



Policy and Resources Committee

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| Date: | Wednesday, 17 March 2021 |
| Time: | 6.00 p.m. |
| Venue: | Virtual |

This meeting will be webcast at
<https://wirral.public-i.tv/core/portal/home>

Contact Officer: Andrew Mossop
Tel: 0151 691 8501
e-mail: andrewmossop@wirral.gov.uk
Website: www.wirral.gov.uk

AGENDA

1. WELCOME AND INTRODUCTION

2. APOLOGIES

3. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

4. MINUTES (Pages 1 - 18)

To approve the accuracy of the minutes of the meeting held on 17 February, 2021.

5. LEADER'S UPDATE

The Leader and Chief Executive will give a verbal update on the latest Covid-19 situation in the borough.

6. PUBLIC AND MEMBER QUESTIONS

6a. Public Questions

Notice of question to be given in writing or by email by 12 noon, Friday, 12 March, 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 10.

6b. Statements and Petitions

Notice of representations to be given in writing or by email by 12 noon, Friday, 12 March, 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 11.1.

Petitions may be presented to the Committee. The person presenting the petition will be allowed to address the meeting briefly (not exceeding one minute) to outline the aims of the petition. The Chair will refer the matter to another appropriate body of the Council within whose terms of reference it falls without discussion, unless a relevant item appears elsewhere on the Agenda. Please give notice of petitions to committeeservices@wirral.gov.uk in advance of the meeting.

6c. Questions by Members

Questions by Members to dealt with in accordance with Standing Orders 12.3 to 12.8.

SECTION A - KEY AND OTHER DECISIONS

- 7. PAY POLICY 2021-2022 (Pages 19 - 30)**
- 8. GENDER PAY GAP REPORT (Pages 31 - 40)**
- 9. AGREEMENT OF CAPITAL GRANT INCLUDED WITHIN THE CAPITAL PROGRAMME (3G PITCH) (Pages 41 - 68)**
- 10. NORTH WEST MUTUAL BANK (Pages 69 - 80)**
- 11. CONSIDERATION OF GAINING REAL LIVING WAGE ACCREDITATION (Pages 81 - 90)**

SECTION B - BUDGET AND PERFORMANCE MANAGEMENT

- 12. ANNUAL WORKFORCE MONITORING REPORT 2019/20 (Pages 91 - 122)**
- 13. 2021/22 BUDGET MONITORING AND 22/23 BUDGET PROCESS (Pages 123 - 148)**

SECTION C - WORK PROGRAMME / OVERVIEW AND SCRUTINY

- 14. WORK PROGRAMME UPDATE (Pages 149 - 160)**

SECTION D - REFERRALS AND SUB-COMMITTEE MINUTES

- 15. TRANSFORMING CARE THERAPEUTIC SHORT BREAKS CAPITAL PROPOSAL (Pages 161 - 174)**
- 16. FUTURE HIGH STREET FUND (Pages 175 - 192)**
- 17. MARITIME KNOWLEDGE HUB (Pages 193 - 216)**
- 18. WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - MARITIME KNOWLEDGE HUB (Pages 217 - 234)**
- 19. WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - EGERTON VILLAGE (Pages 235 - 248)**
- 20. BUSINESS SUPPORT SERVICES: COMMISSIONING INTENTIONS PAPER (Pages 249 - 264)**
- 21. WIRRAL WAYS TO WORK (Pages 265 - 276)**
- 22. NEW FERRY – IMPLEMENTING THE REGENERATION PLAN (Pages 277 - 316)**
- 23. MINUTES OF THE SENIOR OFFICER AND APPOINTMENTS STAFFING SUB-COMMITTEE (Pages 317 - 320)**
- 24. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

The following items contain exempt information.

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

- 25. NORTH WEST MUTUAL BANK APPENDIX (Pages 321 - 388)**

Exempt appendix to Agenda Item 10: North West Mutual Bank
- 26. MARITIME KNOWLEDGE HUB EXEMPT APPENDICES (Pages 389 - 478)**

Exempt appendices to Agenda Item 17: Maritime Knowledge Hub.
- 27. WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - MARITIME KNOWLEDGE HUB EXEMPT APPENDIX (Pages 479 - 500)**

Exempt Appendix to Agenda Item 18: Wirral Waters Enterprise Zone Investment Fund, Maritime Knowledge Hub

28. WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - EGERTON VILLAGE EXEMPT APPENDICES (Pages 501 - 508)

Exempt appendices to Agenda Item 19: Wirral Waters Enterprise Zone Investment Fund, Egerton Village

29. BUSINESS SUPPORT SERVICES: COMMISSIONING INTENTIONS PAPER EXEMPT APPENDICES (Pages 509 - 510)

Exempt appendices to Agenda Item 20: Business Support Services: Commissioning Intentions Paper

POLICY AND RESOURCES COMMITTEE

Wednesday, 17 February 2021

Present: Councillor J Williamson (Chair)

| | | |
|-------------|--------------|------------|
| Councillors | A Leech | P Stuart |
| | JE Green | C Spriggs |
| | P Gilchrist | T Usher |
| | P Cleary | T Anderson |
| | M McLaughlin | W Clements |
| | EA Grey | A Hodson |
| | J McManus | L Rennie |
| | Y Nolan | C Carubia |

58 WELCOME AND INTRODUCTION

The Chair welcomed everyone to the meeting.

59 APOLOGIES

No apologies for absence were received.

60 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

Councillor Anita Leech declared a personal interest in respect of agenda item 10, 'Capital Programme 2021-26' by virtue her being a governor of two schools referred to in the report.

Councillor Wendy Clements declared a personal interest in respect of agenda item 9, 'Budget 2021/22 and Medium Term Financial Plan 2022/23 – 2025/26' by virtue of her employment.

61 MINUTES

Resolved – That the minutes of the meeting held on 20 January, 2021, be approved and adopted as a correct record.

62 LEADER'S UPDATE

The Chair gave an update on the latest Covid-19 situation in the Borough and informed the meeting that Wirral had the second lowest (of 9 Local Authorities) for 7-day rate of cases in Cheshire and Merseyside and was also lower than the average for Cheshire and Merseyside overall (146/100k versus 189/100k in

C&M overall). Rates in all Cheshire and Merseyside Councils at the end of December 2020 and in early January 2021 exceeded those seen in both the April and October peaks. Pressure in the hospital was continuing to ease as cases in the community decreased hospital pressures managing patients with a positive COVID diagnosis would continue into March.

Wirral had a comprehensive testing offer for COVID-19 in the Borough with four testing sites operating in Liscard, Bebington, Birkenhead and Heswall, maintaining good access for residents to symptomatic testing. Additional symptomatic testing was also available through deployment of mobile testing units. As part of the Liverpool City Region community testing pilot, Wirral continued to operate four asymptomatic testing sites in New Brighton, Birkenhead, Eastham and Greasby. Access to symptom-free testing was prioritised for key workers, unpaid carers, volunteers, those requiring a test in advance of a medical appointment, and others that were unable to stay at home during the national lockdown.

A dedicated contact tracing team had now been established within Wirral's COVID-19 Hub, with over 15 new staff recruited in early 2021 and a comprehensive training programme based around the wider 'Find, Test, Trace, Isolate, Support' model to be delivered throughout February 2021.

Wirral had been granted £375,000 from the Ministry of Housing, Communities and Local Government (MHCLG) Community Champions' Fund to support people shown to be most at risk from COVID-19 including those from an ethnic minority background, disabled people and other high-risk groups. This funding was for 12 months, with the successful bid developed in collaboration with leaders across the borough as part of the BAME thematic group and would be used to support a number of schemes – including in-depth analysis and training relating to 'health literacy' levels, to improve the quality, translation and accessibility of COVID-19 restriction and vaccine information, and to help people to isolate.

Paul Satoor, Chief Executive, confirmed that the Council was awaiting the Prime Minister's announcement on the roadmap out of lockdown, due on 22 February, and that it was anticipated that school's would be first, although they had remained open throughout this lockdown period to support key workers. The vaccination programme was going well and the Council continued with its support of health colleagues in this. He thanked Council workers and Members for their continued support to residents in maintaining as much Covid safety as possible.

63 PUBLIC QUESTIONS

The Chair reported that three questions had been received from members of the public and invited Brian Donaldson to ask the first question in respect of the Wirral Evolution contract.

The Chair responded accordingly and informed the meeting that the contract was set and managed by the Adult Social Care and Public Health Committee and that Wirral Evolutions would be reporting regularly to that committee on its performance in delivering the contract. The company had said that it was confident that it could deliver the services required of it within the contract price without the benefit of any further financing and that it was a valued service.

The Chair responded to a supplementary question from Mr Donaldson and assured him that the Adult Social Care and Public Health Committee would continue to monitor the work of Wirral Evolutions with great sensitivity to the work it did.

The Chair then invited Keith Marsh, Secretary of Brackenwood Golf Club, to ask his question in respect of the narrative pertaining to golf courses in the public budget consultation document.

The Chair responded accordingly and informed the meeting that the information was derived from budget information and did not consider the most recent actual performance information which could affect figures to a greater or lesser extent. The impact of the Covid-19 pandemic was not considered as part of the information which could further increase any deficit within the service. The initial indicative budget figures considered the four principal courses at Brackenwood, Hoylake, Arrowe Park and The Warren. However, given the potential risk and legal implications associated with historic agreements at Hoylake, it was deemed appropriate to remove Hoylake from within the scope of budget options. This accounted for any change of position in the figures presented in the original budget documentation and should not therefore be considered misrepresentative.

The Chair stated that she would provide a written response with regard to Mr Marsh's supplementary question on any guarantees from the Council on leases which golf clubs currently had for club houses, for booking times and Invigor8 schemes to enable them to plan for their futures.

The Chair then invited Jackie Watts to ask her question in respect of public golf courses and the use of land if they were closed.

The Chair responded accordingly and informed the meeting that the option considered referred to a review of golf which was consulted upon as part of the commitment to setting a balanced budget for 2021/22. Without a decision yet being taken by this committee or this option being considered at a future meeting of the Tourism, Communities, Culture and Leisure Committee, no further information could be provided.

64 **STATEMENTS AND PETITIONS**

The Chair reported that notice of one request to make a statement had been received. She then invited Mark Sopp to address the committee and he spoke against any proposed closure of Europa Pools.

The Chair stated that notice had been given of two petitions to be presented.

The first was presented by Mary Compton Rickett, Chair of the Williamson and Priory Friends Trustees. At the invitation of the Chair, Mary Rickett, introduced a petition of some 13,000 signatories against any closure of the Williamson Art Gallery.

The second was presented by Councillor Stuart Kelly on the subject of keeping green spaces usable. At the invitation of the Chair, Councillor Kelly spoke to his petition of some 580 signatories against the proposal to cease the maintenance of Oxton's fields and grass verges.

The Chair thanked all those who had spoken to their petitions.

65 **QUESTIONS BY MEMBERS**

The Chair reported that no questions had been submitted from Members.

66 **2020/21 REVENUE BUDGET MONITORING FOR QUARTER THREE (APR - DEC)**

Shaer Halewood, Director of Resources introduced a report which provided a summary of the projected year-end revenue position as at the end of Quarter 3 (December 2020) of the 2020/21 financial year, including:

- the financial risk profile presented by the Covid-19 pandemic and
- a review of pressures and savings contained within the original budget position.

The year-end forecast recorded as part of December's financial monitoring activity represented an adverse variance, net of exceptional financial support, from revenue budget of £8.948m; this comprised:

- £16.378m adverse forecast variance in relation to revenue budget, stemming largely from matters arising through the Covid-19 pandemic.
- £3.3m forecast deficit on expected capital receipts, which support the revenue budget position via flexible use of capital receipts and
- the above items being offset by £10.73m government funding to compensate for lost sales, fees and charges compensation due to the impact of Covid-19.

The change in the position from Quarter 2 to Quarter 3 forecast was mainly as a result of additional Covid-19 funding received by Government which was included in the Quarter 2 forecasts as being funded from Directorate budgets, additional temporary savings being found since Quarter 2 and a reduction in pressures, mainly in relation to Children and Families.

The Council's response to the Covid-19 pandemic continued to present financial risk due to uncertainty and fluidity in the external environment, however the ringfenced "tranche" funding, was forecast to a balanced position.

The overall financial position for the Council remained challenging, and a number of actions were in progress to mitigate the overall forecast position presented at quarter 3, including limiting spending to essential areas of service delivery only, with Corporate Directors supported to mitigate the risk of overspending.

In October 2020, the Committee had requested exceptional financial support (capitalisation directive) from the Ministry of Housing, Communities and Local Government (MHCLG) and an offer had recently been provided from MHCLG to enable a balanced budget to be reported for 2020/21 and 2021/22. The Ministry had indicated that they were able to offer a capitalisation direction up to a maximum value of £14.8m for 2020/21, subject to conditions. This value was based on the Quarter 2 forecast at the time of the offer. The Committee's agenda included the 2021/22 Budget Report, which included a recommendation to Full Council that:

The Council proceeds with the request for exceptional financial support with the conditions outlined in the letter from the Minister of State for Regional Growth and Local Government dated 2 February, 2021.

It was assumed that the value of exceptional financial support would be provided at the level required, up to a maximum of £14.8m at the end of the 2020/21 financial year. Therefore a forecast balanced position for 2020/21 could now be reported.

Responding to a Member's comment, Shaer Halewood confirmed the rigid processes in place for vacancy control through the Senior Leadership Team.

A. Resolved - That this Committee:

(1) notes the balanced year-end forecast position;

(2) notes the impact of funding and expenditure as a direct consequence of Covid-19, including the additional funding sources which have been identified, but as yet, not received.

B. RECOMMENDED –

To Council the 2020/21 budget of £41.144m in relation to Covid-19 funding for Council use and notes the additional £134.490m of funds that is to be made available to the Council for onward relay to other organisations as passported funding. This recommendation follows on from the recommendation made by Policy & Resources Committee on 11 November 2020, following the recent notification of additional funding.

67 **CAPITAL MONITORING QUARTER 3 2020/21**

Shaer Halewood, Director of Resources, provided an update on the progress of the Capital Programme 2020/21 at the end of December 2020. The report recommended that the Committee agree the revised 2020/21 Capital Programme of £86.0 million which took account of re-profiling, virements, additional funding requirements and grant variations identified since the Capital Programme was formally agreed on 2 March 2020.

Shaer Halewood reported upon one change to paragraph 3.8.3 in the report, in that the Capital Receipts flexibilities had now been extended until 31 March 2025 which could be used to support expenditure that was 'Transformational' in nature.

In response to a Member's comment, Shaer Halewood stated that she would need to investigate further in respect of the virement of funds from Beechwood Leisure Centre to West Kirby Sailing School.

On a motion by the Chair seconded by Councillor Anita Leech, it was -

A. RECOMMENDED –

(1) to Council the approval of additional funding for the schemes referred to in section 3.5 in the report, as follows:

- **Birkenhead Park World Heritage Project Team - £0.085m (over a three year period)**
- **Connecting Wirral Waters - Detailed Design - £0.610m (over a two year period)**

(2) to Council the approval of the revised Capital Programme of £86.0million for 2020-21, including the virements referred to in Appendix 3 in the report.

B. Resolved – That this Committee agrees that the outcome of the on-going review and reprofiling of the Capital Programme is reported to Members in the next quarterly capital monitoring report.

Shaer Halewood, Director of Resources, introduced a report which was part of the Council's formal annual budget process, as set out in the constitution and in accordance with the legal requirements to set a balanced budget. The report presented details of the annual budget for 2021/22 and the key elements contributing towards the preparation of the budget and set out recommendations on the budget and council tax for 2021/22. The report provided an update on the Medium-Term Financial Plan (MTFP) covering the period from 2022/23 to 2025/26 previously reported to the Committee on 18 December 2020.

The report contained several appendices, some of which were required to be published as part of the statutory annual budget process and others which provided the Committee with relevant financial information relating to next year's budget and future years' financial assumptions. These assumptions would change, and any changes would be reported through the usual governance process for budget monitoring within the Committee system.

Included with the appendices was also the detailed Schools Budget for 2021/22.

The 2021/22 budget had been compiled using the figures in the provisional Local Government Finance Settlement for 2021/22 as the final figures had not, at the time of the agenda publication, been received. Shaer Halewood confirmed that there had been no changes to the final settlement figures.

Shaer Halewood drew the Committee's attention to two errors within the report, the first being in appendix 1, 'Pressures', in that under the 'Neighbourhoods' heading, the 'Waste Development Fund' should refer to pressures on the waste service. The second was at paragraph 3.75 in the report, in that the level of Earmarked reserves were expected to be £29m and not £57m.

With regard to the precepts from other precepting bodies, referred to in appendix 9, Shaer Halewood confirmed that the vote to be taken at Council would be on the Wirral Council Tax element only.

Shaer Halewood then responded to a number of comments from Members and clarified that there was now a forecast surplus of £1m for the 2021/22 budget, which was included within the body of the report and gave a breakdown of this amount. The £4m for potential EVR's was included within the £29m earmarked reserves figure. Fees and charges had a total increase of £230,000, for cemeteries and crematorium charges to offset some of the cost of the introduction of webcasting at the crematoria and music licences. She had taken a prudent approach with the budget formulation as there were no guarantees that the government compensation scheme would be extended beyond June,

even though social distancing measure could be in place for some time affecting the Council's income, including from leisure related activities, gyms etc.

The Chair then invited Councillor Wendy Clements to comment on the Schools Budget. Councillor Clements welcomed the proposed budget of £299.487m Dedicated Schools Grant, an increase of some £24.5m over the previous year's, and which the Schools Forum had agreed to. Councillor Clements responded to a number of comments from Members and welcomed the work that schools had achieved during this difficult year, remaining open to vulnerable children to the children of key workers.

The Chair then moved, seconded by Councillor Anita Leech, the recommendations as set out within the report, but with important changes to be inserted at recommendation 2, as follows:

'Recommend to Council a Revenue Budget of £329.4m but which differs from the proposals included within the public budget consultation as shown at Appendix 4 in that:

(a) The following proposals are removed from the list

- | | |
|---|----------|
| 1. Reduce the subsidy to the Hive Youth Centre from £400k to £300k, instead of £200k, in 2021/22 only - | £100,000 |
| 2. Stopping School Crossing Patrols - | £276,300 |
| 3. Closure of Public Conveniences - | £142,000 |
| 4. 3 weekly collection of general rubbish - | £180,000 |
| 5. Close Europa Pools - | £640,000 |
| 6. Review of 4 Golf Courses - | £273,000 |
| 7. Review of Museums Service - | £327,500 |
| 8. Delay the ceasing of support for Community Alarms - | £200,000 |

Total changes to the 2021/22 draft budget - £2,138,000

(b) The budget gap that this would create is then met by the inclusion of the following proposals:

- | | |
|--|----------|
| 1. Savings from efficiencies at the Williamson Art Gallery - | £90,000 |
| 2. Savings from closing the Fun Pool only at Europa - | £250,000 |

| | |
|---|-------------------|
| 3. Provision of additional catering across multi-site and new in-house catering offer at West Kirby - | £35,000 |
| 4. Charging for a range of new and existing Environmental Services - | £144,000 |
| 5. Additional savings from workforce efficiencies - | £150,000 |
| 6. Reduction in pressure for pay increases for low paid workers - | £236,000 |
| 7. Freezing of the Merseytravel Levy for 2021/22 - | £439,000 |
| 8. Funding for the Hive from local businesses - | £100,000 |
| 9. Fund the Local Welfare Assistance Scheme from Covid-19 funding – | £200,000 |
| 10. Climate Emergency Budget Balance - | £100,000 |
| 11. Request to bring forward various asset sales - | £394,000 |
| <u>Total alternative budget options found -</u> | <u>£2,138,000</u> |

The Chair and Labour Members then responded to a number of comments from other Members on the proposed budget options.

Shaer Halewood clarified that there were a range of assets on the Council's surplus asset list, all within the Borough, which could be brought forward to be sold and that they would come before the relevant Policy and Service Committee and then to this Committee if they were of a value over £100,000.

At 8pm the Chair adjourned the meeting to enable discussions within Groups to take place on the proposals.

The Committee resumed at 8.35pm.

The Chair invited Shaer Halewood to give her opinion, as Section 151 Officer, to the validity of the proposed budget. Shaer Halewood confirmed that all the proposals were all legal and achievable for a balanced budget to be set for 1 April, 2021.

Some Members expressed full support for the proposals and others commented that they could agree with many of the proposals but that there were elements which they believed could be improved upon.

Philip McCourt, Director of Law and Governance, then explained how the voting would proceed and that a separate vote would be taken on part 2 of the recommendation, the Labour proposal, and then a vote on parts 3 to 5 of the recommendation.

Part 1 of the recommendation was agreed by assent.

A vote was conducted on part 2 of the recommendation, and it was carried (8:8) (One abstention) on the Chair's casting vote.

A vote was then conducted on parts 3 to 5 of the recommendation, with the removal of 3 (g) (i) part 2 'Golf provision', as this was now no longer a budget saving (see part (a) 6 of the proposals). The vote was carried (17:0) and it was therefore -

A. Resolved – That the Committee:

- (1) **Notes and considers the response to the financial proposals forming a draft budget for the purposes of public consultation (minute 32 – 18 December, 2020 refers), available between 21 December 2020 and 29 January 2021, set out as:**

Appendix 1 Pressures

Appendix 2 Savings Proposals

Appendix 3 Five Year Medium Term Financial Plan

Appendix 4 Proposals included within public budget consultation.

**Appendix 5 Policy & Service Committee Savings Proposals
Feedback**

Appendix 6 Public Consultation Responses

Appendix 10 Report of the s.151 officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.

Appendix 12 The estimated position for the Dedicated Schools Grant

B. RECOMMENDED –

- (2) **((8:8) (One abstention) carried on the Chair's casting vote)**

To Council a Revenue Budget of £329.4m but which differs from the proposals included within the public budget consultation as shown at Appendix 4 in that:

- (a) The following proposals are removed from the list**

- 1. Reduce the subsidy to the Hive Youth Centre from £400k to £300k, instead of £200k, in 2021/22 only - £100,000**

| | |
|---|--------------------------|
| 2. Stopping School Crossing Patrols - | £276,300 |
| 3. Closure of Public Conveniences - | £142,000 |
| 4. 3 weekly collection of general rubbish - | £180,000 |
| 5. Close Europa Pools - | £640,000 |
| 6. Review of 4 Golf Courses - | £273,000 |
| 7. Review of Museums Service - | £327,500 |
| 8. Delay the ceasing of support for Community Alarms - | £200,000 |
| <u>Total changes to the 2021/22 draft budget -</u> | <u>£2,138,000</u> |

(b) The budget gap that this would create is then met by the inclusion of the following proposals:

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|---|--------------------------|
| 1. Savings from efficiencies at the Williamson Art Gallery - | £90,000 |
| 2. Savings from closing the Fun Pool only at Europa - | £250,000 |
| 3. Provision of additional catering across multi-site and new in-house catering offer at West Kirby - | £35,000 |
| 4. Charging for a range of new and existing Environmental Services - | £144,000 |
| 5. Additional savings from workforce efficiencies - | £150,000 |
| 6. Reduction in pressure for pay increases for low paid workers - | £236,000 |
| 7. Freezing of the Merseytravel Levy for 2021/22 - | £439,000 |
| 8. Funding for the Hive from local businesses - | £100,000 |
| 9. Fund the Local Welfare Assistance Scheme from Covid-19 funding | £200,000 |
| 10. Climate Emergency Budget Balance - | £100,000 |
| 11. Request to bring forward various asset sales - | £394,000 |
| <u>Total alternative budget options found -</u> | <u>£2,138,000</u> |

Producing a revised set of Budget Proposals, consisting of:

| <u>Proposal</u> | <u>Value</u> |
|--|--------------|
| 1. Reduce the subsidy to the Hive Youth Centre from £400k to £300k, (instead of £200k in 2021/22 only) | £100,000 |
| 2. Modernisation & Social Care combined: Staff Efficiency Savings | £102,000 |
| 3. Review of the Neighbourhood Services Directorate | £350,000 |
| 4. Additional and increased parking charges: Whole scale car parking review | £1,000,000 |
| 5. Reduction in grass cutting and maintenance of roadside verges and all Parks and Open Spaces | £250,000 |
| 6. Amenity space and grass verge maintenance cessation | £100,000 |
| 7. Contract Efficiency Savings with BIFFA | £75,000 |
| 8. Income generated from establishing targeted and discretionary environmental enforcement | £150,000 |
| 9. Culture and Visitor Economy savings | £620,000 |
| 10. Pause re-opening of Woodchurch Leisure Centre | £322,000 |
| 11. Royden Park Commercial Development - Phase 1 | £80,000 |
| 12. Birkenhead Market Restructure | £240,000 |
| 13. Budget Allocation for DDA | £200,000 |
| 14. Delay the ceasing of support for Community Alarms | £200,000 |
| 15. Wirral Evolutions review of day services for people with Learning Disabilities | £500,000 |
| 16. Suspension of individual Member Ward Budgets | £250,000 |
| 17. One Stop Shop Service Reduction | £98,000 |
| 18. Restructure of Revenues & Benefits | £150,000 |
| 19. Business Change Service Reduction | £670,000 |
| 20. New Staffing Structure in IT Services | £618,000 |
| 21. Centralised Print Process £157,000 | |
| 22. Business Support Unit - Staffing Reduction | £237,000 |
| 23. Hardship fund and reduction in bad debt provision | £1,000,000 |
| 24. Contract Management & Commissioning | £350,000 |
| 25. Apprenticeships | £148,000 |
| 26. Traded Services Review | £270,000 |
| 27. Savings from efficiencies at the Williamson Art Gallery | £90,000 |
| 28. Savings from closing the Fun Pool only at Europa | £250,000 |
| 29. Provision of additional catering across multi-site and new in-house catering offer at West Kirby | £ 35,000 |
| 30. Charging for a range of new and existing Environmental Services | £144,000 |
| 31. Additional savings from workforce efficiencies | £150,000 |
| 32. Reduction in pressure for pay increases for low paid workers | £236,000 |

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| 33. | Freezing of the Merseytravel Levy for 2021/22 - | £439,000 |
| 34. | Funding for the Hive from local businesses - | £100,000 |
| 35. | Fund the Local Welfare Assistance Scheme from Covid-19 funding | £200,000 |
| 36. | Climate Emergency Budget Balance | £100,000 |
| 37. | Request to bring forward various asset sales - | £394,000 |

(3) (17:0)

That Council:

- a) adopt the summary Medium Term Financial Plan (MTFP) set out as Appendix 3 and the Medium Term Financial Strategy and Financial Resilience Plan (MTFS) set out as Appendix 11.
- b) adopt the fees and charges set out as Appendix 7, with delegated authority being granted:
 - (i) to the Section 151 Officer to update the Council's Fees and Charges Directory prior to publication before 1 April 2021.
 - (ii) to the relevant Director with portfolio, in consultation with the relevant Committee's Chair and Group Spokespersons, to vary existing fees and charges.
- c) approve the Discretionary Rate Relief Policy for Business Rates for 2021/22 set out as Appendix 8.
- d) set and maintain the level of General Fund Balances the higher of
 - (i) £10.7m of general fund
 - (ii) 3% of the Council's new revenue budget, to be based on a locally determined assessment of the financial risks that the Council may face in the future in accordance with the report of the s.151 Officer (Appendix 10).
- e) proceeds with the request for exceptional financial support with the conditions outlined in the letter from the Minister of State for Regional Growth and Local Government dated 2 February 2021
- f) approve the 2021/22 Schools Budget of £299.487m
- g) authorise, in respect of the Budget Proposals, that:
 - (i) the relevant Committee receiving the further work being undertaken in respect of:

- (1) car parking charges;**
- (2) enforcement costs recovery; and**
- (3) grass cutting and re-wilding**

to develop and implement proposals in line with the agreed Budget.

(ii) the Director with portfolio undertake such actions as they consider are necessary to implement the agreed Budget and consequential proposals developed as part of the formulation process and update Committees accordingly.

(4) That Council (subject to a separate vote at Council):

a) sets the Band D Council Tax at £1,663.27 for the Wirral Borough Council element of the Council Tax, representing a general increase of 1.99% and 3.00% ringfenced increase to Adult Social Care, and the Council Tax requirement for the Council's own purposes for 2021/22 of £156,677,700 as detailed in Appendix 9.

b) notes that the additional precepts from the Police & Crime Commissioner for Merseyside, the Merseyside Fire & Rescue Authority and the Liverpool City Region Combined Authority remain in estimated form and delegates authority to the Section 151 Officer to implement any variation to the overall council tax arising from the final notification of the precepts.

C. Resolved – That the Committee -

(5) Delegates authority to the Section 151 Officer, following consultation with the Chair and Group Spokespersons of the Policy & Resources Committee, to do anything necessary to give effect to the proposals contained in this report and address any funding changes, if any, arising from the final Local Government Finance Settlement once agreed by Parliament.

69 CAPITAL PROGRAMME 2021-26

Shaer Halewood, Director of Resources, introduced a report on the draft Capital Programme 2021/26 for consideration and referral to Council for approval. The report also included information regarding the revenue implications of this Programme and an update on the latest forecast for capital receipts.

The 2021/26 Capital Programme represented a combination of schemes originally approved as part of the 2020/25 Programme, updated through the Capital Monitoring reports in 2020/21 and new bids for inclusion as detailed in this report.

Shaer Halewood confirmed (see minute 68 ante) that the scheme for Beechwood had now been completed and was therefore no longer required to be in the Capital Programme.

On a motion by the Chair, seconded by Councillor Anita Leech, it was -

RECOMMENDED – To Council -

- (1) the approval of the new bids as detailed in Appendix 2 to this report requiring £12.133 million borrowing for inclusion in the Capital Programme;**
- (2) the approval of any new bids supported by grant funding do not commence until written confirmation has been received from the granting authority;**
- (3) the approval of the Capital Programme 2021/26 (as detailed in Appendix 3 to the report);**
- (4) the approval that progress on delivering the Capital Programme will be presented in accordance within the agreed Capital Monitoring arrangements.**

70 **CAPITAL FINANCING STRATEGY 2021/22**

Shaer Halewood, Director of Resources, introduced a report on the Capital Financing Strategy. The Authority's treasury management activity was underpinned by CIPFA's 2017 Code of Practice on Treasury Management ("the Code"), in which there was the requirement for Council to approve an annual Capital Strategy. The report fulfilled the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

On a motion by the Chair, seconded by Councillor Anita Leech, it was –

RECOMMENDED – To Council -

- (1) the approval of the Capital Strategy for 2021/22;**
- (2) the approval of the associated Prudential Indicators to be adopted;**
- (3) the approval of the Council's Minimum Revenue Provision policy.**

71 **TREASURY MANAGEMENT STRATEGY 2021/22**

Shaer Halewood, Director of Resources, introduced a report on the Treasury Management Strategy. The Authority's treasury management activity was

underpinned by CIPFA's 2017 Code of Practice on Treasury Management ("the Code"), which required the production of annual Treasury Management Indicators and a Treasury Management Strategy Statement on likely financing and investment activity. The Code also recommended that Members were informed of treasury management activities at least twice a year.

The report fulfilled the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code. It did not cover the requirements of the 2018 Ministry for Housing, Communities and Local Government (MHCLG) Investment Guidance, which mostly referred to non-treasury investments and was the subject of a separate report.

Members welcomed the use of Ethical, Social and Governance investment criteria for the future investment strategy.

Shaer Halewood, in response to a Member's comment confirmed that she would provide an updated version of Appendix 5 to the report, which referred to possible implications of a 'no deal Brexit'.

On a motion by the Chair, seconded by Councillor Anita Leech, it was –

RECOMMENDED – To Council -

- (1) the approval of the Treasury Management and Investment Strategy for 2021/2022;**
- (2) the approval of the Treasury Management Indicators.**

72 INVESTMENT STRATEGY 2021/22

Shaer Halewood, Director of Resources, introduced a report on the Investment Strategy. In February 2018, the Ministry for Housing, Communities and Local Government (MHCLG) published updated 'Guidance on Local Government Investments'. The previous edition covered only Treasury Management investments. In recent years local authorities had had an increasing focus on commercial activities including but not exclusive to property. Such activity had the potential to bring both increased returns and increased positive and negative risk. The revised Guidance on Local Authority Investments required that a separate Investment Strategy focusing on non-treasury investments was produced and approved annually by Council.

This report fulfilled the requirement of the MHCLG to produce an investment strategy that covered non-treasury activities.

Shaer Halewood responded to comments from Members, including on the work of the New Commercial Ideas Panel and the Investment and Change Board

and confirmed that an update would be provided on the investment strategy to the Committee. She also confirmed that she would respond in writing with regard to the current value of the Vue Cinema in Birkenhead.

On a motion by the Chair, seconded by Councillor Anita Leech, it was –

RECOMMENDED - To Council, the approval of the Investment Strategy for 2021/2022 which includes potential investment in the following activity areas:

1. **Commercial Property**
2. **Service Investments: Loans**
3. **Service Investment: Shares (non-currently held)**
4. **Loan Commitments and financial Guarantees**

73 **BUDGET MEETING PROCEDURE**

Philip McCourt, Director of Law and Governance, introduced a report on a proposed process for the Budget decision making meeting of Council.

In response to Members' comments he confirmed that a positive vote in favour of a budget proposal would be required of the Budget Council meeting.

RECOMMENDED – To Council, that for the duration of the extraordinary meeting of 1 March 2021 (Budget Council):

- (a) **the procedure attached as Appendix A to the report, be followed in respect of the meeting; and**
- (b) **Council Standing Order 15.4 (timing of speeches) be suspended together with such other standing orders as may conflict with the Budget Council procedure or the Mayor's administration of the meeting, in such a manner as the Mayor in his or her absolute discretion dictates, to ensure the objective of Council setting a lawful budget and council tax requirement prevails.**

74 **WORK PROGRAMME UPDATE**

A report by the Director of Law and Governance advised how the Committee, in co-operation with the other Policy and Service Committees, was responsible for proposing and delivering an annual committee work programme. This work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which were within the remit of the Committee.

It was envisaged that the work programme would be formed from a combination of key decisions, standing items and requested officer reports. The report provided the Committee with an opportunity to plan and regularly review its

work across the municipal year. The work programme for the Policy and Resources Committee was attached as an appendix to the report.

Resolved – That the proposed Policy and Resources Committee work programme for the remainder of the 2020/21 municipal year, be noted.



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|-----------------------------|
| REPORT TITLE: | PAY POLICY 2021-2022 |
| REPORT OF: | CHIEF EXECUTIVE |

REPORT SUMMARY

In line with the Localism Act 2011 (the Act), the purpose of the Council's Pay Policy is to provide transparency with regard to the Council's approach to setting pay by identifying:

- The methods by which salaries of all employees are determined;
- The detail and level of the salary package of its most senior staff;
- The Head of Paid Service responsibility for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to Full Council.

RECOMMENDATION/S

The Policy & Resources Committee are asked to:

Recommend to Council the approval of the Pay Policy Statement for the financial year 2021/22.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council is required by Section 38 of The Localism Act 2011 to prepare a Pay Policy Statement for each financial year.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options were considered as the Pay Policy Statement is a requirement of the Localism Act 2011. There are a range of policies and discretions contained within the Pay Policy statement itself relating to pay and terms and conditions.

3.0 BACKGROUND INFORMATION

- 3.1 The draft Pay Policy Statement details the Council's current arrangements, using the definitions contained in the Localism Act and associated guidance.
- 3.2 The Localism Act also requires the Council to have regard to statutory guidance entitled 'Openness and accountability in local pay' under the Transparency Agenda.

3.2.1 Key Changes

The 2021/22 statement reflects key changes and updates that have occurred within the last financial year as follows:

The Living Wage

A new Foundation Living Wage rate was announced by The Living Wage Foundation in November 2020. The new Living Wage rate is £9.50 per hour, an increase of 20p.

Constitutional Changes

The Pay Policy Statement 2021-2022 has been updated to reflect the constitutional changes made in line with the Committee System.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report. The budget for salary, and associated oncosts are distributed across the directorates and informed by the Pay Policy.

5.0 LEGAL IMPLICATIONS

- 5.1 Section 38 of the Localism Act 2011 requires the Council to prepare a Pay Policy Statement for each financial year by 31 March.
- 5.2 The Council remains bound by relevant employment (and other) legislation as the employer and any changes which may be proposed by the policy must bear in mind the requirements of such legislation.

5.3 The Council can amend the pay policy on an annual basis as required by the Act but may also amend the policy as needed to take into account changing legislative requirements.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no resource implications.

7.0 RELEVANT RISKS

7.1 The Council is required to prepare and approve its Pay Policy Statement by 31 March each year. The Council will be at risk of not meeting the requirements of The Localism Act 2011 if this is not achieved.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Trade Unions have been consulted on the key updates and changes for the 2021/2022 Pay Policy.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 The Council operates all pay arrangements within the requirements of the Equality Act 2010. All pay arrangements are regularly reviewed and assessed to identify any equality issues (see separate reports on this agenda).

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and recommendations contained within this report are expected to have no impact on emissions of greenhouse gases.

REPORT AUTHOR: **Jenny Woods**
(Jenny Woods)
telephone:
email: jennywoods@wirral.gov.uk

APPENDICES

Appendix 1 Pay Policy Statement 2021-2022

BACKGROUND PAPERS

Localism Act <https://www.legislation.gov.uk/ukpga/2011/20/contents/enacted>

None

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|---------------|
| Council | 3 March 2020 |
| Council | 18 March 2019 |
| Council | 9 March 2018 |



WIRRAL COUNCIL

PAY POLICY STATEMENT

2021 – 2022

1. Introduction and Purpose

- 1.1. In line with the Localism Act 2011 (the Act), the purpose of this statement is to provide transparency with regard to the Council's approach to setting pay by identifying:
 - The methods by which salaries of all employees are determined;
 - The detail and level of the salary package of its most senior staff i.e. 'Chief Officers', as defined by the relevant legislation;
 - The Chief Executive and Head of Paid Service responsibility for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to Full Council.
- 1.2. The Council will consult with the relevant Trade Unions in relation to changes and updates to the Pay Policy, before the Policy is considered by Full Council.
- 1.3. Once approved by Full Council, this policy statement will come into immediate effect and will be subject to review on a minimum of an annual basis; the policy being approved by 31 March each year.
- 1.4. The Council may, by resolution, amend this Pay Policy, including after the beginning of the financial year to which it relates.

2. The Scope of this Policy

- 2.1. This Pay Policy Statement relates to staff employed by Wirral Council whose salary package including rate of pay and terms and conditions are determined by and are within the control of the Council.

