

CABINET

Thursday, 5 November 2015

<u>Present:</u>	Councillor	P Davies (Chair)	Leader of the Council
	Councillors	AR McLachlan G Davies AER Jones C Jones C Meaden P Hackett Tony Smith B Mooney S Whittingham	Transformation and Improvement Housing and Communities Resources: Finance, Assets and Technology Adult Care and Public Health Leisure and Culture Business and Tourism Children and Families Environmental Protection Transport, Technology Strategy and Infrastructure

60 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Cabinet were asked to consider whether they had any disclosable pecuniary and/or any other relevant interest, in connection with any item(s) on the agenda and, if so, to declare them and state the nature of the interest.

Councillor Phil Davies declared a personal and prejudicial interest in Item No. 10 on the agenda – Designation of a Neighbourhood Planning Forum for Birkenhead and Tranmere (minute No. 70 refers) by virtue of him being a member of Birkenhead and Tranmere Neighbourhood Forum and in Item No. 12 on the agenda – Day Services Local Authority Company (LAC) Wirral Evolutions – Update (minute No. 71 refers) by virtue of him being a Director of Wirral Evolutions.

He informed the Cabinet that he would leave the meeting whilst both items of business were under discussion and that consequently he would vary the order of business so that Item No. 11 – Neighbourhood Planning – Devonshire Park, was heard prior to consideration of Item No. 10. Councillor Ann McLachlan would take the Chair for both items.

61 MINUTES

RESOLVED:

That the minutes of the Cabinet meeting held on 8 October 2015 be confirmed as a true record.

WIRRAL WATERS ENTERPRISE ZONE - INVESTMENT FUND

Councillor Phil Davies introduced a report of the Assistant Chief Executive, which sought the Cabinet's approval to establish a Wirral Waters Enterprise Zone (EZ) Investment Fund. Government arrangements for EZs allowed for any business rates growth within the Zone to be re-invested to stimulate further development. Wirral Council would therefore be able to use this growth to access and fund borrowing to increase investment within the Zone in order to bring forward development more quickly and to promote further growth.

An Investment Plan had been produced which set out an integrated economic and financial impact model together with governance and management arrangements to underpin the operation of the Fund.

A due diligence process had been carried out on the Investment Plan and this was outlined in the report. If the Investment Plan was approved, individual project proposals would be brought back on a case by case basis.

Councillor Phil Davies welcomed the report and described the proposal for an EZ as a very imaginative mechanism for enabling more investment into Wirral Waters. Two projects had already been delivered, the Wirral Metropolitan College at Twelve Quays and the Tower Wharf Contact Company building with other projects planned. The Council now needed to attract more such investment and an EZ was a tried tested mechanism for achieving this.

RESOLVED: That -

- (1) the creation and operation of the Wirral Waters Enterprise Zone Investment Fund, as detailed in the report, be approved.**
- (2) the investment potential for Phase 1 of £16m by 2020, funded by borrowing and repaid over the life of the Enterprise Zone from increased business rates income, be incorporated within the Capital Programme.**
- (3) the Council act as accountable body for the Wirral Waters Enterprise Zone Investment Fund.**
- (4) each proposal to draw down funding be subject to project specific business cases coming forward for approval that address any delivery and affordability constraints and brought back to Cabinet on a case by case basis.**
- (5) the operating principles as set out in paragraph 2.16 of the report, be agreed.**

(6) the governance, management structure and processes as set out in paragraph 2.17 of the report, be agreed.

(7) an annual report on the performance of the scheme be prepared and presented to Members.

63 **STATEMENT OF ACCOUNTS 2014/15**

Councillor Phil Davies introduced a report of the Acting Section 151 Officer. It stated that the Council Constitution allocated responsibility for the approval of the Statement of Accounts to the Audit and Risk Management Committee. The draft Statement for 2014/15, published on 30 June 2015, was subject to audit by Grant Thornton, the Council's External Auditors, and their findings presented to Audit and Risk Management Committee on 28 September 2015 (minute 28 refers). The Statement of Accounts 2014/15 was published on 30 September 2015, the statutory deadline for publication.

