

# CABINET

Monday, 18 December 2017

<u>Present:</u>	Councillor	P Davies (Chair)	Leader of the Council Growth
	Councillors	P Brightmore A Davies G Davies C Jones B Mooney M Patrick C Spriggs J Williamson S Whittingham	Environment Transformation Housing and Community Safety Social Care and Health Children and Families Localism and Engagement Delivering Differently Finance and Income Generation Highways and Transport

## 67 REORDER OF THE AGENDA

Councillor Phil Davies opened the Cabinet meeting and informed that he intended to reorder the agenda. He would be bringing forward Agenda Item No. 6 – Medium Term Financial Strategy and Council Budget 2018/19 and the Cabinet would now consider it after Agenda Item No. 3 – Executive Key Decisions Taken Under Delegated Authority. Councillor Davies also informed that he would be proposing a budget resolution which would then set the context for the other items on the agenda that needed to be considered.

## 68 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

No declarations of interest were received.

## 69 MINUTES

### RESOLVED:

**That the Minutes of the meeting of Cabinet held on 27 November 2017 be confirmed as a correct record.**

## 70 EXECUTIVE KEY DECISIONS TAKEN UNDER DELEGATED AUTHORITY

### RESOLVED:

**That the Key Decisions made in relation to Highway Services Re-Commissioning from October 2018 that had been taken under delegated authority during the period 17 November 2017 to date, be noted.**



**Councillor Phil Davies, Leader of the Council, said:**

*“We have a responsibility to set a fair, sustainable and balanced budget. This is a challenge which gets more difficult every year, as austerity policies continue to bite.*

*We continue to be forced into making ever more difficult decisions, but we will never shirk our responsibilities to Wirral residents and will always find ways to use our diminishing resources to improve our borough and the quality of life our residents can enjoy.*

*We will invest public resources where it will deliver the most impact – in creating jobs, in improving the local environment, and in protecting our most vulnerable children, adults and families.*

*We have committed to 20 Pledges in our Wirral Plan and, despite the continued reductions in our budget, we are determined we will deliver on what we promised.”*

Councillor Phil Davies introduced a report which informed that the Cabinet, throughout the year, received financial updates through which the Council’s financial position was revised, considered and understood. The Council was in the process of producing its budget for 2018/19. The report updated Members on the Medium Term Financial Strategy (MTFS) and included details of the preparations for the next financial year. It contains the following details:

- The approach to the preparation of the 2018/19 budget. It was currently anticipated that the Council would set a balanced budget in 2018/19 through the use of one off funding, Council Tax decisions and the implementation of a number of financial proposals that would close the funding gap.
- An update on the progress of the MTFS.
- Details of the main financial challenges and changes that would occur during the next financial year. The Council continued to face a funding gap projected at £61 million due in part to the Government’s austerity

measures, £25 million investment in Children's Services and increasing demand for services.

- The key financial factors affecting 2018/19 including growth, savings and changes to funding including income. In relation to the latter, the Cabinet at its meeting on 19 February 2018 would consider a Council Tax increase of 4.99% for next year. This was made up of a 1.99% rise to fund a number of Council wide pressures and an Adult Social Care precept of 3% to finance pressures faced by the service. The Council at its meeting on 5 March 2018 would be requested to agree Council Tax amounts for 2018/19.
- The use of general fund balances, earmarked reserves and other sources of one off funding to support services and bridge the budget gap faced in 2018/19.

Councillor Phil Davies informed that he wanted to make progress on next year's budget. He informed that the people of Wirral had placed their trust in Labour to defend the services they relied upon, to bring investment and jobs to the borough, and to protect the environment, which played such a vital role in the lives of residents and visitors alike.

Councillor Davies informed that to deliver these outcomes, the Council needed to set a budget for 2018/19 which balanced the financial realities facing local government under attack from Tory austerity measures with the priorities and values a Labour Administration stood for.

Over the coming weeks the Council would set a budget which protected the services Wirral residents needed, drive growth in the local economy to provide jobs and training opportunities and protect the environment so Wirral residents all enjoyed a better quality of life.

Councillor Davies reported that whilst the Cabinet would be proposing the budget and the Council Tax levels in February 2018, as a progressive Administration working all year round for its residents, it was today announcing savings, income targets and new investments that would be part of a fair, open and balanced budget.

Councillor Davies' view was that only Labour could offer the right solutions to the problems faced by the Council and every other local authority – problems caused by the outright failure of central Government and the Conservatives to put the interests of the people of Wirral ahead of party politics.

