time taken for the infrastructure to be in place. Further income of £150,000 will be realised in 2019/20 (bringing the estimated total to £250,000). These figures are based on officers' knowledge and experience of car park operations within the borough. A separate bid to the Capital Programme has been prepared for £350,000 to pay for the supply and installation of Pay and Display equipment, signs and road markings.

The projected income is based on the estimated numbers of parking visits and on a 50/50 split of 1 hour and all day tickets purchased.

Location	Spaces	Income (£)	On/off street
South Parade - West Kirby	150	65,000	On street
North Parade - Hoylake / Meols	300	25,000	On street
Leasowe Lighthouse Area	160	25,000	Off street
The Gunsite - Leasowe	140	35,000	Off street
Derby Pool - New Brighton	100	35,000	Off street
Kings Parade Area - New Brighton	700	65,000	On street
<b>Total</b>		<b>250,000</b>	

## Committee Members' Comments

- Members sought clarification that all revenue raised from on-street parking would be ring-fenced for Wirral's highways. Officers confirmed that this is a legislative requirement and applies to all on-street parking. Income generated will be used for highway maintenance or traffic management scheme budgets. The maintenance required for the off-street country park locations will also be determined for income generated to be spent on.
- The recently completed task & finish scrutiny review on Resident Parking was highlighted by Members. It was pointed out that a Cabinet amendment to the charging policy for resident parking schemes across Wirral resulted in a revenue shortfall. It was suggested that but this could've been an alternative to the budget proposal as the original recommendation would have resulted in more income being generated.
- A number of issues relating to the increasing volume of camper vans parking along the far end of New Brighton's promenade were discussed. It was confirmed that the overnight charge is being applied as a deterrent and that this tariff would not commence from 6:30pm in order to protect the evening economy, such as the local restaurants, and this was acknowledged by Members. The intention is to also keep the times consistent with all other parking locations across the borough where charges are applied.
- There were concerns about how Wirral would monitor and enforce the overnight charge being applied. Members were assured that this would not be done routinely. At present there are regular and varied evening patrols up to 10pm on various evenings which, on occasion, could be extended into the chargeable hours if required. Additionally, residents' feedback would also be considered on issues raised around camper vans and this will result in more focused enforcement. It is acknowledged that this isn't as big an issue in Meols where there will be only 2-3 camper vans parked at a given time.
- A further concern was raised by Members over wardens patrolling late at night to monitor and enforce overnight parking and whether surveillance cameras can be used as an alternative. Officers clarified that legislation does not allow for this type of enforcement for on-street parking.
- It was explained to Members that the overnight charge was to act as a deterrent to camper vans wanting to park along Wirral's promenade. However, Members and officers discussed the potential for additional income to be generated but acknowledged that a number of issues have been raised by residents, including making the area less attractive. Members did not want to discourage people from spending in places like New Brighton and considered whether permits could be issued for short stays or for those who want to come on a regular basis. It was agreed by officers and Members that if Wirral was to consider the use of camper vans as an income generator, there would be a need to engage with residents who have raised objections and concerns with the Council and to identify what investment would be needed, such as toilet facilities and access to water.

- Questions were raised about the start-up costs to introduce parking charges and the cost to the council of a capital bid. It was explained that the initial cost will be £350k based on an initial assessment of 40 machines for these areas. It was reaffirmed that this will be secured through a bid to the Capital Programme and the cost to the Council will depend on where the capital comes from. It was suggested that this could be as a result of a capital receipt from a sale of an asset. If the Council has to borrow, it was explained that there will be a small charge over the length of the borrowing period.
- A concern was raised relating to the potential life-span of the parking machines which will be subject to risk from corrosion from the sea air and water. Members were assured that all machines procured come with a coastal protection pack which has protective paint and the exposed areas are treated and sealed.
- The impact of displaced parking around Marine Lake was discussed and Members highlighted that side roads are already full of parked cars and this was acknowledged by officers. Officers pointed out that there could be further displacement through parking charges. It was explained that those who currently park on these side roads may now consider paying the charge for parking on the promenade at Marine Lake where space may now become available for the benefits of accessibility and the views. Officers assured Members that if there are any highway and road safety issues that occur with the implementation of charges, these will be considered as part of parking restrictions.
- A further concern was raised in relation to residents struggling to find parking around a number of roads leading off from South Parade in West Kirby which contain Victorian properties with very limited parking spaces and the potential impact that the introduction of charges will have on displaced parking. It was suggested that permits could be considered to be issued to affected residents but officers confirmed that this proposal does not currently include any provision for these residents.
- Members were assured that the recently secured government funding of approximately £2 million for the installation of coastal protection along Wirral's coastline would not result in a change to the highway layout as a result of new infrastructure being put in. The proposal to introduce parking charges and machines in these areas would not be affected by this.
- Members were assured that blue badge holder parking (free parking for blue badge holders) was factored in to the potential income which would be generated from the introduction of parking charges.

### **3. PROPERTIES IN BIRKENHEAD**

#### **Summary of Proposal**

The Council approved the acquisition of the Europa Building on the terms reported to Cabinet on the 27<sup>th</sup> November 2017. This is the first of a number of key strategic sites and buildings in Birkenhead to allow the Council to control and influence new investment in the area.

The Council will benefit from a revenue stream which exceeds the borrowing costs whilst the property is held by the Council making it an ‘invest-to-save’ project. This is based on the gross income less the borrowing costs (in the order of 4% per year for the 50 years) giving a net income of £0.3 million per year on the current leases.