The Statement of Accounts included the Merseyside Pension Fund (MPF) accounts as Wirral Council was the Administering Authority for MPF. As the MPF received a separate Audit Findings Report this was considered by the Pensions Committee on 14 September 2015 and Audit and Risk Management Committee on 28 September 2015 as part of approving the Accounts.

Councillor Phil Davies highlighted the financial position that the Council was now in with an in year revenue underspend of £0.5 million and year-end balances of £18.8 million being above the target figure for General Fund balances of £17.4 million for 2015/16. This was in stark contrast to the financial position in 2012 when the current administration had taken over from the previous administration which had overspent by £17m.

Councillor Phil Davies thanked Members and officers for ensuring the Council was on a robust financial platform. The two areas which had shown improvement, Strategic Financial Planning and Financial Control, recognised the significant improvements made to deliver financial stability, to improve financial management and the approach adopted in developing the Council Plan. The Wirral Plan: 2020 Vision had been agreed and would be supported by the Delivery Plan and Medium Term Financial Strategy being developed for Cabinet / Council in February 2016.

Councillor Ann McLachlan, referring to Grant Thornton's comments that the Council had in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2015 was in stark contrast to 2012/13 when there was an adverse conclusion that arrangements were not in place. This was a mark of how far the Council had now improved.

RESOLVED: That:

(1) Cabinet notes the Statement of Accounts 2014/15 and the Grant Thornton Audit Findings Report.

(2) progress on delivering the actions identified in the Audit Findings Report will be monitored by Audit and Risk Management Committee.

64 **REVENUE MONITORING 2015/16 QUARTER 2 (TO SEPTEMBER 2015)**

Councillor Phil Davies introduced a report of the Acting Section 151 Officer, setting out the projected revenue position for 2015/16 as at the end of quarter two (September 2015). The projected outturn showed an improvement of £2.2 million compared to the quarter 1 position with a forecast overspend of £0.7 million (previous period £2.9 million). There had been some improvement in the quarter within the Adult Social Care predicted overspend and increases in both Regeneration & Environment and Transformation & Resources predicted underspends. The most significant positive variance related to treasury management savings from forecast continued use of cash flow balances over the full year to temporarily fund accumulated capital expenditure in lieu of borrowing.

Councillor Phil Davies commented on the good progress that had been made and the need to continue with the good work. The aim of achieving a balanced budget by the end of the financial year was on track. He referred to the difficulties in managing in-year cuts imposed by the Government, such as the Public Health Grant cut of £1.9m and commented that this was a disgraceful and irresponsible way for the Government to manage its finances. He hoped that the Autumn Spending review statement would not impose any further in-year cuts on Local Authorities.

RESOLVED: That

(1) the improvement of £2.2 million in the 2015/16 Revenue Budget position during quarter 2 be noted and welcomed.

(2) officers continue to identify actions and to take measures to reduce the projected overspend of £0.7 million and to mitigate against any in-year funding reductions for Public Health and to replenish General Fund balances.

65 **CAPITAL MONITORING 2015/16 QUARTER 2 (TO SEPTEMBER 2015)**

Councillor Phil Davies introduced a report of the Acting Section 151 Officer which provided an update on the progress in delivering the Capital Programme 2015/16 at the end of September 2015. The report recommended that Cabinet agreed the rephasing of the 2015/16 Capital Programme down to £50.2 million and reported expenditure to date of £18.2 million.

Councillor Phil Davies commented upon the good work around the use of internal borrowing i.e. using the Council's cash balances rather than having to borrow externally. With cash investments currently yielding low rates of return and the interest rate on external loans being much higher it was financially advantageous to use cash balances to temporarily fund non grant funded capital projects.

Councillor Phil Davies referred to the number of capital projects which were generating improved outcomes for Wirral's residents and businesses.

Councillor Chris Jones referred to the excellent new fitness suite at Guinea Gap which had seen an increase in usage and helped towards delivering one of the pledges of living healthier lives.