Councillor Davies reported that the proposals being unveiled today were about using the powers and resources available to the Council to invest in growing the Wirral economy, attracting new employers, supporting local businesses and creating jobs and training opportunities for the people of Wirral. It was about investing in protecting the environment that shaped and defined the place that the

Cabinet proudly called home, from the towns and villages and suburbs where people lived to the beaches and parks that attracted visitors from across the region and further afield. It was also about investing in the services Wirral residents relied upon.

The Council would be investing in strengthening the care it provided for children and families, offering support for elderly residents and improving the services it provided for the most vulnerable in the local community. These investments were an expression of the faith the Council had in the borough, and the faith shown by voters that Labour would deliver on its priorities.

Councillor Davies informed that his confidence in Wirral was shared by partners in the public sector and private enterprises, supported by elected representatives here in Wirral and in Westminster, and by the Metro Mayor and the Liverpool City Region Combined Authority. Sadly, this enthusiasm for investing in Wirral was not shared by the Government. Despite the Council having been forced to implement cuts well in excess of £170 million since 2010, the Chancellor's recent budget indicated it was not yet at the end of these attacks on local government.

In real terms, local government in England and Wales had seen its spending power reduced by more than £25 billion since 2010. Local services had been decimated as a result, with libraries and children's centres across the UK closing at a rate of one every week.

Councillor Davies reported that the Council had seen a steady reduction in the availability and quality of support for services which the most vulnerable residents of Wirral needed, leading to a huge increase in demand for specialist social care services – an issue which was affecting Wirral as acutely as any other area of the country. However, worse was to come. The Government's Revenue Support Grant, for many years, the main source of income for authorities like Wirral, would be withdrawn. After nearly a decade of real term reductions, the Government was removing it completely in 2021, demanding that local services be funded exclusively by Council Tax and Business Rates or by fees and charges raised. The Government's message to Wirral residents was clear- "You are on your own." The view of Cabinet Members was that this decision was a shameful and dangerous dereliction of duty and it must be stopped before the damage became irreversible.

Councillor Davies believed that the challenge facing Wirral was stark. He informed that next year, the Council was faced with a budget deficit – the gap between the income it received and the cost of the services it offered – of £61 million. That was the biggest ever financial challenge. Councillor Davies put this in context by reporting that if you currently earned £2000 a month, you were facing a pay cut of £300 per month. With prices rising, demand for services growing and plans for the future to be supported. This was a huge amount of money to lose from the Council's budget. He said make no mistake, the Cabinet was opposed to this Government's austerity agenda and the inevitable impact it was having on

services. The Cabinet was a responsible, caring Labour administration under attack from a 'couldn't care less' Tory Government.

Councillor Davies reported that the Cabinet must be pragmatic and the Council must set a legal budget that protected what residents cared about most. But it must be under no illusion, if the Council did not do this, Government officials would descend on Wirral and enforce cuts with scant regard for local needs or the services cherished by residents. What the Council would not allow, was for its services to be cut to the bone simply to meet Government-imposed savings targets. Wirral Council knew what was best for the borough and its residents, not Whitehall.

The Council shared residents' and businesses' ambitions for Wirral. The budget it had available must be invested in delivering what it had promised to local people. The Council's 2020 Pledges spelt out its ambitions and it would not be diverted from delivering for Wirral.

Councillor Davies reported that as an Administration, the Cabinet had to be innovative. It had to redraw, from top to bottom, how it would achieve what Wirral residents needed. The Cabinet needed to focus on the outcomes it wanted to deliver. This was why the Council was reviewing all of its leisure and parks services, in partnership with the people who cared about them the most. It was why the Council was redesigning its customer services, and it was why it was integrating its social care services with the NHS.

It was also why the Council was investing such significant sums in children's services, to once again, make sure our most vulnerable young people and families were provided with the best, safest, most supportive services possible and it was why the Council was investing in the public realm, in making Wirral a better, more attractive place to live – through major improvements to highways, transport infrastructure and housing.

Councillor Davies reported that the Council's 2018/19 Budget would be a budget of ambition, not acceptance. It would be a budget of innovation, not more of the same. It would be a budget of investment, not cuts and it was a budget Wirral residents would support as it would help the Council to deliver its promise of a better Wirral and a brighter future for local people.

The Cabinet noted that the Council had a legal requirement to set a balanced Budget each March for the following financial year. The report had set out proposals and initiatives that increased income or reduced expenditure and assisted in decisions regarding the setting of the Budget. The Cabinet could choose alternative approaches to the delivering of a balanced budget.