3. Other Legislation Relevant to Pay and Salary Package

- 3.1. In determining the pay and salary packages of all of its employees, the Council will comply with all relevant employment legislation.
- 3.2. It is Council policy to ensure that there is no pay discrimination within its terms and conditions of employment, including pay structures. Any pay differentials can be objectively justified through the use of job evaluation, which directly establishes the relative levels of posts by grades according to the requirements, demands and responsibilities of the role.
- 3.3. Under the Equality Act 2010 (Specific Duties and Public Authorities Regulations 2017), the Council is required to publish an annual gender pay gap report, reporting a snapshot of the workforce in scope as at 31 March (previous year).
- 3.4. The Council will ensure that it meets the requirements of the Local Government Transparency Code 2014. The Transparency Code requires that all local authorities publish certain information related to the organisation, salaries and fraud including:
 - Organisation chart
 - Senior salaries
 - The pay multiple

- Trade union facility time
- Fraud
- Constitution

4. Pay Structure

- 4.1. The Council uses the National Joint Council (NJC) nationally negotiated pay spine (i.e. a defined list of salary points) as the basis for its pay structure.
- 4.2. The Council employs staff on other pay and terms and conditions including Craft, Youth and Community, Soulbury, Teachers, NHS, and pay is in accordance with national pay spines.
- 4.3. The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of national pay spines, for example through any agreed annual pay increases negotiated with joint Trade Unions, subject to any local agreements in place.
- 4.4. Where a nationally negotiated pay spine does not apply, the Council will determine the salary rate through local negotiation and agreement.
- 4.5. All other pay related issues are the subject of either nationally or locally negotiated rates, in accordance with collective bargaining.
- 4.6. In determining its grading structure and setting salary packages for any posts which fall outside the scope of the national pay bargaining arrangements, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community.
- 4.7. There are circumstances where the terms of Transfer of Undertakings (Protection of Employees: TUPE) may determine the eligibility of pay awards for employees who transfer into the Council on protected terms and conditions.

4.8. Variations to Pay Grade

- 4.8.1. From time to time it may be necessary to take account of the external pay levels in the employment market in order to attract and retain employees with particular experience, skills and capacity. Where necessary the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence, including relevant market comparators, recruitment and retention challenges and using data sources available from within the local government sector and outside, as appropriate. Proposals should be made by the recruiting manager, supported by a business case providing objective justification for the proposed variation. Proposed variations must be with the agreement of the Assistant Director of Human Resources and Organisational Development.

4.8.2. Any temporary supplement to the salary scale for the grade is approved in accordance with the Council's Honoraria procedure, or any applicable market rate supplement arrangements.

4.9. Job Evaluation

4.9.1 Post grades are determined using Job Evaluation schemes and the Council's pay structures.

4.10. The Living Wage

4.10.1. Living Wage rates are based on Minimum Income Standards methodology and seek to take account of real living costs for essential goods and services.

4.10.2. Through the Council's Pay Policy Statement, the Council is committed to and pays the Living Wage for all employees.

4.10.3. The Living Wage rate is reviewed and announced by The Living Wage Foundation on 1 November each year. The Council will consider any increases to the Living Wage as part of the annual Pay Policy Statement. If agreed, increases to the Living Wage will take effect from 1 April the following year. The provision for the Living Wage will be kept under review.

4.13.4 The current Living Wage rate for outside London increased from 1 November 2020 to £9.50 per hour.

4.11. New Appointments

4.11.1. New appointments will normally be made at the minimum Spinal Column Point (SCP) of the relevant pay scale for the grade. Where the candidate is already in receipt of remuneration above the minimum SCP of the relevant pay scale, the appointment will normally be made at the nearest equivalent SCP in the grade. If the employee is already in receipt of acting up or honoraria this will also apply.

4.11.2. The appointment salary may be varied with the agreement of the Assistant Director of Human Resources and Organisational Development.

4.12. Progression through Pay Grades

4.12.1. An employee's progression through the increments of a particular pay grade is linked to length of service. Increments are awarded on 1 April each year, or for new appointments between 1 October and 31 March, six months from the start date.

4.12.2. The arrangements and factors considered in determining an individual's progression through different pay grade may be determined by experience, skills and qualifications as set out in the relevant Job Description and progression criteria.

5. Senior Management Salary

- 5.1. For the purposes of this statement, senior management means ‘Chief Officers’ as defined under section 43(2) of the Localism Act 2011. This includes statutory chief officers, non-statutory chief officers and deputy chief officers as listed within that Act.
- 5.2. The posts falling within the statutory definition are set out in ‘*The Code of Recommended Practice for Local Authorities on Data Transparency (‘the data transparency code’)*’.
- 5.3. The Council’s grading structure for its most senior officers is as follows:
 - Chief Executive
 - Senior Director 1
 - Senior Director 2
 - Director 1
 - Director 2
 - Assistant Director 1
 - Assistant Director 2
- 5.4. The terms and conditions, including the payment of any allowances for Chief Officers is set out within the Joint Negotiating Committee for Chief Officers of Local Authorities constitution conditions of service salaries. All details of Chief Officer salaries are published in accordance with the Transparency Code.
- 5.5. The Chief Executive handbook sets out the terms and conditions of employment for the Chief Executive and Head of Paid Service. Some provisions within this also apply to Council’s Statutory Officers (Section 151 Officer and Monitoring Officer).

6. Recruitment of Chief Officers

- 6.1. The Council’s rules, policy and procedures with regard to recruitment of Chief Officers is set out in the Officer Employment Procedure Rules at Part 4(7) of The Council’s Constitution. The appointment of Chief Officers and Deputy Chief Officers is delegated under the committee terms of reference (at Part 3B of the Constitution) to the Senior Officer Appointments & Staffing Sub-Committee.
- 6.2. The determination of the salary to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. The Council’s Chief Officer pay scales are published on the Council’s website.
- 6.3. The Localism Act Guidance says that Council should have the opportunity to vote before salary packages of £100,000 or more are agreed. Through the Council’s Constitution, this is delegated to the Senior Officer Appointments & Staffing Sub-Committee, as above, which appoints Chief Officers other than for those roles where the full Council has reserved powers in respect of defined posts.

- 6.4. A meeting of full Council will approve the appointment to the following:
- Head of Paid Service;
 - Section 151 Officer (also known as Chief Finance Officer);
 - Monitoring Officer;
 - Returning Officer (for which expenses may be claimed); and
 - Electoral Registration Officer.

7. Additions to Salary

- 7.1. In addition to basic salary, the following posts receive additional pay as set out below:

| Post / Tier of post | Payment details |
|--|---|
| Chief Executive and Head of Paid Service | Returning Officer duties: <ul style="list-style-type: none"> • National statutory amount for Parliamentary/National Elections. • Locally determined amount in accordance with national guidance for Local Government Elections. |
| All eligible employees | Allowances in accordance with the Council's Terms and Conditions. |

8. Pension Contributions

- 8.1. The employer's pension contribution is required to be published under S7 of the Accounts and Audit Regulations 2011.
- 8.2. The Council will automatically enroll all eligible employees into the Local Government Pension scheme and the Council is required to make a contribution to the scheme representing a percentage of the pensionable salary due under the contract of employment of that employee.
- 8.3. The rate of contribution is set by Actuaries advising Merseyside Pension Fund and reviewed every three years in order to ensure the scheme is appropriately funded.

9. Payments on Termination

- 9.1. The Council's approach to statutory and discretionary payments on termination of employment for all employees, including Chief Officers, prior to reaching normal retirement age, is set out within the Council's Enhanced Discretionary Severance Scheme.
- 9.2. The Council will keep its Enhanced Discretionary Severance Scheme under review. Any changes, as approved by full Council are published in accordance with the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

- 9.3 Any payments upon termination in respect of a Chief Officer exceeding £100,000, (apart from contractual payments, where the Council has no discretion) shall be subject to a vote at Council or relevant Committee or Panel of Members with delegated authority to approve such payments. Payments upon termination are subject to any legislative requirements or caps.

10. Lowest Paid Employees

- 10.1. The lowest paid persons employed by the Council are employed on full time equivalent rates in accordance with the council's grading structures. The grading structures take account of the Living Wage hourly rate (see section 4).
- 10.2. The relationship between the rate of pay for the lowest paid employee and Chief Officers is determined by the council's job evaluation schemes.

As required by the Localism Act, the following table provides the Council's salary ratios.

| Definition | Ratio |
|---|---------|
| The average full time equivalent (fte) earnings and the Chief Executive | 1: 5.44 |
| The average full time equivalent (fte) earnings and average Chief Officer earning | 1: 3.20 |
| The lowest paid employee full time equivalent (fte) earnings and average Chief Officer earnings | 1: 5.77 |

11. Accountability and Decision Making

- 11.1. In accordance with the Constitution of the Council, the Senior Officer Appointments & Staffing Sub-Committee of the Policy and Resources Committee is responsible for decision making in relation to Chief Officer recruitment. This may be delegated to the Head of Paid Service.
- 11.2 The Chief Executive and Head of Paid Service has delegated responsibility for decision-making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council below Chief Officer level.

12. Re-employment / Re-engagement of Employees

- 12.1. The Council will not re-employ any former employees that have left the Council through early retirement or under the Voluntary Severance Scheme where there has been a cost to the Council, except in exceptional circumstances and with the approval of the Assistant Director of Human Resources and Organisational Development.
- 12.2. The Council will not consider applications from former Wirral employees who were dismissed from employment.

13. Publication

- 13.1. Upon approval by full Council, this statement will be published on the Council's Website and Intranet.
- 13.2. In line with the requirement of the Local Government Transparency Code 2014, the Council will publish an organisation chart covering staff in the top three levels of the organisation, which will include the following information:
- Grade
 - Job Title
 - Salary in £5,000 brackets
 - Salary ceiling (the maximum salary for the grade)
- 13.3. The following information for senior salaries (employees whose salary in that year was at least £50,000) will also be published:
- Job Title
 - Salary



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|------------------------------|
| REPORT TITLE: | GENDER PAY GAP REPORT |
| REPORT OF: | DIRECTOR OF RESOURCES |

REPORT SUMMARY

In line with the Equality Act 2010 (the Act), the purpose of the Council's Gender Pay Gap Report is to provide transparency with regard to the average difference between earnings of women and men.

The report must be published by 31 March each year, reflecting the gender pay gap as at March the previous year. This report reflects the position as at March 2020.

This matter affects all wards in the borough.

RECOMMENDATION/S

The Policy and Resources Committee are asked to note and endorse the publication of the Gender Pay Gap report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council is required by law (The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017) to publish an annual gender pay gap report.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options were considered as the Gender Pay Gap report is a requirement of the Equality Act 2010.

3.0 BACKGROUND INFORMATION

- 3.1 Gender pay is not about equal pay. Unequal pay means that individual women and men are not getting equal pay for doing equal work. The gender pay gap shows the average difference between the earnings of women and men. It has a number of contributory factors, most of which are more about the kinds of industries and jobs open to women than about the ways in which men and women are paid.
- 3.2 Just because there is a gender pay gap does not make it unlawful. Having a gender pay gap does not mean the Council is discriminating in relation to gender pay.
- 3.3 A gender pay gap is not solely the result of pay practices. It is about much broader influences. Gender pay gaps are the outcome of economic, cultural, social and educational factors.
- 3.4 The Council's median gender pay gap for 2019 was 10.9% which compared favourably to the national average of 15.5% for other public sector organisations.
- 3.5 Wirral's 2020 median gender pay gap improved from 10.9% to 4.8%, whilst the mean gender pay gap also narrowed from 6.9% to 4.9%.
- 3.6 The gender profile was unchanged for the third consecutive year and there was no significant shift in the gender quartile profiles except in the upper quartile where there was an increase in the percentage of females from 56% in 2019 to 61% in 2020. This reversed the trend of the previous year which saw an increase in the percentage of males in the upper quartile from 42.8% to 44.5%.
- 3.7 During 2018/19 a re-structuring exercise, primarily in back office support services, was a contributing factor to this shift with 42 females promoted or recruited in the upper quartile compared to 25 males.
- 3.8 The launch of several personal development initiatives for managers and those aspiring to move into a management role has provided an opportunity for women to continue to steadily progress through the pay grades.
- 3.9 In a time of significant change for the workforce, talent management, health and wellbeing and flexible working have been a priority, all of which contribute towards addressing the gender pay gap.

4.0 FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from this report.

5.0 LEGAL IMPLICATIONS

5.1 The Council is required by law (The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017) to publish an annual gender pay gap report by 31 March.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no direct resource implications arising from this report.

7.0 RELEVANT RISKS

7.1 The Council is required to prepare and publish an annual Gender Pay Gap Report for 2020 by 31 March 2021.

7.2 The Council's current gender pay gap compares favourably to the national averages and other public sector organisations. The Council will continue to analyse and compare the outcomes of the gender pay gap annually and consider any actions that may address the gap.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Trade Unions have been consulted.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 Based on the outcomes of the Gender Pay Gap report 2020, the Council will undertake further analysis and benchmarking to identify any actions that may address the pay gap differential.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and recommendations contained within this report are expected to have no impact on emissions of greenhouse gases.

REPORT AUTHOR: **Tony Williams**
(Assistant Director, Human Resources and Organisational
Development)
email: tonywilliams@wirral.gov.uk

APPENDICES

Appendix 1 Gender Pay Gap Report

BACKGROUND PAPERS

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017
<https://www.legislation.gov.uk/ukdsi/2017/9780111152010>

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---------------------------------------|--------------|
| Employment and Appointments Committee | 5 March 2019 |
| Employment and Appointments Committee | 3 March 2020 |

Gender Pay Gap Report at March 2020

Wirral Council is required by law (The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017) to publish an annual gender pay gap report.

What is a gender pay gap?

The gender pay gap shows the average difference between the earnings of women and men. It has a number of contributory factors, most of which are more about the kinds of industries and jobs open to women than about the ways in which men and women are paid.

Having a gender pay gap is not unlawful and does not mean the Council is discriminating against women. A gender pay gap is not solely the result of pay practices. It is about much broader influences. Gender pay gaps are the outcome of economic, cultural, societal and educational factors.

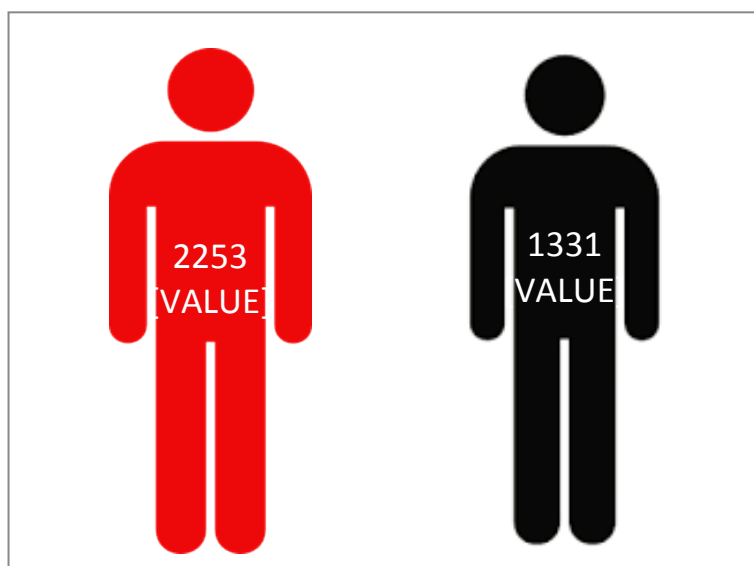
Gender pay is not about equal pay. Unequal pay means that individual women and men are not getting equal pay for doing equal work.

Reporting Requirements

This report is in relation to a snapshot of the workforce in scope as at 31st March 2020 in line with the legislative reporting requirements. The scope of the Council's report includes all employees (excluding schools) who are in receipt of base pay and allowances at this date.

The Council must report on and publish the mean and median pay gaps and pay quartiles.

The Council's workforce is predominantly female (63%):



Female: 

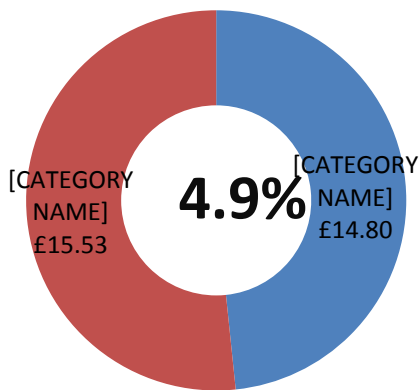
Male: 

The Gender Pay Gap for Wirral Council is:

| Gender Gap | %age | Male Rate | Female Rate | Council Rate |
|-----------------------------|-------------|------------------|--------------------|---------------------|
| The mean gender pay gap | 4.9% | £15.53 | £14.80 | £15.07 |
| The median gender pay gap | 4.8% | £13.70 | £13.05 | £13.31 |
| The mean gender bonus gap | 0 | N/A | N/A | N/A |
| The median gender bonus gap | 0 | N/A | N/A | N/A |

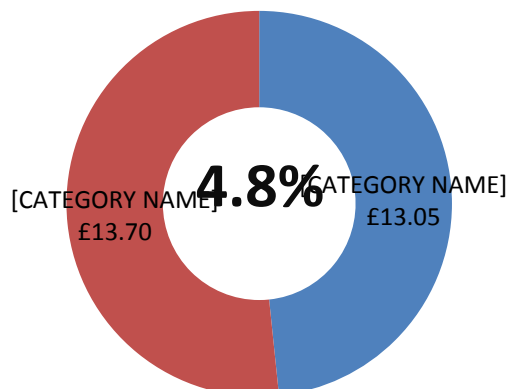
The **mean** gender pay gap is the average gap across all staff in scope. On average men earn 4.9% more than women.

Mean



The **median** gender pay gap is the middle rate of all hourly rates in scope. The mid-rate for men is 4.8% higher than that of women.

Median



The 2020 pay quartiles by gender:

619

Quartiles are defined by dividing the workforce into 4 equal sized groups, then split by gender.

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

277

| Quartile | Female | Male |
|--------------|--------|------|
| Lower | 619 | 277 |
| Lower Middle | 543 | 353 |
| Upper Middle | 577 | 319 |
| Upper | 514 | 382 |

Comparison with Wirral Council's 2019 Gender Pay Gap

The mean gender pay gap (GPG) of 2019 has reduced from 6.9% to 4.9% in 2020, whilst the median GPG has also reduced from at 10.9% to 4.8%.

What are the other contributing factors to Wirral Council's Gender Pay Gap?

Workforce Gender Profile

The gender profile of Wirral Council employees in March 2020 was unchanged from 2019 with a predominantly female workforce, 63% female and 37% male.

Across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). In Wirral, the top quartile roles are occupied by more women than men, however there are higher numbers of women than men particularly in the lower quartile.

The gender profile of senior managers paid in March 19 was 56% female and 44% male. In 2020 this shifted to 61% female and 39% male.

During 2018/19 there was a re-structuring exercise, primarily in back office support services. This was a contributing factor to this shift with 42 females promoted or recruited in the upper quartile compared to 25 males.

Employment Contracts and Flexible Working

Wirral has a variety of flexible work options, e.g. full-time, part-time, term-time, seasonal, providing a number of working arrangements for individuals to choose from that fit into their work-life balance.

It is acknowledged that females are traditionally viewed as the primary carers meaning that whilst these opportunities are available to everyone employed, these employment options still tend to attract and retain more women than men.

Since Wirral has a number of roles falling into the lower quartile with minimal work hours to accommodate work-life balance arrangements, this influences the higher proportion of women in lower quartile job roles. Of the lower quartile figure, 69% are female compared to 31% males.

The percentage of part time female and male employees remains the same as 2019.

| Gender | Part Time | Full Time |
|---------------|------------------|------------------|
| Female | 32.5% | 30.5% |
| Male | 9.5% | 27.5% |
| Total | 42% | 58% |

Wirral also has a significantly higher number of women working term time or reduced working weeks compared with men. In March 2020 9.8% of females worked a reduced number of weeks per year compared to just 3.4% of male employees. Based on the definition of the calculation of the rate of pay, this reduces the hourly rate and therefore has an impact on the pay gap.

Premium Payments

Premium payments include enhanced rates for unsocial hours and weekend working. These are contractual and are generally paid to lower paid employees thus enhancing their rate. In Wirral in March 2019, 246 women received premium payments (11% of females paid) and 223 men (16.7% of males paid).

How does Wirral Council's gender pay gap compare with that of other organisations?

The vast majority of organisations have a gender pay gap, Wirral's gap continues to compare favourably to the national average and other public sector organisations.

| | | *ONS **ASHE whole sector | |
|-----------------------|----------------------------|---------------------------------|-------------|
| | Wirral Council 2020 | 2019 | 2018 |
| Median gender pay gap | 4.8% | 15.5% | 17.4% |

**Office for National Statistics*

***Annual Survey of Hours and Earnings*

Contributing factors that lessen Wirral's gap compared to the national picture are:

Wirral's adoption of the Foundation Living Wage which results in the lower quartile rates being comparatively higher than national rates.

Access to a Career Break scheme enables women to take time away from work after having children and return to work at an equivalent position and level of pay, meaning women returning to the workplace are not disadvantaged financially or with their career opportunities. This is not broadly used in the private sector and will contribute towards narrowing the pay gap.

Due to the Coronavirus outbreak, the Government Equalities Office (GEO) and the Equality and Human Rights Commission (EHRC) suspended enforcement of the gender pay gap deadlines for reporting year (2019/20), so there was no expectation on employers to report their data.

Wirral Council was one of approximately 3000 employers who reported their data via the gov.uk website. This represented only 26% of expected reporters. This means there are fewer public sector organisations with which accurate comparisons can be made for reporting year 2019/20.

Summary

Wirral's 2020 median gender pay gap reduced from 10.9% to 4.8%. The mean gender pay gap in 2020 was down from 6.9% in 2019 to 4.9%.

The gender profile was unchanged for the third consecutive year and there was no significant shift in the gender quartile profiles except in the upper quartile where there was an increase in the percentage of females from 56% in 2019 to 61% in 2020.

During 2018/19, a re-structuring exercise primarily in back office support services, was a contributing factor to this shift with 42 females promoted or recruited in the upper quartile compared to 25 males.

The launch of several personal development initiatives for managers and those aspiring to move into a management role has provided an opportunity for women to continue to steadily progress through the pay grades.

In a time of significant change for the workforce, talent management, health and wellbeing and flexible working have been a priority, all of which contribute towards addressing the gender pay gap.

As organisational change continues, we will continue to monitor the impact on our gender pay gap. We will also continue to review strategies and policies in relation to recruitment.



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | CONTRIBUTION TO THE CONSTRUCTION OF A 3G PITCH AT THE TRANMERE ROVERS TRAINING FACILITY AT SOLAR CAMPUS, LEASOWE |
| REPORT OF: | DIRECTOR OF RESOURCES |

REPORT SUMMARY

Tranmere Rovers Football Club (the Club) has a long and successful history of working in partnership with the Council to deliver commissioned services on behalf of the Council and to deliver services that are not commissioned or paid for by the Council but support the delivery of beneficial outcomes to Wirral residents.

In September 2019 the Council entered into a Partnering Agreement with the Club that highlights our good historic relationships and our ambition to work together for the benefit of the residents of the Borough. The Club is a key anchor institution within Wirral and provides many functions that support the Council's 2025 plan. In 2018, with the knowledge of a deficit of 3G football pitches across Wirral, the Club and the council talked about working together to align an initiative to jointly fund the construction of a 3G football pitch at the Solar Campus on Leasowe Road in Wallasey costing £799,779. The need for more 3G pitches in Wirral and the infrastructure of this site makes this location a prioritised option.

A 3G pitch is an all-weather (free draining) Third Generation synthetic surface consisting of a carpet like surface with artificial blades of grass supported by a layer of sand and an infill of rubber crumb. It is developed for intensive use as it is hard-wearing, durable, and resilient and enables more training and matches to be played on it as opposed to a traditional pitch.

The 2019/20 capital programme approved at Full Council on 4 March 2019 included a scheme and budget for the contribution to Tranmere Rovers Football Club for just under 50% of the construction of such a pitch at a maximum total of £375k. Planning consent was given for the construction of the pitch at the Planning Committee on 8 September 2020. This scheme was the continuation of Tranmere Rovers' plan to relocate its training facilities from Ingleborough Road to the Solar Campus.

Planning permission was approved subject to nine conditions that are currently being implemented via a working group of residents, officers and Members.

The grant will be funded from the Council's existing capital programme, with the relevant conditions laid out in the grant agreement. As the revenue impact of the Capital Programme had already been included in the 2019/20 budget approved by Full Council in March 2019, and carried forward, there are no additional financial implications for the Council taxpayer as a result of awarding the grant.

RECOMMENDATION/S

The Policy & Resources Committee are recommended to:

1. Approve the request from Tranmere Rovers Football Club Limited for a maximum contribution of £375,000 toward the costs of construction of a 3G pitch at the Solar Campus in line with the relevant Community User conditions set out in the Appendix to this report
2. Agree that the Director of Law and Governance be authorised to draw up and finalise a legal agreement between the Council and Tranmere Rovers Football Club Limited to reflect the above arrangements.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 A state of the art facility will be available for residents to use under a Community User Agreement with the Club.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not to approve the request for a contribution to the construction of a pitch from the Club. This would result in the Club not being able to construct the pitch and not provide any facilities to residents for its use.
- 2.2 The Club could apply for Football Association funding to part-fund the construction of the pitch. However this is a time-consuming process and with conditions attached and the requirement to have the pitch available as soon as possible to meet the current shortage, outweighs the rationale for this.

3.0 BACKGROUND INFORMATION

- 3.1 The Club is firmly rooted in its community and is committed to harnessing the power of football to engage with and improve the lives of those at risk of social isolation, whether through poverty, unemployment, mental or physical health issues, or any other reason. They are also a dynamic and forward-thinking Club, with diversified activities which offer many training and employment opportunities for residents, and a rapidly growing football tourism and elite football development businesses, which bring significant cash into the local economy.
- 3.2 The Club has an excellent track record of measurable delivery and success, in both charitable and wider commercial work in the Wirral community. This drives economic growth and improves the lives of some of the Borough's most vulnerable people, as well as giving locals a sense of pride and identity in their own professional football team. Working in partnership with Wirral Council will enable both parties to achieve more, and faster, than either could alone.
- 3.3 The Campus is one of Tranmere Rovers education delivery sites, proving a range of programmes for young people aged 16-23. The environment, facilities and quality delivery have proven to support the young people with their educational and career aspirations. The 3G will enable the provision to expand further, therefore providing more opportunities to wider range of residents.
- 3.4 The Wirral Plan sets a long-term plan to bring about real change – not just in what can be achieved but in the way it is delivered. The Club are committed to working in partnership to deliver the corporate objectives and their ambition is to work with all partners in the public, private and community sector to achieve higher aspirations and to achieve a better Wirral.

- 3.5 The Playing Pitch Strategy (2016) approved by Cabinet on 27 November 2017, identifies that there is a shortfall of 3G Football Turf Pitches across Wirral. Specifically, in the Liscard, New Brighton and Wallasey area, there is a current deficit of four pitches. The Wirral Local Football Facility Plan (December 2018) identifies the proposed facility at the Solar Campus as one of the key investment priorities to address this shortfall. It is important that such pitches have floodlighting so they can be used throughout the year thereby maximizing usage.
- 3.6 Research undertaken by Wirral Public Health team in 2015 highlighted a deep sense of isolation and loneliness from many residents in the borough. Few had positive role models around health and fitness and many had restricted social networks. There was a prevalence of low-level mental health problems with many experiencing inertia, fatigue and lack of hope, self-belief, and confidence. When prompted, many struggled to identify hobbies or interests, there was a strong tendency to be 'illness-focussed' and lack of aspiration to work was rife. The researchers noted a widespread inability to visualise positive progression, compounded by lack of resilience in the face of even minor setbacks.
- 3.7 People with mental health problems are significantly more likely to be obese, have two to four times greater risk of cardiovascular and respiratory disease, five times greater risk of diabetes, and are less likely to get appropriate medical care for physical problems. Life expectancy for a person with schizophrenia is typically 10 years less than the average due to poor physical health. Sports programmes such as Tranmere in the Community can help tackle this inequality - through improvements in physical fitness, encouraging reductions in smoking and drug use, and through enabling access to other health services.
- 3.8 COVID has further exacerbated the impact on social isolation and mental health amongst residents, with many services having to pause support during the pandemic. Previously these services have been a lifeline for many residents providing the only source of contact and support during the week. Tranmere Rovers in the Community not only provides physical exercise for participants but also social activities and networks in which individuals engage regularly. The programme also offers a route into volunteering and employment opportunities within the Club. The Club has supported the humanitarian response during COVID, providing food parcels and wellbeing calls to socially isolated individuals in the community.
- 3.9 In 2018 the Club and the Council agreed in principle to jointly fund the construction of a 3G football pitch at the Solar Campus on Leasowe Road in Wallasey. A 3G pitch is an all-weather (free draining) Third Generation synthetic surface consisting of a carpet like surface with artificial blades of grass supported by a layer of sand and an infill of rubber crumb. It is developed for intensive use as it is hard-wearing, durable and resilient and enables more training and matches to be played on it as opposed to a traditional pitch. The proposal is for a top quality pitch, manufactured by

- the standards required by the Football Association and FIFA approved with floodlighting to enable it to be used throughout the year.
- 3.10 The pitch will predominately be used for community use, with 61% of its usage made available to the community via a Community User Agreement. The Council's Playing Pitch Strategy identifies a deficit of playing pitches within Wirral. This proposal goes some way towards remedying that deficit and provides a state-of-the-art facility for residents to use. Whilst there will be a user charge for the pitch, this will generate income for the Club to offset the running costs, management and maintenance costs of the pitch.
- 3.11 The pitch will underpin the international business of the Club which brings beneficial economic outcomes to Wirral through accommodation and hospitality. It will also be of benefit to the Club's Education Programme.
- 3.12 The Club has secured the funding in place from its current resources to meet their 50% contribution toward the cost of the scheme, and has been ring-fenced to ensure the project can be delivered.
- 3.13 The Council will enter into a community user agreement with the Club to ensure community use of the 3G facility. The key features of the agreement will be:
- (1) An agreement period of 7 years (considered to be the life of the 3G pitch on the predicted usage)
 - (2) Affordable pricing regime (the cost of hire will be no greater than Council run facilities)
 - (3) An easy and accessible booking system
 - (4) Onsite parking and changing facilities
 - (5) Annual report from the Club to the Council so the community use can be monitored
- 3.14 The Club will operate the facility for 86 hours per week on the basis of term time/non-term time. In term time the usage will be 61 hours for community use; 15 hours for international use and 10 hours for Club/academy use. In non-term time there will be 43 hours for community use and 43 for international use.
- 3.15 The Club will generate income from pitch lettings which will be used to meet all the running costs, management and maintenance of the facility. Any profits will be reinvested back into the Club for their activities, many of which will be community related. There will be no revenue costs for the Council to meet.
- 3.16 The Council will enter into a 7-year grant agreement with the Club as this period is the estimated length of the pitch surface given the proposed intensity of use and equates with other similar facilities which need replacement normally sometime between 7 and 10 years after being provided. The pitch will have an engineered base which has a life of up to 20 years, with a carpet on top when maintained properly will have a 10-year

life. The Club guarantee they will maintain it at a FIFA standard for the period of the grant agreement.

4.0 FINANCIAL IMPLICATIONS

- 4.1 If the Committee were to agree to provide financial assistance to the Club in the form of a grant, this will be funded as approved in the 2019 – 2025 Capital Programme. Following previous approval, the financing costs are already built into the budget and therefore there are no additional unbudgeted costs impacting on revenue. The agreement in section Financial Matters (iv) (see attached appendix) protects the Council in the scenario of the Club failing to develop the site.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council has power to enter into the grant arrangement pursuant to its powers of general competence under section 1 of the Localism Act 2011.
- 5.2 The grant will be subject to compliance with the post Brexit Subsidy Control rules in the UK-EU Trade and Co-operation Agreement (TCA) Formerly Article 55 of the General Block Exemption Rule.
- 5.3 Article 55 has been replaced by the 6 Common Principles of the TCA which require the Council whenever the subsidy exceeds 325,000 Special Drawing Rights (£345,000) to:
- 1) identify an equity rationale e.g. social difficulties
 - 2) limit the subsidy to what is necessary and proportionate to achieve the objective
 - 3) demonstrate that the objective could not be achieved without the subsidy
 - 4) the subsidy should not normally compensate for the costs the recipient would have funded in the absence of a subsidy
 - 5) the subsidy is an appropriate way of achieving the social policy objective which cannot be achieved through other less distortive means
 - 6) the subsidy's positive contribution to achieving the social policy objective outweighs any negative effects on trade or investment
- 5.4 The 6 common principles have been assessed against the grant, and Annex 2: Public authorities' assessment of how individual subsidies comply with UK-EU Trade and Cooperation Agreement principles has been completed to evidence that the 6 common principles have been met

5.5 If the tests are not met, the maximum amount of the grant would be limited to the new "de minimis" amount of £345,000.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no adverse resource implications from this report.

7.0 RELEVANT RISKS

7.1 The risk is that the outcome measures arising from the grant are not met the grant does not provide value for money. To mitigate this risk the Community User Agreement has been scrutinised and is considered to be acceptable and there will be an annual monitoring arrangement of the outcome measures of the scheme put into the grant agreement.

7.2 There is a risk that the Club may not have sufficient funds to contribute to the cost of the pitch if the eventual total cost exceeds the estimated total. This will be mitigated by a condition of the grant that where the Council has to provide additional funds to ensure construction is complete, that these will be recouped from letting income.

7.3 There is a risk that the demand for the 3G pitch may not materialise, however 3G pitches are in high demand as there is a significant deficit in provision across Wirral. Reports and surveys referred to above evidence this

8.0 ENGAGEMENT/CONSULTATION

8.1 An informal Overview and Scrutiny engagement session was held on 11 September 2019 for members of all Overview and Scrutiny Committees with the Chairman of the Club, Mark Palios to discuss the Partnering Agreement. This included a Q and A session. As part of that Scrutiny meeting, members were also given the opportunity to hear the details of the funding request and challenge the governance process and assurance for this.

8.2 The Council consulted with local residents through the planning application process and the communication with local residents has continued with a number of joint meeting between residents, ward members, the Club and officers. Residents generally support the proposal for the 3G pitch but have a number of concerns around highways, security, parking and management of the facilities. All of these issues, and a number of other issues they have in the area which are not related to the Club, are being addressed through a series of additional measures. The constructive meetings between the parties will continue to address all the issues in the area as far as this is possible to do so.

9.0 EQUALITY IMPLICATIONS

- 9.1 The provision of the 3G Football Turf Pitch will support junior football, curricular usage, senior football, BAME groups, women and girls and over 50's to participate in the sport. TRFC have an Equalities Policy to support such usage. There are no direct equality implications from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The climate impacts are likely to relate to:

- The embedded carbon costs associated with manufacture, transport and installation of materials used in the construction of the pitch and ancillary facilities and those associated with decommissioning at the end of the asset's useful life.
- The climate emissions associated with ongoing energy use over the life span of the facility
- The climate emissions associated by users travelling to and from the facilities
- The content and/or recommendations contained within this report are expected to increase carbon emissions

- 10.2 As part of the conditions of Planning approval, specific conditions to be implemented have beneficial environmental and climate implications. These are:

- No tree felling, scrub clearance, hedgerow removal, vegetation management is to take place during the period 1 March to 31 August inclusive. If it is necessary to undertake works during the bird breeding season then all buildings, trees, scrub, hedgerows and vegetation are to be checked first by an appropriately experienced ecologist to ensure no breeding birds are present. If present, details of how they will be protected are required to be submitted for approval and agreed in writing
- The development hereby permitted shall not be brought into use until details of bird boxes to include number, type and location on an appropriately scaled plan as well as timing of installation, has been provided for approval and implemented in accordance with those details.
- Prior to first use, details of the floodlighting shall be submitted to an approved in writing by the Local Planning Authority. For the avoidance of doubt, the submitted details shall include (but not be limited to) beam orientation, light spill, lux levels and proposed hours of illumination. Regard should be had to Guidance Note 08/18 Bats and Artificial Lighting of the Institute of Lighting Professionals to ensure that the lighting for the proposed development is considered and will not adversely affect the functionality of the ecological receptors. The

development shall be carried out in accordance with the approved details

- A scheme of landscape proposals including a timetable of works shall be submitted to and approved in writing by the Local Planning Authority prior to first use of the proposed development. The scheme shall include but not be limited to full plans and specifications for all hard and soft landscape works including proposals for replacement tree planting and indications of all existing trees and hedgerows on the land, including those to be retained.
- All planting in the approved details of landscaping shall be carried out in the first planting seasons following the completion of the development or prior to use of the pitch hereby approved, whichever is the sooner, and any trees, shrubs, hedges or plants which within a period of five years from the completion of development die, are removed, or become seriously damaged or diseased shall be replaced in the next planting season with others of similar size and species, unless the Local Planning Authority gives written consent to any variation

REPORT AUTHOR: Shaer Halewood
(Shaer Halewood, Director of Resources (S151 Officer))
telephone: Tel: 0151 691 8688
email: shaerhalewood@wirral.gov.uk

APPENDICES

Appendix 1 Community User Agreement

BACKGROUND PAPERS

Planning Committee agenda papers 8 September 2020:

<http://democracy.wirral.gov.uk/documents/g8704/Public%20reports%20pack%208th-Sep-2020%2018.00%20Planning%20Committee.pdf?T=10>

Full Council 4 March 2019:

<http://democracy.wirral.gov.uk/documents/g7413/Public%20reports%20pack%2004th-Mar-2019%2018.00%20Council.pdf?T=10>

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|--------------------------------------|
| Planning Committee Full Council | September 2020 March 2019 |

Date:

**TRANMERE ROVERS FOOTBALL CLUB LIMITED – The
Club**

WIRRAL BOROUGH COUNCIL – The Council

Draft Agreement in relation to arrangements for
community use of sports facilities at Solar Campus

In connection with Planning Permission
APP/20/00012

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DATE

- (1) **TRANMERE ROVERS FOOTBALL CLUB LIMIED** of Prenton Park, Prenton Road West, Birkenhead, CH42 9PY (“the Club”); and
- (2) **WIRRAL BOROUGH COUNCIL** of [*insert address*] (“the Council”)

Recitals

- (i) The Council is the owner, and the Club is the long leaseholder, of the Club Premises and is responsible for their use.
- (ii) The Club wishes to install a 3G pitch on the Club Premises and is prepared to make the pitch and associated facilities available to the public in order to increase the availability of 3G facilities in Wirral.
- (iii) In return for the Club agreeing to make the 3G pitch and associated facilities available to the public, the Council has agreed to contribute a grant of £375,000 towards the costs of the Development (as hereinafter defined).
- (iv) The parties wish to enter into this Agreement in order to make the Sports Facilities at the Club

Premises available (when their use is not required by the Club) for use by the local community in compliance with the terms of this Agreement.