Councillor Chris Meaden echoed these comments and also referred to the increased membership at West Kirby Leisure Centre following the improvements to the fitness suite there. Improvements at West Kirby Marine Lake were also in the pipeline and Sport England had also offered to help with this scheme.

Councillor Pat Hackett commented that the Regional Growth Fund and additional grants were providing help with lots of schemes which had started or which were in the pipeline creating jobs and helping small businesses.

Councillor Stuart Whittingham stated that nearly 1000 LED Street lights had now been installed helping in reducing the Council's carbon footprint. The competitive tendering process had resulted in a contract saving of £1.074 million with the scheme being successful in securing an interest-free loan.

Councillor Tony Smith referred to the additional classrooms at Elleray Park School which would provide additional places for children with special educational needs.

Councillor Bernie Mooney thanked those officers involved in respect of the West Kirby Flood Alleviation scheme, the business case for which had been submitted to the Environment Agency. Approval to commence the scheme was awaited and anticipated to be primarily in 2016/17.

RESOLVED: That

(1) the spend to date at Month 6 of £18.2 million, with 50% of the financial year having elapsed, be noted.

(2) the revised Capital Programme of £50.2 million be agreed and referred to Council for approval.

TREASURY MANAGEMENT MONITORING MID-YEAR 2015/16

Councillor Phil Davies introduced a report of the Acting Section 151 Officer which reviewed Treasury Management policies, practices and activities during the first 6 months of 2015/16. It projected a £2.5 million underspend in 2015/16 and confirmed compliance with treasury limits and prudential indicators being prepared in accordance with the CIPFA Treasury Management Code and the Prudential Code for Capital Finance in Local Authorities.

Councillor Phil Davies commented upon the good work of Finance officers in the use of internal resources which was more cost effective than undertaking longer term external borrowing.

RESOLVED:

That the Treasury Management Performance Monitoring Report be accepted in meeting the Council's obligations under the Treasury Management Code.

BUDGET COUNCIL ARRANGEMENTS

Councillor Phil Davies introduced a report of the Head of Legal and Member Services, proposing Cabinet recommend to Council that:

- Budget Council scheduled for 23 February 2016 be re-scheduled to Thursday, 3 March 2016 (with a reserve date of Wednesday, 9 March 2016); and
- The Agenda and Procedure for Budget Council set out in Appendix 1 of the report be approved.

The Council was required to set its Budget for the 2016/17 financial year by 10 March 2016.

The Agenda and Procedure had been prepared following consultation with all the three Political Group Leaders.

RESOLVED: That -

(1) the Budget Council Agenda and Procedure set out at Appendix 1 to the report, be approved.

(2) Council be recommended to change the date of the Budget meeting of the Council, currently scheduled for 23 February 2016, to Thursday, 3 March 2016 with a reserve date of Wednesday, 9 March 2016 (and the Calendar of Meetings be amended accordingly).

(3) Council, at its meeting on 14 December 2015, be recommended to adopt the Agenda and Budget Council Procedure set out at Appendix 1 to the report in respect of the said Budget meeting of the Council above.

(4) Council be recommended to authorise the Head of Legal and Member Services to make changes to the Budget Council Agenda and / or Procedure set out at Appendix 1 to the report providing the consent of all the three Political Group Leaders has been obtained.

68 EXECUTIVE ARRANGEMENTS AND PLEDGE CHAMPIONS

Councillor Phil Davies asked the Head of Legal and Member Services to introduce his report which set out changes to executive arrangements and the discharge of executive functions by the Leader of the Council as permitted under the 'Strong Leader' model of governance operated by the Council.

The report also included proposals for the creation of Pledge Champions in relation to the 20 Pledges contained within the Wirral Plan.

The report gave details of and confirmed:

- (a) Revised Cabinet Portfolios
- (b) Cabinet Members' appointments
- (c) Revisions to:
 - i. The Role of Cabinet (Article 7 of the Constitution);
 - ii. Scheme of Delegation of Executive Functions to Cabinet Members;
and
 - iii. Scheme of Delegation of Executive Functions to Officers;
- (d) Revised Cabinet / Committee Reports and Minutes templates
- (e) Changes to Cabinet meetings; and
- (f) The creation of Pledge Champions, their role and appointments thereto.