## **THE WIRRAL CHALLENGE**

Councillor Davies informed that Wirral Council was being forced to reduce its spending, or generate more income, by around £132 million by 2021. The immediate challenge was to meet the £61 million funding shortfall for 2018/19. This was happening at a time of increased need - an ageing population, deprived communities with complex needs - and rising costs of the services and support which people relied on.

## **CHILDREN'S SERVICES**

Councillor Davies informed that nowhere was the impact of the failed Tory austerity experiment more evident than in children's services. There was a national crisis in Children's Social Care, a crisis borne of the Tories' cruel and failed programme of austerity. It was a crisis which the Chancellor could have – and should have – tackled in his recent Budget Statement.

Councillor Davies' view was that unfortunately, shamefully, the Chancellor had failed – in fact, whilst England and Wales was seeing the highest numbers of children in care in its history, it did not even warrant a mention in his speech. A huge, unprecedented increase in demand had stretched services all across the UK to breaking point.

- The number of "looked after children" in England and Wales had reached 72,670 in the year to March 2017 – it's highest ever level.
- 90 children every day were being taken into care.
- Since 2010, children with a 'protection plan' had increased by almost 30%.

It was the view of all lead professionals in the sector that this was the result of austerity policies – a combination of issues like the steady reduction of 'prevention' services, the impact from changes and reductions to benefits, and by cruel policies such as the Bedroom Tax.

Councillor Davies informed that Wirral too was feeling the impact of this trend at the same level as other areas in the UK. Today, Wirral Council had more than 830 children in its care – a higher level than ever before. Each child in the Council's care, which as well as the appalling human cost, brought additional, significant financial costs. On average, every child cost in the region of £150,000 per year to look after. Some of these children needed such specialist care that it cost more than £5,000 per week to keep them safe and looked after. This was one of the many hidden costs, both financial and human, brought about by the Tories cruel austerity programme.

Councillor Davies emphasised the need to ensure that Children's Services were properly funded. The Council could not leave a child in an unsafe situation because it did not have the money available to protect it. That was morally wrong and flew in the face of what the Labour Administration stood for. It was also a breach of the Council's legal duty. These massive increases in demand for Children's social care must be met. With a Government who would not take responsibility, it was left to the Council to act.

Councillor Davies stated that the Council needed to invest to meet the immediate rise in demand but also to make sure it could reduce this demand in the future. The Council would invest in Children's Services, to the tune of almost £20 million for the coming financial year, and ensure that in the borough it could step in where the Government had failed and keep children safe, protected, and at the top of its priorities.

The Council would invest in its workforce by recruiting experienced, talented social workers. It must be committed to its current workforce, make sure it received competitive salary rates, do all it could to retain good staff and reduce the level and cost of agency workers that were employed. In the coming weeks the Council would launch a major recruitment drive to attract at least 75 new social workers to Wirral to work with vulnerable children and families. The Council would also invest a further £1 million on increasing the numbers of staff dedicated to safeguarding vulnerable children.

The Cabinet noted that the number of children in the Council's care had massively increased. These increased numbers brought with them, in turn, significantly increased costs, and a sizeable portion of this new investment would be used to cover the cost of placements.

The Council would also invest in improving the Council's early help and early intervention services – helping to work with families to identify and tackle problems earlier, reducing the need for children to come into care and helping bring its costs down over the medium-long term.

Councillor Davies confirmed that keeping children safe, making sure they could benefit from the best, most effective services possible, was the Council's number one priority.

## **DELIVERING OUR PLEDGES**

Councillor Davies reported that regardless of the scale of Conservative Government cuts to the Council's budget and the services Wirral residents relied on, the Council had a Labour Administration and its budget would be legal and sustainable, with social justice and fairness at its heart.

The Cabinet noted that everything the Council did was aimed at delivering the ambitions laid out in the Wirral Plan which had been unanimously endorsed by its Members. The Council was almost three years into its five-year Plan and it was making good progress against its 20 Pledges that spelt out in three broad themes how it would improve the health, wealth and quality of life of Wirral residents.

The Council pledged: **The vulnerable are safe and protected and we must tackle inequality.**

It was absolutely right that this never moved from the top of the Council's agenda, and that – even in times of huge financial challenge, and with no support whatsoever from Central Government – the Council would find the resources to provide the best possible services for the most vulnerable children and residents on the Wirral.

The Council pledged: **Wirral is a place where employers want to invest and businesses thrive.**

The Council was doing all it could to help the economy flourish and ensure local people had good, well-paid jobs. It was having great success in this area, with exciting new projects which would transform the Wirral economy in the future. The Wirral Growth Company would help the Council to go further and it expected to be able to announce major progress in this area early in 2018.