Definitions and Interpretation

In this Agreement the following words or phrases have the corresponding meanings ascribed to them unless the context otherwise requires:

| | |
|----------------------|---|
| Architect | A suitably qualified person, appointed by the Club. |
| Community Use | means use of the Sports Facilities by the local community including organised sports clubs, organisations working in the fields of health, wellbeing and social inclusion, and for casual use who shall have the right to enforce the provisions of this Agreement which are for their benefit in accordance with the Contracts (Rights of Third Parties) Act 1999. |
| Casual Use | means availability for any individual(s) or groups to book the Sports Facilities for use on a pay-as-you-play basis, where space is available. |
| Core Times | means 6pm to 10pm Mondays to Fridays, and 9am to 10pm on weekends. |
| Club Premises | means the land and buildings comprising part of the Solar Campus site at Leasowe Road, subject to a lease agreement dated 8 th May 2015 and made between the Club and the Council. |
| Development | means the installation of a 3G pitch and associated floodlighting, fencing and pathways, for which Planning Permission has been granted. |

| | |
|----------------------------|--|
| International Use | The availability of the Sports Facilities to visiting players and coaches from overseas |
| Parties | means the parties to this Agreement. |
| Planning Permission | means planning permission (APP/20/00012) granted on 8 September 2020 |
| Priority Groups | means those groups identified by the Parties as being under represented for the particular activity engaged in |
| Sports Facilities | means the sports facilities identified in Schedule 1/Appendix 1 to this Agreement forming part of the Club Premises. |

Aims

The Parties agree to pursue the following aims:

- Providing opportunities for the local community and sports organisations to participate in sport and physical activity for health improvement and development of their skills, particularly amongst low participant groups;
- Operating in line with the national agenda for sport taking into account nationally adopted strategies;
- Generating positive attitudes in sport and physical activity by young people and reducing the drop out rate in sports participation with age;
- Increasing the number of people of all ages and abilities participating in sport and physical activity including people with disabilities;
- Using the facilities to encourage the range, quality and number of Club sports club links and to stimulate competition that is inclusive of young people and adults;

- To provide affordable access to the facilities and to be self financing in terms of community use;
- Reducing the incidence of anti-social behaviour in the neighbourhood surrounding the Club Premises; and
- Enabling the development by the Club of an international football tourism business at Solar Campus, to encourage visitors to the Wirral and raise the profile of the area for the purposes of attracting inward investment and trade links.

Arrangements for Community Use and International Use

The Club agrees to make the Sports Facilities available for Community Use and International Use in accordance with the provisions of Schedule 2 to this Agreement

Targets for Community Use and International Use

The Club shall use reasonable endeavours to achieve Community Use and International Use targets in line with appropriate development strategies, including making a contribution to local participation targets for sporting and physical activity. The Club shall work with the Council and with local Charter Standard football clubs to provide a range of opportunities and pathways for the community. These may include existing initiatives and will also include new and local activities.

Marketing and Promotion

The Club will be responsible for marketing and promoting the Sports Facilities in accordance with the agreed aims and targets. A marketing strategy will be prepared and implemented and reviewed on an annual basis by the Club.

Management

- (i) The Sports Facilities shall be managed by the Club.
- (ii) The Club will, in accordance with this Agreement, seek to establish a practical policy framework for the

management and operation of the Sports Facilities during agreed periods of Community Use and International Use. This framework should seek to enable:

A POLICY OF AFFORDABLE PRICING TO ASSIST IN THE ACHIEVEMENT OF THE AIMS OF THIS AGREEMENT. THE POLICY WILL ENSURE THAT PRICES SHALL BE NO GREATER THAN SIMILAR LOCAL AUTHORITY RUN FACILITIES IN THE AREA;

THE PROMOTION AND FORWARD PLANNING OF DEVELOPMENT ACTIVITIES, AT TIMES WHICH BEST SUIT THE TARGET GROUPS;

EQUAL OPPORTUNITIES OF ACCESS;

AN EASY AND ACCESSIBLE BOOKING ARRANGEMENT FOR CASUAL USE AND BLOCK BOOKING, THIS SYSTEM TO BE REVIEWED ON AN ANNUAL BASIS; AND

AN APPROPRIATE MARKETING STRATEGY FOR THE MARKETING OF THE SPORTS FACILITIES FOR COMMUNITY USE.

(iii) The Club shall:

RESOURCE, CONTROL AND ROUTINELY ENSURE THE MAINTENANCE OF THE SPORTS FACILITIES IN A MANNER THAT WILL ALLOW ACHIEVEMENT OF THE AGREED AIMS,

MAKE THE SPORTS FACILITIES AVAILABLE ON THE APPROXIMATE OCCASIONS AND TIMES SPECIFIED IN SCHEDULE 2:

ENSURE PROVISION OF HEAT, LIGHT AND WATER AND SUCH OTHER AMENITIES AS REQUIRED FOR THE SPORTS FACILITIES AND THEIR INTENDED USE;

ENSURE THAT THE SPORTS FACILITIES COMPLY WITH ALL LEGISLATION AND GUIDANCE IN FORCE AT THE TIME OF THIS AGREEMENT RELATING TO ACCESS FOR DISABLED USERS; AND

COVER THE COST OF GAS, FUEL, OIL, ELECTRICITY, WATER, RATES AND TAXES THAT MAY BE ATTRIBUTABLE TO THE USE OF THE SPORTS FACILITIES.

Financial Matters

- (iv) The costs of the Development have been estimated at £799,779 and the breakdown is attached as Schedule 3 (the “Costs”). The Council has agreed to contribute a grant of £375,000 towards the costs of the Development
- (v) The Council shall pay £375,000 as a grant subject to the grant agreement, this will be paid of a phase basis as the project progresses.
- (vi) The Club shall pay the balance of the Costs and shall be responsible for any over-run in the event that the total costs exceed the estimates set out in Schedule 3.
- (vii) In the event of the Club failing to achieve completion of the Development within 18 months of the date of this Agreement, the Council shall have the right to give written notice of default to the Club requiring the Club to remedy the default within 6 months. In the event that the Club does not remedy the default

within that 6 month period,
the Council may, at its
option:

(viii)

Claw-back from the Club the £375,000 contributed by the Council to the Development; or

Take control of the Development including the right to complete and operate the Sports Facilities. In the event that the Council elects to complete the Development and operate the Sports Facilities, the Club shall lose the right to use the Sports Facilities for its own purposes other than on a paying basis with the Council's agreement.

(ix) The Club endeavours to ensure that the costs of operating and maintaining the Sports Facilities for Community Use and International Use will be fully covered by income from such use.

8.6 Any profit from the operation of the Sports Facilities, after provision for its obligations under this Agreement, may be retained by the Club and used for activities in relation to the Club's objectives.

Monitoring and Review

(x) The Club shall submit an annual report to the Council to demonstrate details of all usage, bookings, maintenance and financial matters relating to the Community Use and International Use of the Sports Facilities to assist with the development and improvement of community access and development of football tourism.

- (xi) In the event any significant changes are required to this Agreement as a consequence of each or any annual review prior written approval of each of the Parties to this Agreement shall be required.
- (xii) The Club shall not materially reduce the level of community access to the Sports Facilities without the prior written approval of the Council.

Duration of Agreement

This Agreement shall operate for 7 years. This period is the estimated time when the 3G pitch will need to be replaced based upon the use predicted. At the beginning of Year 6, of this agreement, the parties shall meet to discuss any requirements for the future continuation of community use of the 3G pitch

Authority

The Club warrants that it has the full right and authority to enter into this Agreement.

No Variations

This Agreement may only be varied in writing by a document executed by all the Parties hereto.

No Agency

Nothing in this Agreement shall be construed as creating a partnership, a joint venture, a contract of employment or a relationship of principal and agent between the parties hereto.

Severability

If any term condition or provision contained in this Agreement shall be held to be invalid unlawful or unenforceable to any extent such term condition

or provision shall (save where it goes to the root of this Agreement) not affect the validity legality or enforceability of the remaining parts of this Agreement.

Waiver

No term or provision of this Agreement shall be considered as waived by any party to this Agreement unless a waiver is given in writing by that party.

Non-Assignability

This Agreement is personal to the parties and none of them shall assign sub-contract or otherwise deal with their rights or obligations without the prior written consent of the others.

Governing Law and Jurisdiction

This Agreement shall be governed by the laws of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

Schedule 1

The plan attached at Appendix 1 highlights:

1. In Red: The outdoor sports areas and facilities to be made available for Community Use.
2. In green: two areas for parked cars; one is concrete and marked out for 27 spaces. The second is a gravel area that can accommodate approximately 40 cars, as part of the planning conditions this car park will be resurfaced and marked out.
3. In Blue: The indoor sports areas and facilities to be made available for Community Use shall comprise of two community changing rooms.

Schedule 2

1. Usage

An indicative schedule of Community Use, International Use and Club Use is as set out in Appendix 2. It is acknowledged that precise timings may change, but the proportion of time when the Sports Facilities are made available for Community and International Use, and the proportion of Core Time allocated to Community Use and International Use shall not be less than those indicated in the Appendix when taken over a 12 month period.

2. Pricing

- 2.1 A policy of affordable pricing shall apply to maximise Community Use and in accordance with the aims of this Agreement. Prices for Community Use shall be no greater than the maximum charged for similar local authority run facilities in Wirral.

3. Booking arrangements

- 3.1 An easy and accessible advance booking arrangement for Casual Use and block bookings shall be established for hire of the Sports Facilities using a standard booking form.

4. Parking Arrangements

There will be parking provision for approximately 70 cars which will be adequate based on the proposed usage of the site. Service users will be given guidance related to access, parking and a code of conduct whilst they are on the site to support with operations and reduce disturbance to local residents.

Schedule 3

Anticipated Costs

| | |
|---|-----------------|
| Preliminaries and site Establishment | £ 55,562 |
| Modular Changing facilities- | £ 268,363 |
| FIFA Quality 106mx70m 3G football Pitch (including floodlights) | £ 475,854 |
| Gross Value (excluding VAT) | £799,779 |

IN WITNESS whereof the hands of the parties or their duly authorised representatives the day and year first above written.

[Amend as appropriate]

Signed by

Duly authorised by the Club

Signed by

Duly authorised by the Council

Solar Campus 3G - Indicative Community Usage Plan – Term Time

| Day | Time | User group | Income Source |
|------------|-------------|-------------------------------------|----------------------------------|
| Mondays | 10am-12pm | Schools/colleges/training providers | Pay per use by schools/colleges |
| | 12-3pm | International | TRFC customers |
| | 3-5pm | Health based Activities | Health auth/CCG/individual users |
| | 5-7pm | TRFC Scholars/Development | |
| | 7-10pm | Grassroots Clubs training | Club hire fee |
| Tuesdays | 10am-11pm | Schools/colleges/training providers | Pay per use by schools/colleges |
| | 11-2pm | International | TRFC customers |
| | 2-4pm | TRFC Scholars/Development | |
| | 4-5pm | Health based Activities | Health auth/CCG/individual users |
| | 5-7pm | TRFC Scholars/Development | |
| | 7-10pm | Grassroots Leagues | League fee |
| Wednesdays | 10am-11am | Schools/colleges/training providers | Pay per use by schools/colleges |
| | 11am-12pm | International | TRFC customers |
| | 12-3pm | Colleges League | League fees |
| | 3-5pm | International | TRFC Customers |
| | 5-7pm | Grassroot sessions | |
| | 7-10pm | Grassroots Clubs training | Club hire fee |
| Thursdays | 10am-12pm | Schools/colleges/training providers | Pay per use by schools/colleges |
| | 12-3pm | International | TRFC customers |
| | 3-4pm | Health based Activities | Health auth/CCG/individual users |
| | 4-7pm | TRFC Scholars/Development | |
| | 7-10pm | Grassroots Leagues | League fee |
| Fridays | 10am-12pm | Schools/colleges/training providers | Pay per use by schools/colleges |
| | 12-2pm | Health based Activities | Health auth/CCG/individual users |
| | 2-4pm | International | TRFC customers |
| | 4-7pm | Grassroot sessions | |
| | 7-10pm | Youth engagement activities | User fee/grants |

| | | | |
|-----------|--------|-----------------------------|-----------------|
| Saturdays | 9-1pm | TRFC Academy | |
| | 1-3pm | International | TRFC customers |
| | 3-6pm | Girls'/womens' football | Club hire fee |
| | 7-10pm | Youth engagement activities | User fee/grants |
| Sundays | 9-1pm | TRFC Academy | |
| | 1-4pm | Youth Development Leagues | League fees |
| | 4-7pm | Womens' Leagues | League fees |
| | 7-10pm | Adult grass roots | Club fee |

Delivers - 61 hours community, 15 hours international and 10 hours Club/Academy = 86 hours per week

Solar Campus 3G - Indicative Community Usage Plan – Non-Term Time

In non-term time the 3G would be made available exclusively for International and Community usage.

Where possible, health-based activities would continue during these periods, but the focus would be on using the facility for grassroots tournaments, players and coach development, and international camps.

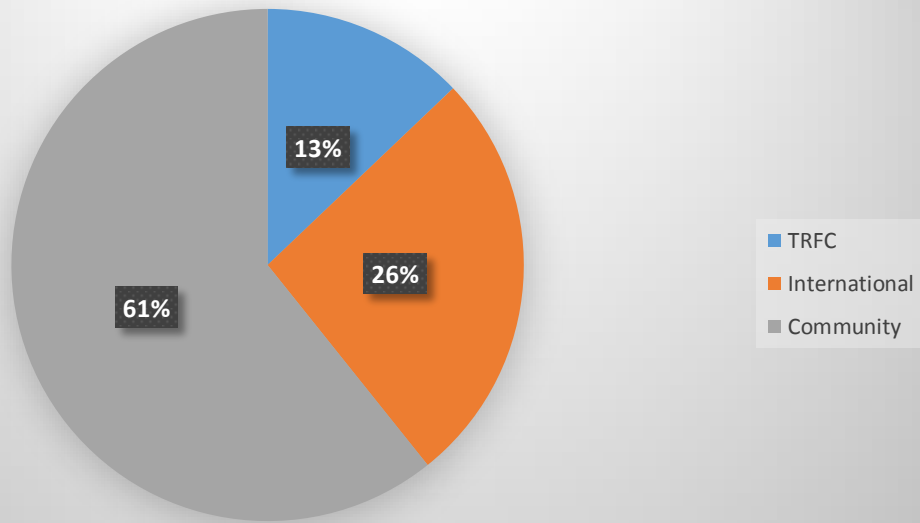
Delivers - 43 hours community, 43 hours international.

Based on 38 weeks of term time, 13 weeks of non-term time and 1 week closure for pitch maintenance, the usage split would be:

- 61% community use
- 26% international use
- 13% Tranmere Rovers Football Club use

As highlighted in the following chart

Usage



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POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|-------------------------------|
| REPORT TITLE: | NORTH WEST MUTUAL BANK |
| REPORT OF: | DIRECTOR OF RESOURCES |

REPORT SUMMARY

This report updates Members on the possibility of setting up a North West Mutual Bank which Wirral Council, in conjunction with two partner Councils Liverpool and Preston have been supporting.

This matter affects all Wards within the Borough.

The decisions in this report are key decisions.

RECOMMENDATION/S

The Policy and Resources Committee are recommended to approve the following, subject to a satisfactory due diligence exercise review:

1. Commit to jointly fund the costs/resources as outlined in paragraph 3.61 of the report to take the North West Mutual to the banking licence application stage subject to the outcome of the initial due diligence.
2. Commit to a further joint fund as specified in paragraph 3.63 to buy in to the use of intellectual property developed by other Mutuals.
3. Agree to enter into a cost sharing arrangement with other Councils for the purpose of the above.
4. Request a further report be brought to Policy and Resources Committee once the next stage is completed and prior to any investment decision with the North West Mutual.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATIONS

- 1.1 The Council at its meeting on 5 March 2019 agreed a £5.0m commitment in the capital programme 2019 – 2024 as an investment in the North West Mutual Community Bank. The proposal to create a Mutual aligns with the Community Wealth building Strategy and if successfully implemented would help to retain financial resources within the region, provide social benefits and employment opportunities benefits and help tackle financial exclusion.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could decide not to proceed with support for this collaborative initiative. However, it is believed there are strong social and economic advantages for proceeding. The level of potential investment could also be varied although this may impact upon the ability of the bank to provide the full range of activity desired.

3.0 BACKGROUND INFORMATION

- 3.1 Since 2019 Wirral Council, in conjunction with Preston City Council and Liverpool City Council, have been exploring the potential for the establishment of a North West Regional Community Bank. Respective reports were considered by Cabinets in 2019. The goal is to support the development of a trustworthy banking institution to support sustainable economic development in the region by improving access to financial services, retain banking profits in the North West and recycle the collective savings of the region into regional based business loans and mortgages.

- 3.1.1 The Council has also been assisted by the Community Savings Bank Association (CSBA), The CSBA is a co-operative society established to rebuild a network of independent, local banks in the UK, which are owned by and answerable to their customers.

- 3.1.2 A report to Cabinet in September 2019 and a member workshop in the same month provided further detail behind the need for such a bank. This is discussed further below but important factors included the need for residents and businesses to have facilities to deposit cash and receive services, the threat of lack to access to monies via withdrawal of branches and Automatic Teller Machines (ATMs) and a poverty premium for those without suitable or no bank accounts - often the most in need - having to pay more for services than those who held bank accounts.

- 3.1.3 It is intended that the bank would be established as a Mutual Bank. The bank would in effect be owned by the members who deposit monies in the bank. The Council alongside the other Council's is assisting to bring the Mutual into existence with the potential (subject to due diligence) of investing with the Mutual bank. The Council will not own or operate the Mutual Bank. The bank will be independent from any Council control. Any influence on activities would be as a member.

- 3.2 Progress to date

- 3.2.1 An Outline Business Plan for the bank has been prepared by Dr Gemma Bone (Commissioned on behalf of the three local authorities) and is attached as an appendix. The business plan is underpinned by a detailed Financial Model. The plan contains sensitive commercial information and the appendix is therefore exempt. The charge for the preparation of the plan is shared equally across all three Councils.
- 3.2.2 A legal entity, Northwest Mutual Limited, has been incorporated as a co-operative society and registered with the Financial Conduct Authority (FCA) on 28 May 2020 (registration number 4705). As an interim measure two individuals from the Community Savings Bank Association have been appointed as Directors and members, with an officer from the Association of Public Sector Excellence (APSE)) being a further member.
- 3.2.3 A basic website is up and running at www.nwmutual.co.uk and potential web names have been registered by CSBA. A current account has been opened with the Co-op Bank. £500 has been deposited by CSBA to open the account.
- 3.2.4 The outline business case recommends a total Capitalisation of £20m. The Council has previously made an in-principle commitment of contributing up to £5m. Any Council commitment would be confirmed in the future and be subject to positive due diligence outcomes. CSBA advice is that investment funding is more likely to be pledged once at licence stage – when there would be less uncertainty for investors. If not reached the regulator would likely add restrictions and further conditions to protect the viability of the bank proposal.
- 3.2.5 Due diligence – Procurement was subject to some delay but a provider has now been selected. There has been some discussion between the local authorities as to the merits of having this undertaken at an early stage of the outline business plan. Feedback from the North East was that it was not necessarily a good use of resources at the outline business plan stage, as it was essentially a financial model audit, providing limited assurance. There is potentially more advantage in it being undertaken after plans are further developed. However, awareness and understanding of key assumptions, sensitivities and risks are important for decision making at this stage. On balance it may be considered better to proceed with a due diligence review as the next step, taking care to ensure that the testing of key sensitivities are included within the scope of the review, and undertake a full due diligence exercise prior to full investment of the funds.
- 3.2.6 Future liaison between the three Councils will be required for member/public reporting.
- 3.3 The Outline Business Plan - Summary
- 3.3.1 The outline business plan for a new regional bank for the North West of England is based on the Community Savings Bank Association (CSBA) model.
- 3.3.2 North West Mutual (the bank's working title is to be confirmed) would seek to provide a customer-owned high street full-service bank to retail customers and small to medium sized enterprises (SMEs) living in or with a connection to Merseyside,

Lancashire and Cumbria (the North West Region). The bank would offer current accounts, savings, overdrafts, unsecured and secured term loans and mortgages. In some locations the bank will offer safe deposit boxes. The bank would be accessible and transparent, combining a mix of physical and digital channels with a branch network comprising staffed and automated branches alongside internet banking and a mobile banking app.

- 3.3.3 North West Mutual would be a business that seeks to generate long-term sustainable financial returns and have a positive impact on its members and in the communities within which it operates. Whilst the bank would be relatively small as banks go, it would be relatively large in terms of the impact that it will have in the region, reaching £600 million of assets by year 9. The bank's focus will be serving the needs of the whole of the North West region, providing a safe, ethical and supportive bank which will lend to businesses that are creating jobs and invest in high quality sustainable homes by driving improvement in housing and home ownership.
- 3.3.4 The bank's vision is of an inclusive and sustainable economy in which individuals, businesses and communities can thrive. Businesses would have access to an ecosystem of support that helps them to grow and flourish, people are able to live in sustainable homes and the environment is respected.
- 3.3.5 The bank's purpose would be to exclusively support the regional economy. It will aim to work for current and future generations through the provision of honest, accessible, ethical and locally rooted banking services. It will support the priorities of the North West by being based in the region, understanding the needs of the region and creating jobs by investing in businesses who are growing and helping ordinary people to own a home. North West Mutual will ensure that customers can make their money work harder for them over time, will help them to achieve their realistic home ownership plans and help them save well for the future and for retirement.
- 3.3.6 The bank would be a mutual organisation, existing to serve its members. An organisational culture built on integrity is crucial in order to create a bank that people can trust. A different kind of bank, one built on a clear set of values that is set up to serve the population of the North West, is what is needed. Its governance, strategy, products, policies, recruitment, training and remuneration would be built upon these values:
- a. The financial wellbeing of its members and their communities is at the heart of what it will do.
 - b. It will build trust through simplicity, honesty and transparency in all its conversations.
 - c. It will be fair and inclusive in all its actions and relationships.
 - d. It seeks to improve the financial capability of its members and employees and support them to achieve their aims.
 - e. It will leave future generations with a healthier natural environment than the one it has inherited.
 - f. It will deliver reliability and peace of mind for its members and employees.
- 3.3.7 The outline business case identifies an opportunity to create a new bank which is democratic, trustworthy, ethical and deeply rooted in the North West. As it will

operate with a different set of values and on a different scale to the current banking offer, it will be able to provide a more bespoke service tailored to the needs of individuals, businesses and communities in the region. There are eight macro trends that create opportunities for a bank that can both appeal to customers seeking a bank that aligns with their values, and better serve certain segments of the market that are not currently well served. These are:

- a. Loss of trust - People believe that the motivations or values of banks do not align with theirs. The vision set out here is of a bank owned by the people of the North West to support their region so that everybody can be better off.
- b. Values: social and environmental impact - Consumers are placing more emphasis on social and environmental factors in their purchasing decisions. The bank would ensure that our operations do not negatively impact on the environment, and will seek investments that actively improve the social and environmental landscape.
- c. Operational and functional distance: regional impact - How close decision-makers are physically and operationally to the people affected by those decisions has an impact on outcomes. North West Mutual will always be local.
- d. Under-provision: branch users - The North West region has lost over 38% of its branches since 2015 however many customers continue to value branches. There is a market gap for a low-cost branch offer that can meet evolving customer needs. The outline business plan is based on opening seven principal branches, each of which would have three satellite branches.
- e. Under-provision: Small to medium –sized enterprises (SME) finance - SMEs, both registered and unregistered, need access to bank current accounts and the payments system in all of its forms, for example flexible overdraft financing. North West Mutual will be part of a supportive ecosystem for SMEs and will link in with other forms of business support – if it doesn't have a product, service or facility for you, it will introduce you to someone who does.
- f. Under-provision: underbanked - Although some progress has been made, nationally over 1.2 million people still lack a current account, incurring a 'Poverty Premium'. North West Mutual would have a duty to help people access banking with support and guidance. It will seek to work with credit unions and design products that work for the financially excluded and support the existing good work in that sector.
- g. Low carbon transition - There is an anticipated growth in demand for finance for business and households to reduce their carbon footprint. This aligns values with a market opportunity for a bank with an environmental, social and governance (ESG) strategy. In section 4.2 on page 21, it is set out how the North West Mutual's values, structure and products can be designed to meet these needs.
- h. Access to Cash - There is a risk that access to cash may get even worse, as Automatic Teller Machine (ATM) providers consolidate the number of cash

machines and start charging for their services. The North West Mutual would therefore expand access to cash and will take into account local population vulnerability in branch placement decisions.

3.3.8 The outline business case identifies seven categories of potential investor which could take shares in the Bank:

- a. Other local authorities. The bank could receive equity investment from other local authorities in the region as well as long-term investment at a larger scale.
- b. Pension funds. A precedent has been set for this by the investment in Cambridge and Counties Bank by Cambridgeshire Local Government Pension Fund.
- c. Anchor/economic institutions such as Universities and Social Landlords.
- d. Impact investors, including social investment funds and religious organisations.
- e. High net worth / ultra-high net worth individuals and sophisticated investors.
- f. Regional businesses.
- g. Crowdfunding - Under consideration for the final tranche of equity capital prior to exiting mobilisation.

3.3.9 The banking regulations require that all aspects of the Bank's policies/strategies/decisions, including lending criteria etc. would have to be outside the control of the Councils. All decisions would need to be taken on a purely commercial basis, i.e. broader economic and social benefits would not be a relevant consideration. Any perceived Council influence would result in banking regulator intervention and in extreme cases sanctions such as fines and/or withdrawal of a banking license. The commercial approach required for the bank to grow its business whilst keeping default levels low could result in it not serving some businesses.

3.3.10 The financial success of a regulated North West Mutual Bank would be dependent on:

- a. Strong sustained growth in deposits and loans made.
 - b. Attracting a significant regional client base.
 - c. Securing sufficient partner funding for the investment of £20m of initial regulatory capital and the availability of further funds to maintain liquidity ratios.
 - d. Effective management of default rates and impairment losses.
 - e. A controlled cost base whilst attracting the calibre of staff needed to manage and run the bank in a very competitive environment.
- Compliance with banking regulations including the bank being outside the control of the Council and the other Local Authorities

3.3.11 The next stage is to have the resource and personnel in place during 2021. The banking licence process would then follow with the North West Mutual potentially being invited to submit its Regulatory Business plan. The timescale could potentially be shortened if the intellectual property developed by other Mutuals (see below) is bought into consideration and utilised.

3.4 Key considerations

- Due diligence
- Funding and resourcing

- The regulatory journey
- Governance and partnership arrangements

3.5 Due diligence

3.5.1 In addition to confirming the timing of the due diligence review, the scope of this work will also require careful specification. Some of the key financial risk factors which need to be considered in the feasibility decision include the possibility of significant financial losses arising from:

- lower than expected business growth (demand);
- inability to secure partner funding for regulatory capital;
- higher than expected impairment losses on defaulting loans;
- higher than expected set-up and operating costs; or
a combination thereof.

3.6 Funding and resourcing

3.6.1 Should Members wish to take the North West Mutual Bank forward from this point to the Pre-Application stage (either before or after the due diligence review) approval would be required for funding of costs estimated at £350,000 by CSBA. Cost sharing arrangements would need to be agreed by the three Councils.

3.6.2 At least two key people will need to be appointed (initially on a fixed term basis) to lead the North West Mutual to the banking application stage:

- Chief Executive
- Non-Executive Chairman

A part time Chief Financial Officer (CFO) is also expected to be required. Specialist roles and skilled head-hunters will need engaging to identify and help recruit these. All key personnel will be required to have both necessary and suitable experience to drive through the various steps required to get the licence.

3.6.3 There is an opportunity for the North West Mutual to use intellectual property already developed by Avon mutual and the South West mutual. This includes business plans, governance arrangements and the ability to learn from their experience. There is a cost estimated at up to £200,000 (split between the 3 Councils) associated with acquiring the intellectual property which would reduce if more Mutuals subsequently bought in to share the costs already expended. This would achieve a quicker and smoother timeframe and facilitate the application process.

3.7 The regulatory journey

3.7.1 The banking licence application form is around 800 pages covering full range of policies and procedures, systems descriptions, risk analysis and mitigation plans. A full Regulatory Business Plan is required which is far more detailed and will be approved by the Bank of England (BoE), the Prudential Regulation Authority and the Financial Conduct Authority. This would include details of:

- i. Locations
- ii. Products
- iii. Local research on acceptability of products, services and likely take up.

3.7.2 The BoE will also need to approve bank Directors before licence/mobilisation. The bank Directors who will be appointed to operate the bank will need to be experienced, skilled in the banking field and will need to meet the criteria to show competence to undertake such a role and be fit and proper. Prior to the licence stage the appointment of Directors will be more flexible however moving forward they will need to satisfy the criteria set out by the BoE criteria. The Directors appointed at the pre licence application stage will undertake a key role in progressing the application to the banking licence stage.

3.7.3 CBSA estimates an 18 month process to get to banking licence stage and a cost of £350,000 for salaries and other costs of pre- application preparations. Approximately £3m would then be required for other costs such as banking software/IT and set up before the bank becomes operational.

3.8 Governance & partnership arrangements

3.8.1 The three councils would join the North West Mutual as members, appointing individuals to represent them.

4.0 FINANCIAL IMPLICATIONS

4.1 Members have previously agreed at the March 2019 Budget Council meeting a £5m contribution towards the establishment of a North West Mutual Bank. A contribution was also agreed towards the cost of the initial due diligence. Wirral's share of the costs outlined above in the report if split equally would be approximately £210,000. These would be funded from the aforementioned capital programme contribution.

4.2 The North West Mutual Bank will be classed as a separate entity and therefore the Council's liability will be limited to the amount of contribution paid. Therefore the maximum financial risk for the Council is £5m contribution should the full amount eventually be invested. The Council will have no control of the Mutual Bank however it will play a joint key role in establishing the bank and ensuring experienced Directors are selected in order to progress to the banking licence.

4.3 It is proposed that a cost sharing agreement is entered into between the three authorities to enable the sharing of costs as per the recommendations. The proportion share of the costs is still to be agreed.

4.4 It is recommended that further due diligence carried out at a later stage prior to the full investment being made.

4.5 Members should be aware that the business case sets out a capital investment requirement of £20m. Investors will be required to reach the full investment requirement. If the investment sum is not reached the regulator would likely add restrictions and further conditions to protect the viability of the bank.

5.0 LEGAL IMPLICATIONS

- 5.1 A Local Authority has power under the Local Government Act 2000 to promote the economic and social wellbeing of its area, thus supporting initiatives which enable economic regeneration and development.
- 5.2 As the investment in North West Mutual may be characterised as an activity for a commercial purpose then the Council can undertake that activity providing it is through a permitted structure. The North West Mutual is a registered society and as such satisfies such a requirement.
- 5.3 Before any trading can commence, regulatory consent is required. If this is not forthcoming then the Council will lose any monies it has expended getting the bank to that stage.
- 5.4 If the entity is subsequently wound up, then the Council will have no liability beyond its initial investment.
- 5.5 Shares in the Mutual are non-withdrawable, so the Council will not be able to reclaim its share capital, and can only cease to be a member if the Directors agree to that being the case.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The Mutual's director and operational staff will be employed by the bank. The Councils will be involved in the initial recruitment process with guidance/input from specialist advisors/consultants.

7.0 RELEVANT RISKS

- 7.1 There are a range of risks associated with the progression of The Bank, however, these will be, in some part, addressed by the further due diligence exercise and the development of the business plan to Bank of England licence application stage. Should the process identify that a Mutual was not a feasible option costs incurred up to that point would not be recoverable. There is upside risk in the opportunities that a Mutual could provide to Wirral and beyond.
- 7.2. Following due diligence and dialogue with HM Treasury there is a potential that the proposal is not progressed, with the maximum exposure being the share of the development costs, further due diligence costs and any additional cost of intellectual rights if these are bought. If split three ways these would equate to approximately £210,000 per Council.
- 7.3. A further risk is that the proposal fails to attract other investors, potentially making the establishment of the bank unaffordable to the Council and partner investors.
- 7.4 The establishment of a Mutual involves a significant due diligence process and regulatory oversight from the Bank of England. The bank could only be established once it passed these stages. An outline business plan has been produced by an independent expert using the CSBA model and provides insight and suggested ways forward for developing the proposal.

- 7.5 Should the bank be established the Council would seek to invest up to £5 million to capitalise the bank. A subsequent bank failure could see all or some of these monies put at risk. Mitigation would be via the processes undertaken for achieving the banking licence which need to demonstrate proper oversight, systems and processes were in place before commencement, the appointment of suitably qualified personnel to run and oversee the bank and the regulatory framework the bank will operate within.
- 7.6 The Covid-19 pandemic may lead to changes in the economy and the way banks, businesses and individuals transact. It is too early to say what the impact this may have on any banking model. This will need to be considered as part of the development work for the business plan.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Community Bank Training was provided to all members on 10 September 2019. There has been no further consultation regarding this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 The aim in the establishment of a North West Mutual will provide a customer owned high street bank which is accessible to retail customers. Customers will include those who currently lack access to banking services and are therefore often financially disadvantaged through lack of access.
- 9.2 A full equality impact assessment will be undertaken by the North West Mutual once proposals are further developed.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 This report deals with the next stages to take the Mutual to Bank of England application stage. As plans are developed further considerations of environmental implications will be drawn out in more detail. It is intended that the Mutual will provide modern services including some modern local branch local provision which will assist with minimising travel for staff and customers whilst also offering on-line services which will also have environmental benefits. The bank expected values include the aim to leave future generations with a healthier natural environment than the one it has inherited. There is a market opportunity to help create for a bank with a strong environmental, social and governance (ESG) strategy including with a low carbon impact.

REPORT AUTHOR: Peter Molyneux
Senior Finance Manager
telephone: 0151 666 3389
email: petemolyneux@wirral.gov.uk

APPENDICES

Appendix 1: Northwest Mutual A Business Plan (Draft) - Exempt

BACKGROUND PAPERS

Background to CSBA and recent history of Regional Mutual Banks
Detailed analysis of Wirral Demographic Financial Inclusion
Northwest Mutual Business Plan Draft
Cabinet reports from Wirral, Liverpool and Preston Councils

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|---------------------------------|
| Cabinet: North West Community Mutual Bank | 30 th September 2019 |
| Council: Capital Programme | 5 th March 2019 |

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POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | CONSIDERATION OF GAINING REAL LIVING WAGE ACCREDITATION |
| REPORT OF: | DIRECTOR OF RESOURCES |

REPORT SUMMARY

This report provides a further summary of the work being undertaken to explore gaining accreditation with the Living Wage Foundation.

This matter affects all wards within the Borough.

This is not a key decision.

This follows from the report considered by Cabinet on the 27th July 2020 which resolved that:

- (1) The activity undertaken so far in working towards gaining accreditation to the Living Wage Foundation and the next steps and further analysis to be undertaken be noted;
- (2) A further report be submitted to the Policy and Resources Committee that recommends seeking accreditation from the Living Wage Foundation if the further work undertaken confirms this; and
- (3) It be noted that approval has already been made to the Care Sector under the Covid-19 response for providers to be sufficiently funded to pay their employees who are engaged on Wirral Council contracts the Real Living Wage.

This initiative supports all 5 components of the Wirral Council Plan 2020 - 25 as our contracts support all services.

- Safe and Pleasant Communities
- Sustainable Environment
- Active and Healthy Lives
- Brighter Futures
- Inclusive Economy

The requirement to provide the National Minimum Wage or National Living Wage is a statutory requirement and thus is already included in the Council's contracts.

The Living Wage Foundation is an independent organisation that recognises the leadership of responsible employers who choose to pay a Real Living Wage based on the cost of living, not just the government minimum.

There are three key reasons why it matters to pay the Real Living Wage:

- **Safeguarding workers from in-work poverty:** It is only through accreditation that local authorities can ensure that all the money they spend is being used to pay people the Real Living Wage. There is however a risk that employers will respond by employing fewer low wage employees once they become more expensive.
- **Investing in the local economy:** The cumulative impact of local authorities paying the Real Living Wage. When workers earn enough to live, they have more income to spend in the local economy provided they reside in the local area and provided local employers are not disadvantaged in competing for contracts outside the local authority by having to pay wages above the statutory minimum.
- **Demonstrating Civic Leadership:** Strong and visible leadership is important to the growth of the Real Living Wage and there is a huge opportunity for local authorities to play an even greater role, beyond their own workers, in tackling in-work poverty in their communities. If, however, contractors pass on higher wage costs to the local authority this will come at a cost to local taxpayers. Furthermore, the benefits would accrue also to those employees of local government contractors who live outside the area.

RECOMMENDATION/S

The Policy and Resources Committee are recommended to:

1. Note the further activity undertaken in working towards accreditation to the Living Wage Foundation.
2. Note that a further report will be submitted to the Policy and Resources Committee after further information is gathered in order to enable the Council to assess more accurately the costs and benefits of seeking accreditation from the Living Wage Foundation.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To confirm the Council's continued interest in adopting the Real Living Wage, which is reported by the Living Wage Foundation as being good for society and for business.
- 1.2 Improving wages plays a significant role in building an inclusive economy, therefore the Real Living Wage is an important tool because it provides a level of pay that adequately allows workers to provide for themselves and their families. As such, the Real Living Wage can help tackle inequality. Paying a Real Living Wage can also boost the local economy by giving workers more money to spend on goods and services, but this will come at the expense of either the local authority or the local employer or a mixture of both.
- 1.3 Accredited employers are able to display the Living Wage Employer Mark to recognise their commitment to the Real Living Wage. This includes a plaque, merchandise and digital assets to demonstrate that they are a responsible employer to their staff and networks. The employer will also be listed on the Living Wage Foundation website and employer map, with their accreditation often recognised in the media.
- 1.4 The Living Wage Foundation recognises and celebrates the leadership shown by Living Wage employers across the UK. The aim is to increase the number of employers in the UK who are recognised for paying their staff the Real Living Wage. The Real Living Wage is an hourly rate set independently and updated annually.
- 1.5 If the Council decides to apply for formal accreditation, it would require providers/suppliers to the Council, including sub-contractors, to all pay the Real Living Wage, in addition to that rate being paid for directly employed staff. The Public Contract Regulations 2015 do not, however, allow local authorities to evaluate tenders or exclude tenderers by reference to the wages paid to their employees. Regulation 70 does, however, allow local authorities to lay down special conditions including social and employment-related considerations, but they must be linked to the subject matter of the public contract. This means that any obligation imposed upon a contractor to pay the Living Wage would have to be limited to those workers who were employed on the contract and could not extend beyond the period of the contract.
- 1.6 Phased accreditation recognises that full compliance won't be made at the outset, and the Council will have three years to achieve this, which is in line with the approach that other Councils have taken. The report includes proposals to develop a three year milestone plan with an ambition to secure full compliance within that time.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could decide not to apply for accreditation, and to continue to work with our suppliers and providers on an informal and unaccredited basis but this is likely to

prove difficult to apply without the esteem and recognition that the accreditation offers.