The Europa Building comprises a mixed use property fronting Europa Square with 4 current tenancies including: Wilko Retails, Poundstretcher, Courtesy Shoes, Windsors and Mecca Bingo. There is one vacant unit which was last occupied by Wetherspoons. These leases all run to 2022 at the earliest and will be subject to review and renegotiation upon expiry. It is a Key Strategic Acquisition to enable development in Birkenhead Town Centre by the Growth Company and by increasing inward investment for the Borough.

#### **Committee Members’ Comments**

- Members broadly supported the budget proposal but some concerns were raised in the ability to regenerate the whole of Birkenhead and that the Council will be buying back a building that potentially cost more than what it was originally sold for and how achievable it will be to secure revenue.
- Members raised queries in relation to the short and long terms plans for the Europa Building. A particular issue identified was how Wirral would receive income from short term leases as Mecca, as the biggest unit within Europa Building, appear to be closing premises nationwide as part of its restructuring model. Members were informed that the lease for Mecca has five years remaining on its lease and when this expires, Wirral will have an established Growth Company in place and established plans drawn up for central Birkenhead, including the market. Members understand that any decision taken at this time will include keeping the building as it currently is or whether it will need to remodelled or reconfigured as part of longer term plans.
- In respect to existing businesses within Europa, it was clarified that they would need to buy out the lease if they wish to terminate the agreement early. This would also apply to Wirral Council if they wish to terminate the agreement early.
- Members recognised the importance of the wider regeneration of Birkenhead for the success of this proposal and sought clarification on the existing market having Charter was in place which restricts other markets being developed. This was confirmed by officers who acknowledged this does reduce flexibility

in developing pop-up markets but provided assurance that this would be looked at when the Council takes ownership of the building.

- Members noted that there was no apparent associated risk assessment linked to the proposal and sought clarification as to what the likely risks would be. It was explained that the key risks are that the building is bought and no further regeneration occurs in Birkenhead and the building becomes harder to let as it would not be as attractive. It was explained that there is also a risk of the Council becoming the owner and requiring a manager and company to manage the building, resulting in a potential reputational risk if something happened to the building.
- Members queried the role of the Property Company having a vision to link up the key sites such as Hamilton Square, Woodside and the town centre to benefit plans for the Europa Building and whether it will be part of its portfolio. Officers clarified that the building was not part of the bidding process for the Growth Company but bidders were asked to focus on eleven sites of which central Birkenhead was one and therefore proposals would've been put in place for it.

#### **4. COST OF DEMOCRACY – GOING PAPERLESS**

##### **Summary of Proposal**

The proposal is to save £34,216 per year in printing costs by removing hard copy agenda packs and to issue a Modern.gov enabled tablet to all Members, Chief Officers and Committee Officers.

The benefits with the proposal are less paper costs and improved efficiency. There would be easy access to agenda, minutes and information via the Internet. There will be a need to re-assess the method of distribution and plan to improve business processes through electronic document management. Easy access to information may improve relations with the media and the electorate. The Council would also play a role in reducing the adverse effects of paper generation on the environment, including the use of Dropbox (which is free).

Members and Officers could access their agenda and supporting documentation anywhere, at any time as long as there is Internet connectivity using multiple devices. They could deploy electronic devices at Council and Committee meetings so printed hard copies would not be required.

##### **Committee Members' Comments**

- Members queried issues with WiFi connectivity in the Town Hall and the need for action to be taken to improve it. It was confirmed that this proposal would be predicated on having better WiFi and when this happens, IT has a plan in place to prioritise its implementation and the purchase of Windows tablets across the Council.
- Members queried the implementation and it was explained that other local authorities adopted a 'big bang' approach to rolling it out but a phased

approach could also be considered to target anyone who did not receive a tablet when they were first rolled out. It is understood that Members would be provided with support through the process.

- It was noted by some Members that other local authorities are progressing quicker than Wirral in going paperless and have seen some of the associated benefits it brings.
- Although the Print Unit is a semi-commercial unit of the council and has an income, Members were assured that the budget proposal will not affect its viability to remain and will continue to provide a service.
- Although Dropbox is being promoted as a tool to reduce the need to generate unnecessary paper, Members were assured that no further licenses would be required for an increase in users as the procurement of Modern.Gov included Council wide use.
- Members raised issues relating to navigating through electronic papers / agendas and suggested that IT could look at putting in the functionality to navigate automatically to the desired page or section. Members also commented that it can be difficult to read certain information, such as planning papers. Although there is an ability to zoom in on specific parts of a document, it does not resolve issues of ascertaining the scale.
- Members broadly supported the proposal and the need for the Council to progress with technology, consistent with the developments that have / are happening with other local authorities but noted the support required for Members and the required for improved functionality of the tablets.

## **Appendix 1 – Workshop Attendance**

### **Members of the Business Overview & Scrutiny Committee:**

Mike Sullivan (Chair)  
Dave Mitchell  
Steve Williams  
Pat Hackett  
Gillian Wood  
Gerry Ellis  
Jean Stapleton  
Eddie Boulton  
Anita Leech  
Jerry Williams

### **Members also in attendance:**

Phil Gilchrist

### **Officers**

Mark Smith	Strategic Commissioner - Environment
Steve Atkins	Parking Services Manager
Jeannette Royle	Senior Manager, Asset Management
David Armstrong	Assistant Chief Executive
Nikki Butterworth	Assistant Director Commissioning Support
Philip McCourt	Interim Assistant Director : Law and Governance
Michael Lester	Scrutiny Officer