The Council pledged: **We have an attractive and sustainable environment, where good health and an excellent quality of life can be enjoyed by everyone who lives here.**

The Council must ensure Wirral continued to be a safe, pleasant and attractive place to live and visit. Councillor Davies informed that he had been delighted this year that the Council had been able to deliver major transport infrastructure improvements, as well as finding the resources to fix street lights and roll-out energy saving LED lighting even further. Wirral residents demanded and deserved to live in good quality, safe and attractive housing. The Council could not tolerate Wirral residents being forced to live in poor conditions by irresponsible landlords, which was why it had recently announced its intention to expand its successful Selective Licensing Scheme across more areas of the borough.

Without exception, across the Council's 20 Pledges it was delivering results.

Councillor Davies informed that he was excited about the progress the Council had made so far and immensely grateful to the voluntary groups, public sector partners, community organisations and local government staff who were working together to deliver these outcomes.

## A BALANCED BUDGET

Councillor Davies reported that as a responsible Administration, the Cabinet would propose a balanced and sustainable budget. For 2018/19, the Council would use a combination of previously agreed savings, long-term transformation programmes, one-off funding and the implementation of the Council Tax precepts created by the Government in order to bridge the majority of its funding shortfall for the coming year. It would do this in the knowledge that its long-term plans, through integration of services, the redesign and remodelling of what it did, and its income generation strategies, would help deliver financial benefits to support its services in the future. However, given the scale of the challenge, some immediate savings would need to be made.

The Cabinet's approach, to starting the process of balancing the budget, was described in the table below. Councillor Davies informed that the Council would not implement short term, short-sighted cuts to key services to balance the books. He was clear that it was only Labour who would find more innovative and imaginative ways to raise income, explore new ways to deliver the promises its Councillors made to their residents and they would be pragmatic and responsible in how it met the budget demands being made of them.

Councillor Davies informed that the proposals set out in the following table helped to close the budget gap. They did not achieve the Council's full challenge, but they did represent major progress towards creating a balanced, sustainable and fair budget for Wirral residents. Further work was underway to ensure the budget was fully balanced for the coming year. A detailed budget, which took account of the Local Government Financial Settlement, Levies and Precepts, would be presented at the Budget Cabinet meeting on 19 February 2018.

Proposal	Detail	£000s
Senior Management	Reduction in Senior Management	750
Waste Levy	Reductions in Levy	100
Enforcement	Enforcement on Environmental Crime	50
Garden Waste	Growth in subscriber base	300
Public Conveniences	Small charge to offset maintenance costs	30
Assisted Travel	Recommissioned contracts (no service change)	125
Parking	Contract for Enforcement (no service change)	50
Parking	Charges for parking at coastal locations	245
Selective Licensing	Increased income from scheme expansion	30
Supporting People	Improved commissioning of contracts	51
Safer Wirral Hub	Opportunities for income generation	30
Energy Efficiency	Improved use of contracts	25
Communications	Reduction in service and commercialisation	85
Transaction Centre	Staff restructure and savings on equipment	203

Paperless Committees	Replace committee papers with enhanced IT kit	34
Civic Services	Removal of vacancy	16
Treasury Management	Changes in MRP calculation	3,800
Asset Management	One-off and net of capital costs	300
<b>Total Proposals</b>		<b>6,224</b>

The Cabinet noted that the vast majority of the measures identified above would have little or no impact on the quality, availability or scale of Council services its residents relied on. The Administration had always been clear that the broadest shoulders should bear the greatest burden, which was why it believed it was right that the first proposal listed above was a significant reduction in the Council's senior management costs.

It was also noted that the Council was also continuing to see financial and environmental benefits from its zero tolerance approach to environmental crime. An extra £50,000 from this work next year would be achievable and supported by Wirral residents. This did not bring any reduction in service, but involved greater enforcement of environmental crimes, making those in the local community who did not respect the rules contribute to the costs.

Again, there was scope to further increase the Council's income through increasing the number of people signing up to the Garden Waste collection service. By increasing the promotion and targeting in certain areas the Cabinet believed that it could attract another 7,500 customers to increase the income by £300,000. This would be accomplished through partnering with garden centres and home improvement centres to improve the product, and targeting promotion in those areas where fewer residents had signed up to the service.

Finally, Councillor Davies reported that rather than closing public conveniences, the Cabinet was proposing to introduce a small charge of around 30p to part-fund their maintenance and upkeep. Nowadays, this was fairly standard practice across the UK and a move it believed people would understand and accept.

The Cabinet noted that the Council could also get a better deal on some of the contracts it commissioned. For example, it was also noted that recommissioning Council contracts for assisted travel could generate better economies of scale without impacting on the people receiving the service. The Council could also generate some savings by changing the contract it had in place for parking enforcement. Again, this would bring no impact on residents nor on the service provided – it just delivered better value on work which was commissioned.