- 2.2 The Council could decide that having regard to its current financial condition this is not the time to incur higher procurement costs.

3.0 BACKGROUND INFORMATION

- 3.1 Contact has been re-established with the Living Wage Foundation who were able to give more details on some issues to prepare for a submission for application. Contracts entered into collaboratively with other Councils, as joint contracting authorities or within national frameworks would be excluded as Wirral Council would not be able to set the minimum salaries for those employees, although we would be expected to use our influence to try and encourage payment of the Real Living Wage.
- 3.2 The Council is able to apply to the Living Wage Foundation for phased accreditation. This approach provides a three year period during which the Council can work towards achieving full compliance. This is in line with the approach that other Councils such as Oldham, Salford and Blackpool have taken. On making a successful application for phased accreditation, employers are then licensed to use publicly the mark of a Living Wage employer.
- 3.3 In order to achieve full accreditation at the end of this three year period all providers and suppliers to the Council, including sub-contractors, would be required to pay the Foundation Real Living Wage, in addition to that rate being paid for directly employed staff aged over eighteen (excluding apprentices and interns, but not trainees) but subject to the qualifications in paragraph 1.5 above.
- 3.4 In order to secure Living Wage accreditation, the Council needs to:
- Ensure all Wirral staff are paid the Foundation Real Living Wage. For Directorate staff, there is already an ongoing commitment to increase the minimum hourly rate in line with the Living Wage Foundation, effective from April each year.
 - Develop the Milestone Plan for the Council, highlighting which contracts are currently compliant with the Real Living Wage and which contracts will need to be reviewed over the next three years (this work is ongoing).
- 3.5 Community and voluntary controlled schools would also have to pay their staff the Real Living Wage. The Council may have to remind schools where they have an alternative payroll provider that the uplift will need to be applied. Academies are outside of scope for consideration however, we would anticipate having discussions with Academies taking a borough-wide approach to building an inclusive economy.
- 3.6 We would also need to work with our wholly and partly owned companies, Wirral Evolutions and Edsential to identify the implications of paying the Real Living Wage to all of their staff.
- 3.7 The Corporate Procurement Team would liaise with all of the suppliers identified in the scoping exercise requesting them to pay the living wage voluntarily. The relevant Commissioning teams would also need to be involved for contracts in their specific

areas. The outcome of those enquiries would better enable the Council to assess the effects of adopting the Living Wage.

- 3.8 Contracts entered into with other Councils, either on a collaborative basis or through national frameworks would be excluded as the Council would not be able to set the minimum salaries for those employees, however, we would be expected to use our influence to try and encourage payment of the Real Living Wage.
- 3.9 The Living Wage Foundation is clear in its 'frequently asked questions' regarding the issue of contractors who refuse to pay the Real Living Wage, and states that the next tender process should be used to find someone who will. As the Council has contracts going beyond the three year maximum of the milestone plan timescale, it is possible that some existing suppliers may refuse to pay the Real Living Wage particularly in these times of economic distress caused by the pandemic
- 3.10 Detailed work has commenced to fully understand the implications of applying for accreditation and to develop a milestone plan that includes the steps that would be taken in order to achieve accreditation over the course of the next three years. It is this milestone plan that would form the basis of our application to the Living Wage Foundation. Additionally, this work would establish the budget implications of working towards full accreditation over that three year period and therefore better inform the Council of the consequences before it reaches a decision to apply for accreditation.
- 3.11 Given the research undertaken and the implementation models adopted by other Local Authorities, there are high hopes that the Council's application for accreditation would be approved by the Living Wage Foundation but the accreditation could not compel the Council to treat contractors in ways that were not permitted by the public procurement legislation.
- 3.12 Wirral Council would be the first council in the Liverpool City Region to apply for accreditation with the Living Wage Foundation.
- 3.13 The Living Wage Foundation explicitly acknowledges the difficulties Local Authorities encounter when they try to drive the Real Living Wage throughout their contracted adult social care workforce and that there is no simple or cost-free fix. Nonetheless, significant progress is being made by determined councils nationwide. The Foundation does not exclude adult social care workers from its requirement that all council contractors be paid at least the Real Living Wage, but it does accept that in many cases this will be the hardest category of contractor to resolve, and likely the one which will take the longest. Higher wage costs could be passed on to those in need of social care and be a further strain on adult social services budgets.
- 3.14 To make a real impact in this area, the Living Wage Foundation takes a proactive approach:
 - Locally – advising on the steps required to achieve the Real Living Wage for the social care sector.
 - Regionally - fostering collaboration and joint commissioning between local authorities within regions to implement the Real Living Wage where this is practicable.

- 3.15 The Living Wage Foundation advises that Real Living Wage accredited Local Authorities have not found that providers have become uncompetitive as a result of implementing the Real Living Wage in their procurement processes. In most cases, contractors still compete and bid for their work as they did before. By implication however, the findings were that some contractors did withdraw from local authority contracting so the Council should carry out further enquiries e.g. through the Wirral Chamber of Commerce on the impact on small and medium sized enterprises (SME's)
- 3.16 To achieve accreditation the Council will need to:
- Identify all relevant contracts that need the Real Living Wage embedded, with target dates for implementation.
 - Build Real Living Wage into all terms and conditions, qualification questionnaires and future supplier communications subject to the constraints of the public procurement legislation.
 - Plan how this will be managed and reported annually to the Living Wage Foundation.
 - Establish which contracts would not be suited such as supply contracts.
 - Collate all third-party contracts and identify which would fall within scope of the Real Living Wage licence agreement. The Living Wage Foundation will assist us to review this to make sure all relevant staff are covered.
 - Budget for the Real Living Wage in all new and renewal of such contracts. This will be easier for some contracts than others.
 - Work with the Living Wage Foundation to set target dates for when the Real Living Wage would be implemented in each contract. These target dates should be within three years of accreditation and would form 'milestones' that are continually monitored. Once this has been agreed, the local authority could become an accredited Real Living Wage employer.
 - Include the Real Living Wage in our procurement approach and as part of standard terms and conditions as a permanent requirement.
 - Record how many workers have their wages uplifted in each council contract.
 - For contracts where the application of the Real Living Wage is expected to be more problematic in terms of the financial implications and pressures, these contracts would be included in the final term of the three year plan to ensure that sufficient time was available to address the financial issues. The Living Wage Foundation has granted extensions beyond the three year term if the Council can demonstrate that it is continuing to work with suppliers to deal with financial pressures.
- 3.17 The National Living Wage as announced at the 2021 budget and effective from the 1st April is £8.91. The Real Living Wage is currently £9.50.
- 3.18 The Chancellor has increased the Living Wage from £8.72 to £8.91 but this is unlikely to lead to additional costs in existing contracts because of the controls within our existing terms and conditions. It is more likely to have an effect on new contracts but it is not possible to forecast this impact presently. The increase in the Living Wage does not have an impact as yet on the Real Living Wage accreditation process.

4.0 FINANCIAL IMPLICATIONS

- 4.1 As this report is not seeking approval to proceed, there are no direct financial implications, however, the introduction of a requirement for the Council's contractors to pay the Real Living Wage may increase contractors' costs which Small and Medium Enterprises (SMEs) would have a lower capacity to bear than larger companies and thus could be disadvantaged in competitive procurements. In our consultations with other Local Authorities who were already applying the Real Living Wage, there was no evidence that SME's were affected in their ability or interest in submitting bids to the Council. SME's in Wirral could be directly consulted on the likely effects through the Wirral Chamber of Commerce
- 4.2 It is estimated that the total cost to the Council of implementing the Real Living Wage is between £630k and £1.2m, (excluding care contracts) however individual contracts would be subject to discussion and would be managed according to procurement and contract management principles to deliver best value. A further report to the Committee would contain more information on those costs and the extent to which they could be mitigated
- 4.3 The Impact of applying the Real Living Wage in social care indicates further significant budget pressure.
- 4.4 The current budget position of the Council continues to be complex and challenging and if the Committee were to agree a future recommendation to apply for the accredited status, offsetting savings would have to be found in advance to enable a growth item to be included in the Medium Term Financial Plan over three year period to ensure a balanced position can be reported.

5.0 LEGAL IMPLICATIONS

- 5.1 The position with regard to the Council as an employer is straightforward in that it can make a decision to pay at least the Real Living Wage to its employees, having regard to the Council's fiduciary duty and duties in respect of equalities and employment legislation.
- 5.2 Blanket requirements leading to the exclusion or marking down of tenderers who did not pay the Living Wage would be unlawful under the Public Contracts Regulations 2015
- 5.3 Section 17 of the Local Government Act 1988 and Regulations 18 of the Public Contract Regulations 2015 requires contracting authorities to treat economic operators equally and without discrimination including discrimination in terms of the terms and conditions that are in operation by those contracts. Terms and conditions of employment can only be taken into account in so far as they promote Social or Best Value i.e. greater efficiency, economy and effectiveness in the delivery of local services. This in turn requires a cost benefit analysis to be undertaken. This could be included in a further report.
- 5.4 The Public Services (Social Value) Act 2011 requires that the Council, when it is commissioning public services, should think about how it can also secure wider

social, economic, and environmental benefits for the Council's area. In many cases the beneficiaries will include the workforce of contractors based outside the Borough and any benefit to the workforce of a local contractor may be offset by the increased cost to the local employer or taxpayer. This is a factor to be taken into account before reaching any decision.

- 5.5 In respect of fair procurement practices and anti-competition legislation, caselaw in respect of cross-border tendering has determined that imposing a measure that sets a minimum wage on contractors or sub-contractors of a tenderer can constitute an unfair "additional economic burden that may prohibit, impede or render less attractive the provision of their services", which would make that measure unlawful. This case law is complicated but would still apply after Brexit since the EU/UK Trade and Co-operation Agreement prohibits discrimination against EU providers and that would probably include low wage EU providers offering services to be delivered remotely by employees in their home countries. There are some measures that are justifiable, and it is clear from consultation with other local authorities who are already applying the Real Living Wage to contracts that it is not imposed on suppliers and bids are not excluded or discounted if tenderers are unable to comply with a request to include the Real Living Wage.
- 5.6 Alongside discussions held with other authorities, the Government and LGA, further consideration needs to be given as to whether the steps available to the Council would practically enable it to achieve full accreditation as a Real Living Wage employer under the current requirements of the Living Wage Foundation.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The Council already pays the Real Living Wage to staff. This includes apprentices and is therefore fully compliant with this requirement.

7.0 RELEVANT RISKS

- 7.1 The financial challenge of gaining accreditation will be too great for the Council to address and full accreditation at the end of the planned programme will not be achieved.
- 7.2 Schools may choose not to pay the RLW. The foundation have assured us that this would not prevent the Council from gaining accreditation but they would expect the appropriate approach to schools to be made as part of the application process
- 7.3 Contractors may choose not to pay the Real Living Wage and the Council cannot force them to do so. The Living Wage Foundation accepts that this may be the case and that not all contractors will agree and therefore the accreditation process would not be affected. For this reason, this should not affect the Community Wealth Building Strategy
- 7.4 The costs of applying the Real Living Wage may be greater or less than the estimated value from the survey. A greater cost would place additional pressure on budgets.

- 7.5 Suppliers may consider that the Real Living Wage would be a barrier to the submission of bids, however, as the the payment of the Real Living Wage is optional, it is unlikely that suppliers would choose not to bid for contracts,
- 7.6 The three year plan to implement the Real Living Wage may be insufficient time to complete the application of the Real Living Wage into the nominated contracts. If the three year term expires without completion, the Living Wage Foundation would be approached to grant an extension.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 A survey of 50 contracts and 40 providers has been conducted to support the details of this report, details of which were included in the previous report to Cabinet on the 27th July 2020.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment has not been completed because internal, direct employees of the Council are already being paid the Living Wage. As this report focuses more on the external situation with suppliers, there are not yet sufficient data available to be able to undertake any meaningful analysis with respect to equality impact. It would not be practical to request this type of data from suppliers, particularly as many are smaller suppliers, where giving details of protected characteristics of employees would mean that they are personally identifiable.
- 9.2 Applying the Real Living Wage to tendered contracts will help improve socio economic conditions for all including those with protected characteristics. but could have an adverse effect on the elderly and the disabled if the cost of social care rises as a result. To the extent that women and young people are disproportionately represented in the low paid, they would benefit provided they did not lose their employment because e.g. they were employed by an SME that had to reduce its workforce in order to meet the cost of the Living Wage.
- 9.3 Before any decision was made the Council would be required by law to carry out a full and proper equality impact assessment of the likely implications of the Living Wage for persons with protected characteristics. This could be undertaken in a further report

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The content and recommendations contained within this report are expected to have no impact on emissions of greenhouse gases.

REPORT AUTHOR: Keith Patterson
(Keith Patterson, Head of Commercial Procurement)
telephone:
email: keithpatterson@wirral.gov.uk

APPENDICES

None

BACKGROUND PAPERS

Supplier Survey
Living Wage Foundation guidance documents

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|---------------------|
| Cabinet | 27 July 2020 |



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | ANNUAL WORKFORCE MONITORING REPORT 2019/20 |
| REPORT OF: | DIRECTOR OF RESOURCES |

REPORT SUMMARY

This report provides Policy and Resources Committee with the annual Workforce Equality Report for 2019/20.

In addition, it also provides Policy and Resources with an update in relation to data gaps in our workforce equality information.

RECOMMENDATION/S

The Policy and Resources Committee are recommended to:

- a) approve publication of the annual Workforce Equality report to meet our legal requirements under the Public Sector Equality Duty (PSED) 2011.
- b) note the position in relation to workforce equality performance and the progress made by the Council in relation to producing, analysing and publishing workforce data.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The purpose of this report is to ensure the Council meets the legal requirements under the Public Sector Equality Duty (PSED) 2011.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The PSED sets out the framework for producing, analysing and publishing workforce data.

3.0 BACKGROUND INFORMATION

- 3.1 The Equality Act 2010 came into force in October 2010. The general duty of the Equality Act 2010 has three goals:

- To eliminate any unlawful discrimination, harassment and victimisation
- To advance equality of opportunity
- To foster good relations between different groups of people.

- 3.2 The Workforce Equality Report for 2019/20 is provided at Appendix One.

- 3.3 Employment and Appointments Committee were previously presented with a detailed annual Workforce Equality Report in March 2020.

- 3.4 As part of the summary action plan in that report, a targeted 'staff confidence' campaign was included to help narrow the gaps in data. This has now been undertaken and has seen an improvement in the level and detail of data collected which is detailed in the report. The Council respects employee's rights not to declare personal information and provide a 'prefer not to say' responses in all categories.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The PSED sets out the framework for producing, analysing and publishing workforce data.

5.0 FINANCIAL IMPLICATIONS

- 5.1 There are no direct financial implications as a result of this report.

6.0 LEGAL IMPLICATIONS

- 6.1 The Council has a legal duty under Equality Act 2010 and Public Sector Equality Duty April 2011.

7.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 7.1 There are no direct resource implications as a result of this report.

8.0 RELEVANT RISKS

Non-compliance with the Equality Act 2010 and PSED April 2011.

9.0 ENGAGEMENT/CONSULTATION

The annual Workforce Equality report forms part of the work plan of HR / OD and is the basis of the governance arrangements for workforce equality. As part of the action plan to minimise data gaps, staff confidence campaigns took place throughout 2019 to raise awareness.

The insight, findings and progress on actions within the report are shared with Trade Union colleagues.

10.0 EQUALITY IMPLICATIONS

The annual Workforce Equality Report and action plan aim to reduce equality data gaps and form part of our legal requirements under the PSED April 2011.

11. ENVIRONMENT AND CLIMATE IMPLICATIONS

The content and/or recommendations contained within this report are expected to have no impact on emissions of Greenhouse Gases.

REPORT AUTHOR: Maxine Joynson
OD Officer (Equality, Diversity and Inclusion)
telephone: 0151 691 8165
email: maxinejoynson@wirral.gov.uk

APPENDICES

- 1) Workforce Equality report 2019/20

BACKGROUND PAPERS

The information contained within the core monitoring report has been extracted from the HR data collection system and the Employee relations data collection system. As the information relates to staff this is confidential as it may contain personal details about employees.

This report builds on the previous Workforce Monitoring report for 2018/19 and provides updated information and trend analysis across all areas.

SUBJECT HISTORY (last three years)

| Council meeting | Date |
|---------------------------------------|--------------|
| Employment and Appointments Committee | 3 March 2020 |
| Employment and Appointments Committee | 5 March 2019 |
| Employment and Appointments Committee | 27 June 2017 |

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Workforce Monitoring Report

2019 – 2020



Wirral council is committed to making information accessible to everyone. You can visit your local one stop shop or telephone our call centre on (0151) 606 2020 for support and advice if you need information translated or in another format such as large print, Braille or audio.

| |
|---|
| <p>مجلس ویرال Wirral ملتزم بیامكانية توفير المعلومات ليتمكن الحصول عليها بواسطة كل فرد. يمكنك الذهاب الى وحدة الخدمات المتعددة او اتصل تلفونياً على مركزنا للاتصالات على الرقم 2020 606 (0151) للمساعدة والنصح إذا ترغب في المعلومات مترجمة او في شكل آخر كالكتابة بخطوط كبيرة، بكتابة بريل او شريط كاسيت.</p> |
| (Arabic) |
| <p>উইরাল কাউন্সিল সকলের কাছে তথ্য পৌছে দেওয়ার জন্য দায়বদ্ধ। আপনি আমাদের ওয়ান-স্টপ-শপে ভিজিট করতে পারেন বা আমাদের কল সেন্টারে (0151) 606 2020—এই নম্বরে সাহায্য ও পরামর্শের জন্য ফোন করতে পারেন যদি আপনি তথ্য অনুবাদিত, অন্য ফরম্যাটে, বড়ো হরফে ছাপায় বা ব্রেইল লিপিতে পেতে চান।</p> |
| (Bengali) |
| <p>偉盧鎮議會致力為所有人士提供資訊。如果您需要某些資料翻譯成其他語文或編制成其他模式的版本（如大字體、凸字或錄音帶），您可以到就近的「一站店」或致電「傳訊中心」（0151606 2020）查詢。</p> |
| (Mandarin) |
| <p>Tá Comhairle Wirral tiomanta le heolas a chur ar fail do gach duine. Is féidir leat cuairt a thabhairt ar an ionad ilfhreastail is áitiúla duit nó glaoch a chur ar an lárionad glaonna s'againn ar (0151) 606 2020 chun tacaíocht agus comhairle a fháil má tá eolas de dhíth ort aistrithe nó i bhfoirm éigin eile, mar shampla, cló mór, Braille nó ciosmheáin.</p> |
| (Gaelic) |
| <p>विरल कौंसिल, सभी लोगों के लिए जानकारी को पहुंचयोग बनाने के लिए वचनबद्ध है। यदि आपको किसी जानकारी के हिन्दी में अनुवाद की या किसी और रूप में जैसे कि बड़े अक्षरों में छपाई, बरेल में या कैसिट के रूप में अवाश्यकता हो तो सलाह और सट्टा प्राप्त करने के लिए आप अपनी स्थानीय वैन स्टाप शाप में जा सकते हैं या इस नम्बर पर (०१५१) ६०६ २०२० पर हमारे किसी भी एक काल सेंटर में टैलीफोन कर सकते हैं।</p> |
| (Hindi) |
| <p>Rada Miejska Wirral stara się, aby informacje były dostępne dla wszystkich. Mogą Państwo odwiedzić miejscowy ośrodek informacyjny (one stop shop) lub zadzwonić do naszego biura obsługi klienta pod numer telefonu (0151) 606 2020 po wsparcie i porady, jeśli informacje wymagane są w innym języku lub formacie, np dużym drukiem, w wersji audio lub w alfabecie Braille'a.</p> |
| (Polish) |
| <p>ਵਿਰਲ ਕੌਂਸਲ ਸਾਰਿਆਂ ਲਈ ਜਾਣਕਾਰੀ ਪਹੁੰਚਯੋਗ ਬਣਾਉਣ ਲਈ ਵਚਨਬੱਧ ਹੈ। ਜੇ ਤੁਹਾਨੂੰ ਜਾਣਕਾਰੀ ਦੇ ਪੰਜਾਬੀ ਵਿੱਚ ਤਰਜਮੇ ਦੀ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿੱਚ ਜਿਵੇਂ ਕਿ ਵੱਡੇ ਅੱਖਰਾਂ ਵਿੱਚ ਛਪਾਈ, ਬਰੇਲ ਵਿੱਚ ਜਾਂ ਕੈਸਿਟ ਦੇ ਰੂਪ ਵਿੱਚ ਲੋੜ ਹੈ ਤਾਂ ਸਲਾਹ ਅਤੇ ਸਹਾਇਤਾ ਲੈਣ ਲਈ ਤੁਸੀਂ ਆਪਣੀ ਸਥਾਨਿਕ ਵੱਨ ਸਟਾਪ ਸ਼ੌਪ ਵਿੱਚ ਜਾ ਸਕਦੇ ਹੋ ਜਾਂ ਇਸ ਨੰਬਰ (0151) 606 2020 ਤੇ ਸਾਡੇ ਕਿਸੇ ਕਾਲ ਸੈਂਟਰ ਵਿੱਚ ਟੈਲੀਫੋਨ ਕਰ ਸਕਦੇ ਹੋ।</p> |
| (Punjabi) |
| <p>Gollaha Wirral waxa uu isku xil-saarey in uu wargelinta ka yeelo wax uu qof walba heli karo. Waxa aad booqan kartaa Dukaanka Hal-Mar-Joogsiga ah ee xaafadaada ama sooba wac xarruuntayada soo wicitaanka oo laga helo (0151) 606 2020 si aad tageero iyo la tallin uga hesho haddii aad u baahan tahay in wargelinta luqad kale loogu turjumo ama looga soo dhigo qaab kale sida far waaweyn, farta ee Braille ama cajallad maqal ah.</p> |
| (Somali) |
| <p>ویرال کونسل معلومات کو ہر ایک کیلئے قابل رسائی بنانے کیلئے پابند عہد ہے۔ اگر آپ کو معلومات ترجمہ شدہ یا کسی دیگر شکل جیسے بڑے حروف، بریل یا آڈیو کی شکل میں مطلوب ہو تو آپ مدد اور مشورے کیلئے اپنے مقامی ون اسٹاپ شاپ پر آسکتے ہیں یا ہمارے کال سنٹر کو 2020 606 (0151) پر فون کریں۔</p> |
| (Urdu) |

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Foreword

I am pleased to present Wirral Council's Workforce Equality report for 2019/20, which provides equalities information on our workforce in accordance with the Equality Act (2010) and Public Sector Equality Duty (2011). This report also outlines some of the key initiatives and actions we have undertaken to improve equality outcomes and to ensure we remain an inclusive employer.

Wirral Council is one the largest employers in the borough with 83% of our staff living locally. The Council strives to deliver, and continuously improve, excellent services for our residents. A diverse workforce, who feel supported and included, is key to this and the Council is committed to developing a workforce which is broadly representative of the communities which we serve.

The Public Sector Equality Duty requires public authorities to consider how their policies or decisions affect people, including staff, who have a protected characteristic under the Equality Act.

There are nine protected characteristics:

- age
- disability
- gender reassignment
- marriage and civil partnership
- pregnancy and maternity
- race
- religion or belief
- sex
- sexual orientation

The information in this report helps us to monitor our progress and performance in respect of workforce equalities. We will use this information and engage with our staff regularly to identify improvements that can be made and to address imbalances between those who share a protected characteristic and those who do not.



A handwritten signature in black ink, consisting of stylized, overlapping letters that appear to be 'J.B.' or similar initials.

1. Executive Summary

This report draws upon the key findings and actions from analysis of our workforce data in 2019-2020 as required by the Public Sector Equality Duty. The data we collect and what we do with the information is detailed in the council's Workforce Monitoring Policy. All comparable datasets contained within this report relate to Wirral population figures taken from the Census 2011.

1.1. Key findings and actions

- At the time of reporting, around 99.1% of employees had provided information regarding their protected characteristics. This is a 5.2% change from last year. This includes employees who declared that they would 'prefer not to say (PNTS).' The number of employees providing information has continued to increase year on year over the last three years.
- For some protected characteristics, the proportion of staff who have declared they would 'prefer not to say' is higher than for others. Most notably, 24% of staff indicated they would 'prefer not to say' in respect of sexual orientation and 25% in relation to religion and belief. The reasons for this are unknown however more employees have declared this information over the last 12 months, and we have narrowed the data gap by 3% and 2% respectively from last year's report. It could simply be because staff feel this is personal information that they do not wish to share with their employer. This will however be explored further, and staff views invited.
- To reduce data gaps, we have taken steps to increase staff confidence in providing equalities information through awareness raising campaigns and targeted communication, explaining that it helps us to monitor the impact of key policies, plans and decisions. For example, including information in our managers communication (Manager View), encouraging staff to review and update their personal information and via our staff network groups. The increase in staff providing information suggests these campaigns have been successful and we

will continue to undertake them. However, it is important to recognise and respect that the provision of such information is a personal and optional choice for staff.

- As of 1 April 2020, the total headcount within the Council was 3,246. This is a slight increase of 37 from last year and is a reverse in trend in previous years where there had been a reduction in overall headcount. The Council remains a large employer on the borough and our workforce demographic has remained fairly stable.
- The workforce is ageing, with over half (60%) aged over 46. This however is a lower proportion than last year (63%). The average length of service is 25 years plus. There is therefore a need to ensure effective workforce and succession plans are in place. Additionally, we need to ensure we support the needs of an ageing workforce, which will be a key consideration of workforce strategy and succession planning.
- We will continue to develop and grow our apprentice and graduate schemes, which have been successful in increasing the diversity of the workforce from an age perspective. In 2019/2020, 21% of new starters to the organisation were aged between 16-25, just over a quarter were graduates or apprentices and directly attributable to these schemes.
- The workforce is predominantly female, with a third of female staff falling within the 46-55 age group. This age group is most likely to be experiencing perimenopause or menopause and could have caring responsibilities. In recognition of this, during 2018/19 we launched a Working Carers Policy with associated training for managers, set up a staff network group, and launched a Carer's Passport Scheme. We also produced 'Menopause in the Workplace' guidance accompanied by staff workshops and introduced a menopause related absence category for recording menopause-related absences. Moving forward we intend to create a staff network group for women experiencing menopause to ensure as an employer we provide appropriate support to this staff group.

- As a Council, in comparison to the local population data (5.4%, Census 2011), we are under-representative of the Black, Asian and Minority Ethnic (BAME) background (2.7%). This is a trend across the Liverpool City Region based on data shared at the LCR Race equality group. However, there has been a slight increase in the proportion of staff from a BAME background from the previous year. This year there is representation at Chief Officer level at 3.1%. As part of our Recruitment and Selection strategy we will increase engagement with BAME community groups to ensure our selection processes are inclusive.
- The number of employees with a declared disability has broadly remained the same over the last 3 years, representing 8% of the workforce. However, 12% employees have 'preferred not to say' in respect of this protected characteristic. We will take steps to close the gap of 'prefer not to say' by increasing staff confidence to declare a disability to ensure we can support appropriately in the workplace.
- We are a Disability Confident employer and are committed to advancing opportunities for disabled candidates. Prospective disabled candidates are automatically guaranteed an interview providing they have met the essential criteria. Analysis of job success rates told us that the success rate of disabled candidates appointed is slightly lower than non-disabled during the last 12 months. However, within the last three years the disparity between success rate of disabled to non-disabled has reduced year on year. For example, in 2017-18 21% of disabled candidates were appointed, in 2018-19 this increased to 58%, and in 2019-20 this increased again to 66%.
- Whilst we hold data in relation to our employment practices e.g., exit interviews, it is limited. We will therefore take action to obtain and interpret more qualitative information in these areas to identify and address hotspots, issues, barriers and opportunities.

1.2. What we have achieved to date

In 2018 the Wirral Council People Strategy was first approved. Equality, Diversity and Inclusion (EDI) is a thread running through this. The People Strategy is aligned to and underpins Council strategies and plans. It provides the framework for us to:

- Be a modern, forward-thinking organisation that delivers excellent services to residents
- Maximise the potential of our workforce
- Ensure we are an employer of choice
- Ensure a culture in which residents are placed at the heart of everything we do
- Ensure all staff are supported, developed, engaged and feel included so that we can be a high-performing council.

Within the year 2019-20, we undertook a range of EDI related programmes and events as part of the People Strategy, to raise awareness of EDI and to bring staff groups together. For example, Show Racism the Red Card, Carers wellbeing day, International Women's Day and mental health awareness events. These activities and events continued, albeit virtually during 2020-21.

During 2020, we have taken into account the potential impact of the COVID-19 pandemic on the workforce and staff groups such as working carers, in our approach to developing workforce policy and support. We have also undertaken a series of staff surveys followed by action plans to address findings throughout the pandemic.

During 2020 we also established staff network groups for LGBTQ+ and employees returning from maternity leave. We will continue to support and encourage more staff network groups and will work with the Liverpool City Region Race Equality Forum to develop a BAME staff network group.

Additionally, since the publication of the last workforce monitoring report we have:

- Carried out staff confidence campaigns and further reduced data gaps by 5.2%
- Developed an unconscious bias learning module for recruitment.
- Implemented a new internal Equality, Diversity and Inclusion (EDI) policy

We will also continue to build upon the success of our graduate and apprenticeship schemes. These have been successful in increasing workforce diversity from an age perspective, and provide fantastic opportunities for people of all ages, including young people from Wirral, to start a fulfilling career with the Council. Our Apprenticeship First approach to recruitment will enable us to grow our own talent and ensure clear career pathways.

We have, for the first time, included promotion success rates in this report and will monitor this moving forward to ensure there are no adverse disparities for any protected groups.

1.3. Next steps

The information contained within the report provides useful insight on our workforce composition and helps us to consider the impact of our employment policies and procedures. An action plan to address issues and opportunities has been developed (Appendix One). This action plan is aligned to our People Strategy, which will be refreshed during 2021 with an increased focus on Equality, Diversity and Inclusion.

2. Introduction

This report provides data on the workforce profile of Wirral Council in 2019/20. Wirral Council collects, publishes and monitors staff diversity data in order to:

- Check how representative we are according to the local population, where possible.
- Consider and review the impact of our employment policies and processes, including the identification of areas which appear to have a disproportionate impact on certain groups of staff.

- Show 'due regard' to the Public Sector Equality Duty, a legal requirement under the Equality Act 2010.
- Identify opportunities to further embed Equality, Diversity and Inclusion in the workplace, so that all staff feel included, supported and developed to achieve their potential.

3. Organisational composition

Over the last seven years the Council has made significant financial savings and is now an employer of a smaller, but still large, number of people. As at 1 April 2020, the total headcount was 3,246. With 2,162 working full time and 1,084 part time, 82% of employees working less than 36 hours are women. These figures do not include school employees, councillors, consultants and agency staff (unless they have line management responsibilities).

Overall, there has not been any significant changes to the demographic of our workforce over the last three years. We remain female dominated, are an ageing workforce and are under-representative of our BAME community. The average length of service is 25 years plus, it is therefore foreseeable that a significant proportion of staff could leave us over the next ten years, potentially leaving a shortage of knowledge and skills.

4. Equality Monitoring Information

4.1. Age

- The workforce is ageing. People aged over 46 account for 60% of the overall workforce, and this is representative at each pay grade.
- We are **overrepresented** by 15% in comparison to local demographic data in the older age bracket (51-60) and **underrepresented** by 14% in comparison to local demographic data in the younger bracket (16-25).

- 20 of the 29 apprentices are aged under 20 which has contributed to our younger age bracket demographic. As part of the People Strategy, we will continue to grow and develop our apprentice and graduate schemes so that they are attractive, and Wirral Council is an employer of choice. We will also further develop our workforce and succession plans to ensure a talent pipeline.
- Around 33% of our female workforce are aged between 46-55. This group are most likely to be experiencing the perimenopause or menopause. We have taken steps to ensure employees are supported in the workplace. For example, we have produced Menopause in the Workplace guidance, held workshops and introduced a menopause related absence category for recording menopause related absence. We will consider establishing a staff network group to support this group of employees.

4.2. Sex

- The council has a predominantly female workforce (almost two thirds) and this has remained consistent over previous years.
- At assistant director / chief officer level the split of male / female has remained relatively even.
- In relation to pay, women are continuing to steadily progress through the pay grade at assistant director / chief officer level with a 3% increase in female representation from the previous year. This has been the case over the last three years with women continuing to progress.
- At manager / senior manager level, there has been a decrease of female representation of 7% from the previous year (now 58%). However, there is nothing to indicate any particular disparities for as there is a relatively even split of male / female at this level.

4.3. Race

- There are 2.7% employees from a BAME background, this is slightly higher than the previous year (2.5%). The Chief Officer group has BAME representative at 3.1%. The response rate from employees declaring their ethnicity has increased.
- The workforce population is underrepresented when compared to the BAME population on Wirral, which is 5.4%. Comparisons have been made across the Liverpool City Region with Liverpool having the highest BAME staff representation at 5.6% (with BAME population of 11.1%).
- We will continue to work with the Liverpool City Region Race Equality Forum to develop a BAME staff network group and in respect of the race equality agenda across the region.

4.4. Disability

- Around 8% (261) of the total workforce of 3,246 declared they have a disability; this is in keeping with the previous year and there has been a slight decrease over the last three years of 1%.
- Disabled employees are well represented across the entire workforce. However for 12% of staff it is unknown whether or not they have a disability – as 12% staff indicated they would prefer not to say. With hidden disabilities being more prevalent, particularly mental health, we will therefore take steps to increase staff confidence in declaring whether they have a disability to narrow this gap and to better understand so, if required, we can better meet the needs of our workforce.
- There is limited directly comparable data in relation to this characteristic in respect of the local population. However, it is useful to note that in the Census 2011, 23% of the Wirral population declared they experience a long-term health problem or disability that limits their day-to-day activity. This would suggest we are potentially underrepresented in comparison to the local population but there is insufficient comparable data to be certain.

4.5. Religion or belief

- There has been an increase of 1.2% in employees declaring their religion or belief, which is positive and suggests that the staff confidence campaigns mentioned previously intended to increase staff confidence in providing information have been successful and will be continued.
- The proportion of 'unknown/prefer' not to say for this category is relatively higher than for most other protected characteristics. The reason for this is unclear and will be considered further. However, the gap has reduced over the last two years by 10%.

4.6. Gender reassignment

- The number of employees declaring they are transgendered has slightly increased over a three-year period.
- The 'unknown' category for this protected characteristic has significantly reduced over the last two years by 67%, which is positive. Wirral Council does have a Gender Identity policy, but further steps will be taken to increase staff confidence in providing information in relation to this protected characteristic.
- There is no directly comparable data for this group for the local population however as indicated in the Government's Women and Equalities Committee **Transgender Equality Report published in January 2016** show that some 650,000 people are "likely to be gender incongruent to some degree".

4.7. Marriage and civil partnership

- There has been a significant increase in the number of recorded Civil Partnerships and same-sex marriages (300% and 450% increase respectively) over the last two years.

- There is 6% of prefer not to say in this category. It is important to recognise and respect that the provision of such information is a personal and optional choice for staff.

4.8. Sexual orientation

- There is no comparable data for this category. However, Public Health England's study, [*Producing modelled estimates of the size of the lesbian, gay and bisexual \(LGB\) population of England*](#) (2017) estimated that **2.5%** of England's population identifies as LGB or 'other'. Regionally, the highest prevalence was found in London, North West and North East regions with each having an overall LGB prevalence of 4.3%, **2.5%** and 2.3% respectively. There are higher proportions in large city regions like Greater London (5.1%), Greater Manchester (3.6%) and Brighton and Hove (9.9%).
- A slightly higher proportion of Wirral Council employees have indicated they are Lesbian, Gay, and Bi-sexual in comparison to local population (2.6% of the workforce).
- The proportion of staff providing information regarding their sexual orientation has increased by 13% over the last two years, which is positive.
- However, the proportion of staff who have indicated they would 'prefer not to say' is still relatively higher than for most other protected characteristics. The reasons are unknown. Again, steps will be taken to increase staff confidence in providing information regarding protected characteristics.

4.9. Pregnancy and maternity

- In 2019-20, 41 members of staff took maternity leave.
- Return to work rates following maternity leave were 100%, with just over a quarter of staff utilising the work life balance scheme to reduce their working

pattern within six months of returning. This is a decrease of around 25% from the previous year, when around half of all employees returning reduced their working pattern. We are not able to say whether this is down to employee choice or whether employees have encountered any barriers in their flexible working requests.

- In 2019 – 20 the Council implemented more agile ways of working which could have negated the need for employees to submit more formal flexible working requests. We will put a system in place to analyse flexible working requests to monitor whether there are any decisions being taken that directly impact employees returning to the workforce following maternity.
- Two members of staff took paternity leave and no staff accessed shared parental leave during the period.
- We will take action to increase awareness of our family friendly policies and entitlements to all staff through communication campaigns.

5. Employment practice

5.1. Caring responsibilities

- Around 4% of staff (131) indicated they have caring responsibilities other than childcare. The national average is 12%, therefore there could be more employees with caring responsibilities that have not declared this.
- The number of staff with carer passport schemes in place was 102, less than the overall number with caring responsibilities. The carers passport scheme formalises arrangements made between the employee and manager.
- The majority of carers within the workforce are women (76%) which is higher than the national average (59%). This, combined with the potential impact of the menopause, may have an adverse effect on women as 87% of our female carers are aged over 46.

- Wirral Council has taken active steps to provide support to working carers and will further build upon this. Actions to date include the launch of a Working Carers policy, management training, the introduction of a Carers Passport scheme and the establishment of a staff network group. We will continue to work with the staff network groups to identify further measures and support where required.
- We will also continue to develop and run communication campaigns to ensure staff feel confident to identify as working carers and are aware of the carers passport scheme.