Councillor Phil Davies stated that the administration was determined to deliver the 20 pledges in the Wirral Plan and these proposed changes would increase the pace of delivery benefiting both residents and businesses. The Pledge Champions would help in delivering the pledges in a more effective way, working closely with the relevant Cabinet Members and looking at best practice in other Authorities. He emphasised that they would not have any executive powers nor receive any special responsibility allowance. A list of names of the Pledge Champions was circulated at the meeting.

RESOLVED: That -

- (1) the revised Cabinet Portfolios and Cabinet Members confirmed by the Leader in Appendix 1 be noted.
- (2) Cabinet meetings, as from 1 January 2016 be held on Mondays at 10.00am (unless otherwise agreed by the Leader).
- (3) Cabinet notes the revised Role of Cabinet (Article 7 of the Constitution) set out at Appendix 2 and that it be referred to Council for inclusion in the Council's Constitution; notes the Scheme of Delegation of Executive Functions to Cabinet Members (set out at Appendix 3) and Scheme of Delegation of Executive Functions to Officers (set out at Appendix 4), agreed by the Leader which shall take effect from 6 November 2015.
- (4) the revised Cabinet / Committee Reports, Cabinet Agenda and Cabinet / Committee Minutes templates (set out at Appendix 5) be approved and that they be applied as soon as practicably possible having regard to current work / reports in progress; and
- (5) the creation of Pledge Champions (as defined by their Job Role as set out in Appendix 6) for each Pledge within the Wirral Plan be approved; and the following appointments be made as confirmed by the Leader:

PEOPLE

- Older People Live well
- Children are ready for school
- Young people are ready for work and adulthood
- Vulnerable children reach their full potential
- Reduce child and family poverty
- People with disabilities live independently
- Zero tolerance to domestic violence

CHAMPION

Councillor

- I Williams
- W Smith
- P Brightmore
- T Johnson
- A Davies
- R Gregson
- J Williamson

BUSINESS

- Greater job opportunities in Wirral
- Workforce skills match business needs
- Increase inward investment
- Thriving small businesses
- Vibrant Tourism economy
- Transport & Technology Infrastructure fit for the future
- Assets and buildings are fit for purpose for Wirral's businesses

- J Walsh
- J Stapleton
- M Patrick
- D Realey
- M Daniel
- R Abbey
- D Roberts

ENVIRONMENT

- Leisure and cultural opportunities for all C Spriggs
- Wirral residents live healthier lives S Foulkes
- Community services are joined up and accessible C Muspratt
- Good quality housing that meets the needs of residents S Niblock
- Wirral's Neighbourhoods are safe B Kenny
- Attractive local environment for Wirral residents J Salter

69 **NEIGHBOURHOOD PLANNING - DEVONSHIRE PARK**

Councillor Pat Hackett introduced a report from the Assistant Chief Executive, reporting that a local referendum on the making of a statutory Neighbourhood Development Plan for Devonshire Park was held on 22 October 2015. 92% of the 303 people who voted, had voted in favour of the Council using the Neighbourhood Development Plan to help in deciding planning applications in Devonshire Park.

The report therefore recommended that the Neighbourhood Development Plan for Devonshire Park, attached to the report was 'made' by a resolution of the Full Council.

Councillor Pat Hackett thanked all the community in the area for all their hard work with the Neighbourhood Plan and commented that this would be the first one in Wirral.

RESOLVED: That

- (1) Cabinet recommends to Council that the Devonshire Park Neighbourhood Development Plan attached to the report, which was endorsed by a majority vote in a referendum of local electors, is formally 'made' under Section 38A(4) of the Planning and Compulsory Purchase Act 2004.**
- (2) the Assistant Chief Executive be authorised to take all the steps necessary to comply with the remaining legal requirements under Section 38A of the Planning and Compulsory Purchase Act 2004 and Part 5 of the Neighbourhood Planning (General) Regulations 2012, in consultation with the Cabinet Member for the Economy.**

Councillor Phil Davies vacated the Chair and left the room during consideration of the next two items.