Councillor Davies informed that the Council would also be consulting with residents on introducing car parking charges at certain coastal visitor locations. In New Brighton this did not include Marine Point and Fort Perch Rock, but did include the Derby Pool and Kings Parade. It would also include Leasowe

Lighthouse and 'the Gunsite', North Parade between Hoylake and Meols and South Parade in West Kirby. The proposed charges would be £1 for an hour, £2 for all day and £20 for overnight parking. It was considered that these tariffs were reasonable and acceptable for visitors to Wirral's coastal attractions and would not impact on the popularity of these locations. The Council would work extensively with residents and local groups who used these sites on a regular basis. It also hoped it would reduce the number of cars left for extended periods of time blocking available parking at these sites.

Councillor Davies proposed that the Council would increase income through its Selective Licensing Scheme, which helped to massively increase the quality of private rented housing available for residents. The Scheme had been successful in the pilot locations and was aimed at making landlords more accountable and responsible for the properties that they managed and let.

Councillor Davies informed that the Council also aimed to be more commercial with some of the communications and engagement services it offered. It would provide graphic design and other services to public sector partners and private sector organisations as a means of generating income whilst, at the same time, reducing its staffing costs.

As well as finding new ways to generate income, to change services and make what the Council delivered better for residents, it was important it was as efficient as possible with how it managed itself.

The Council had been able to generate savings of more than £4million in the way it worked and this was a huge achievement. This included changing its approach to minimum revenue provision, which would help it to deliver £3.8 million in savings, and the Council was also modernising how it conducted business, for example, the Council could make a saving of £34,000 by removing paper agendas for meetings and replacing them with more modern IT kit. Councillor Davies reported that there was a benefit for the Council's recycling and environmental targets in there too.

## **A COLLABORATIVE BUDGET**

Councillor Davies reported that the Council would never set a budget in isolation. Consultation, engagement and conversations with residents would always underpin the decisions that were taken. Engagement with residents should be a 365-day a year process, Members would always listen to what was most important to local people and their views would always underpin every decision the Council made.

The Cabinet would ensure Wirral residents and Elected Members were able to fully engage and participate in the budget setting process and, to ensure this

happened, would instruct officers to develop a budget consultation programme and Scrutiny Review process to run throughout January 2018, in advance of the formal budget setting process in February and March.

## **CONCLUSION**

Councillor Davies concluded that the Council had made much progress in developing a balanced, sustainable budget for 2018/19. There was more work to do. Developing a legal budget, which minimised the impact on services and did not hinder the Council from delivering on its Pledges, was a huge challenge. Faced with a budget gap of £61m – the Cabinet believed these proposals were a responsible mix of savings, working smarter and increasing income.

The Cabinet would continue to work during the coming weeks and months and make sure that this budget – when it came to be formally debated by the Council in March – was sustainable, fair and underpinned everything the Cabinet stood for as a Labour Administration.

It was moved by Councillor Phil Davies and seconded by Councillor George Davies

That the Cabinet:

- (1) accepts all recommendations contained within the MTFs and Council Budget 2018/19 report as follows:
  - (a) notes the recent developments regarding the forecast budget gap and the progress towards implementing the MTFs including the pressures for 2018/19;
  - (b) notes the projected budget gap for 2018/19 and the requirement to develop the further budget reductions and financial proposals;
  - (c) notes the projected funding gap for the period 2019/20-2020/21 and the requirement to develop the current budget process to deliver the required budget reductions; and
  - (d) an updated Budget Report and MTFs be presented to Cabinet on 19 February 2018. This will cover the updated financial projections including further budget reductions and financial proposals for 2018/19 and details of the impact of the announcements such as the Local Government Finance Settlement.
- (2) agrees a further two recommendations in respect of the Council budget for 2018/19, as follows:

- (a) agrees the proposals set out in this resolution, and instruct officers to develop an appropriate consultation programme to allow Wirral residents to input to the budget setting process; and
- (b) agrees to the development of a programme throughout January 2018 whereby Elected Members from all parties can – through the Scrutiny Committee system – review the budget proposals and provide their views for the Cabinet’s consideration.

Councillor Janette Williamson raised concerns about the Government’s austerity measures and the consequences of them. She also commended the work of the Members and Officers who had put the budget proposals together.

Councillor Bernie Mooney raised concerns over the crisis in Children’s Services throughout the country brought about by central government’s austerity agenda. She referred to the resignation of the Social Mobility Committee and to the fact that the Council had more looked after children than ever before and informed that money must be found to look after these vulnerable children.