5.2. Job application success rates

The overall number of job applications for 2019/20 was 3,751. On analysis the key findings are:

- Overall candidates from a BAME background were more successful in the appointment process than their non-BAME counterparts.
- The success rate of disabled people appointed is lower than non-disabled at 65% and 73% respectively but this has improved when compared to previous years.
- The highest success rate of new starters in 2019/2020 were aged between 16-25 (based on proportionality across all age groups). This can be attributed to the Apprentice and Graduate schemes which will be key to building a talent pipeline for the future and mitigating the risks associated with an ageing workforce, such as loss of skills, knowledge and experience.
- We have raised awareness of unconscious bias during recruitment and selection training for Chief office recruitment with plans to roll out more broadly.

5.3. Promotion success rates

Last year we identified there was a gap in our insight in relation to promotion success rates. We have taken steps to address this gap in the past 12 months. However as this is the first time we have included this information in the annual report there is no comparable information for this data. We will ensure there are no adverse disparities for any protected groups as we monitor this on an ongoing basis. The initial findings are as follows:

- Overall, 185 members of staff received an increase in pay comprising of change of grade, promotion, re-graded and restructure. This equates to around 5.6% of the workforce.
- Of these, 2.1% were from a BAME background, this is slightly below the overall composition of BAME employees at 2.7%.
- Around 10.8% disabled employees were promoted. This is higher than the overall make up of disabled employees at 8%.
- Approximately 54% of employees were aged over 46, this is lower when compared to the numbers of employees overall aged over 46 (60%).
- Around 4.3% of employees promoted declared they were lesbian, gay, bi-sexual or prefer to self-describe. This is higher than the overall composition of employees identifying as LGBTQ+ (2.6%).

5.4. Length of Service

- A significant proportion of the workforce over 46 years old has 25 years or more service. Again, this signifies the need for robust succession planning and talent management plans as an increase in the proportion of staff leaving through retirement (including early retirement) over the next ten years plus is foreseeable.

5.5. Take up of training

- Our data tells us that 46% (1,504) of employees accessed formal training (that is recorded centrally), this is an increase of 13% from the previous year. This data does not capture/include all forms of blended learning and development, such as work-based learning.
- Employees from a BAME background accounted for 5.7% of staff accessing formal training, which is considerably higher than the workforce demographic of 2.7%.
- A review of the data tells us that diverse groups and age ranges are accessing training opportunities.
- As part of our new approach to Learning and Development we will continue to encourage a culture of continuous learning and development, empower staff to drive their own development, providing with them with the tools and resources to do so. We will also emphasise the value of other forms of learning and development such as shadowing, mentoring, reverse mentoring, online resources and structured on-the-job learning.
- We will continue to monitor trends and ensure development opportunities are accessible to all.

5.6. Reasons for leaving

- During 2019/20, 246 employees left the Council. The main reason for leaving was resignation, followed by severance. This is in keeping with the previous year.
- Around 7% of employees who left during 2019-2020 had declared a disability, less than the overall make-up of the workforce (8%).
- The sex split of leavers is also comparable to the overall composition of gender.
- Around 2% of all leavers identified as lesbian, gay and bi-sexual, this is less than the overall make-up of the workforce (2.6%).

- In terms of race, 4% of all leavers identified as BAME. This is slightly higher when compared to the workforce at 2.7%.

All employees are asked to complete an exit interview questionnaire. We will review the exit interview process to ascertain whether there are any specific barriers or issues for employees in relation to protected characteristics and/or if there are any patterns or trends which required further consideration from an equality, diversity and inclusion perspective.

5.7. Employee Relations cases

During 2019-2020 there were 104 employee relation cases relating to formal Performance Management, Discipline and Grievance. This accounts for 3.2% of the workforce and is a slight increase of 2.8% from 2018-2019. 12 employees (4.8% of all leavers) were dismissed during this period. The cases have been analysed in relation to protected characteristics.

- Men accounted for 70% of all disciplinaries which is not proportionate when compared to the male proportion of the workforce at 37%. This has been analysed further by the Employee Relations team and there is no rationale as to why men accounted for more disciplinary cases.
- More women than men were involved in performance management proceedings which is proportionate to the gender split of the workforce and is a reverse in trend from last year.
- Overall, disabled employees are more likely to be involved in the performance management, disciplinary and grievance proceedings at 21%, 14% and 14% respectively when compared to the composition of disabled employees at 8%. This has been analysed by the Employee Relations team who have concluded that disciplinary cases where the employee had a disability, none of these involved issues directly relating to their disability.
- In relation to grievances, five grievances were raised by disabled employees. One of these was raised on the grounds of their disability. One of the grievances

(the same grievance) also raised issues relating to bullying and harassment on the grounds of their disability.

- No disciplinary, grievances or performance management cases were based on the grounds of sexual orientation, gender reassignment, age or religion or religious belief. One grievance was raised on the grounds of race. This was resolved informally with equality and diversity training recommended for all involved.
- The data/numbers held in respect of reported cases of bullying and harassment is too small upon which to draw statistically significant inferences. However, the Council will continue to take any report of bullying and harassment very seriously and will take action as appropriate. Any discrimination or bullying and harassment on the basis of a protected characteristic will not be tolerated.
- As reflected in the action plan unconscious bias and inclusive leadership has formed part of our leadership and management development packages. To obtain further insight in respect of the data reported here, we will undertake an Equality, Diversity and Inclusion survey during 2021.

5.8. Final comments and next steps

In conclusion, the Council's workforce demographic has remained fairly consistent over the last three years. We know where the gaps are, and this report and associated action plan (Appendix One) will contribute to the further development of the Council's People Strategy to ensure that we have a diverse, engaged, and skilled workforce who deliver outcomes for Wirral residents and are representative of the communities that we serve.

Appendix One: Equality Improvement: Summary action plan

Covid-19 has impacted on the action plan timescales from 2018-19. The action plan below includes a summary of progress with revised timescales for outstanding actions and new actions and activity identified in the analysis from the previous 12 months.

| Action | Activity | Timescale | Owner | Progress |
|---|---|------------------------------|--|--|
| Actions carried over from 2018-19 | | | | |
| 1) Reduce data and insight gaps | <ul style="list-style-type: none"> Undertake further targeted staff confidence campaigns for employees to update their personal equality information on self-serve | July 2020 | Organisational Development (OD) / Change | Complete within 2019 – 20 but we will continue to run periodic campaigns to close gaps for particular protected characteristics as identified in the report. |
| 2) Continue to monitor trends in our Employment practice to ensure there are no adverse implications on protected groups | <ul style="list-style-type: none"> Business partners to report key EDI data to DMTs to establish trends and any potential impacts | Quarterly from Q1 April 2020 | Human Resources Business Partners (HRBP's) | This is underway – revised timescale of Spring 2021. |
| | <ul style="list-style-type: none"> Develop process to capture feedback and report / investigate insight from exit interviews | April 2020 | HRBP's | This is underway – revised timescale of Spring 2021 |
| | <ul style="list-style-type: none"> Develop a process and undertake a review of promotion opportunities and success rates for protected groups. (excluding increments, honorariums and acting up) | May 2020 | Management Information Services (MIS) | This was achieved Nov 2020. |

| Action | Activity | Timescale | Owner | Progress |
|--|--|---------------|-----------------|---|
| 3) Talent Management Strategy | <ul style="list-style-type: none"> Develop a Talent Management strategy with an emphasis on Equality, Diversity and Inclusion and which identifies a clear talent pipeline for BAME representation. | December 2020 | Change / OD | The timescales have been revised to Autumn 2021. During the last six months the authority has been working in collaboration with the Liverpool City Region to improve Race Equality across the region. This will inform our strategy. |
| | <ul style="list-style-type: none"> Develop an attraction strategy to improve engagement with BAME groups and younger people including considering employment routes into council. | December 2020 | Human Resources | Autumn 2021 |
| | <ul style="list-style-type: none"> Respond to any emerging needs of our ageing workforce demographic | Continuous | Change / OD | This will be addressed through the proposed Equality, Diversity and Inclusion survey (see below). |
| 4) Strategic workforce planning | <ul style="list-style-type: none"> Undertake strategic workforce planning – which should specifically address risks associated with an ageing workforce (i.e., loss of skills and knowledge) | Dec 2020 | OD / HRBP's | The timescales have been revised to Summer 2021 to take into account the impact of Covid-19. |

| Action | Activity | Timescale | Owner | Progress |
|---|---|----------------|-------------|---|
| 5) Equality, Diversity and Inclusion awareness for managers and leaders | <ul style="list-style-type: none"> Develop training / other learning packages and incorporate into leadership and management development plans (such as unconscious bias and inclusive leadership) | September 2020 | Change / OD | <p>We have an E, D & I module for all staff which has been made mandatory and will be included in the revised induction.</p> <p>An unconscious bias learning module was developed for Chief Officers recruitment in June 2020. This will be included in the recruitment and selection training for all managers.</p> <p>EDI will be incorporated into leadership and management development by Autumn 2021.</p> |
| 6) Develop and implement an Equality, Diversity and Inclusion (EDI) Strategy | <ul style="list-style-type: none"> Raise the profile and value of EDI in the workplace | Sept 2020 | Change / OD | <p>EDI policy produced and published in October 2020.</p> <p>EDI Strategy will be incorporated into the Talent Management strategy. Revised deadline - Autumn 2021.</p> |

| Action | Activity | Timescale | Owner | Progress |
|--|--|------------|-------|----------|
| New actions 2019-20 | | | | |
| 7) Inclusive language and terminology | <ul style="list-style-type: none"> Develop an Inclusive style guide to ensure effective communication channels are gender inclusive, use gender neutral language and images (where appropriate) and extend to include accessibility and BAME considerations | April 2021 | OD | N/A |
| | <ul style="list-style-type: none"> Utilise software tools to check inclusivity of language in all job adverts and recruitment literature. | May 2021 | HR/OD | N/A |
| Develop an ED&I survey to gain further insight from employees in relation to ED&I and ascertain whether we are meeting the needs of our workforce demographic and identify further support where required | <ul style="list-style-type: none"> Develop survey and repeat annually | May 2021 | OD | N/A |

| Action | Activity | Timescale | Owner | Progress |
|---|--|-------------|--------------|----------|
| 8) Develop an electronic process to record all work life balance requests to analyse and monitor equality, diversity and inclusion | <ul style="list-style-type: none"> Update self-serve to include e-form for work life balance requests for monitoring purposes to ensure requests are reviewed in a fair and consistent way and whether there is any adverse impact on employees returning from maternity leave. | Autumn 2021 | HR Resources | N/A |

Appendix One: Equality Improvement: Summary action plan qual Pay Statement

Employers must ensure men and women are treated equally in the terms and conditions of their employment contract including pay, if they are employed to do:

- 'like work' - work that is the same or broadly similar
- work rated as equivalent under a job evaluation study
- work found to be of equal value in terms of effort, skill or decision making.

The equal terms can cover all aspects of pay and benefits, including:

- basic pay
- overtime rates
- performance related benefits
- hours of work
- access to pension schemes
- non-monetary terms
- annual leave entitlements.

The Pay Policy is reviewed annually and approved by Council. The Pay Policy for 2019/20 was presented to Employment and Appointments Committee on 5 March 2019 and full Council on 18 March 2019. Wirral Council is a Living Wage Employer and with effect from 1 April 2019 we will pay the revised national Living Wage of £9.30 per hour.

The Local Government Transparency Code 2014 under the Department for Communities and Local Government requires that all local authorities publish certain information related to the organisation, salaries and fraud including senior salaries over £50,000.

Appendix Three: Workforce Profile: Gender pay gap reporting – at 31 March 2020

Wirral Council is required by law (The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017) to publish an annual gender pay gap report.

What is a gender pay gap?

The gender pay gap shows the average difference between the earnings of women and men. It has a number of contributory factors, most of which are more about the kinds of industries and jobs open to women than about the ways in which men and women are paid.

Just because there is a gender pay gap does not make it unlawful. Having a gender pay gap does not mean the council is discriminating against women.

A gender pay gap is not solely the result of pay practices. It is about much broader influences. Gender pay gaps are the outcome of economic, cultural, societal and educational factors.

Gender pay is not about equal pay. Unequal pay means that individual women and men are not getting equal pay for doing equal work.

Reporting Requirements

The report is in relation to a snapshot of the workforce in scope as at 31st March 2020 in line with the legislative reporting requirements. The scope of the council's report includes all employees (excluding schools) who are in receipt of base pay and allowances at this date.

The council must report on and publish the mean and median pay gaps and pay quartiles.

Appendix Four: references list

- Women's and Equalities Committee: Transgender Equality report
<https://www.gov.uk/government/publications/transgender-equality-report-government-response>
- JSNA
<https://www.jsna.info/>
- Place Analytics
<http://gt-placeanalytics.co.uk/>
- Integrated Household Survey
<https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/methodologies/integratedhouseholdsurvey>
- Civil Partnership Act 2004
<https://www.legislation.gov.uk/ukpga/2004/33/contents>
- Annual population survey
<https://www.nomisweb.co.uk/articles/932.aspx>
- Public Health England
<https://www.gov.uk/government/organisations/public-health-england>
- Public Health England's study, *Producing modelled estimates of the size of the lesbian, gay and bisexual (LGB) population of England* (2017)
<https://www.gov.uk/government/publications/producing-estimates-of-the-size-of-the-lgb-population-of-england>



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | 2021/22 BUDGET MONITORING AND 22/23 BUDGET PROCESS |
| REPORT OF: | DIRECTOR OF RESOURCES |

REPORT SUMMARY

2021/22 Budget Monitoring

The report describes how the 2021/22 budget will be monitored through the Committee system during the year. This will enable the Policy and Services Committees (the committees) to take ownership of their specific budgets and provide robust challenge and scrutiny of Officers on the performance and management of those budgets. For the first committees in the new municipal year, each committee will receive a budget book detailed by function to enable committees to have oversight of where income and expenditure occurs.

Committee's will be responsible for ensuring that the budget is spent responsibly and remains within the relevant envelope, identifying savings where possible. Officers will be accountable for providing best advice to committees. Policy and Resources Committee will be responsible for ensuring and advising the Council that the entire budget remains in balance at all times or provides mitigating actions to bring the budget back in line, should a deficit be forecast.

To enable committees to manage and monitor budgets effectively in year, a suite of detailed information will be provided on a quarterly basis:

- Full revenue budget monitoring report for the preceding quarter and full year forecast
- Full list of budget savings proposals and the progress for their achievement
- Full list of reserves allocated to the Committee for future one-off commitments
- Full capital budget monitoring report for the preceding quarter and full year forecast
- Other specific information relevant to the individual committee

In addition, committees who have requested it, will be provided with an exception report on a monthly basis, outside of the quarterly monitoring.

2022/23 Budget Process

The process for setting the 2022/23 will commence immediately. Members will remember that one of the key documents required to enable the Council to receive approval for exceptional financial support was a balanced five-year medium term financial plan (MTFP).

A summary of this was provided in the budget report to the Committee on 17 February 2021. This document was prepared by Officers and shared virtually with Policy and Resources Committee Members, and now requires committee oversight and approval. Committees will consider whether the proposals included in the MTFP for the 2022/23 budget, and beyond, are to be taken forward or whether they are to be replaced by alternative proposals that the committees recommend.

Any alternative proposals will be required to be tested against the Council's objectives of the Wirral Plan to ensure that resources are aligned to priorities and can demonstrate beneficial outcomes and value for money. The refreshed Wirral Plan will be presented to full Council in June 2021 for approval.

In readiness for the first committees of the new municipal year, Officers will prepare a suite of documents to present to the committees. These will be:

- Summary business cases for each of the savings proposals relevant to the committee for 2022/23 and whether any specific consultation is required for each one
- Summary business cases for each of the perceived pressures/growth items relevant to the committee with supporting evidence as to how they have been estimated
- Initial indications of future years savings proposals from 2023/24 onwards to enable work to start in developing these proposals further, where a long lead-in time is required to enable a full year saving to be achieved from the year in question
- Initial indications of future years pressures/growth items for the committees to determine how these can be mitigated in advance

Each committee will be responsible for seeking best advice to identify, develop and agree savings proposals during the summer to ensure a draft balanced budget can be considered by the Policy and Resources Committee in October 2021, to enable budget consultation to start in a timely manner following the P&R Committee in November 2021.

In advance of the first committee of the new municipal year, there is an opportunity for a joint working group to convene immediately to consider the content of the MTFP and make recommendations into the committees at their first meetings. This working group has further opportunity to continue to review and agree savings and pressures/growth items to be included for the 2022/23 budget on behalf of individual committees and to report progress back to them at each committee meeting.

This matter affects all Wards within the Borough and is not a key decision.

RECOMMENDATION/S

The Policy and Resources Committee:

1. Agree the process for monitoring the 2021/22 in-year budget
2. Agree the process for the 2022/23 budget setting process
3. Agree that a joint working group convene immediately, the membership to be drawn from the Policy and Resources Committee and agreed by Group Leaders

4. Agree the process for the Zero Based Budgeting exercise in 2021/22 and the first committees to undertake the process, fully supported by Officers to enable a framework to be developed for other committees to follow.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The 2021/22 Budget was agreed at Full Council on 1 March 2021. This budget was made up of savings proposals, pressures/growth items and funding that were based on actual known figures or best estimates available at the time. At any point during the year, these estimated figures could change and need to be monitored closely to ensure, if adverse, mitigating actions can be taken immediately to ensure a balanced forecast budget can be reported to the end of the year.
- 1.2 The 2022/23 budget is required to be agreed by full Council no later than 11 March each year. Due to the implementation of the new Committee system not starting until October 2020, the full range of Council members had less involvement in the 2021/22 budget setting process than would be expected in the future. For the 2022/23 process Members should be engaged as early as possible to have time to consider and recommend proposals to be able to present a balanced budget to full Council and to allow sufficient time for a meaningful public consultation exercise.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Members can decide to establish their own process for monitoring the 2021/22 in-year budget and setting the 2022/23 budget. This would need to be agreed at the June Policy and Resources Committee which reduces the time available to implement mitigating actions, where an adverse 2021/22 forecast maybe found.
- 2.2 This also reduces the time available for the identification and agreement of proposals to be included in the 2022/23 budget. Either of these delays could put the ability to present a balanced 21/22 and 22/23 budget at risk and increase the risk of the issuing of a section 114 notice, in the event a balanced budget for either year cannot be maintained.

3.0 BACKGROUND INFORMATION

2021/22 Budget Monitoring Process

- 3.1 On 1 March 2021, full Council approved a balanced budget for 2021/22. The budget was underpinned by exceptional financial support (capitalisation) granted by the Ministry of Housing, Communities and Local Government (MHCLG) of up to £10.7m.
- 3.2 The approval for exceptional financial support for 2021/22 is based on the certain conditions:
 - The authority undergoes an external assurance review focussed on its financial position and its ability to deliver plans for sustainability
 - Evidence from this review of the authority's ability to meet any or all of the identified budget gap without additional borrowing
 - Evidence and recommendations from this review on the steps that the authority may need to take, for example to improve its governance arrangements, financial management, operational delivery and to reduce risk

- 3.3 The calculation of the 2021/22 budget had been prepared using known figures or best estimates at the time. At any point during the year, internal or external factors may influence a change in these estimates which could either have a favourable or adverse impact on the ability to maintain a balanced budget for the year.
- 3.4 It is imperative therefore that to ensure a balanced budget can be forecast throughout the year, and recommendations from the MHCLG external assurance review can be implemented to secure exceptional financial support in 2021/22, that a robust process for monitoring and managing the budget must be in place.
- 3.5 An internal Officer governance process is in place to challenge and scrutinise the budget performance in advance of it being presented to committees. This process includes:
- Initial meetings with budget holders and finance business partner (FBP) to review the previous months income and expenditure and to determine future commitments
 - Report to Directorate Management Team (DMT) presenting the finding of the budget holder FBP meetings
 - Challenge and scrutiny by DMTs as to the robustness of the figures and forecast presented
 - Discuss and agree remedial action where necessary
 - Referral to the Efficiency and Corporate Effectiveness Group for independent peer challenge (Corporate Management Team members)
 - Referral and/or escalation to Investment and Change Board for organisational oversight in conjunction with other corporate initiatives (Strategic Leadership and Corporate Management Team members)
 - Referral to specific quarterly Strategic Leadership Team performance meeting for Senior Officer scrutiny and agreement
 - Onward to Committees
- 3.6 For the first committees in the new municipal year, each committee will receive a budget book detailed by function to enable committees to have oversight of where income and expenditure occurs.
- 3.7 Committee's will be responsible for ensuring that the budget is spent responsibly and remains within the relevant envelope, identifying savings where possible. Policy and Resources Committee will be responsible for ensuring and advising the Council that the entire budget remains in balance at all times or provides mitigating actions to bring the budget back in line, should a deficit be forecast.
- 3.8 To enable committees to manage and monitor budgets effectively in year, a suite of detailed information will be provided on a quarterly basis:
- Full revenue budget monitoring report for the preceding quarter and full year forecast
 - Full list of budget savings proposals and the progress for their achievement
 - Full list of reserves allocated to the Committee for future one-off commitments
 - Full capital budget monitoring report for the preceding quarter and full year forecast

- Other specific information relevant to the individual committee

- 3.9 Committees have the autonomy (subject to delegation levels) to vire (transfer) budgets from one function to another within their overall committee budget envelope. Virements will also need to be agreed by the Section 151 Officer as there are certain conditions where budgets are not allowed to be vired for the purposes of gaining a specific benefit e.g. where budgets from supplies budget headings are vired to employees budget headings to take advantage of an uplift for pay inflation
- 3.10 Each committee will be responsible for remaining within its overall budget envelope and not overspending. Where an adverse variance is forecast, each committee will be required to take remedial action with detailed plans and timeframes to bring the budget back in line and ensure that overspends are mitigated.
- 3.11 Where a committee has taken all possible steps for remedial action and is unable to mitigate an overspend, this must be reported to the P&R Committee who will take an organisational view of how this adverse variance will be managed. There must be immediate action agreed to ensure a forecast balanced budget can be reported, and this will be monitored on a monthly basis by the P&R Committee.
- 3.12 Whilst each committee is required to remain within its annual budget envelope, there maybe reasons for committees to report a favourable variance in-year. Committees wishing to use any forecast underspend must have approval from the P&R Committee to do this in line with the MHCLG external assurance review.
- 3.13 The council must not be in a situation where one committee is forecasting an overspend and is unable to mitigate it and another committee is forecasting an underspend and utilises this for unplanned growth purposes. The P&R Committee will be responsible for ensuring that operating in silos does not occur and that resources are aligned to Council objectives at all times.
- 3.14 The P&R Committee has overall responsibility for taking any necessary steps required to ensure a whole Council budget can report a balanced budget throughout the year. The Section 151 Officer will be responsible for ensuring that any budget actions, proposals and mitigations are achievable and legal.

In-year savings

- 3.15 During the course of the year, there maybe situations that result in a favourable variance being forecast to the end of the year as underspends. This maybe as a result of:
- Pressures not materialising to the level anticipated
 - Additional savings being achieved from estimated proposals agreed at the start of the year
 - The level of expenditure not being at the level expected e.g. through vacancy management etc
 - New proposals that emerge during the year that will result in savings either as a one-off or that are permanent and in advance of budget proposals for 2022/23 being implemented

- 3.16 In the exceptional financial support letter from MHCLG, there was a clear expectation that the external assurance review would assess the Council's ability to meet any or all or 2021/22 budget gap without additional borrowing.
- 3.17 The outcome of this would indicate that any in-year savings identified would reduce the value of the capitalisation offer for 2021/22 and that the council would be expected to look to ensure in-year savings could be made, for this purpose.
- 3.18 Appendix A provides a flow chart of the Governance process for managing and monitoring the 2021/22 budget.
- 3.19 Appendix B provides the savings proposals agreed at full Council by committee to be monitored by each committee during the year
- 3.20 Appendix C provides a summary of one-off earmarked reserves by committee. This will be updated for the year end position 2020/21 and a detailed list will be provided for each committee meeting in June as the starting position for 2021/22.

Zero Based Budgeting

- 3.21 As part of the 2021/22 budget, a savings proposal of £170k to carry out a zero based budgeting exercise was agreed. Zero basing is a method of budgeting in which all expenditure must be justified before it is agreed. The process starts from a 'zero base' i.e. a zero budget and every function within the area is analysed for its needs and costs. Budgets are then built around what is needed for the following period, regardless of whether each budget is higher or lower than the previous one.
- 3.22 The process can be time-consuming and is usually undertaken in advance of the following year's budget setting. The proposal for £170k saving recognises that this is a part year saving and should provide an indication of further savings that could be achieved in 2022/23.
- 3.23 There is an opportunity for the working group described above, if approved, to start the zero based budgeting review as soon as possible so that the committees can consider the outcome during the summer.
- 3.24 In order for the saving to be allocated at the start of the year and to facilitate effective monitoring of the saving achievement, the saving needs to be assigned at the start of the year to the committee(s) that would start the process. That committee would then identify a framework for the other committees to follow when undertaking their own zero basing. The process would be adequately resourced and supported to ensure the first committee could properly undertake a thorough analysis of their budgets.
- 3.25 The overall saving of £170k will need to be achieved in full by the end of the 2021/22 year.

2022/23 Budget Setting Process

- 3.26 Full Council approved a balanced budget for 2021/22 on 1 March 2021. The process in arriving at this point had been difficult, given the short timescale for Member involvement and engagement following approval to change to a Committee process part way through the year.
- 3.27 The first Committee – Policy and Resources Committee – took place on 7 October 2020; the budget paper to the committee described the process for setting the 2021/22 budget. In advance of the committee, officers had identified various proposals to contribute to balancing the 2021/22 budget that were then required to be debated by each committee with feedback provided to the P&R Committee in December.
- 3.28 A customary process for setting the following years budget would be led by Members who would, with the support of Officers, identify proposals for consideration within committees in order for a draft budget to be debated and agreed by the P&R Committee in the autumn.
- 3.29 To enable robust scrutiny and challenge of committee budgets and pressures and the identification of savings proposals, it is recommended that each of the committees establish their own budget working groups. This group would meet between June and September and report back to the committees at their September meetings with recommendations for the P&R Committee to consider in October.
- 3.30 This enables the P&R Committee adequate time to reflect on the recommendations of each committee and enable a meaningful consultation with residents, that could, as happens in other local authorities, be completed by Christmas. The Committee could then consider the outcome of consultation and make any changes in good time before a budget is recommended by the Committee in the following February to full Council in the March.
- 3.31 In some Councils the whole budget setting process is completed before Christmas and full Council agree the budget in January.
- 3.32 The process for setting the 2022/23 will commence immediately. Officers, to satisfy the requirement of MHCLG for exceptional financial support, have compiled a balanced five-year medium term financial plan (MTFP). Committees, via their working groups, will consider whether the proposals included in the MTFP for the 2022/23 budget, and beyond, are to be taken forward or whether they are to be replaced by alternative proposals that the committees recommend.
- 3.33 In readiness for the first committees of the new municipal year, Officers will prepare a suite of documents to present to the committees. These will be:
- Summary business cases for each of the savings proposals in the MTFP relevant to the committee for 2022/23 and whether any specific consultation is required for each one
 - Summary business cases for each of the perceived pressures/growth items in the MTFP relevant to the committee with supporting evidence as to how they have been estimated

- Initial indications of future years savings proposals from 2023/24 onwards in the MTFP to enable work to start in developing these proposals further, where a long lead-in time is required to enable a full year saving to be achieved from the year in question
- Initial indications of future years pressures/growth items in the MTFP for the committees to determine how these can be mitigated in advance

3.34 Each committee will be accountable for identifying, developing and agreeing savings and growth proposals during the summer to ensure a draft balanced budget can be considered by the P&R Committee in October 2021, to enable budget consultation to start in a timely manner following the P&R Committee in November 2021.

3.35 In advance of the first committee of the new municipal year, there is an opportunity for a joint P&R working group to convene immediately to consider the content of the MTFP and make recommendations into the committees at their first meetings.

3.36 This working group can also scrutinise and consider any cross-committee proposals or actions to ensure a whole organisational view so that no committee is disadvantaged of another's proposals and that proposals do not contradict any committees' objectives.

3.37 Working Groups operate most effectively with between no less than 5 and no more than 8 members. The working group should have some reflection of political representation.

3.38 Appendix D provides a flow chart of the Governance process for the 2022/23 budget setting process and the associated timeline.

3.39 Appendix E provides a list of potential savings proposals included in the MTFP up to 2025/26. Members will note as stated in the paragraphs above, summary business cases will be presented to each of the committees for these in June 2021 as these have not yet been fully developed.

3.40 Appendix F provides a list of anticipated pressures/growth items included in the MTFP up to 2025/26. Members will note as stated in the paragraphs above, summary business cases will be presented to each of the committees for these in June 2021 as these have not yet been fully developed.

3.41 Appendix G provides the assumed funding expected over the next four years in the MTFP for information only at this point. This will be updated as further information is received from government, including the anticipated four-year comprehensive spending review from 2022/23

4.0 FINANCIAL IMPLICATIONS

4.1 This report is concerned with the 2021/22 budget monitoring process and the 2022/23 budget setting process so has no direct financial implications. The outcome of each process will, if not adhered to or a suitable alternative process agreed, have significant financial implications.

4.2 This may result in, if either the 2021/22 budget or 2022/23 budget cannot be balanced, a Section 114 report being issued by the Section 151 Officer.

5.0 LEGAL IMPLICATIONS

- 5.1 The role of the Policy and Resources Committee, in consultation with the respective Policy and Service Committees, has been charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and budget to recommend to the Council.
- 5.2 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 5.3 Section 30(6) of the Local Government Finance Act 1992 provides that the Council has to set its budget before 11th March in the financial year preceding the one in respect of which the budget is set.
- 5.4 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- 5.5 Consultation must take place in accordance with the Council's duties under section 65 of the Local Government Finance Act 1992. The detailed summary of responses provided are attached in the appendix to this report. It must be borne in mind that this is consultation on the budget proposals, not on the decision to take whatever decision is implied by the adoption of that budget. The consultation process, including the Council's consideration of the responses, is required to comply with the following overarching obligations (unless detailed statutory rules supplant these):
- (a) Consultation must be at a time when proposals are at a formative stage.
 - (b) The proposer must give sufficient reasons for its proposals to allow consultees to understand them and respond to them properly.
 - (c) Consulters must give sufficient time for responses to be made and considered.
 - (d) Responses must be conscientiously taken into account in finalising the decision. This is the same whether or not a public body was required to consult or chooses to do so. This is because all of those rules are aspects of an overriding requirement for 'fairness'. The process must be substantively fair and have the appearance of fairness. The setting of the budget and council tax by Members involves their consideration of choices.
- 5.6 When considering options, Members must bear in mind their fiduciary duty to the council taxpayers of Wirral. Members must have adequate evidence on which to base their decisions on the level of quality at which services should be provided.

- 5.7 Where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably.
- 5.8 The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality and level of services which they consider should be provided, against the costs of providing such services.
- 5.9 There is a particular requirement to take into consideration the Council's fiduciary duty and the public sector equality duty in coming to its decision.
- 5.10 The public sector equality duty is that a public authority must, in the exercise of its functions, have due regard to the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not share it
- 5.11 Any decision made in the exercise of any function is potentially open to challenge if the duty has been disregarded. The duty applies both to Full Council when setting the budget and to the Policy and Services Committees when considering decisions.
- 5.12 Once a budget is in place, Council has delegated responsibility to the Policy and Services Committees to implement it. The Committees may not act contrary to the Budget without consent of Council other than in accordance with the Procedure Rules set out at Part 4(3) of the Constitution.
- 5.13 It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.
- 5.14 Members are also individually reminded that Section 106 of the Local Government Finance Act 1992 applies to this meeting. Members who are two months or more in arrears with their Council Tax must declare this to the meeting and must not vote on budget recommendations, as to do otherwise can be a criminal offence.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no specific resource requirements as a result of this report on process. There may be resource requirements of any action resulting in remedial or mitigating

tasks if an adverse forecast is reported with regards the 2021/22 budget in year, however these will be reported at the appropriate time.

- 6.2 There may also be resource requirements of any proposals considered with regards the 2022/23 budget and these will be reported at the appropriate time.

7.0 RELEVANT RISKS

- 7.1 The Council's ability to maintain a balanced budget for 2021/22 is dependent on robust monitoring of a changing environment. This is due to estimated figures being provided in the calculation for the 2021/22 budget, albeit the best estimates that were available at the time, plus any amount of internal and external factors that could impact on the budget position in year. Examples of which are new legislation, increased demand, loss of income, increased funding, decreased funding, inability to recruit to posts, ongoing impact of the pandemic etc
- 7.2 A robust monitoring and management process for the 2021/22 budget must be agreed and in place as soon as possible. If at any time during the year an adverse position is forecast, remedial action must be agreed and implemented immediately to ensure the budget can be brought back to balanced position.
- 7.3 The risk of this not being able to be achieved could mean that the Council does not have enough funding to pay for its expenditure commitments for the year and therefore not be able report a balanced budget at the end of the year. This could result in the Section 151 Officer issuing a Section 114 notice.
- 7.4 The budget agreed by full Council on 1 March 2021 for 2021/22 was underpinned by an offer not exceeding £10.7m exceptional financial support provided by MHCLG. This offer was conditional and is described in paragraph 3.2. If the Council does not accept recommendations made from the external assurance review, this may put the offer of the exceptional financial support at risk. If the Council is not able to report a balanced budget without some or all of the exceptional financial support, this may also result in the Section 151 Officer issuing a Section 114 notice in year.
- 7.5 A key risk to the Council's financial plans is that funding and demand assumptions in particular can change as more information becomes available. As such, the MTFP is regularly reviewed and updated as part of routine financial management.
- 7.6 Under the system of retained Business Rates, Authorities benefit from a share of any increased revenues but are liable for at least a share of any falls in income (subject to safety net triggers) and any non-collection. This includes reductions arising from appeals relating to past years which partially fall on the Authority. These risks are mitigated through a combination of the operation of the Collection Fund, General Fund Balances and a Business Rates Equalisation Reserve.
- 7.7 The MTFP currently presents a balanced budget over a five-year period. If the committees are not minded to accept the proposals included by officers in the MTFP, especially for the 2022/23 budget, alternative proposals need to be identified and agreed as soon as possible. A delay in agreeing these may put the timetable for setting the 2022/23 at risk and may result in a balanced budget not being identified in time for the deadline of 11 March 2022.

7.8 The five-year MTFP is based on current estimated information available. A four-year comprehensive spending review (CSR) is anticipated from Government from 2022/23. Assumptions have been made in the current MTFP for income and funding from business rates and council tax and social care grants as the main sources of funding. If there is an adverse change to these assumptions as a result of the CSR, additional savings proposals or reduced expenditure would need to be identified as soon as possible to ensure a balanced five-year MTFP can be achieved. Committees will be kept updated with any announcements regarding the CSR through the year.

8.0 ENGAGEMENT/CONSULTATION

8.1 Consultation has been carried out with the Senior Leadership Team in arriving at the governance process for the 2021/22 budget monitoring process and the 2022/23 budget setting process.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 There are no specific equality implications of this report regarding processes, however, it is recognised that some of the developing proposals for 2022/23 budget and beyond could have equality implications. Any implications will be considered and any negative impacts will be mitigated where possible.

9.3 Equality implications will be assessed during planning, decision and implementation stages and will be recognised as an ongoing responsibility. Any equality implications will be reported to the committees as part of the summary business cases. Equality issues will be a conscious consideration and an integral part of the process.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no direct environmental and climate implications of this report on process. However, it is recognised that some of the developing proposals for 2022/23 budget and beyond could have environmental and climate implications. Any implications will be considered, and any negative impacts will be mitigated where possible.

10.2 Environmental and climate implications will be assessed during planning, decision and implementation stages and will be recognised as an ongoing responsibility. Any resulting implications will be reported to the committees as part of the summary business cases.

REPORT AUTHOR: Shaer Halewood
(Shaer Halewood, Director of Resources (S151 Officer))
telephone: Tel: 0151 691 8688
email: shaerhalewood@wirral.gov.uk

APPENDICES

| | |
|------------|---|
| Appendix A | Flow chart of the process for monitoring the 2021/22 budget |
| Appendix B | Savings proposals agreed at full Council for 2021/22 by committee |
| Appendix C | List of summary earmarked reserves by committee |
| Appendix D | Flow chart of the process for the 2022/23 budget and timeline |
| Appendix E | Potential savings proposals included in the MTFP up to 2025/26 |
| Appendix F | Pressures/growth items included in the MTFP up to 2025/26 |
| Appendix G | Assumed funding expected over the next four years in the MTFP |

BACKGROUND PAPERS

MHCLG letter of exceptional financial support offer

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|---------------------|
| Full Council | 1 March 2021 |

APPENDIX B

Savings Proposals agreed by full Council 1 March 2021

| | Item £000 | Total £000 |
|---|--------------|---------------|
| Children, Young People & Education Committee | | |
| Reduce the subsidy to the Hive Youth Centre | 100 | |
| Modernisation & Social Care combined staff efficiency savings | 102 | |
| Semi-Independent Living | 500 | |
| PAUSE programme | 567 | |
| Additional demand mitigation | 1,000 | |
| Youth Offending Service | 25 | |
| Total | | 2,294 |
| Environment, Climate and Transport Committee | | |
| Review of the Neighbourhood Services Directorate | 350 | |
| Additional and increased parking charges: Whole scale car parking review | 1,000 | |
| Reduction in grass cutting and maintenance of roadside verges and all Parks and Open Spaces | 250 | |
| Amenity space and grass verge maintenance cessation | 100 | |
| Contract Efficiency Savings with BIFFA | 75 | |
| Income generated from establishing targeted and discretionary environmental enforcement | 150 | |
| Savings from LED street lights | 1,300 | |
| Total | | 3,225 |
| Tourism, Communities, Culture and Leisure Committee | | |
| Culture and Visitor Economy savings | 620 | |
| Closure or income generation of Europa Fun Pool | 250 | |
| Pause re-opening of Woodchurch Leisure Centre | 322 | |
| Royden Park Commercial Development - Phase 1 | 80 | |
| Savings from efficiencies at the Williamson Art Gallery | 90 | |
| Provision of additional catering across multi-site and | 35 | |
| Total | | 1,397 |
| Economy, Regeneration and Development Committee | | |
| Birkenhead Market Restructure | 240 | |
| Budget Allocation for DDA | 200 | |
| Wirral Growth Company Joint Venture Income | 1,381 | |
| Additional income from regeneration activities | 236 | |
| Total | | 2,057 |
| Housing Committee | | |
| Delay the ceasing of support for Community Alarms | 200 | |
| Total | | 200 |
| Adult Care & Health Committee | | |
| Wirral Evolutions review of day services people with Learning Disabilities | 500 | |
| Demand mitigations and change initiatives | 4,000 | |
| Total | | 4,500 |

APPENDIX B Continued

Savings Proposals agreed by full Council 1 March 2021

| | Item £000 | Total £000 |
|--|--------------|---------------|
| Policy and Resources Committee | | |
| Reduce Ward Member budgets to £1,000 each Member | 184 | |
| One Stop Shop Service Reduction | 98 | |
| Restructure of Revenues & Benefits | 150 | |
| Business Change Service Reduction | 670 | |
| New Staffing Structure in IT Services | 618 | |
| Centralised Print Process | 157 | |
| Business Support Unit - Staffing Reduction | 237 | |
| Hardship fund and reduction in bad debt provision | 1,000 | |
| Contract Management & Commissioning | 350 | |
| Apprenticeships | 148 | |
| Traded Services Review | 270 | |
| Workforce efficiencies | 150 | |
| Fund the Local Welfare Assistance Scheme from Covid-19 Funding | 200 | |
| Use of the Brexit Reserve | 100 | |
| Budgeting at cost for newly recruited employees | 240 | |
| Zero Based Budgeting | 170 | |
| Government support for PFI funding | 250 | |
| Wide Area Network savings | 240 | |
| Temporary closure of buildings | 952 | |
| Continuation of agile working | 500 | |
| Asset sales | 744 | |
| Total | | 7,428 |
| Overall total | | 21,101 |

Earmarked Reserves summary as at Febuary 2021

| Committee Summary | 2020-21 Opening balance | 2020-21 Projected Movement | 2020-21 Projected Closing Balance |
|--|--|---|--|
| | £m | £m | £m |
| Adult Care & Health | -3.753 | 0.709 | -3.044 |
| Children, Young People and Education | -8.854 | 5.198 | -3.656 |
| Tourism, Communities, Culture & Leisure | -0.361 | 0.000 | -0.361 |
| Environment, Climate Emergency & Transport | -3.487 | 1.832 | -1.655 |
| Policy & Resources | -45.142 | 15.148 | -29.994 |
| Housing | -0.964 | 0.295 | -0.669 |
| Economy, Regeneration and Development | -4.207 | 0.984 | -3.222 |
| Total Earmarked Reserves: | -66.768 | 24.167 | -42.600 |

Note that this list includes the Covid-19 reserve balance to be carried forward into 2021/22 that was not included in the total in the budget report to Policy and Resources Committee on 17 February 2021.