Councillor Ann McLachlan in the Chair

DESIGNATION OF A NEIGHBOURHOOD PLANNING FORUM FOR BIRKENHEAD AND TRANMERE

Councillor Pat Hackett introduced a report from the former Strategic Director for Regeneration and the Environment, which stated that in March 2015 the Birkenhead and Tranmere Neighbourhood Forum applied to the Council to be formally designated as a statutory neighbourhood forum for a proposed neighbourhood area based on the Electoral Ward of Birkenhead and Tranmere. Public consultation had taken place in accordance with a Delegated Decision published on 7 May 2015, to comply with national regulations.

The applications were considered by Cabinet on 27 July 2015 (minute 44 refers) and Cabinet resolved to refuse the application for the neighbourhood area as originally submitted and to designate a smaller area, to the south and east of Borough Road. Cabinet also resolved to ask the Forum to confirm whether it would still be willing to act in relation to the smaller area and to confirm if it was still able to meet the conditions for designation set out in Section 61F of the Town and Country Planning Act 1990 (as amended), before the Forum could be formally designated as the statutory neighbourhood planning forum for the smaller designated area.

As the Forum had now provided the necessary information, the report recommended that the Birkenhead and Tranmere Neighbourhood Forum was formally designated as the statutory neighbourhood planning forum for the Neighbourhood Area for Birkenhead and Tranmere shown in Appendix 1 to the report.

If designated, the Forum would only be endorsed as a qualifying body for the purposes of neighbourhood planning within the Neighbourhood Area designated by the Council on 27 July 2015 and not within the wider area of the operation of the Forum, which fell outside the designation.

Councillor Pat Hackett congratulated the people in the area for all their work on this and also for agreeing to compromise on a smaller neighbourhood area.

RESOLVED: That -

- (1) the Birkenhead and Tranmere Neighbourhood Forum be formally designated as the statutory neighbourhood planning forum for the Neighbourhood Area of Birkenhead and Tranmere shown in Appendix 1 to the report, subject to the revised constitution attached at Appendix 3 to the report; and**

(2) the designation and the supporting documents are published in accordance with Regulation 10 of the Neighbourhood Planning (General) Regulations 2012.

71 **DAY SERVICES LOCAL AUTHORITY COMPANY (LAC) WIRRAL EVOLUTIONS - UPDATE**

Councillor Chris Jones introduced a report from the Director of Adult Social Services, updating the Cabinet on Wirral Evolutions, a new Local Authority Trading Company. Cabinet originally agreed to the development on 19 March 2014 as a response to shrinking resources, and concerns about the sustainability of day services for people with Disabilities. Services were downsized to increase efficiency and reduce costs. There was however, a strong user and carer voice that these services were very highly valued and that they could contribute to both the design and running of an alternative more cost effective model.

The service linked strongly to the following Wirral Plan Pledges; enabling people with disabilities to live independently, realising the personal assets that people with disabilities have and working directly with them to release their full potential. Also, greater job opportunities for Wirral, Wirral Evolutions had based their business plan on growth which would increase employment opportunities, "Best Bites" and other employment schemes enabled people to develop the skills that they needed to get into employment rather than care.

The report brought together progress in relation to creating Wirral Evolutions. It covered the formal arrangements and key documents that had been developed in order for the company to effectively operate, and for the commissioner (DASS) to move from direct provider to a client of the service.

There had been challenges and changes relating to the original financial assumptions that were taken into account by Cabinet in 2014. These were covered in the report to provide a contemporary view. The 5 year formal Business Plan, developed by the company was a key document that set out confirmation of the company's plan for viability, sustainability and growth. It had been subject to review and challenge from the Council client side and Section 151 Officer.

Cabinet were asked to note the progress made, to support the approach taken to business planning, and the formal transfer and company start date of 1 December 2015.