Councillor Matthew Patrick made reference to the funding gap projected at £61 million which he described as an eye watering amount. He was aware that the responsibility rested with the Council but it had dwindling resources. He considered that the Government should consider a better funding arrangement for local authorities, and especially Wirral Council. Councillor Patrick informed that the Council had to find ways of generating income because it was required to fund the services the Council wanted to provide.

Councillor George Davies informed that it was important that Members understood the problems the people of Wirral had and prepared for post 2020 when the Council would no longer receive any Revenue Support Grant. He referred to the monetary value in respect of Council Tax on housing on the Wirral in Bands A to C as a large percentage of the borough’s housing fell within these Bands, the country’s average was Band D and there was a massive shortage of housing in the higher Bands. There was also a shortage of affordable housing on Wirral. Councillor Phil Davies informed that was why the current funding arrangements were so unfair and that the Council had been calling for this fundamental unfairness to be addressed for at least 15 years.

Councillor Philip Brightmore informed that 90 children each week were being taken into care. There was a crisis in Children’s Social Care and this had not even been mentioned in the Chancellor’s Budget speech which emphasised how little he seemed to care about the situation.

Councillor Phil Davies’ motion was put to the vote and it was

**RESOLVED: (unanimously)**

**That the Cabinet:**

- (1) accepts all recommendations contained within the MTFS and Council Budget 2018/19 report as follows:**
  - (a) notes the recent developments regarding the forecast budget gap and the progress towards implementing the MTFS including the pressures for 2018/19;**
  - (b) notes the projected budget gap for 2018/19 and the requirement to develop the further budget reductions and financial proposals;**
  - (c) notes the projected funding gap for the period 2019/20-2020/21 and the requirement to develop the current budget process to deliver the required budget reductions; and**
  - (d) an updated Budget Report and MTFS be presented to Cabinet on 19 February 2018. This will cover the updated financial projections including further budget reductions and financial proposals for 2018/19 and details of the impact of the announcements such as the Local Government Finance Settlement.**
  
- (2) agrees a further two recommendations in respect of the Council budget for 2018/19, as follows:**
  - (a) agrees the proposals set out in this resolution, and instruct officers to develop an appropriate consultation programme to allow Wirral residents to input to the budget setting process; and**
  - (b) agrees to the development of a programme throughout January 2018 whereby Elected Members from all parties can – through the Scrutiny Committee system – review the budget proposals and provide their views for the Cabinet’s consideration.**



**Councillor Phil Davies, Leader of the Council, said:**

*"The Hoylake Golf Resort will be a flagship development which will create hundreds of jobs for local people and support businesses across the borough. As a globally-significant tourism and leisure attraction, it will support growth in our vibrant tourism economy and attract thousands of additional visitors to Wirral every year.*

*"Building on the success of the 2006 and 2014 British Open Championships at neighbouring Royal Liverpool Golf Club Hoylake, the Golf Resort will cement Wirral's leadership position with the international golf community, benefitting from the visitors, tourism revenues and global attention that recognition will bring with it.*

*"However, it is more than simply two new golf courses. Hoylake Golf Resort will be a key leisure destination with a high-end hotel, restaurants, spa and conference facilities. It will prove to be an attractive offer for international conferences and similar events.*

*"Working with partners with the expertise and reputation of Celtic Manor, arguably the strongest brand in golf hospitality today, and north-west based Story Homes means we are confident we will deliver a resort of the highest possible quality.*

*"This is another example of Wirral Council being commercial, ambitious and innovative. By using our resources and skills to secure major private sector investment into our borough, we will create jobs for residents and generate revenue for the Council.*

*"The revenue this development will generate each year – significant sums in council taxes*

*and business rates – will be reinvested in supporting our frontline services, and will go some way to start replacing the funding Wirral has lost since austerity policies began in 2010.*

*We pledge to continue to talk to local residents and businesses to make sure their concerns are listened to and they are able to benefit from the once-in-a-generation opportunity to create a fantastic new destination."*

Councillor Phil Davies introduced a report which informed that following the signing of a Development Agreement with the Nicklaus Joint Venture Group (NJVG) in November 2016, as reported to Members (Cabinet Minute No 55 and 61) the NJVG and their consultants Grant Thornton had submitted their Funding and Phasing Plan for the Hoylake Golf Resort project. The Council's consultants had conducted a detailed analysis of the submission and their report, a confidential document, was appended to this report and was exempt from publication due to commercial sensitivity considerations under Schedule 12A of the Local Government Act 1972. (Cabinet Minute No. 76 refers.)