APPENDIX E

Savings ideas in the Medium Term Financial Plan

| | 2022/23 £000 | 2023/24 £000 | 2024/25 £000 | 2025/26 £000 |
|--|-----------------|-----------------|-----------------|-----------------|
| Children, Young People & Education Committee | | | | |
| Children Looked After Residential Accommodation | 1,000 | | | |
| PAUSE programme | 283 | | | |
| Demand pressures mitigation | 1,000 | 1,500 | 1,500 | |
| Troubled Families Exit Strategy | 1,100 | | | |
| All Age Disability Review | 1,000 | | | |
| Youth Offending Service | 25 | 50 | | |
| Total | 4,408 | 1,550 | 1,500 | 0 |
| Environment, Climate and Transport Committee | | | | |
| Whole Council transport Review | 1,000 | | | |
| Reduction of grass cutting and maintenance of verges | 150 | 100 | 100 | 50 |
| Review of Neighbourhood Directorate | 150 | 150 | 150 | 150 |
| Total | 1,300 | 250 | 250 | 200 |
| Tourism, Communities, Culture and Leisure Committee | | | | |
| Income from camper vans | 340 | | | |
| Leisure Strategy | 300 | 1,020 | 60 | |
| Total | 640 | 1,020 | 60 | 0 |
| Economy, Regeneration and Development Committee | | | | |
| New income from regeneration projects | 826 | 641 | 1,451 | 2,476 |
| Wirral Growth Company Joint Venture Income | 369 | 712 | | 899 |
| Total | 1,195 | 1,353 | 1,451 | 3,375 |
| Housing Committee | | | | |
| Delayed ceasing of support for Community Alarms | 300 | | | |
| Review of Housing | 500 | 500 | | |
| Total | 800 | 500 | 0 | 0 |
| Adult Care & Health Committee | | | | |
| Demand mitigations and change initiatives | 4,000 | 4,000 | 4,000 | 4,000 |
| All Age Disability Review | | 1,000 | | |
| Total | 4,000 | 5,000 | 4,000 | 4,000 |

APPENDIX E Continued

Savings ideas in the Medium Term Financial Plan

| | 2022/23 £000 | 2023/24 £000 | 2024/25 £000 | 2025/26 £000 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Policy and Resources Committee | | | | |
| Review of Traded Services | 150 | | | |
| Business Change Reduction | | | | 300 |
| Revenues & Benefits Restructure | 600 | | | |
| Commercial Income | 225 | 225 | 400 | 800 |
| New Treasury Investments | 1,000 | | | |
| Network Integration | 161 | | | |
| Coronors Efficiencies | 50 | | | |
| Law & Governance | 200 | | | |
| Workforce re-modeling | 1,250 | 1,250 | 1,250 | 1,250 |
| Apprenticeships First Strategy | 120 | 100 | | |
| One Stop Shop Efficiencies | 100 | 210 | | |
| Buildings efficiencies | 260 | 600 | | 100 |
| Centralising Support Services | 300 | 500 | 275 | 175 |
| SmartBusiness - new financial system | 398 | 800 | 1,200 | |
| Contracts and Commissioning | 2,000 | 2,500 | 2,500 | 2,650 |
| LEAN Processes | 600 | 450 | | |
| Total | 7,414 | 6,635 | 5,625 | 5,275 |
| Overall total | 19,757 | 16,308 | 12,886 | 12,850 |

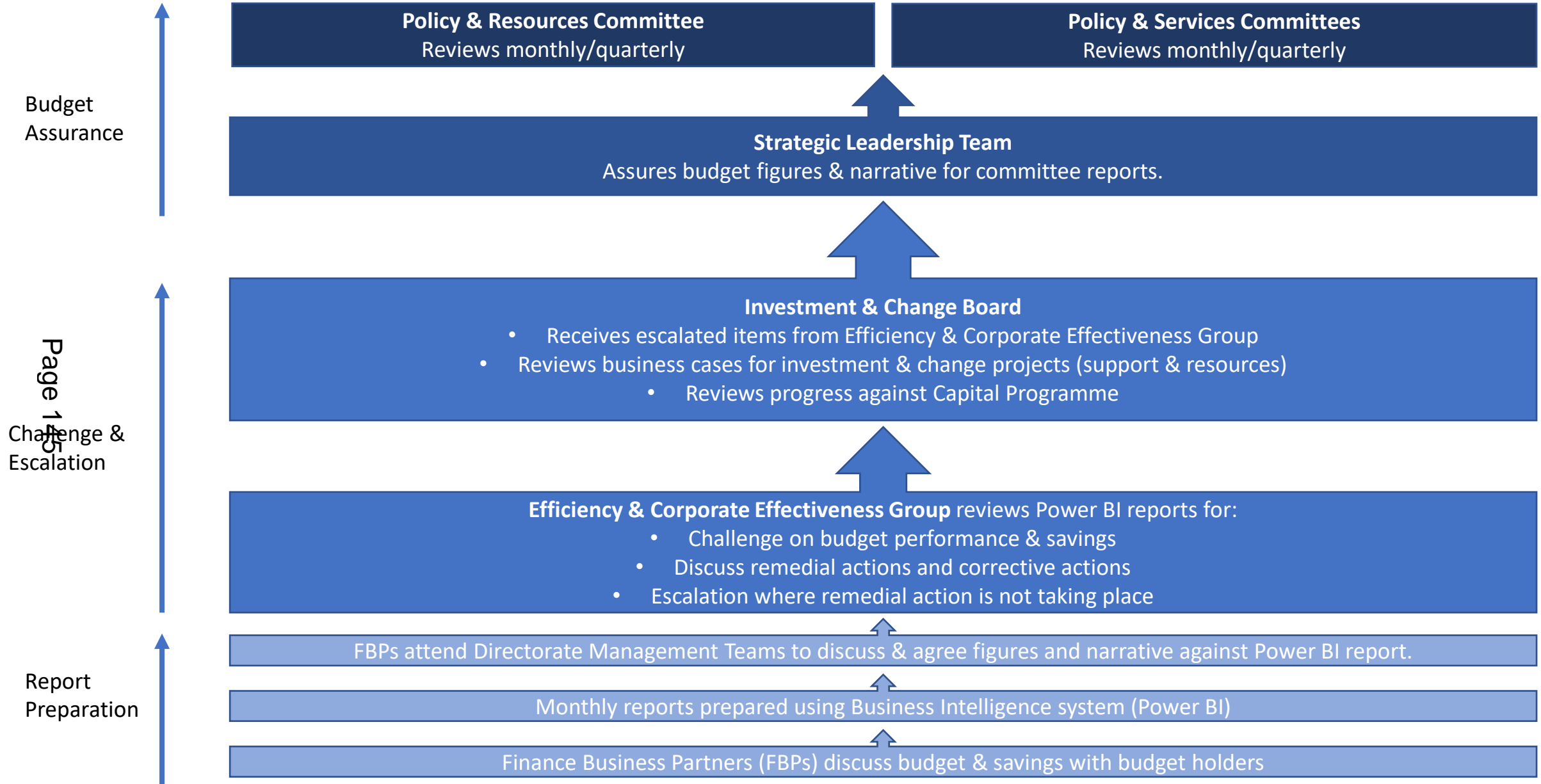
APPENDIX F

Future years pressures/growth items in the Medium Term Financial Plan

| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---------------|---------------|---------------|---------------|
| | £000 | £000 | £000 | £000 |
| Children, Young People & Education Committee | | | | |
| Residential placements inflation | 500 | 500 | 600 | 600 |
| Loss of Troubled Families income | 1,100 | | | |
| Independent Foster Care Inflation | 100 | 100 | 100 | 100 |
| Allowances Inflation | 300 | 300 | 300 | 300 |
| Additional Demand | 1,200 | 1,300 | 1,200 | 800 |
| Total | 3,200 | 2,200 | 2,200 | 1,800 |
| Environment, Climate and Transport Committee | | | | |
| Merseytravel Levy | 2,000 | 400 | 400 | 400 |
| Waste Contract Inflation | 300 | 300 | 300 | 300 |
| Food Waste Recycling | | 1,800 | | |
| Waste Levy | 200 | 200 | 200 | 200 |
| Total | 2,500 | 2,700 | 900 | 900 |
| Adult Care & Health Committee | | | | |
| Demographic Growth (OP & LD) | 2,400 | 2,400 | 2,400 | 2,400 |
| Care Cost demand pressures | 3,000 | 3,000 | 3,000 | 3,000 |
| Specialist Fee rate increases | 300 | 300 | 300 | 300 |
| Contract Increases (WCFT & CWP) | 500 | 500 | 500 | 500 |
| Total | 6,200 | 6,200 | 6,200 | 6,200 |
| Policy and Resources Committee | | | | |
| Pay & Pensions increases | 2,900 | 3,000 | 3,100 | 3,200 |
| McCloud Pensions increase | | 1,100 | | |
| Market Risk | | 1,000 | | |
| Investment - non-statutory override | 1,000 | | | |
| Capital financing | 1,600 | 100 | 700 | |
| Total | 5,500 | 5,200 | 3,800 | 3,200 |
| Overall total | 17,400 | 16,300 | 13,100 | 12,100 |

| MEDIUM TERM FINANCIAL PLAN FUNDING | | | | |
|--|----------------|----------------|----------------|----------------|
| | 22-23 | 23-24 | 24-25 | 25-26 |
| <u>National Non Domestic Rates:</u> | | | | |
| Business Rates Income | (73.4) | (74.6) | (75.9) | (77.1) |
| Business Rates Section 31 Grant | (13.0) | (13.2) | (13.4) | (13.7) |
| Top-Up Grant | (35.1) | (35.7) | (36.2) | (36.8) |
| Better Care Fund (BCF) | (19.1) | (19.4) | (19.7) | (20.0) |
| Business Rates | (140.6) | (142.9) | (145.2) | (147.6) |
| <u>Council Tax:</u> | | | | |
| Council Tax base position | (156.6) | (161.1) | (165.7) | (170.5) |
| Annual increase in number of properties | (1.5) | (1.5) | (1.5) | (1.6) |
| Inflation | (3.1) | (3.2) | (3.2) | (3.4) |
| Council Tax | (161.2) | (165.8) | (170.5) | (175.4) |
| Collection Fund shortfall | 1.9 | 3.0 | - | - |
| New Homes Bonus | (0.1) | - | - | - |
| Social Care Support Grant | (11.3) | (11.3) | (11.3) | (11.3) |
| Capital Receipts | (4.6) | - | - | - |
| Total other funding | (14.0) | (8.2) | (11.3) | (11.3) |
| Total Funding | (315.8) | (316.9) | (327.0) | (334.3) |

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Budget Setting Process



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POLICY AND RESOURCES COMMITTEE**Wednesday, 17 March 2020**

| | |
|----------------------|---------------------------------------|
| REPORT TITLE: | WORK PROGRAMME UPDATE |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The Policy and Resources Committee, in co-operation with the other Policy and Service Committees, is responsible for proposing and delivering an annual committee work programme. This work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which are within the remit of the Committee.

It is envisaged that the work programme will be formed from a combination of key decisions, standing items and requested officer reports. This report provides the Committee with an opportunity to plan and regularly review its work across the municipal year. The work programme for the Policy and Resources Committee is attached as Appendix 1 to this report.

RECOMMENDATION/S

The Policy & Resources Committee are invited to comment on and note the proposed Policy and Resources Committee work programme for the remainder of the 2020/21 municipal year.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To ensure Members of the Policy and Resources committee have the opportunity to contribute to the delivery of the annual work programme

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Various formats for the workplan were explored. The current format is open to amendment to match the requirements of the committee.

3.0 BACKGROUND INFORMATION

- 3.1 The work programme should align with the priorities of the Council and its partners. The programme will be informed by:

- (i) The Council Plan
- (ii) The Council's transformation programme
- (iii) The Council's Forward Plan
- (iv) Service performance information
- (v) Risk management information
- (vi) Public or service user feedback
- (vii) Referrals from Council

Terms of Reference

The Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.

The Committee is charged by full Council to:-

- (a) formulate, co-ordinate and implement corporate policies and strategies and the medium-term financial plan (budget), which includes responsibility for any decision:
 - (i) that relates to such matters to the extent that they are not reserved to full Council;
 - (ii) on any cross-cutting policies that impact on other committee areas;
 - (iii) on policy matters not otherwise allocated to any other committee; and
 - (iv) to determine any dispute or difference between committees;
- (b) provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management, which includes responsibility for a decision:
 - (i) that has a major impact on a number of Council services or on the Council as a whole;

- (ii) on any virement between Budget funds (revenue) requested by a Committee or officer in excess of **£100,000**;
 - (iii) on any virement between Budget funds (capital) or any amendment to the Capital Programme requested by a Committee or officer in excess of **£100,000**;
 - (iv) regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, **£100,000**;
 - (v) regarding companies or limited liability partnerships including acquisition and disposals; and
 - (vi) which is deemed significant in terms of impact on the Council's revenue or capital (to be determined by the Head of Paid Service and/or Section 151 Officer in consultation with the Leader);
- (c) without limiting the generality of responsibility for cross-cutting policies (at (a) above), lead on behalf of the Council:
- (i) in matters concerning relationships with HM Government, the Liverpool City Region Combined Authority and other major public and non-public bodies;
- (d) appoint Council representatives as required;
- (e) nominate councillors and other persons to outside bodies; and
- (f) undertake responsibility for developing and monitoring the enabling corporate services, including, finance and investment, project support and risk management, strategic procurement and commercial strategies, ICT, property and asset management, human resources and organisational development, law and governance, communications and public affairs, emergency planning and business continuity.

4.0 FINANCIAL IMPLICATIONS

4.1 This report is for information and planning purposes only, therefore there are no direct financial implication arising. However, there may be financial implications arising as a result of work programme items.

5.0 LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from this report. However, there may be legal implications arising as a result of work programme items.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no direct implications to staffing, ICT or Assets.

7.0 RELEVANT RISKS

- 7.1 The Committee's ability to undertake its responsibility to provide strategic direction to the operation of the Council, make decisions on policies, co-ordinate spend, and maintain a strategic overview of outcomes, performance, risk management and budgets may be compromised if it does not have the opportunity to plan and regularly review its work across the municipal year.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Not applicable

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

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

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 This report is for information to Members and there are no direct environment and climate implications.

REPORT AUTHOR: Steve Fox, Head of Democratic and Member Services

telephone: 0151 691 8145

email: stevefox@wirral.gov.uk

APPENDICES

Appendix 1: Policy and Resources Committee Work Plan

BACKGROUND PAPERS

The Council Plan

The Council's transformation programme

The Council's Forward Plan

Subject History (last three years)

| Council Meeting | Date |
|--------------------------------|------------------|
| Policy and Resources Committee | 7 October 2020 |
| Policy and Resources Committee | 11 November 2020 |
| Policy and Resources Committee | 21 December 2020 |
| Policy and Resources Committee | 20 January 2021 |
| Policy and Resources Committee | 17 February 2021 |

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POLICY AND RESOURCES COMMITTEE

WORK PROGRAMME 2020/21

17 March 2021

Contact Officer/s: Andrew Mossop / Bryn Griffiths

Tel: 0151 691 8501 / 0151 691 8117

e-mail: andrewmossop@wirral.gov.uk /
bryngriffiths@wirral.gov.uk

Website: www.wirral.gov.uk

PROPOSED AGENDA FOR POLICY AND RESOURCES COMMITTEE – 17 March 2021

| Item | Key Decision Yes/No | Lead Departmental Officer | Wirral Plan Priority |
|--|------------------------|------------------------------|-------------------------|
| Pay Policy 2021-2022 | Yes | Jenny Woods | Inclusive Economy |
| Gender Pay Gap | No | Jenny Woods | Inclusive Economy |
| Agreement of Capital Grant included with the Capital Programme | Yes | Shaer Halewood | Inclusive Economy |
| North West Mutual Bank | Yes | Shaer Halewood | Inclusive Economy |
| Consideration of Real Living Wage Accreditation | No | Keith Patterson | Inclusive Economy |
| Annual Workforce Monitoring Report 2019/20 | No | Shaer Halewood | Inclusive Economy |
| 2020/21 Monitoring Process and 2022/23 Budget Process | No | Shaer Halewood | Inclusive Economy |
| Transforming Care Therapeutic Short Breaks Capital Proposal | Key | Simone White | Brighter Futures |
| Future High Street Fund Report (FHSR) | Key | Alan Evans | Inclusive Economy |

| | | | |
|---|-----|------------|-------------------|
| Maritime Knowledge Hub | Key | Alan Evans | Inclusive Economy |
| Wirral Waters Enterprise Investment Fund – Maritime Knowledge Hub | Key | Alan Evans | Inclusive Economy |
| Wirral Waters Enterprise Investment Fund – Egerton Village | Key | Alan Evans | Inclusive Economy |
| Business Support Services: Commissioning Intentions Paper | Key | Alan Evans | Inclusive Economy |
| Wirral Ways to Work | Key | Alan Evans | Inclusive Economy |
| New Ferry – Implementing the Regeneration Plan | Key | Alan Evans | Inclusive Economy |

| Deadline for SLT | Deadline for Cleared Reports | Agenda Published |
|------------------|------------------------------|------------------|
| 18 February 2021 | 25 February 2021 | 9 March 2021 |

UPCOMING KEY DECISIONS

| Item | Brief Description | Approximate timescale | Lead Departmental Officer |
|---|---|----------------------------------|--|
| Liverpool City Region Enabling Powers and Associated Issues Key | Various matters which may require the consent of this Authority as one of the constituent authorities of the Liverpool City Region Combined Authority | Between April 2021 and July 2021 | Director of Law and Governance, Phil McCourt |
| Strategic Asset Acquisitions Key | Approval to acquire key assets as part of the | Between April 2021 and July 2021 | Director of Regeneration and Place, Alan Evans |

| | | | |
|--|--|----------------------------------|--|
| | Council's growth strategy | | |
| Wirral Local Plan: 'Local Green Space - Assessment of Applications for Designations' Key | TBC | Between April 2021 and July 2021 | Director of Regeneration and Place, Alan Evans |
| Budget 2021/22, Medium Term Financial Plan and Covid Monitoring 2020/21 Key | This report will provide an update on the 2020/21 budget position | Between April 2021 and July 2021 | Director of Resources, Shaer Halewood |
| Agreement of Capital Grant Included within the Capital Programme Key | To consider the awarding of a capital grant, that is already included within the capital programme for the construction of a 3G pitch to support the Council's pitch strategy and to support residents' physical and mental health | Between April 2021 and July 2021 | Director of Resources, Shaer Halewood |
| Loan / Loan Facility Application Key | To agree a business loan application relating to a local business | Between April 2021 and July 2021 | Director of Resources, Shaer Halewood |
| Birkenhead One Stop Shop Key | Proposal for the relocation of the Birkenhead One Stop Shop and implementation of new service model | Between April 2021 and July 2021 | Director of Regeneration and Place, Alan Evans |
| Northwest Community Bank Key | Update and decisions on Community Bank | Between April 2021 and July 2021 | Director of Resources, Shaer Halewood |
| Edsential Update and Finance Key | Update and decisions on Edsential | Between April 2021 and July 2021 | Director of Resources, Share Halewood |
| Real Living Wage Foundation Accreditation Key | Report on accreditation being sought from the Real Living Wage Foundation following a report to Cabinet on 27 | June 2021 | Director of Resources, Shaer Halewood |

| | | | |
|---|--|-----------|---------------------------------------|
| | July, 2020 | | |
| One Wirral Change Programme Key | In order to effectively deliver the Medium Term Financial Plan and achieve the best outcomes for Wirral residents, the Council needs to have a clearly defined strategic change programme. The programme will define how the organisation needs to transform to achieve the optimum delivery model working with our partners to meet the needs of residents. The report will provide an overview of the emerging programme structure and how it supports delivery of the Council plan and the MTFP. Members of Policy & Resources Committee will need to approve the Change Programme for delivery to commence from 1 April 2021 | June 2021 | Director of Resources, Shaer Halewood |
| Budget Monitoring Quarter 4 Key | | June 2021 | Director of Resources, Shaer Halewood |

ADDITIONAL AGENDA ITEMS – WAITING TO BE SCHEDULED

| Item | Brief Description | Approximate timescale | Lead Departmental Officer |
|---|---|----------------------------------|---------------------------------------|
| Application for National Non Domestic Rate Relief | From time to time an organisation or body that may qualify for Discretionary Rates Relief to reduce their | Between April 2021 and July 2021 | Director of Resources, Shaer Halewood |

| | | | |
|--|---|--|--|
| | liability for paying Rates will apply to the Council for such support which requires a formal decision. | | |
|--|---|--|--|

STANDING ITEMS AND MONITORING REPORTS

| Item | Reporting Frequency | Lead Departmental Officer |
|------------------------|---------------------|---------------------------|
| Performance Monitoring | TBC | Carly Brown |
| Financial Monitoring | TBC | Shaer Halewood |
| Work Programme Update | Every Meeting | Phil McCourt |
| | | |
| | | |
| | | |

WORK PROGRAMME ACTIVITIES OUTSIDE COMMITTEE

| Item | Format | Timescale | Lead Officer | Progress |
|---------------------------------------|--------|-----------|--------------|----------|
| Working Groups/ Sub Committees | | | | |
| | | | | |
| | | | | |
| Task and Finish work | | | | |
| | | | | |
| | | | | |
| Spotlight sessions / workshops | | | | |
| | | | | |
| | | | | |
| Corporate scrutiny / Other | | | | |
| | | | | |
| | | | | |

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Policy and Resources Committee

17 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | TRANSFORMING CARE THERAPEUTIC SHORT BREAKS CAPITAL PROPOSAL |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

This report provides for consideration the recommendations of the Children, Young People and Education Committee in respect of the Transforming Care Therapeutic Short Breaks Capital proposal. The report recommends the acceptance of capital grant monies of up to £700,000 from NHS England to enable the purchase by the Council of a property to be used for the purpose of providing a facility for children and young people with Learning Difficulties, Autism and presenting mental health difficulties along with the delivery of suitable services to such occupants.

The full report is due to be presented to the Children, Young People and Education Committee on 11 March and is attached. The Minutes of the Children, Young People and Education Committee will be distributed following its meeting.

This is a key decision.

RECOMMENDATION/S

Subject to approval by the Children, Young People and Education Committee due to be held on 11 March 2021, Policy and Resources Committee is recommended to:

1. the acceptance of capital grant monies of up to £700,000 from NHS England to enable the purchase by the Council of a property to be used for the purpose of providing a facility for children and young people with Learning Difficulties, Autism and presenting mental health difficulties along with the delivery of suitable services to such occupants.
2. that the Director of Law and Governance be authorised to finalise the associated grant agreement.
3. that delegated authority be given to the Director of Regeneration and Place, in consultation with the Director of Law and Governance, the Director of Children, Families and Education and NHS England to purchase a property at market value suitable for the purposes outlined within this report; and
4. that delegated authority be given to the Director of Children, Families and Education to procure a registered care provider for the first nine months of the facility's operation.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This matter is being referred to Policy & Resources Committee because the Children, Young People and Education Committee is recommending acceptance of capital grant monies from NHSE and the purchase by the Council of a property to be used for the purpose of providing a facility for children and young people with Learning Difficulties, Autism and presenting mental health difficulties along with the delivery of suitable services to such occupants and in accordance with the Council's Constitution the purchase of land over £100,000 is reserved to Policy & Resources Committee.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The option of not bidding for the grant has been considered given pressures of officer time and the need to quickly form a cross agency project team during COVID pressures. This option is not favoured given the level of demand within Wirral for the proposed facility.
- 2.2 A full housing option appraisal has been undertaken by officers. No suitable options have been found.
- 2.3 Expressions of interest from local registered providers have been invited and fully explored as to any stock they had available and suitability for refurbishment. No suitable options were sourced due to the extent of the accommodation needed to meet the service needs.

3.0 BACKGROUND INFORMATION

- 3.1 The report outlines a Transforming Care Therapeutic Short Breaks Capital proposal and provides context on a capital bid process which is underway with NHS England for a grant to be used for children and young people who are experiencing levels of crisis or difficulty and presenting with behaviours of concern.
- 3.2 Following a successful expression of interest stage, a full project proposal has been submitted to NHS England seeking capital funds to:
- Provide a facility for up to three young people who are at risk of attendance at Accident and Emergency, in need of assessment and treatment for mental health issues (Tier 4 admissions) or in need of a placement away from their normal residence. This would provide a short break service offering a range of interventions to support the young person and their carers at a time of crisis and difficulty.
 - Develop an integrated 'hub' across the system (health, social care and education and the third sector) to provide a range of multi service interventions and support. This will include specialist clinical advice where appropriate.

- 3.3 The provision will build on existing services, including the second phase of the Intensive Support Function in Wirral and will provide a therapeutic short break and 'safe space' for young people experiencing a high level of distress.

The proposal aims to support the strategic aims and objectives of the:

- Wirral Plan 2025 '*Brighter Futures*'
- Wirral's Sufficiency Strategy
- NHS Long Term Plan in improving community services for young people with complex needs; and
- Transforming Care Agenda

The proposal also aims to meet the specific strategic objectives:

1. A range of specialist services will be made available to respond to children and young people as and when they need them;
2. All children will be matched with good quality provision that meets their needs;
3. All children will be supported so they are prepared for adulthood;
4. Most children and young people will live locally;
5. Avoidance of 'revolving door' Accident and Emergency attendances for self-harm and other presenting mental health difficulties;
6. Decrease in tier 4 admissions and subsequent prolonged stays; and
7. Decrease in costly, both in financial terms and in impact for the young person, of out of borough children's home placements which sever their local connections with school, peers, family and support services.

- 3.4 The Council is looking to meet the needs of young people who require not only therapeutic interventions but also a facility to provide robust and timely support. Although the facility will be based in one ward, children placed there will come from wards across the borough.

- 3.5 Full background information is detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial implications are detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

5.0 LEGAL IMPLICATIONS

- 5.1 In accordance with the Part 3B of Constitution (Committee Terms of Reference), the Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.

- 5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major

acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Children, Young People and Education Committee falls under that responsibility reserved to the Policy and Resources Committee, the Children, Young People and Education Committee's proposed resolution is presented as a recommendation.

- 5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The resource implications are detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

7.0 RELEVANT RISKS

- 7.1 The relevant risks are detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The engagement/consultation is detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

9.0 EQUALITY IMPLICATIONS

- 9.1 The equality implications are detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The environment and climate implications are detailed within the report submitted to Children, Young People and Education Committee on 11 March 2021.

REPORT AUTHOR: Daniel Sharples
Principal Democratic and Member Services Officer

APPENDICES

Appendix 1 – minute 43, Children, Young People and Education Committee, 11 March 2021.
(to follow)

Appendix 2 – report to Children, Young People and Education Committee, 11 March 2021.

BACKGROUND PAPERS

'Why Communities Matters' report Capacity Lab

'Englands left behind Children' Childrens Commissioner for England Anne Longfield February 2021

'The Art of the Possible' Consultation review 2020

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|-------------|
| Children, Young People and Education Committee | 11. 3. 21 |

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CHILDREN, YOUNG PEOPLE AND EDUCATION COMMITTEE**11th March 2021**

| | |
|----------------------|--|
| REPORT TITLE: | TRANSFORMING CARE THERAPEUTIC SHORT BREAKS CAPITAL PROPOSAL |
| REPORT OF: | DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION |

REPORT SUMMARY

The report outlines a Transforming Care Therapeutic Short Breaks Capital proposal and provides context on a capital bid process which is underway with NHS England for a grant to be used for children and young people who are experiencing levels of crisis or difficulty and presenting with behaviours of concern.

Following a successful expression of interest stage, a full project proposal has been submitted to NHS England seeking capital funds to:

- Provide a facility for up to three young people who are at risk of attendance at Accident and Emergency, in need of assessment and treatment for mental health issues (Tier 4 admissions) or in need of a placement away from their normal residence. This would provide a short break service offering a range of interventions to support the young person and their carers at a time of crisis and difficulty.
- Develop an integrated 'hub' across the system (health, social care and education and the third sector) to provide a range of multi service interventions and support. This will include specialist clinical advice where appropriate.

The provision will build on existing services, including the second phase of the Intensive Support Function in Wirral and will provide a therapeutic short break and 'safe space' for young people experiencing a high level of distress.

Authority is sought for the progression of the proposal from this Committee through to Policy and Resources Committee to approve the receipt of the Capital grant.

The proposal aims to support the strategic aims and objectives of the:

- Wirral Plan 2025 '*Brighter Futures*'
- Wirral's Sufficiency Strategy
- NHS Long Term Plan in improving community services for young people with complex needs; and
- Transforming Care Agenda

The proposal also aims to meet the specific strategic objectives:

1. A range of specialist services will be made available to respond to children and young people as and when they need them;
2. All children will be matched with good quality provision that meets their needs;
3. All children will be supported so they are prepared for adulthood;
4. Most children and young people will live locally;
5. Avoidance of 'revolving door' Accident and Emergency attendances for self-harm and other presenting mental health difficulties;
6. Decrease in tier 4 admissions and subsequent prolonged stays; and
7. Decrease in costly, both in financial terms and in impact for the young person, of out of borough children's home placements which sever their local connections with school, peers, family and support services.

The Council is looking to meet the needs of young people who require not only therapeutic interventions but also a facility to provide robust and timely support.

Although the facility will be based in one ward, children placed there will come from wards across the borough.

This is a key decision.

RECOMMENDATION/S

The Children, Young People and Education Committee is requested to recommend to the Policy and Resources Committee:

1. the acceptance of capital grant monies of up to £700,000 from NHS England to enable the purchase by the Council of a property to be used for the purpose of providing a facility for children and young people with Learning Difficulties, Autism and presenting mental health difficulties along with the delivery of suitable services to such occupants;
2. that the Director of Law and Governance be authorised to finalise the associated grant agreement;
3. that delegated authority be given to the Director of Regeneration and Place, in consultation with the Director of Law and Governance, the Director of Children, Families and Education and NHS England to purchase a property at market value suitable for the purposes outlined within this report; and
4. that delegated authority be given to the Director of Children, Families and Education to procure a registered care provider for the first nine months of the facility's operation.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Committee is asked to consider this proposal in the context of the timeframe and window of opportunity that meets the requirements of the NHSE capital bid process, which lead to grant monies needing to be committed in the next financial year 2021/2022. One of the conditions of the grant is that it needs to be signed over to the Council. To align with the NHS England approval timeframe, it is appropriate for this Committee to request that Policy and Resources Committee approve the capital grant and that an appropriate property be purchased under delegated powers of the Director of Regeneration and Place at market value alongside an appointed registered care provider.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The option of not bidding for the grant has been considered given pressures of officer time and the need to quickly form a cross agency project team during COVID pressures. This option is not favoured given the level of demand within Wirral for the proposed facility.
- 2.2 A full housing option appraisal has been undertaken by officers. No suitable options have been found.
- 2.3 Expressions of interest from local registered providers have been invited and fully explored as to any stock they had available and suitability for refurbishment. No suitable options were sourced due to the extent of the accommodation needed to meet the service needs.

3.0 BACKGROUND INFORMATION

- 3.1 To give some national context to the compelling case for change as to why there is a need to do something different for this group of high risk and very vulnerable young people, some of the key headlines in Anne Longfield's outgoing speech as Children's Commissioner for England '*England's left behind children*' demonstrate that this issue is not going away and has only been exacerbated by the Covid pandemic:
- 1.3 million children with significant mental health conditions
 - 1,340 children have been locked up in youth custody, secure hospitals or children's hospitals
 - over the course of the pandemic the rate of clinically significant mental health conditions increased by 50%
- 3.2 The Transforming Care agenda for children and young people with learning disabilities and/or autism has begun to embed the good practice within Children's Services that has been seen in adults since its implementation. This includes the Care and Education Treatment Review process and the introduction of a Dynamic Support Register to identify and support those children who are deemed by a range of professionals of being most at risk of a hospital admission or being accommodated by the Council. This has enabled the Council, alongside the Clinical Commissioning Group to identify children at risk of admission to hospital or into care. It has also highlighted the limitations of services being able to respond to meet the diverse needs of a number of children. Services that could support children to remain

at home including good quality care and support packages and positive behaviour interventions are not at a sufficient level or standard to be effective. Such services only manage to sustain or slow down behaviours for a time leading inevitably to in-patient or residential care. This is not a good experience for children, parents/carers or professionals and severely disrupts planning effectively for adulthood.

3.3 For children with learning disability, autism or mental health issues needing admission into care, specialist residential care is often not readily available. This can be through lack of provision or because the child presenting in crisis poses too many risks for a provider. This leaves a child in inappropriate settings either in hospital or in short term accommodation with agency support otherwise known as unregulated provision whilst a registered setting is sought. Children under the age of 18 requiring full-time care, not just support, must by law be placed in an Ofsted Registered setting.

3.4 The data analysis undertaken for the bid showed that need and complexity is increasing. Wirral is an outlier in mental health related hospital admission episodes for Children and Young People under 17 years, as displayed below.

| Hospital admissions | Area |
|----------------------------|-------------|
| 155 per 100,000 | Wirral |
| 104 per 100,000 | North West |
| 88 per 100,000 | England |

3.5 Out of all Tier 4 admissions in the 12 month period analysed for the bid, all young people had diagnoses of autism. Young people experienced prolonged stays in hospital even when ready for discharge and a deterioration in presentation as environmentally, hospital was not the right place for them at that stage. Serious difficulties are experienced in identifying community step down placements and Wirral has no specialist local providers. Most importantly, young people experience multiple placement disruptions and poor outcomes.

3.6 The need for support to parents cannot be underestimated and work with parents/carers to support their child is vital to the success of this project and in supporting children to remain in their local communities. Children who are placed at a distance from home are at risk of poorer outcomes. This is also costly option in terms of placement fees and related to professional travel time and other associated professional costs.

3.7 The main aim of the project is to provide a facility/service for children and young people at times of difficulty, particularly for those who are either diagnosed with autism and/or present with significant behaviours of concern. It is recognised that there is limited access to timely services which allow for a period of safety for the young person and which facilitates professionals in appropriately identifying the next steps required to support them.

4.0 FINANCIAL IMPLICATIONS

4.1 The acquisition costs of the property will be funded from the £0.7m grant monies. The revenue funding to operate the facility will come from the existing revenue

budget and in addition, the Council will receive £173,000 infrastructure funding through Transforming Care from NHS England for two years.

- 4.2 This project looks to deliver financial savings as the provision can deliver efficiencies for the Council. The cost of providing the service based on cost modelling benchmarking a gold standard, outstanding rated service provision is £753,000. The current cost of 3 externally commissioned placements is £878,000. This is assuming 100% occupancy which may not be possible to achieve particularly in the initial stages of the provision. The contribution from the NHS England Transforming Care of £173,000 mitigates the risk of the occupancy being below 100%.
- 4.3 The proposal in this case is for a pilot period of up to nine months to allow for a service provider to operate whilst a full procurement process is undertaken.

5.0 LEGAL IMPLICATIONS

- 5.1 An OFSTED and CQC dual registered service provider will be commissioned to deliver the care and support service and will be appointed in accordance with the Council's Contract Procedure Rules.
- 5.2 If the Council cannot manage and maintain the property, a registered housing provider will be procured in accordance with the Council's Contract Procedure rules.
- 5.3 There is provision for a redemption of capital grant should the property cease to be used for the purpose for which it has been acquired.
- 5.4 This matter is a Key Decision not on the Forward Plan. It is considered impracticable to defer consideration of this matter until 28 days' notice has been provided on the Forward Plan. The Monitoring Officer is satisfied that the circumstances satisfy the criteria for urgency so that the decision may be taken with less than 28 days' notice.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The Council would gain the asset and as part of the grant conditions will be able to use the property going forward flexibly to meet the needs of people with learning disability and autism needs.

7.0 RELEVANT RISKS

- 7.1 One risk is that the Council is unable to purchase the property and commit grant monies in next financial year. This will be mitigated by daily updates of the housing options appraisal as a live document ensuring that rapid decision making on properties coming onto the market can take place.
- 7.2 A further risk is that no specialist supplier comes forward to deliver the service and the asset becomes unused for its purpose, thus breaching the grant agreement. This risk will be mitigated by early provider engagement with specialist providers and an invitation to pilot a 9 month new service model prior to full tender.
- 7.3 A further risk is that the location of the property causes reputational risk for the Council. This will be mitigated by early and ongoing engagement with relevant ward

members and the Chair and Spokespersons for Children, Young People and Education Committee.