Councillor Chris Jones thanked all the officers from the different departments who had been involved for all their hard work in creating the new company. She also suggested an additional recommendation regarding the Director of Adult Social Services being given delegated authority to finalise all agreements and formal arrangements.

Councillor Ann McLachlan welcomed the work involved in setting up the company which could be used as a blueprint for future alternative delivery models. It would form a good basis for the ethical framework of a company with the Living Wage recognised, pension arrangements protected and Trade Union involvement.

RESOLVED: That -

- (1) the contents of the report be noted and the progress made by officers to develop and establish Wirral Evolutions as a sustainable and viable alternative delivery model for services provided directly by the Council be acknowledged.**
- (2) the Business Plan of Wirral Evolutions, be approved.**
- (3) the contractual position set out in the service contract agreement, be approved.**
- (4) the staff transfer into Wirral Evolutions and company start date of 1 December 2015, be approved.**
- (5) Cabinet agrees to receive further annual reports to the Council as shareholder of the company.**
- (6) the decision regarding pensions, delegating final arrangement to the Section 151 Officer, be agreed.**
- (7) the use of the re-modelling reserve to meet set up costs, be supported.**
- (8) the Director of Adult Social Services be authorised, in consultation with the Cabinet Member for Adult Care and Public Health and with the agreement of the Council's Section 151 Officer and Head of Legal & Member Services, to finalise all agreements and formal arrangements between Wirral Evolutions and Wirral Council as necessary to give effect to this initiative / proposal.**

Councillor Phil Davies resumed the Chair.

72 **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1) -
CAR PARKING CHARGES**

Councillor Phil Davies informed the Cabinet that there was one item of urgent business for which a decision would be required in advance of the next meeting of Cabinet.

Councillor Stuart Whittingham proposed, in line with one of the Council Plan pledges, thriving small business and improving local high streets, that he was proposing the introduction of 'free parking after 3' in Council owned car parks from 1 December until the end of December.

The estimated cost of this would be £12,000 and, thanks to good management, would be met from within existing budgets.

Councillor Phil Davies commented that this would be good news for the local economy and was pleased that through prudent financial management the costs would be absorbed within budget.

RESOLVED: That -

- (1) from Tuesday, 1 December until the end of December 2015 the Council cuts the cost of parking in Council owned car parks by introducing free parking after 3pm;**
- (2) on Boxing Day and New Year's Day the Council provides free all day parking in Council owned car parks; and**
- (3) officers be instructed to evaluate any change in usage in Council owned car parks compared to previous years.**
- (4) that, in accordance with the Budgetary Policy Framework, the matter be referred to Council on 19 November, 2015 for approval.**

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

RESOLVED:

That, under section 100 (A) 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 in that they contain commercially sensitive information. The Public Interest test has been applied and favours exclusion.

74 **DISPOSAL OF THE FORMER MOD SITE, OLD HALL ROAD, BROMBOROUGH**

Councillor Adrian Jones introduced a report of the Assistant Chief Executive regarding disposal of the former MOD site, Old Hall Road, Bromborough.

RESOLVED: That

(1) the former MOD site on Old Hall Road, Bromborough be disposed of to the company named in the report for a sum of £2m, under the terms and conditions detailed in the report, to allow the site to be developed for the purposes outlined in the report, subject to the approval of HCA and DCLG as successors to the original scheme funders.

(2) the capital receipt of £2m be repaid to the funding bodies in the sums described in the report and this be in full and final settlement of the Council's obligations in terms of the grants it received to acquire, remediate and return the land back to the market.

75 EXEMPT APPENDICES - WIRRAL WATERS ENTERPRISE ZONE - INVESTMENT FUND

The Cabinet noted the contents of the exempt appendices to item No. 3 on the agenda, 'Wirral Waters Enterprise Zone – Investment Fund' (minute 62 refers).

76 EXEMPT APPENDIX - DAY SERVICES LOCAL AUTHORITY COMPANY (LAC) WIRRAL EVOLUTIONS

The Cabinet noted the contents of the exempt appendix to item No. 12 on the agenda, 'Day Services Local Authority Company (LAC) Wirral Evolutions' (minute 71 refers).