The Cabinet noted that this option had been selected from a range of development proposals as part of a competitive dialogue procurement process.

The Cabinet report set out the publicly available information which included:

- (a) the project description and proposed timetable;
- (b) the partners;
- (c) a summary of the assessment of the Funding and Viability Plan (with the commercial detail in the exempt appendix);
- (d) the requirement for prudential borrowing;
- (e) arrangements for funding highway works in the area if grant is not secured for these works; and
- (f) a recommendation to move the project forward to the next stage so the NJVG can prepare a planning application.

The Hoylake Golf Resort project supported the business category of the Council's 2020 Pledges and, in particular, the priority to create a vibrant tourism economy. It also linked to the priorities to increase inward investment and create greater job opportunities in Wirral. The report was of greatest relevance to the Hoylake and Meols Ward but the wider economic impacts would have implications for all wards.

Councillor Davies informed that the report was in fact seeking the Cabinet's agreement to the principle of Prudential Borrowing, up to a maximum of £26m subject to the satisfaction by the NJVG to the Council, of all the following

conditions set out below. The Development Agreement between the NJVG and the Council governed how the relationship would operate including the completion of key criteria to the satisfaction of each party. Normal dispute processes had been provided for in the case where arbitration was necessary.

- Ensure the whole development has planning permission. The essential documents required for the planning application are;
  - Environmental Impact Assessment (subject to screening)
  - Traffic Impact Assessment/Transport Assessment
  - Flood Risk Assessment including drainage
  - Habitats Regulations Assessment (subject to screening)
  - A Design and Access Statement
  - A Planning and Regeneration Statement
  - Economic Impact Assessment
  
- Produce a detailed and fully costed development programme of all costs and timescales and milestones,
- Have completed all third party land acquisitions including Council land,
- All equity funds should be received in full,
- All construction contracts should be executed by the NJVG,
- All residential land sales contracts should be executed,
- The operating contract for hotel and golf operations shall be executed,
- Step in documents must be in place,
- Submission of a ten year operational business plan,
- Other conditions – including funding and viability, highways, footpath and the Royal and Ancient (R&A) conditions.

The subject of the report was a key decision for the Council.

Councillor Davies informed that the project would provide a key leisure destination. As the Revenue Support Grant would cease after 2020 this initiative was important as it would help the Council to generate new income. It was intended that there would be a whole series of studies carried out at no cost to the Council and the project was subject to planning permission being granted. There would be appropriate consultation and alternative proposals would be considered. Councillor Davies was aware that some people had passionate views on this proposed Golf Resort as he and other Cabinet Members had received emails that had made this clear.

Councillor Angie Davies was of the view that going ahead with the project was the right thing to do but she was aware that people were asking about the impact it would have and various concerns had been expressed. She informed that if the Golf Resort came to fruition it would be a boost for the local area and a good example of how the Council was able to do things differently.

Councillor Janette Williamson was keen to take this project to the next stage and address all the concerns satisfactorily as it would provide a means to generate income.

Councillor Matthew Patrick informed that some residents had engaged very positively with this project. The Cabinet was listening to the views being expressed and was commissioning reports to obtain the information that was needed to ensure that the environment was protected and sound.

Councillor Phil Davies referred to the list of studies being commissioned (as detailed above). It wanted to make sure that any development that went ahead avoided any environmental damage and so an informed view was required before any decision was taken to take the project forward.

Councillor Bernie Mooney informed that the independent reports that were being commissioned would be placed in the public domain. She considered that if the conditions were right, the development would be good for the Wirral and she was aware that a number of Wirral residents shared this view. It was a planning decision, it was a sensible way forward and the commissioning of reports was the first step.

Councillor Phil Davies referred to the Council's serious financial position and the need to explore all options that had the potential to bring in income. He moved, Councillor George Davies seconded and it was

**RESOLVED (unanimously): That**

- (1) the Hoylake Golf Resort project progresses to the next stage which allows the Nicklaus Joint Venture Group to carry out the detailed studies, at their cost, to enable them to prepare a planning application for the project;**
- (2) subject to planning permission being secured for the golf resort project and all the conditions of the loan being satisfied by NJVG as set out in this report, the Cabinet approves the use of the Council's access to prudential borrowing under the terms reported and agrees to enter an investment agreement with the Nicklaus Joint Venture Group; and**
- (3) should the application for Liverpool City Region Strategic Investment Fund for highway works be unsuccessful, to recycle the land receipt funding into a contribution to the construction of a new adopted public highway to open up the golf resort and provide a new link road to and from Hoylake to benefit the wider highway network and businesses local residents.**



**Councillor Phil Davies, Leader of the Council, said:**

*“The Agenda and Procedure proposed in this report sets out and enables the requisite arrangements to be put in place for the Council to effectively debate and agree its Budget for 2018/19 financial year and thereafter”.*

Councillor Phil Davies introduced a report which proposed that the Cabinet recommend to Council the Agenda and Procedure for Budget Council scheduled for 5 March 2018. The Budget Council Procedure was appended to the report as Appendix 1. The proposed amendments to the Council’s Budget and Policy Framework Procedure Rules (Standing Orders), Part 4(c) of its Constitution were appended to the report as Appendix 2.