8.0 ENGAGEMENT/CONSULTATION

8.1 There has been analysis of key messages from children and young people from two deep dive consultation reports undertaken over the past 12 months with children, young people and families on Wirral:

- 'Why Community Matters' Insight Report, and
- 'The Art of the Possible' CYP consultation feedback report

Key challenges emerging in these reports were support for mental health and support for children with additional needs. Children, young people and families told us that:

'We need services to prevent and respond to mental health crises/difficulty'
'We need easier access to specialist/clinical services when we really need them'

There were stories of wide-ranging unmet complex needs from support with anxiety and low mood to severe mental illness. There was a themed strong sense that current services do not have the capacity to support.

8.2 There has been ongoing involvement of Wirral's Children in Care Council and Care Leavers Council.

8.3 The Chair and Spokespersons of the Children, Young People and Education Committee have been briefed on the proposal and regular progress updates have been presented to Corporate Parenting Board. Further regular detailed briefings will be provided to the Chair and Spokespersons.

8.4 The choice of the property is sensitive for the children concerned, hence selection of the appropriate location will be undertaken with specialist advice from health colleagues based on their expertise. As the area for potential property is currently being scoped and no specific property has yet been identified, no neighbourhood engagement has been undertaken at this stage. However consultation and detailed briefings will take place with ward members once a potential property has been identified.

9.0 EQUALITY IMPLICATIONS

9.1 The proposed purchase will be a single storey bungalow ensuring full accessibility with a housing specification ensuring it is environmentally appropriate for children and young people with learning difficulties and autism. Environmental considerations take into account the sensory needs of this cohort of children which can include noise, physical structure, colours and patterns, labelling, lighting, window coverings, smells, temperature and protecting against damage. The outside area needs similar considerations with adequate fencing, privacy and leisure areas. All fixtures and fittings will have the safeguarding of children at the heart of the design to reduce risks such as ligaturing and or other forms of self-harm. An Equality Impact

Assessment will be carried out upon purchase of a suitable property with a view to assessing and mitigating any equality impacts.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 There is the opportunity during any refurbishment of property to ensure that a low carbon footprint design is undertaken.
- 10.2 During the procurement process, providers will be made aware of the Council's ambition to be carbon neutral.
- 10.3 The recommendations contained in this report are expected to have a neutral effect on emissions and greenhouse gases.

REPORT AUTHOR: Anne-Marie Carney
Childrens Commissioning Manager

APPENDICES

None

BACKGROUND PAPERS

'Why Communities Matters' report Capacity Lab
'Englands left behind Children' Childrens Commissioner for England Anne Longfield
February 2021
'The Art of the Possible' Consultation review 2020

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|-------------|
| N/A | |

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POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | TOWN/HIGH STREET FUND: FUTURE HIGH STREETS FUND |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The report provides for consideration the final recommendations of the Economy, Regeneration and Development Committee in respect to Town/High Street Fun: Future High Streets Fund. The report recommends to the Policy and Resource Committee the acceptance to authorise the Director of Regeneration and Place to consider and approve final signoff of the Future High Street Fund grant funding agreements for Birkenhead and New Ferry, in consultation with the Director of Law and Governance. And to authorise the Director of Regeneration and Place to commence delivery of the Birkenhead and New Ferry Future High Street Fund programmes in line with the grant funding agreement and change control process.

The full report was presented to the Economy, Regeneration and Development Committee on 4 March and is attached.

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. Note the content of the report and the announcement from Government regarding the Future High Street Fund award in relation to Birkenhead and the in-principle award in relation to New Ferry.
2. Note that a re-profiled application was submitted to Government on 3 February 2021 in respect of the New Ferry Future High Street Fund in-principle award.
3. Authorise the Director of Regeneration and Place to consider and approve final signoff of the Future High Street Fund grant funding agreements for Birkenhead and New Ferry, in consultation with the Director of Law and Governance.
4. Authorise the Director of Regeneration and Place to commence delivery of the Birkenhead and New Ferry Future High Street Fund programmes in line with the grant funding agreement and change control process.

5. Authorise the Director of Regeneration and Place to progress with scoping out a design, costed model and fit out of the current preferred option for the temporary market, namely Unit 2 St Werburghs Square and St Werburghs Square itself, that will be used as a temporary holding position while the current Birkenhead Market site be made available for redevelopment.
6. It be noted that a further report will be brought forward to members for approval of the finalised proposal for the temporary market.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1.1 The matter is being referred to the Policy and Resource Committee because The report recommends the acceptance to authorise the Director of Regeneration and Place to consider and approve final signoff of the Future High Street Fund grant funding agreements for Birkenhead and New Ferry, in consultation with the Director of Law and Governance. And to authorise the Director of Regeneration and Place to commence delivery of the Birkenhead and the Ferry Future High Street Fund programmes in line with the grant funding agreement and change control process.
- 1.1.2 In accordance with the Council's Constitution decisions regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000 to Policy & Resources Committee.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 An option to delay a report to Committee until the respective Future High Street Fund grant funding agreements are received for Birkenhead and New Ferry was considered but ruled out. Firstly, there are no Committee meetings until after the local elections. In addition to this, it should be noted that the Future High Street Fund process was lengthy and protracted, taking 2 years to date from the launch of the programme. Despite these delays the original spend profile of March 2024 remains, so it is imperative to avoid further delay and commence activity to develop and deliver the projects.
- 2.2 At the time of submission of the Future High Street Fund bid, consideration was being given for the temporary market to be located on Europa Boulevard. Consideration was given to a container type offer, however continued and more developed costings have ruled this location out. There was also some concern from a number of traders that a temporary location at Europa Boulevard was too far away from the retail core.

3.0 BACKGROUND INFORMATION

- 3.1 On 26 December 2020, the Council received notification of the outcome of two submissions it had made to the Ministry of Housing, Communities and Local Government (MHCLG) Future High Street Fund.

This announcement set out that Birkenhead had received its full requested allocation of £24.6m. New Ferry was offered an in-principle award of £3.2m from its requested value of £4.6m, subject to the development, submission and subsequent approval of an updated proposal to reflect the lower funding offer. This report sets out the next steps for both areas.

This includes more detailed information regarding the first scheme to be taken forward within Birkenhead, namely a temporary, interim solution for Birkenhead Market, as well as the process to reprofile and resubmit the New Ferry proposal.

Committee is asked to delegate a number of decisions to the Director of Regeneration and Place in terms of accepting the grant funding agreements and commencing activity to develop and deliver the Future High Street Fund programmes.

Town centre regeneration is a long-standing priority for the Council and is reflected in the Wirral Council Plan 2025 through the requirement to deliver inclusive economic growth, working for a prosperous, inclusive economy where local people can get good jobs and achieve their aspirations. This matter affects the wards of Bromborough and Birkenhead and Tranmere. This is a key decision owing to the significance in terms of the effect on communities living or working in an area comprising two or more wards in the Borough, as well as being in excess of £500,000 in monetary value.

3.2 Full background information is detailed within the report submitted to Economy, Regeneration and Development Committee on 4 March 2021

4.0 FINANCIAL IMPLICATIONS

4.1 The financial implications are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

5.0 LEGAL IMPLICATIONS

5.1 The legal implications are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The resource implications are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

7.0 RELEVANT RISKS

7.1 The relevant risks are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

8.0 ENGAGEMENT/CONSULTATION

8.1 The engagement/consultation are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

9.0 EQUALITY IMPLICATIONS

9.1 The equality implications are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The environment and climate are detailed within the report submitted Economy, Regeneration and Development Committee on 4 March 2021.

REPORT AUTHOR: Anna Perret
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 - Minute Extract
Appendix 2 – Future High Streets Fund

BACKGROUND PAPERS

MHCLG Future High Streets Fund Call for Proposals, December 2018
<https://www.gov.uk/government/publications/future-high-streets-fund-call-for-proposals>

MHCLG Future High Streets Fund Business Case Guidance, 2019 (Copy available on request) MHCLG Future High Street Fund Announcement, December 2020
<https://www.gov.uk/government/news/830-million-funding-boost-for-high-streets>

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|------------|
| Delegated Decision Report: Preferred Development | 20/12/2019 |
| Option for New Ferry Cabinet Report: New Ferry and Birkenhead Future High Street Fund | 23/03/2020 |
| Birkenhead Future High Street Fund Leader Decision (Birkenhead Market Full Business Case) | March 2020 |
| Economy Regeneration and Development Committee | March 2020 |

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MINUTE EXTRACT

ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 2021

29 FUTURE HIGH STREET FUND

The report of the Director of Regeneration and Place set out that in December 2020, the Council received notification of the outcome of two submissions it had made to the Ministry of Housing, Communities and Local Government Future High Street Fund. Birkenhead had received its full requested allocation of £24.6m and New Ferry was offered an in-principle award of £3.2m from its requested value of £4.6m, subject to an updated proposal to reflect the lower funding offer. The report set out the next steps for both areas, including more detailed information regarding a temporary solution for Birkenhead Market, as well as the process to reprofile and resubmit the New Ferry proposal.

Sally Shah, Chief Regeneration Officer, presented the report and answered Members questions, which mainly concerned the moving of Birkenhead Market and wanting the development of New Ferry to move forward as quickly as possible.

RESOLVED - That Policy and Resources Committee be requested to approve the following recommendations:

- (1) Note the content of the report and the announcement from Government regarding the Future High Street Fund award in relation to Birkenhead and the in-principle award in relation to New Ferry.**
- (2) Note that a re-profiled application was submitted to Government on 3 February 2021 in respect of the New Ferry Future High Street Fund in-principle award.**
- (3) Authorise the Director of Regeneration and Place to consider and approve final sign off of the Future High Street Fund grant funding agreements for Birkenhead and New Ferry, in consultation with the Director of Law and Governance.**
- (4) Authorise the Director of Regeneration and Place to commence delivery of the Birkenhead and New Ferry Future High Street Fund programmes in line with the grant funding agreement and change control process.**
- (5) Authorise the Director of Regeneration and Place to progress with scoping out a design, costed model and fit out of the current preferred option for the temporary market, namely Unit 2 St Werburghs Square and St Werburghs Square itself, that will be used as a temporary holding position while the current Birkenhead Market site be made available for re-- development.**
- (6) Note that a further report will be brought forward to Members for approval of the finalised proposal for the temporary market.**

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ECONOMY REGENERATION & DEVELOPMENT COMMITTEE**Thursday, 4 March 2021**

| | |
|----------------------|--|
| REPORT TITLE: | TOWN/HIGH STREET FUNDS: FUTURE HIGH STREET FUND |
| REPORT OF: | DIRECTOR OF REGENERATION AND PLACE |

REPORT SUMMARY

On 26 December 2020, the Council received notification of the outcome of two submissions it had made to the Ministry of Housing, Communities and Local Government (MHCLG) Future High Street Fund. This announcement set out that Birkenhead had received its full requested allocation of £24.6m. New Ferry was offered an in-principle award of £3.2m from its requested value of £4.6m, subject to the development, submission and subsequent approval of an updated proposal to reflect the lower funding offer.

This report sets out the next steps for both areas. This includes more detailed information regarding the first scheme to be taken forward within Birkenhead, namely a temporary, interim solution for Birkenhead Market, as well as the process to reprofile and resubmit the New Ferry proposal. Committee is asked to delegate a number of decisions to the Director of Regeneration and Place in terms of accepting the grant funding agreements and commencing activity to develop and deliver the Future High Street Fund programmes.

Town centre regeneration is a long-standing priority for the Council and is reflected in the Wirral Council Plan 2025 through the requirement to deliver inclusive economic growth, working for a prosperous, inclusive economy where local people can get good jobs and achieve their aspirations.

This matter affects the wards of Bromborough and Birkenhead and Tranmere.

This is a key decision owing to the significance in terms of the effect on communities living or working in an area comprising two or more wards in the Borough, as well as being in excess of £500,000 in monetary value.

RECOMMENDATIONS

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. Note the content of the report and the announcement from Government regarding the Future High Street Fund award in relation to Birkenhead and the in-principle award in relation to New Ferry.
2. Note that a re-profiled application was submitted to Government on 3 February 2021 in respect of the New Ferry Future High Street Fund in-principle award.
3. Authorise the Director of Regeneration and Place to consider and approve final sign-off of the Future High Street Fund grant funding agreements for Birkenhead and New Ferry, in consultation with the Director of Law and Governance.
4. Authorise the Director of Regeneration and Place to commence delivery of the Birkenhead and New Ferry Future High Street Fund programmes in line with the grant funding agreement and change control process.
5. Authorise the Director of Regeneration and Place to progress with scoping out a design, costed model and fit out of the current preferred option for the temporary market, namely Unit 2 St Werburghs Square and St Werburghs Square itself, that will be used as a temporary holding position while the current Birkenhead Market site be made available for redevelopment.
6. It be noted that a further report will be brought forward to members for approval of the finalised proposal for the temporary market.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Future High Street Fund will support the Council by enabling access to significant funding to support the regeneration of Birkenhead and New Ferry Town Centres.
- 1.2 Birkenhead Market's infrastructure incurs high maintenance liabilities and the building as it currently stands is expensive to operate, inappropriate for its current use and is not energy efficient. Ongoing repairs and maintenance costs are estimated to grow quite significantly over the next few years in its current state. It is therefore proposed that the current building is demolished and a new home for the market is sought.
- 1.3 The general look and feel of the market have become tired externally and internally and requires a major transformation to make it more appealing to the general public and traders alike. Its Unique Selling Point has been lost over the years and there is a need for change to prevent the pressure of issues caused by further decline.
- 1.4 The establishment of the Wirral Growth Company and its plans for the development of a new town centre provide a significant opportunity to develop and enable an attractive, well-designed market in the heart of Birkenhead utilising the current footprint but on a smaller scale.
- 1.5 The creation of a temporary holding position for the market will enable the current Birkenhead Market site to be made available to be developed by the Wirral Growth Company in accordance with the appropriate Site Development Plan and other requirements of the Partnership Agreement when such proposals are brought forward by Wirral Growth Company in due course.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 An option to delay a report to Committee until the respective Future High Street Fund grant funding agreements are received for Birkenhead and New Ferry was considered but ruled out. Firstly, there are no Committee meetings until after the local elections. In addition to this, it should be noted that the Future High Street Fund process was lengthy and protracted, taking 2 years to date from the launch of the programme. Despite these delays the original spend profile of March 2024 remains, so it is imperative to avoid further delay and commence activity to develop and deliver the projects.
- 2.2 At the time of submission of the Future High Street Fund bid, consideration was being given for the temporary market to be located on Europa Boulevard. Consideration was given to a container type offer, however continued and more developed costings have ruled this location out. There was also some concern from a number of traders that a temporary location at Europa Boulevard was too far away from the retail core.

3.0 BACKGROUND INFORMATION

- 3.1 MHCLG launched the Future High Street Fund in December 2018 to provide capital infrastructure investment to help renew and reshape town centres and high streets. They outlined a maximum application value of £25m for activity and spend by March 2024, with an anticipated average award expected to be in the region of £5-10m.
- 3.2 In March 2019, MHCLG received 328 Expressions of Interest applications and in July 2019 both Birkenhead and New Ferry were announced as part of the first 51 areas to progress to the final application stage. In August 2019, a further 50 areas were announced. All local authorities progressing to the final stage received a capacity and resource grant to assist with the costs of developing a Treasury Green Book compliant full business case.
- 3.3 In January 2020, draft business cases were submitted for Birkenhead and New Ferry, with the final full business cases due for submission in April 2020. A report to Cabinet in March 2020 provided members with an update regarding the development of each funding bid and authorised the Director of Regeneration and Place to provide final-sign-off. Owing to COVID-19 the deadline for final submissions was subsequently delayed until June 2020. It was anticipated that successful areas would be announced in Summer 2020, however in September 2020, MHCLG unexpectedly announced a standard additional clarification exercise for all applicants to submit within a 3-week window.
- 3.4 On 26 December 2020, the Secretary of State for Communities Housing and Local Government announced up to £830m of Future High Streets Fund would be invested in 72 areas across England as follows:
- 15 areas receiving confirmed funding for their full application value, totalling £255m, subject to grant funding agreement.
 - 57 areas receiving an in-principle funding offer totalling up to £576m, subject to final approval of a revised, reprofiled submission.
 - Including confirmed and in-principle notifications:
 - Awards ranged from £1,058,706 to £25,000,000.
 - The average award being £11,541,667.

3.5 Overview of Birkenhead Future High Street Fund

- 3.5.1 **Summary of Issues:** The Birkenhead FHSF application outlined that the high street is blighted by vacant shop frontage, with the market also hosting considerable empty units; both seeing a reduction in footfall. There is little or no diversity in terms of office, leisure and residential and outside of trading hours the core is largely deserted. There is little in the way of green space and infrastructure, with low quality and dated public realm and vehicle dominated, over engineered roads which provide a poor-quality pedestrian/cycle environment and have a poor road safety record.
- 3.5.2 To seek to resolve these challenges, the Birkenhead Future High Street Fund application identified five objectives:
- An improved retail core and market.
 - A diversified and mixed-use town centre.
 - A walkable and sustainably connected centre.
 - An attractor of visitors.

- An investable proposition.

3.5.3 **Summary of Proposed Activity:** Alongside Wirral Growth Company investment, the Birkenhead application set out a diversified, mixed-use town centre with an improved retail core/market. This includes the demolition of the old market, a smaller more modern and sustainable new build on part of the original site, as well as an upfront interim temporary market solution.

3.5.4 In addition to this a series of highways and connectivity projects to address the over-engineered highway routes will simplify and enhance pedestrian and cycle access at key gateway entry points to the retail core and improve road safety. These include Conway Street/Europa Boulevard, Charing Cross/Grange Road West and Birkenhead Central Gyratory. The high street itself will also see enhanced public realm improvements on Grange Road including anti-terror measures.

3.5.5 Accelerated residential development on Europa Boulevard will provide new homes and bring added diversification in the town centre, increasing and enhancing the catchment. This will also contribute to the maturing of the local housing market making later phase development more viable and support early brownfield residential delivery which is critical to the Council’s emerging Local Plan.

3.5.6 Birkenhead has been awarded £24,589,011 from the Future High Street Fund (subject to grant funding agreement approval).

Table 1: Breakdown of Birkenhead FHSF Application

| Project | FHSF Ask |
|--|--------------------|
| Conway Street & Europa Boulevard | £2,081,125 |
| Grange Road & Charing Cross | £2,969,245 |
| Central Gyratory | £276,463 |
| Birkenhead Market (Temporary & New Market) | £14,427,298 |
| Europa Residential Phase 1 | £4,826,880 |
| Total | £24,589,011 |

3.5.7 **Next Steps:** The most progressed element of the Birkenhead submission is the temporary market solution, as set out in section 3.6 of this report. The other projects are developed to concept design and this report seeks authority for the Director of Regeneration to commence delivery of the Birkenhead Future High Street Fund programme (subject to grant funding agreement approval). This will include full project design, costings and the management of project budget allocations within the £24.6m Future High Street Fund envelope as projects progress to detailed design; stakeholder engagement and consultation (including statutory as appropriate); statutory approvals and planning as appropriate; procurement/contractor approval and delivery of works. Reports regarding individual projects will be brought back to Committee as required.

3.6 Temporary Market

3.6.1 A catalyst for driving growth throughout the borough includes delivering a strong and thriving Birkenhead Town Centre and the market has been identified through consultation as a key element of this. The Wirral Growth Company has conducted

various outreach public consultation events and at each event residents have confirmed the importance of Birkenhead Market to the town and its residents.

- 3.6.5 In December 2018, full Council approved the acquisition of the long leasehold interest in Birkenhead Market to facilitate its assimilation into the Council's freehold title.
- 3.6.6 Consideration for the provision of a new Market is included within the scope of the Birkenhead Commercial District development. This provides the opportunity to bring forward a redeveloped Market to create a 'go-to' destination.
- 3.6.7 In order for a new market building and other redevelopment to take place on the current site of Birkenhead Market, the building needs to be vacated, demolished and then the new market building built. This will take some time and so a requirement for a temporary alternative site will be needed to ensure continuity of trade and to ensure Birkenhead remains a market town.
- 3.6.8 The temporary solution is intended to be a hybrid model based on an indoor and outdoor market offer. The preferred option will include the retail unit at 2 St Werburghs Square along with developing an outside pop-up market to be situated on St Werburghs Square itself. The aim is to allow for continuity and a smooth transition while the new market development takes place.
- 3.6.9 The preferred option at St Werburghs will require part of the capital grant highlighted within 3.5.6 to be allocated for the delivery of the temporary market. Furthermore, it will also require the agreement of a short-term lease between the Council and the Landlord, Mars Pension Fund (Shopping Centre Owners) before a planning application is submitted to allow the required approvals for alteration. A further report will therefore be brought to members to provide these details and seek agreement at the earliest opportunity.

3.7 **Overview of New Ferry Future High Street Fund**

- 3.7.1 **Summary of Issues:** Since the explosion in 2017, New Ferry as a retail centre has declined further, with Bebington Road seeing vacancy rates more than double to 41.7% (February 2017 - October 2019). The high street has become unattractive with numerous derelict, dilapidated and vacant properties. In addition, the road layout and circulatory route around the centre is poor and unclear for road users and pedestrians to navigate. The retail offer is limited, with an over-provision of low value convenience and basic comparison retailers.
- 3.7.2 In order to resolve these challenges, five key objectives have been identified:
- Improved arrival points: creating more of a high street destination and sense of arrival.
 - Improved movement and footfall through the centre, ensuring greater passing trade for the retail premises.
 - Improved appearance: A significant detractor from the current town centre, by improving this it will make it a better place to visit and shop.

- Contraction of retail provision: The current retail provision is too large as shown by the high vacancy rates. By contracting the high street, this will allow a more focused retail provision.
- Diversification of town centre uses: Delivering residential development on underutilised land and through vacant building redevelopment to grow and diversify the centre's immediate catchment, creating 24-hour activity and surveillance to the centre.

3.7.3 Several key projects have been put forward as part of the revised bid which are summarised below:

Table 2: Summary of New Ferry Future High Street Fund Projects

| Project Name | Key Objectives Achieved | Description |
|---|---|--|
| Supporting the Redevelopment of Woodhead Streetcar Park and Explosion Sites | Improved arrival points Improved appearance Diversification of town centre uses | Redevelopment of three strategic sites on key arrival points into New Ferry, creating a condensed car park, 79 new residential units and 10,850 sq. ft. new retail provision. |
| Improvements to Bebington Road | Improved movement and footfall Improved appearance | One-way re-opening of Bebington Road to vehicles including creation of short stay on-street parking bays bringing activity back to an under-utilised and unattractive pedestrianised street. |
| Opening up of School Lane | Improved arrival points Improved movement and footfall | Removal of bollards currently stopping access onto Bebington Road. This will lead to improved connectivity from key car parks and the village hall on Grove Street to the west with the main retail section, tying in with improvements to Bebington Road. |

3.7.4 The original submission was for £4,648,947, however a reduced in-principle offer was made to the Council on the 26 December of £3,213,522 this represents 69% of the original funding ask to Government.

3.7.5 **Next Steps:** The Council has recently submitted further clarification information regarding a scaled back project to MHCLG on the 3 February 2021. A final decision on the funding allocation is expected in March 2021 and a grant funding agreement will follow. In addition, a separate report updating members on implementing the regeneration plan in New Ferry and seeking the authorisation for compulsory purchase powers to acquire all the land and property required for redevelopment, will be taken to the Economy, Regeneration and Development Committee on 4 March 2021.

4.0 FINANCIAL IMPLICATIONS

- 4.1 As highlighted previously in this report, Birkenhead has been awarded £24,589,011 (subject to grant funding agreement receipt and approval). The Council has not yet received a grant funding agreement in respect of the award for Birkenhead, however during an inception meeting, the Council's appointed Future High Street Fund programme lead informed that this will set out a Section 31 non-ring-fenced grant transfer with yearly up-front payments. The Council has already received a payment of £150,000 in respect of spend for 20/21 financial year and this will be utilised to progress detailed project design.
- 4.2 New Ferry has been offered an in-principle award of £3,213,522 subject to approval of a reprofiled scheme. A grant payment of £5000 has been awarded to the Council to cover the costs of consultants to assist in reviewing a scaled back programme and to complete the necessary information required as part of the New Ferry application. This work has now been completed.

5.0 LEGAL IMPLICATIONS

- 5.1 As outlined in paragraph 4.1 the Council has not yet received a grant funding agreement detailing the terms and conditions of the award. It is understood that the Council will also receive a separate Memorandum of Understanding containing key deliverables. A further Change Control process will advise what amendments the Council can make within its programme in consultation with its appointed Programme Lead and which may be subject to a revised 'mini' business case. This will be important owing to many projects being a concept design stage.
- 5.2 The Director of Law and Governance will provide advice to the Director of Regeneration and Place regarding the compliance of the Future High Street Fund projects within the UK's new international obligations on Subsidy Control following the end of the Brexit transition period on 1 January 2021. The onward flow of funds will also need to comply with the new regime applicable to state subsidy. In the absence of a grant funding agreement, it is not possible to provide a more detailed position statement in this regard.
- 5.3 The Council's right to hold a market in Birkenhead is contained in the Birkenhead Improvement Act 1833 and the Birkenhead Corporation Act 1881. These rights are often referred to as "Charter Rights" as the original grant of the right to hold a market in Birkenhead was made by Royal Charter in the thirteenth century. By having the right to hold a market in Birkenhead, common law implies that this exclusivity extends to 6 2/3 miles from the site of the Birkenhead Market.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The Birkenhead and New Ferry Future High Streets Fund programmes will be managed respectively by existing staff from within the Place and Investment Team and the Special Projects Team, both within the Regeneration and Place Directorate.
- 6.2 In terms of the temporary market, officers within the Regeneration and Place Directorate will coordinate and manage all project related activities, undertake title

investigation, conveyancing, financial modelling, and monitoring, supplemented by an external surveying resource where necessary. Steps will be taken to appoint a development manager and or contractors in due course.

7.0 RELEVANT RISKS

- 7.1 A programme Risk Register will be developed as well as individual Risk Registers for each project. These will be updated throughout the process lifecycle in order to assist the Council in identifying, controlling and managing risk. This will report within the Council's Corporate Risk Management structure.
- 7.2 As outlined in paragraphs 2.1 and 3.3 the Future High Street Fund application process has been subject to delay and taken 2 years to date. The Council has not yet received a grant funding agreement for Birkenhead and the application process for New Ferry continues owing to the requirement to submit a re-profiled application for approval. That said, the final date for spend has not been extended and remains at March 2024. To mitigate any risk of not delivering and spending within this timescale Committee is asked within this report to authorise the Director of Regeneration to progress a number of decisions including sign-off of the grant funding agreement on receipt, commencement of delivery and management of the change control process as projects move from concept to full design.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Future High Street Fund applications support and add value to consultation conducted already as part of the New Ferry Regeneration Plan and Birkenhead Town Centre consultation conducted by Wirral Growth Company. As projects within them are developed these proposals will also go through engagement and consultation as part of the statutory approval and planning process as appropriate to each project.

9.0 EQUALITY IMPLICATIONS

- 9.1 The potential impact of the Future High Streets Fund has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan and no material amendments have been made.

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0>

- 9.2 An EIA has been produced in support of the temporary market solution and no material amendments have been made.

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and recommendations contained within this report are expected to reduce the emissions of greenhouse gases. This will include, as appropriate, energy efficient buildings within new developments; infrastructure improvements to reduce car dominance and create a safer environment for road users and pedestrians, and environmental and climate considerations within the Council's Social Value strategy to be used within the procurement of future contractors.

REPORT AUTHOR: **Beverley Staniford**
Economic Lead
beverleystaniford@wirral.gov.uk

APPENDICES

BACKGROUND PAPERS

MHCLG Future High Streets Fund Call for Proposals, December 2018
<https://www.gov.uk/government/publications/future-high-streets-fund-call-for-proposals>

MHCLG Future High Streets Fund Business Case Guidance, 2019
(Copy available on request)

MHCLG Future High Street Fund Announcement, December 2020
<https://www.gov.uk/government/news/830-million-funding-boost-for-high-streets>

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|-------------|
| Delegated Decision Report: Preferred Development Option for New Ferry | 20/12/2019 |
| Cabinet Report: New Ferry and Birkenhead Future High Street Fund | 23/03/2020 |
| Leader Decision (Birkenhead Market Full Business Case) | March 2020 |



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---------------------------------------|
| REPORT TITLE: | MARITIME KNOWLEDGE HUB |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

This report provides for consideration the final recommendations of the Economy Regeneration and Development Committee in respect to the Maritime Knowledge Hub. The Report recommends that the Policy and Resource Committee authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as an appendix to this report.

The Economy, Regeneration and Development committee also ask Policy and Resource Committee to consider recommendations to finalise agreements for the Council to enter into a conditional Forward Funding Agreement, Agreement for Lease and Lease, based on the finalised heads of terms, with Peel Land and Property (Intermediate) Ltd. And to accept the terms of the Grant Funding Agreement, subject to successful award, from Liverpool City Region Combined Authority and Ministry of Communities, Housing and Local Government in respect of the pre-test and trial Maritime Accelerator Project and to commence necessary procurement exercises to enable the delivery of the Accelerator.

The full report was presented to the Economy, Regeneration and Development Committee on the 4 March and is attached as an appendix to this report.

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. Authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as an appendix to this report.
2. Approve the Full Business Case for Maritime Knowledge Hub.

3. Authorise the Director of Law and Governance in consultation with the Director of Regeneration and Place and the Director of Resources, to finalise agreements for the Council to enter into a conditional Forward Funding Agreement, Agreement for Lease and Lease, based on the finalised heads of terms, with Peel Land and Property (Intermediate) Ltd.
4. Authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources to accept the terms of the Grant Funding Agreement, subject to successful award, from Liverpool City Region Combined Authority and Ministry of Communities, Housing and Local Government in respect of the pre-test and trial Maritime Accelerator Project and to commence necessary procurement exercises to enable the delivery of the Accelerator.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This matter is being referred to Policy & Resources Committee because the Economy Regeneration and Development Committee is recommending authorisation of the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as an appendix to this report. In accordance with the Council's Constitution regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000 is reserved to Policy & Resources Committee

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Do Nothing: The Council takes no action and does not participate in the project. This would result in the scheme not progressing due to the viability gap. Not developing the site and refurbishing the listed building would be detrimental to the wider Wirral Waters scheme.
- 2.2 Direct Delivery by the Council: This has not been an option as the land upon which this development will take place is in the ownership of Peel Holdings Land and Property (UK) Limited and they are unwilling to dispose of the freehold interest. This option would require significant Council resource to project manage the build and also add significant risk to the Council in terms of cost overruns which would be the Council's responsibility.
- 2.3 Alternative leasehold structure: Other leasehold arrangements have been considered and in particular consideration was given to a 30 year strip out lease. Advice secured from Lambert Smith Hampton, the Council's retained property advisor, indicates that where the occupational income is relatively complex (e.g. more than 5 tenants) and there is a significant chance that throughout the investment period, the income may not match that of the liabilities within the headlease, Public Works Loan Board finance should be considered strongly. Taking the above issues into account officers have identified that this would therefore not be a viable option to pursue.

3.0 BACKGROUND INFORMATION

- 3.1 The Maritime Knowledge Hub is a catalytic project that will support wider development within Wirral Waters. It will create a world class centre of excellence for maritime business growth and sector development. It will bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills within a refurbished and new build high profile centre. The Wirral Plan 2025 Vision sets out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The Maritime Knowledge Hub (MKH) project directly supports the following key themes within that plan.

- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
- Brighter futures for our young people and families – regardless of their background or where they live.

4.0 FINANCIAL IMPLICATIONS

4.1 The financial implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

5.0 LEGAL IMPLICATIONS

5.1 The Legal implications are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

7.0 RELEVANT RISKS

7.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

7.0 ENGAGEMENT/CONSULTATION

8.1 The Engagement/Consultation implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

8.0 EQUALITY IMPLICATIONS

9.1 The Equality implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The Environment and Climate implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

REPORT AUTHOR: **Anna Perret**
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 Minute Extract
Appendix 2 Committee Report

BACKGROUND PAPERS

Gyron Demand Study 2016
GVA market report August 2018
SQW Demand Study February 2020

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|-------------|
| | |

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MINUTE EXTRACT

ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 2021

35 MARITIME KNOWLEDGE HUB

The report of the Director of Regeneration and Place explained that the Maritime Knowledge Hub was a catalytic project to support wider development within Wirral Waters. It was to create a world class centre of excellence for maritime business growth and sector development. It would also bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills within a refurbished and new build high profile centre.

Participating in the development of the Maritime Knowledge Hub through a Forward Funding Agreement and taking of a 250-year lease would create a world class centre of excellence for maritime business growth and sector development. It would bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills within a refurbished and new build high profile centre. The project would be an investment vehicle for the Council with the potential to deliver a financial return to offset the capital investment.

RESOLVED – That Policy and Resources Committee be requested to approve the following recommendations:

- (1) The Director of Regeneration and Place, in consultation with the Director of Law and Governance and the Director of Resources, be authorised to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as Appendix 3 to the report.**
- (2) The Full Business Case for Maritime Knowledge Hub be approved.**
- (3) The Director of Law and Governance, in consultation with the Director of Regeneration and Place and the Director of Resources, be authorised to finalise agreements for the Council to enter into a conditional Forward Funding Agreement, Agreement for Lease and Lease, based on the finalised heads of terms, with Peel Land and Property (Intermediate) Ltd.**
- (4) The Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources be authorised to accept the terms of the Grant Funding Agreement, subject to successful award, from Liverpool City Region Combined Authority and Ministry of Communities, Housing and Local Government in respect of the pre-test and trial Maritime Accelerator Project and to commence necessary procurement exercises to enable the delivery of the Accelerator.**

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ECONOMY REGENERATION AND DEVELOPMENT COMMITTEE

Meeting Date 4th March 2021

| | |
|----------------------|---|
| REPORT TITLE: | MARITIME KNOWLEDGE HUB |
| REPORT OF: | DIRECTOR OF REGENERATION AND PLACE |

REPORT SUMMARY

The Maritime Knowledge Hub is a catalytic project that will support wider development within Wirral Waters. It will create a world class centre of excellence for maritime business growth and sector development. It will bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills within a refurbished and new build high profile centre.

The Wirral Plan 2025 Vision sets out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The Maritime Knowledge Hub (MKH) project directly supports the following key themes within that plan.

- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
- Brighter futures for our young people and families – regardless of their background or where they live.

This is a key decision and matter affects the Seacombe Ward within the Borough.

EXEMPT INFORMATION

Appendices 1 and 3 to this report contain exempt information as defined in Schedule 12A of the Local Government Act 1972. It is in the public interest to exclude the press and public during consideration of these items under Paragraph 3 'Information relating to the financial or business affairs of any particular person (including the authority holding the information)' and Paragraph 5 ('legal professional privilege')

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

- 1 Authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms

substantially in accordance with the draft Heads of Terms attached as Appendix 3 to this report.

- 2 Approve the Full Business Case for Maritime Knowledge Hub.
- 3 Authorise the Director of Law and Governance in consultation with the Director of Regeneration and Place and the Director of Resources, to finalise agreements for the Council to enter into a conditional Forward Funding Agreement, Agreement for Lease and Lease, based on the finalised heads of terms, with Peel Land and Property (Intermediate) Ltd.
- 4 Authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources to accept the terms of the Grant Funding Agreement, subject to successful award, from Liverpool City Region Combined Authority and Ministry of Communities, Housing and Local Government in respect of the pre-test and trial Maritime Accelerator Project and to commence necessary procurement exercises to enable the delivery of the Accelerator.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 Participating in the development of the Maritime Knowledge Hub (MKH), through a Forward Funding Agreement and taking of a 250-year lease will create a world class centre of excellence for maritime business growth and sector development. It will bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills within a refurbished and new build high profile centre. The recommendations will allow the project to proceed as an investment vehicle for the Council which has the potential to deliver a financial return to offset the capital investment.
- 1.2 The project will establish Phase 2 of the MKH, Phase 1 having already been established at a smaller site adjacent to the A41 and Cammell Laird as a base for Mersey Maritime – the industry leading cluster organisation. Phase 2 will support the place shaping undertaken for both Wirral Waters and Birkenhead Town Centre by establishing a second university presence within the Borough. A university presence brings a range of regenerative benefits including higher level skills, knowledge-based start-up businesses and students and staff who require a range of amenities and will therefore provide increased footfall into a revitalised Birkenhead.
- 1.3 The MKH will deliver sector specific targeted Grade 'A' office accommodation, skills, research and innovation support in Wirral Waters, an area providing significant potential for growth and regeneration. It will provide a circa 58,000 sq.ft facility including a new build element and the renovation of the Grade 2 listed Hydraulic Tower. The project has the potential to create up to 621 gross direct jobs. It will also result in the reclamation of circa 2.3 acres of brownfield land.
- 1.4 Delivery of a complementary pre-test and trial Maritime Accelerator Project presents an ideal opportunity to pilot activity in advance of the scheduled launch of MKH II, building cluster capacity, facilitating wider engagement of the sector and initiating test and trial innovation accelerator activities in readiness for full roll-out of the concept of the new Hub within the Liverpool City Region Innovation Ecosystem.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Do Nothing:
The Council takes no action and does not participate in the project. This would result in the scheme not progressing due to the viability gap. Not developing the site and refurbishing the listed building would be detrimental to the wider Wirral Waters scheme.
- 2.2 Direct Delivery by the Council:
This has not been an option as the land upon which this development will take place is in the ownership of Peel Holdings Land and Property (UK) Limited and they are unwilling to dispose of the freehold interest. This option would require significant Council resource to project manage the build and also add significant risk to the Council in terms of cost overruns which would be the Council's responsibility.

- 2.3 Alternative leasehold structure:
Other leasehold arrangements have been considered and in particular consideration was given to a 30 year strip out lease. Advice secured from Lambert Smith Hampton, the Council's retained property advisor, indicates that where the occupational income is relatively complex (e.g. more than 5 tenants) and there is a significant chance that throughout the investment period, the income may not match that of the liabilities within the headlease, Public Works Loan Board finance should be considered strongly. Taking the above issues into account officers have identified that this would therefore not be a viable option to pursue.