No other options were considered given that all three Political Group Leaders had been consulted in relation to the proposed Council Budget Procedure.

**RESOLVED: That the Cabinet recommends**

- (1) the Agenda and Procedure for Budget Council to be held on 5 March 2018 set out at Appendix 1 to this report for approval;**
- (2) the Assistant Director: Law and Governance be authorised to make changes to the Agenda and/or Procedure for Budget Council set out at Appendix 1 in consultation with the three Political Group Leaders and the Mayor; and**
- (3) that the Council adopts the changes to the Budget and Policy Framework Procedure Rules (Standing Orders), Part 4(c) of the Council’s Constitution, as set out at Appendix 2.**

**COUNCIL TAX 2018/19 (TAX BASE, DISCOUNTS AND EXEMPTIONS AND COUNCIL TAX SUPPORT SCHEME)**

**Councillor Janette Williamson (Cabinet Member for Finance and Income Generation) said:**

*“Ensuring the Council has enough income to provide the services residents rely upon whilst keeping Council Tax levels at a fair and affordable level is important. We continue to protect the most vulnerable in the line with our pledge in the Wirral Plan and this is reflected in the change that sees support being given to care leavers”.*

Councillor Janette Williamson introduced a report which brought together related issues regarding the proposed Council Tax-Base for 2018/19 upon which the annual billing and Council Tax levels would be set, the proposed Council Tax Discounts including Local Discounts, exemptions for 2018/19 and the Council Tax Support Scheme to be used during 2018/19. All needed to be approved by Council by 31 January 2018.

Councillor Williamson informed that on 22 July 2004 the Cabinet had awarded a local discount to Wirral Women’s and Children’s Aid. The discount left no Council Tax to pay, on the basis of the valuable work undertaken at the premises. The circumstances had remained unaltered and the cost of the award was currently £3,817. A decision was required as to whether this discount continued for 2018/19.

The Cabinet noted that as the Council Tax-Base had to be set by 31 January each year there were no other options. The Local Discounts, Exemptions and the Council Tax Support Scheme were reviewed annually and could be amended which would have a financial impact for the authority as detailed in the report.

**RESOLVED: That**

**(1) the figure of 92,255.9 be approved as the Council Tax Base for 2018/19;**

**(2) the level and award of each local discount for 2018/19 be as follows:**

**Wirral Women's & Children's Aid**

**Award the Refuge discount of 100%.**

**Care Leaver's Discount**

**Award Care Leaver's the requisite discount to reduce their Council Tax liability to zero until they are 25, from 1 April 2018.**

**Empty Property Discounts**

**The discount and premium rate charges remain unchanged for 2018/19:**

**Discount category D = 0% Full charge on properties undergoing renovations.**

**Discount category C = 0% Full charge on empty properties from date they become unoccupied.**

**Empty Property Premium = 150%. Properties empty for more than two years.**

**Council Tax Discretionary Relief Scheme**

**The Council Tax Discretionary Hardship Relief Scheme continues in its current format for 2018/19;**

**Council Tax Support Scheme;**

**(3) the Council Tax Support Scheme approved for use in 2017/18 be also approved as the Scheme for 2018/19 with additional amendments to incorporate the introduction of Full Service for Universal Credit; and**

**(4) a review of the Scheme be undertaken by the Business Overview and Scrutiny Committee to consider options for change of this Scheme for 2019/20 financial year.**

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**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.

**76 HOYLAKE GOLF RESORT - EXEMPT APPENDIX**

**RESOLVED:**

**That the content of the exempt appendix (reference report Agenda Item No. 4 – Minute No. 72) be noted.**

**77 STRATEGIC ACQUISITION PROGRAMME - BIRKENHEAD MARKET**

**Councillors George Davies and Phil Davies introduced a report about Birkenhead Market.**

**Councillor Phil Davies moved and Councillor George Davies seconded and it was**

**RESOLVED (unanimously):**

**That agreement be given to the Council acquiring the long leasehold interest in Birkenhead Market on the terms that are set out in the report.**