3.0 BACKGROUND INFORMATION

- 3.1 Wirral Waters is one of the largest regeneration projects in the UK (some 500 acres) with the potential to create over 20,000 permanent jobs and to transform the derelict docklands through a mix of sustainable mixed-use development schemes.
- 3.2 The Maritime Knowledge Hub will create a world class centre of excellence for maritime business growth and sector development. It will bring together the region's key maritime assets in business, research, education and training to address future challenges around innovation and skills within a refurbished and new high-profile centre. The space will be designed to create an environment for maritime businesses and for University provision to locate and for a range of skills to come together from these organisations to help drive new products intended to significantly advance the growth of the sector.
- 3.3 The Wirral Plan 2025 sets out the Councils vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. This project supports the key themes of the vision through the creation of a mix of uses within the hub including the provision of support and growth space for fledgling maritime businesses through an accelerator model, the creation of next generation talent through degree apprenticeships and satisfying the demand for mandatory offshore safety and survival skills. It will also further develop university presence within Wirral's economy supporting the skills campus place-making theme and the wider ambitions for Birkenhead and the surrounding areas.
- 3.4 MKH is a nationally significant project that also acts as a major catalyst for activity within Wirral Waters. It has recognition from central Government and support from the Combined Authority who have included it as a project within the Liverpool City Region Economic Recovery Plan – Building Back Better.
- 3.5 The proposed scheme will deliver a new iconic maritime sector facility of circa 58,000 sq.ft within the Wirral Waters Enterprise Zone. It will be built around the iconic 19th century Grade 2 listed hydraulic tower, a copy of the Palazzo Vecchio in Florence. The site being developed sits within the Four Bridges 'neighbourhood area' of Wirral Waters. This is a mixed- use area that combines commercial, training, educational, cultural and ancillary retail uses within a high-quality landscape and is the first area being delivered within Wirral Waters. A plan of the site is shown in Appendix 2.

The 2025 Wirral Plan

- 3.6 The Wirral Plan 2025 Vision sets out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The Maritime Knowledge Hub (MKH) project directly supports the following key themes within that plan.
- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
 - Brighter futures for our young people and families – regardless of their background or where they live.
- 3.7 The Wirral Waters area is recognised in the borough's Strategic Regeneration Framework, approved by Council in October 2017, as one of the key spatial priority areas for regeneration and investment. Wirral Waters is also identified in the emerging Birkenhead Regeneration Framework and Local Plan as an area providing significant potential for growth which will support and guide the delivery of physical, economic and environmental change and deliver wider regeneration.

Delivering the Project – the Full Business Case

- 3.8 The site is in the ownership of the Peel group and it is proposed that the delivery of the MKH will be carried out by Peel Land and Property Investments (Intermediate) Ltd (Peel) acting as developer. This will be based on a Forward Funding model, with the Council's role being that of Forward Funder (effectively a capital purchase). The Council will commit to taking a 250-year lease of the completed asset to an agreed design, subject to Peel satisfying a number of conditions precedents which are outlined in the exempt Full Business case (enclosed as Appendix 1 to this report).
- 3.9 Completion of conditional contracts will enable Peel to progress to detailed design of the scheme and to then submit detailed planning and Listed Building consent applications. Peel will also at this stage commence full marketing of the project to secure tenants for the completed property. The Council and Peel will only commit to the build at the stage when the conditions precedents are fully met. This will include that Peel have secured pre letting of 80% of the property based on the total estimated rental value which has been agreed by the parties. The marketing will be directed at the maritime sector businesses and associated industries. Peel will secure the pre lets on terms which are in line with the Letting Strategy which has been drafted by the Council's external property advisor. This Letting Strategy will form part of the legal contract documents and will ensure that the tenants are approved by the Council and of sufficient covenant strength to provide a secure level of income.
- 3.10 The Letting Strategy includes the following requirements to secure the Council's risk position: -
- Achieving or exceeding the agreed level of Estimated Rental Value;
 - Not exceeding a specific tenant incentive (rent free period);

- No service charge caps, unless agreed by the Funder (acting reasonably)
 - Specific rent review mechanisms such as 5 yearly Consumer Price Index/ Retail Price Index linked reviews
 - Initial lease terms - minimum term
 - Covenant strength / financial position
- 3.11 The remaining 20% of the property will be marketed by Peel but will not be subject to the conditions precedents.
- 3.12 The 250-year lease between Peel and the Council will be at nominal premium and a peppercorn rent but will contain obligations on the Council which are set out in the Heads of Terms attached to this report. The Council's commitment as owner of the long lease will be to manage and maintain the property.
- 3.13 The Council will be taking on a 250-year lease of the MKH and therefore the specification and design must be entirely acceptable to the Council. The Council will be fully involved in the work to finalise the specification to RIBA Stage 3 and will have absolute discretion as to whether it can be finally signed off. This will be a condition within the Funding Agreement. The scheme has an outline design that has been prepared by two award-winning, internationally acclaimed architectural firms, Schmidt Hammer Lassen Architects in Denmark, and Ellis Williams Architects in Liverpool. The architects are committed to breathing new life back into the Grade II listed Hydraulic Tower building, which was bombed during World War II. Visually, this project is expected to be one of the most spectacular parts of the entire Wirral Waters regeneration project.
- 3.14 The current programme sets out that Peel will aim to submit a planning application for the scheme in June 2021. Should the planning application be approved the construction tender would be issued with construction estimated to commence in December 2021.
- 3.15 The appointment of a construction contractor will be via a fully compliant procurement process to ensure value for money. The Council will ensure that the design and specification of the project will be of a high quality and will deliver a scheme that will attract tenants. The Council and Peel are also committed to the need to address Social Value. There will be a requirement that all bidders must deliver against Wirral Council's Social Value policy and contribute towards the social and economic development and regeneration of the area. This will reflect the social value delivered through the construction of the Wirral Metropolitan College Campus in Wirral Waters and include the use of local labour, the provision of apprenticeships, the use of the Wirral Construction Forum for supply chain opportunities and work placements.
- 3.16 A key objective of the Council in investing in this scheme is to address the business needs of the maritime and marine sector and to create a world class centre of excellence for maritime business growth and sector development located within Wirral. It will be designed to bring together the region's key maritime assets in business, research and development, education and training to address challenges facing the industry around innovation and skills, decarbonisation and digitalisation. The space will create an environment for maritime businesses and for higher education to locate and for a range of skills to come together from these

organisations to help drive new products and services intended to significantly advance the growth of the sector.

- 3.17 The MKH development will also complement a range of other projects which are in progress including the housing delivery at Northbank, Tower Road offices and the proposed Marine, Energy and Automotive Park at West Float which is coming forward as a new, multi-unit, 1 million sq ft waterside manufacturing and logistics centre.
- 3.18 Investing in this scheme will also assist in broadening the business rate base to generate on-going revenue to support service provision. However, the Council will also be investing in the delivery of wider regeneration and economic development. MKH will secure a University presence, facilitate enterprise growth and deliver new Grade A office accommodation in an area of identified need bringing new employment opportunities to Wirral Waters.
- 3.19 The draft Heads of Terms for the Funding Agreement, Agreement for Lease and Lease are set out in the enclosed exempt Appendix 3 to this report.
- 3.20 During the development period of MKH, a time-limited maritime accelerator test and trial project will operate out of existing partner premises in the borough. Subject to confirmation of funding from the Liverpool City Region Combined Authority (LCRCA) and MHCLG, this will commence in this calendar year and run to June 2023 with the aim of building cluster capacity, facilitating wider engagement of the sector and initiating test and trial innovation accelerator activities that can be evaluated in advance of roll-out of the concept in the new Maritime Knowledge Hub. This project will be delivered at no cost to Wirral Council, with 100% costs supported through external funding.
- 3.21 The Council will be seeking to secure a supplier through a competitive tendering exercise to deliver one aspect of this test and trial project, namely a competitive, cyclical, intensive accelerator programme for small cohorts of SMEs/Individuals with a 'live' innovation project idea. This will include, but not limited to, activities such as: weekly masterclasses, custom workshop sessions, domain-knowledge sharing sessions, pitching classes, validation of market demand, facilitation of idea and prototype sprints, demo days. Procurement of a supplier to deliver this intensive accelerator programme will commence in Spring 2021, subject to confirmation of funding.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The project has been developed to stimulate and provide support to the Maritime Sector, whilst bringing back into use a derelict grade two listed building in Wirral Waters. However, from a property perspective, the project requires public intervention in order to overcome viability issues. This is when the value of the building on completion is less than the construction costs of the development. On this basis, for a developer to commit to constructing the property, there is a requirement for public sector intervention to address the viability gap.

- 4.2 The LCRCA recognises the need to stimulate private sector growth by making the best use of public sector funds to encourage private sector business investment and to maximise private sector leverage and a bid has been made for Strategic Investment Fund (SIF) monies in support of the project. In addition, a bid has been made for grant support from the Wirral Waters Investment Fund (WWIF). Details of the funding mix are set out in the exempt Business case and the WWIF appraisal and recommendations are subject to a separate report to this Committee.
- 4.3 The finances of this project have been structured on the Council using its ability to finance the capital costs through borrowing. The rents secured through onward letting of the property would be used to fund the borrowing costs. Part of the Heads of Terms with Peel for MKH is that the development costs and purchase price would be fixed regardless of any cost pressures on the construction. There is also a requirement for the property to have pre-let space of 80% of the rental value. Both of these factors reduce the financial risk, giving increased certainty on the revenue benefits for the Council from the project. The project is financially viable although not without risk and a number of financial scenarios have been modelled and the Council has taken specialist property advice and undertaken a number of market surveys to consider the demand for the property space.
- 4.4 The total cost of the project is detailed in Section 6 of the exempt Business Case attached to this report. The cost of borrowing assumes an interest rate of 2%. This is subject to market conditions at the time so may fluctuate until the full purchase price is paid. The principal repayment is charged to revenue over 50 years (the maximum allowable under regulations), in line with the Councils current Minimum Revenue Provision (MRP) policy. This starts at a low amount in the early years and increases by inflation each year, so that the full purchase price is recovered. As rental income will also increase by inflation in future years, this also helps offset the purchase costs being charged.
- 4.5 The rationale for promoting the forward funding and long lease structure is based on the following considerations:
- delivery risk** – risk in the delivery phase is shared by Peel (as developer) with responsibility for the contractor appointment. While demand risk lies with the Council in the long term, the proposal will only proceed upon satisfying key conditions, including an agreed level of pre-lets being achieved by Peel. On this basis, demand risk is deemed to be manageable.
- affordability** – the cost of borrowing for the Council remains affordable and is likely to be lower than the investment yield applied to the Council interest under the headlease proposition.
- cost certainty** – funding the purchase through borrowing enables the Council to fix a payment profile in advance, providing the Council with cost certainty from the outset.
- 4.6 The purchase is for a 250-year leasehold interest. The onward letting of the property will generate a rental return to the Council. The ownership of the lease gives the Council flexibility to dispose of the property if the commercial opportunity becomes available at some future point.

- 4.7 Further specific financial details of the scheme are set out in the Full Business Case attached as an exempt annex.
- 4.8 The total cost of the pre-test and trial Maritime Accelerator Project is £2m as detailed below. External funding sources will provide full cost recovery with no financial impact to the Council. Applications for ERDF and Match Funds are currently at final approval stage with grant funding agreements anticipated end of March 2021. The Council will not proceed without grant funding agreements for the full total project cost in place.

| | ERDF (£) | Match Funding (£) | Total (£) |
|----------------|-----------------|--------------------------|------------------|
| Capital | £0 | £0 | |
| Revenue | £1,000,462 | £1,000,462 | £2,000,924 |

5.0 LEGAL IMPLICATIONS

- 5.1 Heads of Terms for the Funding Agreement, Agreement for Lease and Lease have been provisionally agreed between the parties and if approved will progress to detailed drafting of contracts. There are some outstanding matters which will need to be resolved by negotiation when the legal documentation is drafted.
- 5.2 Wirral Council Grant Funding Agreements will need to be on finally agreed terms that are consistent with the Council's obligations for SIF/Wirral Waters Investment Fund Grant Funding Agreements.
- 5.3 The Heads of Terms as provisionally agreed with Peel are compatible with the new Subsidy Control legal requirements and are also compliant with the procurement requirements imposed on local authorities by the Public Contract Regulations 2015 as amended.
- 5.4 Detailed legal advice has been provided on a procurement strategy and a preferred approach has been identified. This solution relies on the exclusive rights exemption at Regulation 32(2)(b)(iii) PCR 2015 and mitigating reliance on this exemption through:
- (i) securing evidence supporting it in fact;
 - (ii) requiring Peel to conduct a works contract procurement in accordance with the PCR 2015; and
 - (iii) other practical mitigation measures which may apply to protect the Council should a challenge occur (for example, an indemnity from Peel if it breaches its obligations to procure in accordance with the PCR 2015).
- Further detail is set out in the exempt Full Business Case.
- 5.5 The Council has engaged suitably qualified external specialists in order to advise on the full range of legal, financial and technical matters associated with this project.

5.6 With regards the pre-test and trial Maritime Accelerator Project, as outlined in paragraph 4.8, confirmation of funding is imminent, and the Council has not yet received a grant offer detailing the terms and conditions of the award. Officers will seek advice from the Director of Law and Governance regarding acceptance of terms.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The Forward Funding Agreement will involve a financial liability to the Council. In addition, on completion of the development and grant of the 250-year lease the Council will be responsible for the onward management of the building.
- 6.2 The intention is for the Council to seek to appoint an Operator to manage the building and the facility. The role of the Operator in managing the facility will be to develop and create an environment for the occupiers of the hub that nurtures innovation, collaboration, skill development and promotes future business growth of the maritime industry. The operating costs are allowed for in the financial modelling.
- 6.3 Peel Holdings will be responsible for the procurement and delivery of the MKH project with oversight from Wirral Council in accordance with the Agreement for Lease. This will require input from officers within the Regeneration and Place Directorate and Legal and Finance teams together with some specialist input from property lawyers and commercial development surveyors.
- 6.4 The pre-test and trial Maritime Accelerator Project will provide 100% funds to support the recruitment and appointment of two Council Project Officers within the Regeneration & Place Directorate for coordination of project partner delivery.

7.0 RELEVANT RISKS

7.1 All risks associated with this project will be identified and managed as part of the Regeneration and Place Directorate’s programme management and a comprehensive risk register is contained within the Full Business Case. A Risk Workshop has been held to ensure that risks from across the Council have been identified and mitigation actions outlined. Below is a summary of some of the key risks identified and how they will be managed.

| Key Risk | Mitigation Strategy |
|---|---|
| Occupier interest – extent to which the property is in demand and will be occupied by end users | Rent free periods have been allowed as incentive which is appropriately benchmarked with other schemes and the local market. A marketing budget has been allowed for as part of the development costs. Market analysis supports the demand for the product. In the long term the Council will explore the opportunity to appoint an external operator who would provide the |

| | |
|--|--|
| | necessary commercial skills and acumen for managing the facility including its marketing and promotion |
| Detailed planning permission is not secured in relation to the project | Recognition that scheme is covered by and is compliant with outline planning permission, and the Council are supportive of the proposed development. Fee is included within the appraisal to secure Reserved Matters permission, and this is not considered to be a major risk. Peel will progress pre application advice. |
| Dock wall – clarification and certainty of the responsibility for the future maintenance of the dock wall. This will be outside of the demised property boundary but the Council would rely on its future maintenance. Risk of the Council incurring abortive professional fees if an agreed position cannot be reached. | Peel is undertaking a full list of Site Investigations including a condition report in respect of the dock wall. The Council is seeking to mitigate the risk through the legal agreements and is taking advice from external legal experts. |
| SIF funding is not secured from the Liverpool City Region Combined Authority | Council officers and Peel hold regular meetings with the SIF Investment team to ensure that the project is supported and that a strong case is put forward for investment. The is a priority strategic investment project identified in the Liverpool City Region Combined Authority Recovery Plan |
| Construction Budget and Programme inadequate to deliver the proposed high-quality building | Risk reduced due to ‘fixed budget’ in place for the construction of the buildings. Peel has also worked with consultants to establish what provisional sums are needed to cover any unforeseen costs during the contract works. Peel also has a change control procedure in place to manage variations to the tender. |
| Worse than anticipated condition of existing Hydraulic Tower building results in delay or increased costs | A suite of surveys will be commissioned by Peel prior to the works commencing. The Council will have sight of these. |

8.0 ENGAGEMENT/CONSULTATION

- 8.1 There has been ongoing consultation with businesses on the need for the facility and Peel supported by Mersey Maritime have undertaken soft marketing to establish

potential tenant interest and engagement. The Council has commissioned detailed demand studies. Further public consultation will take place as part of the planning application that will be submitted by Peel to the Council.

9.0 EQUALITY IMPLICATIONS

9.1 The potential impact of the MKH development has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan and no amendments have been made.

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The Heads of Terms contain an obligation to form part of the Specification for the new build elements of the development to be to BREEAM Excellent. This will be as a minimum target and the aim is to maximise the sustainability offer, green credentials and performance of the project overall.

10.2 The Maritime Knowledge Hub will focus on addressing the technology challenges facing the maritime sector. Two major challenges currently facing the sector are decarbonisation and digitalisation; Maritime Knowledge hub will therefore focus the first stage operational plan on research and innovation in these technologies, supporting the borough in advancing climate emergency priorities within the wider business sector.

REPORT AUTHOR: Alison Pritchard – Regeneration Project Manager
telephone: Tel: 0151 666 4238691 8428
email: alisonpritchard1@wirral.gov.uk

APPENDICES

Appendix 2 – Site plan showing land to the proposed site of MKH edged red, being land to the east of East Float dock and west of Tower Road. The land edged blue will be retained in the ownership of Peel and it intended to be used as a walkway.

Exempt appendices – by virtue of Paragraph 3 and 5 of Part 1 of Schedule 12A of the Local Government Act 1972

Appendix 1 – Full Business Case & Associated Appendices
Appendix 3 – Draft Heads of Terms

BACKGROUND PAPERS

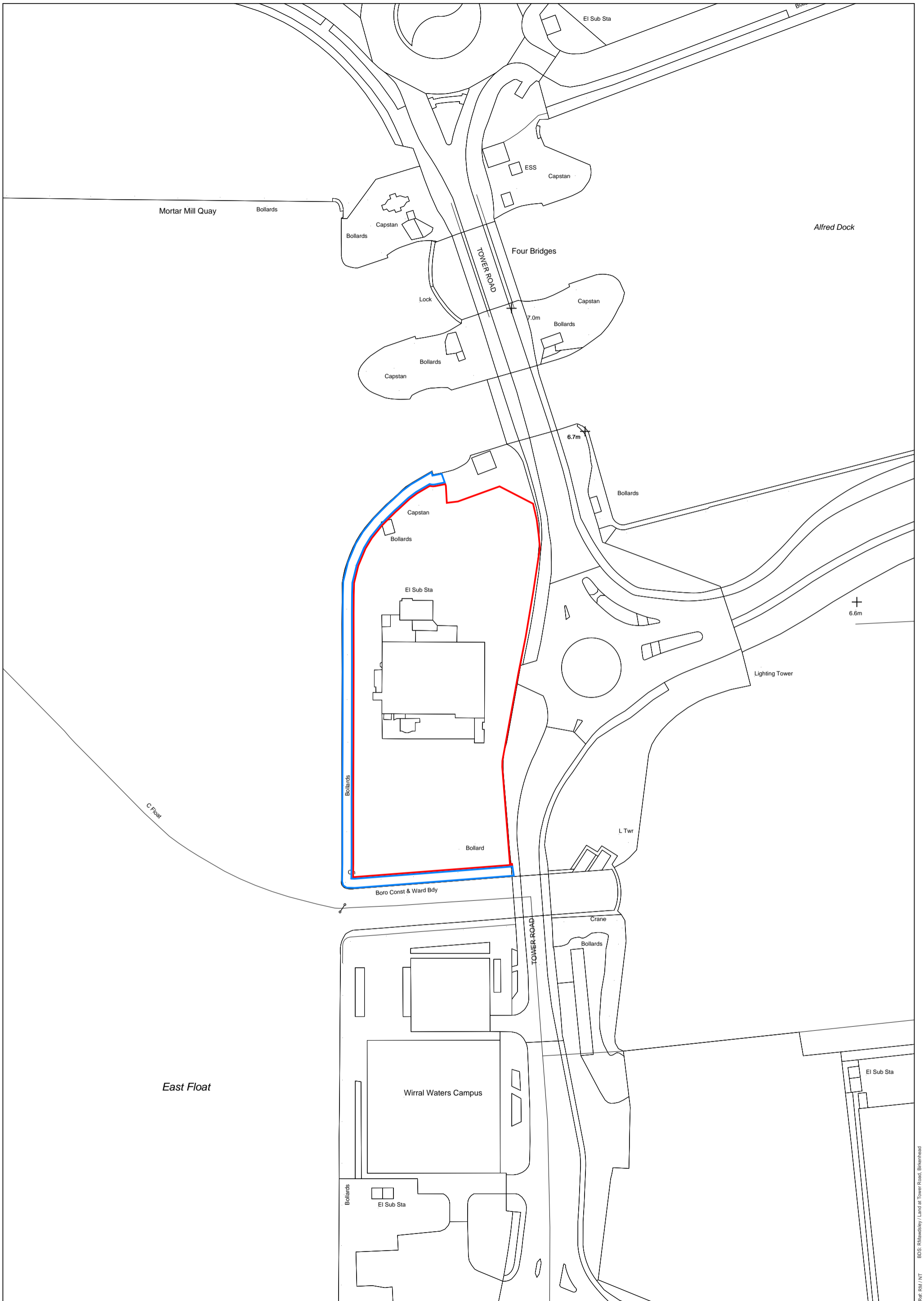
Gyron Demand Study 2016
GVA market report August 2018
SQW Demand Study February 2020

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|-----------------|------|
|-----------------|------|

| | |
|-----|--|
| N/A | |
|-----|--|

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POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - MARITIME KNOWLEDGE HUB |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The report provides for consideration the final recommendations of the Economy, Regeneration and Development Committee in respect to Wirral Waters - Wirral Waters Enterprise Zone Investment Fund - Maritime Knowledge Hub. The report recommends the acceptance of funding from the Wirral Waters Investment Fund to the Council to support the development of new high quality mixed use floorspace at the Maritime Knowledge Hub

The full report was presented to the Economy, Regeneration and Development Committee on the 4 March and is attached as an appendix.

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendation:

1. Approve funding from the Wirral Waters Investment Fund to the Council to support the development of new high quality mixed use floorspace at the Maritime Knowledge Hub.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This matter is being referred to Policy & Resources Committee because the Economy, Regeneration and Development Committee is requesting that committee approve funding from the Wirral Waters Investment Fund to the Council to support the development of new high quality mixed use floorspace at the Maritime Knowledge Hub and in accordance with the Council's Constitution this decision is reserved to Policy & Resources Committee.
- 2.1 In accordance with the Council's Constitution this decision is reserved to Policy & Resources Committee because it has responsibility for a decision on any virement between Budget funds (capital) or any amendment to the Capital Programme requested by a Committee or officer in excess of £100,000.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A number of other options have been considered and were discounted as follows:
- a) Provide a loan rather than a grant: An independent appraisal of the application has concluded that the project is not currently viable and therefore requires grant funding rather than loan funding.
- b) Adopt a "do nothing" approach: The development could be jeopardised, as the project is reliant on securing funding from other public sources to meet the identified viability gap. The Wirral Waters Investment Fund ("WWIF") grant will enable the delivery of a high quality development which will support the Wirral Growth Plan. Without grant funding the project may not proceed at all.

3.0 BACKGROUND INFORMATION

- 3.1 Cabinet approved the development of an investment framework for the re-investment of business rate uplift within the Wirral Waters part of the Mersey Waters Enterprise Zone at its 12 March 2015 meeting (Minute 156 refers). On 5 November 2015 Cabinet formally approved the creation and operation of the Wirral Waters Investment Fund and the incorporation of the investment potential for Phase 1 (£16m by 2020) into the Council's Capital Programme (Minute 62 refers). The Cabinet report also identified potential for the Fund to enable longer-term investment of up to £47m by 2037.
- 3.2 The Investment Fund has been created on the basis of reinvesting uplifted business rates and/or prudential borrowing against future business rates into the Enterprise Zone up to 2037, to support new projects through grants and loans and generate further business rates income. The Wirral Waters Business Plan (August 2018) together with an updated summary note outlines the pipeline of projects that will be brought forward through the Investment Fund process.

- 3.3 The Business Plan sets out that intervention in the early years of the programme if invested in the right projects and in cluster locations will have a transformational impact in terms of attracting significant investment and enhancing the image of the area in and around Birkenhead.
- 3.4 The area in and around the Birkenhead Dock system suffers from a number of interrelated market failures following decades of industrial decline and lack of investment. New development in the area is often not viable without some form of public sector support. The low values and associated impact on viability are caused by the historically poor external perceptions of the area, the lack of occupier confidence across all sectors and associated uncertainties about investment returns.
- 3.5 The Wirral Waters Investment Fund therefore provides a mechanism to support the following:
- Development viability support - funding support for commercial, industrial and residential development schemes, to close the gap between costs and values, allowing commercial development schemes to proceed.
 - Land remediation and servicing – on-site and off-site works to address poor ground conditions through land remediation and the installation of key services.
 - Environmental improvements – on-site and off-site works aimed at enhancing the quality of the environment across the Wirral Waters area including the improvement of road corridors and gateway locations.
 - Infrastructure investment – on-site and off-site works targeted specific infrastructure weaknesses to enhance access and traffic flows.
 - High quality communities – a programme of on-site and off-site investment aimed at enhancing amenity to create a sustainable environment for businesses and residents moving into the area.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial information is set out in detail in Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

5.0 LEGAL IMPLICATIONS

- 5.1 In accordance with the Part 3B of Constitution (Committee Terms of Reference), the Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.

- 5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

- 5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 5.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

6.0 RELEVANT RISKS

- 6.1 The relevant risks are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

7.0 ENGAGEMENT/CONSULTATION

- 7.1 The engagement/consultation are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

8.0 EQUALITY IMPLICATIONS

- 8.1 The equality implications are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

9.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 9.1 The environment and climate I implications are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

REPORT AUTHOR: Anna Perret
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 – Minute Extract

Appendix 2 – Full Report

BACKGROUND PAPERS

A number of background papers to this report are exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as they contain commercially sensitive information.

Outline planning consent for Wirral Waters Reference OUT/09/06509 Wirral Waters Investment Fund Business Plan - Exempt

Amion Summary update note - Exempt Avison Young WWIF Maritime Knowledge Hub report - Exempt

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|---------------------|
| Economy, Regeneration and Development Committee | 4 March 2021 |

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MINUTE EXTRACT

ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 202136 **WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - MARITIME KNOWLEDGE HUB**

The report of the Director of Regeneration and Place sought approval to provide a grant to the Council to enable the delivery of new high quality Maritime Knowledge Hub floorspace in Wirral. The Maritime Knowledge Hub would create a world class centre of excellence for maritime business growth and sector development. It would bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills and build a high-profile centre. The funding package had been set up within the Enterprise Zone to reinvest business rates and could operate up to 2037.

RESOLVED –

That Policy and Resources Committee be requested to approve funding from the Wirral Waters Investment Fund to the Council to support the development of new high quality mixed use floorspace at the Maritime Knowledge Hub.

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ECONOMY REGENERATION & DEVELOPMENT COMMITTEE

Thursday, 4 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - MARITIME KNOWLEDGE HUB |
| REPORT OF: | DIRECTOR OF REGENERATION AND PLACE |

REPORT SUMMARY

The report seeks approval to provide a grant to the Council to enable the delivery of new high quality Maritime Knowledge Hub floorspace in Wirral.

The Wirral Plan 2025 sets out the Councils vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The application for financial assistance contained in this report directly supports the following key themes within that plan.

- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
- Brighter futures for our young people and families – regardless of their background or where they live

Appendix 2 of this report is exempt from publication under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

This matter affects Seacombe, Bidston St James, Birkenhead and Tranmere Wards

The decision is a key decision.

RECOMMENDATIONS

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendation:

1. Approve funding from the Wirral Waters Investment Fund to the Council to support the development of new high quality mixed use floorspace at the Maritime Knowledge Hub.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 To enable the Council working in partnership with Peel Land and Property Investments (Intermediate) Limited (Peel) to create a new, high quality Maritime Knowledge Hub, to support the priorities of the Wirral Waters Investment Fund.
- 1.2 The development will provide a new specialist sector facility to accelerate growth in the maritime sector including University led skills, research and innovation, intensive support for new enterprises, specialist offshore training and Grade “A” office accommodation for related industries. This will support business growth, regeneration and job creation and will include the renovation of a historic landmark building and the reclamation of approximately 2.3 acres of brownfield land.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A number of other options have been considered and were discounted as follows: -
 - a) Provide a loan rather than a grant: An independent appraisal of the application has concluded that the project is not currently viable and therefore requires grant funding rather than loan funding.
 - b) Adopt a “do nothing” approach: The development could be jeopardised, as the project is reliant on securing funding from other public sources to meet the identified viability gap. The Wirral Waters Investment Fund (“WWIF”) grant will enable the delivery of a high quality development which will support the Wirral Growth Plan. Without grant funding the project may not proceed at all.

3.0 BACKGROUND INFORMATION

- 3.1 Cabinet approved the development of an investment framework for the re-investment of business rate uplift within the Wirral Waters part of the Mersey Waters Enterprise Zone at its 12 March 2015 meeting (Minute 156 refers). On 5 November 2015 Cabinet formally approved the creation and operation of the Wirral Waters Investment Fund and the incorporation of the investment potential for Phase 1 (£16m by 2020) into the Council’s Capital Programme (Minute 62 refers). The Cabinet report also identified potential for the Fund to enable longer-term investment of up to £47m by 2037.
- 3.2 The Investment Fund has been created on the basis of reinvesting uplifted business rates and/or prudential borrowing against future business rates into the Enterprise Zone up to 2037, to support new projects through grants and loans and generate further business rates income. The Wirral Waters Business Plan (August 2018) together with an updated summary note outlines the pipeline of projects that will be brought forward through the Investment Fund process.
- 3.3 The Business Plan sets out that intervention in the early years of the programme if invested in the right projects and in cluster locations will have a transformational

impact in terms of attracting significant investment and enhancing the image of the area in and around Birkenhead.

- 3.4 The area in and around the Birkenhead Dock system suffers from a number of inter-related market failures following decades of industrial decline and lack of investment. New development in the area is often not viable without some form of public sector support. The low values and associated impact on viability are caused by the historically poor external perceptions of the area, the lack of occupier confidence across all sectors and associated uncertainties about investment returns.
- 3.5 The Wirral Waters Investment Fund therefore provides a mechanism to support the following:
- Development viability support - funding support for commercial, industrial and residential development schemes, to close the gap between costs and values, allowing commercial development schemes to proceed.
 - Land remediation and servicing – on-site and off-site works to address poor ground conditions through land remediation and the installation of key services.
 - Environmental improvements – on-site and off-site works aimed at enhancing the quality of the environment across the Wirral Waters area including the improvement of road corridors and gateway locations.
 - Infrastructure investment – on-site and off-site works targeted specific infrastructure weaknesses to enhance access and traffic flows.
 - High quality communities – a programme of on-site and off-site investment aimed at enhancing amenity to create a sustainable environment for businesses and residents moving into the area.

Wirral Waters Investment Fund Process

- 3.6 The Council's Finance department oversees the management of the Wirral Waters Investment Fund. In addition, external advisors have been commissioned to provide expert advice and support for the assessment and appraisal of business cases submitted to the WWIF, ensuring robust due diligence is undertaken. This includes providing subsidy control advice (see Section 5 Legal Implications below); undertaking a site-by-site independent business case review; analysing the property market to support the public investment decision; and reviewing the financial returns to the Council.
- 3.7 Key Project Details are set out in Exempt Appendix 2 attached.
- 3.8 The Council has applied for viability support funding through the Wirral Waters Investment Fund to support the delivery of the Maritime Knowledge Hub, which comprises 58,756 sq ft of commercial floorspace to accelerate growth in the maritime sector. The Maritime Knowledge Hub sits within the Four Bridges area of Wirral Waters. This is a mixed-use area that combines commercial training, education, cultural and ancillary retail uses within a high-quality landscape and is being delivered alongside the residential developments at NorthBank within Wirral Waters. The Maritime Knowledge Hub will create a world class centre of excellence for maritime business growth and sector development. It will bring together the region's

key maritime assets in business, research, education and training to address challenges around innovation and skills and build a high-profile centre.

- 3.9 A site plan showing the extent of the boundary is included in Appendix 1.
- 3.10 The detailed design of the building has not yet been finalised however the Council is keen to promote development using sustainable methods. This will be achieved through its design, selection of materiality, using renewable energy and careful procurement during the construction and operating stages.

Key Outputs

- 3.11 The project will deliver approximately 58,756 sq ft of new commercial floorspace and will generate additional business rates within the Wirral Waters Enterprise Zone from practical completion until 2037. The project has the potential to create up to 1,062 gross direct and indirect jobs, with 621 FTE jobs following practical completion and 22 FTE jobs during the construction phases.
- 3.12 The project is projected to leverage other public sector investment during the construction phase and generate further investment by end users in the form of fit-out and ongoing operation.
- 3.13 The development proposals at Wirral Waters benefit from an outline planning consent. The Maritime Knowledge Hub project is included within and compliant with the outline permission. A reserved matters Planning permission would be required before development could commence as well as Listed Building consent given that the hydraulic tower is grade 2 listed.
- 3.14 The delivery of the Maritime Knowledge Hub project is addressed by a separate report included on the agenda for this Committee.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial information is set out in detail in Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

5.0 LEGAL IMPLICATIONS

- 5.1 The offer of financial assistance is subject to the new Subsidy Control regime which as of 1 January 2021 replaced the previous EU State Aid rules. Subsidies awarded must satisfy 6 core principles, referred to as the "General Principles" which are to be found in Article 3 of the recently concluded UK-EU Trade and Cooperation Agreement ("TCA"). These core principles bear considerable resemblance to the sort of considerations already tested in EU State aid block exemptions. The new UK Subsidy Control regime is certainly no more restrictive than the current EU law framework.
- 5.2 The funding is proposed from Wirral Waters Investment Fund. This was established for the purpose of promoting investment and economic growth within the Wirral Waters priority regeneration area seeking to maximise the value of the designation of

the area as part of the wider Wirral Waters the aim of the fund scheme is to create jobs and attract investors, it aims to remedy social difficulty through regeneration of a locality its objectives appear to very clearly meet this principle. Article 56 of the previously applicable General Block Exemption Regulation (GBER) specifically addressed projects of this nature.

- 5.3 Although the GBER is not within the UK Subsidy Control regime, awards made under the GBER are subject to the same Common Principles under Article 3.4 of the TCA. GBER was painstakingly drafted to limit aid interventions to the scale and level that would deliver minimal distortions of competition only, and those that were considered balanced out against their distortive effects by their positive effects on investment and the economy, per type of activity. The limits of Articles 53 and 56 GBER were deemed appropriate for investments in restoring tangible cultural heritage and local infrastructure investments. Physical work on the project has not started and there is no risk that the subsidy will be compensating the beneficiary for works that the benefits would have funded in the absence of any subsidy. A project of this nature therefore is not likely to be deemed to have a material effect on trade between different states.
- 5.4 The subsidy is necessary because without it the development would not proceed since it would not be commercially viable and there are no other ways of achieving the objectives.
- 5.5 The subsidy is proportionate since it and the Strategic Investment Fund grant would not amount in total to more than what is required to fill the gap between the estimated cost and the estimated value of the project. The amounts to be apportioned between the cost of the works to the Hydraulic Tower and the commercial extension are compliant with the State Aid rules for investments in restoring tangible cultural heritage and local infrastructures permitted by Articles 53 and 56 of the GBER.
- 5.6 It is therefore considered that the subsidy's contribution to achieving the objectives outweighs the negative effects of distorting the market in commercial property developments particularly as that market is local and in any event has been stunted by the low market value attaching to a derelict area of dockland. The proposals within this report are considered to be compliant with subsidy control rules.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The monitoring and management of the grant will be resourced through the existing work programmes of officers within the Council's Place and Investment Team. The drawing up of the legal agreement will be managed by the Council's Legal team.

7.0 RELEVANT RISKS

- 7.1 The detailed risks of the project in relation to the funding are identified along with appropriate mitigation measures within the project details in Exempt Appendix 2.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 This report is consistent with the principles of Wirral Council's Growth Plan and Strategic Regeneration Framework and emerging Local Plan, which identifies Wirral Waters Enterprise Zone as an identified and agreed area of significant growth potential.
- 8.2 The Growth Plan and Strategic Regeneration Framework have been informed by consultation which has taken place with a number of private sector partners and local businesses through Wirral Chamber of Commerce sector forums.
- 8.3 There has been ongoing consultation with businesses on the need for the facility and Peel supported by Mersey Maritime have undertaken soft marketing to establish potential tenant interest and engagement. The Council has commissioned detailed demand studies. Further public consultation will take place as part of the planning application that will be submitted by Peel to the Council.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity. It is not considered that the Project will have an adverse impact on any persons with protected characteristics. On the contrary they would be likely to benefit from the increased employment opportunities generated by the Project if it is successful.
- 9.2 The potential impact of the Maritime Knowledge Hub development has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan and no amendments have been made.
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 This project will involve the redevelopment of 2.3 acres of brownfield land. In addition It will bring forward the refurbishment of a derelict listed building into economic use. The Council will work with Peel during the detailed design stage to ensure that regard is had to the Cool2 Policy.
- 10.2 The Specification for the new build elements of the development aim to be BREEAM Excellent. This will be as a minimum target and the aim is to maximise the sustainability offer, green credentials and performance of the project overall.
- 10.3 The Maritime Knowledge Hub will focus on addressing the technology challenges facing the maritime sector. Two major challenges currently facing the sector are decarbonisation and digitalisation; Maritime Knowledge hub will therefore focus the first stage operational plan on research and innovation in these technologies, supporting the borough in advancing climate emergency priorities within the wider business sector.

REPORT AUTHOR: Alison Pritchard – Regeneration Project Manager

telephone: Tel: 0151 691 8428

email: alisonpritchard1@wirral.gov.uk

APPENDICES

Appendix 1 – Site Plan showing the site of MKH edged red being land to the east of East Float dock and west of Tower Road. The land edged blue will be retained in Peel ownership for the provision of a walkway.

Appendix 2 – Key project details - Exempt

BACKGROUND PAPERS

A number of background papers to this report are exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as they contain commercially sensitive information.

Outline planning consent for Wirral Waters Reference OUT/09/06509

Wirral Waters Investment Fund Business Plan - Exempt

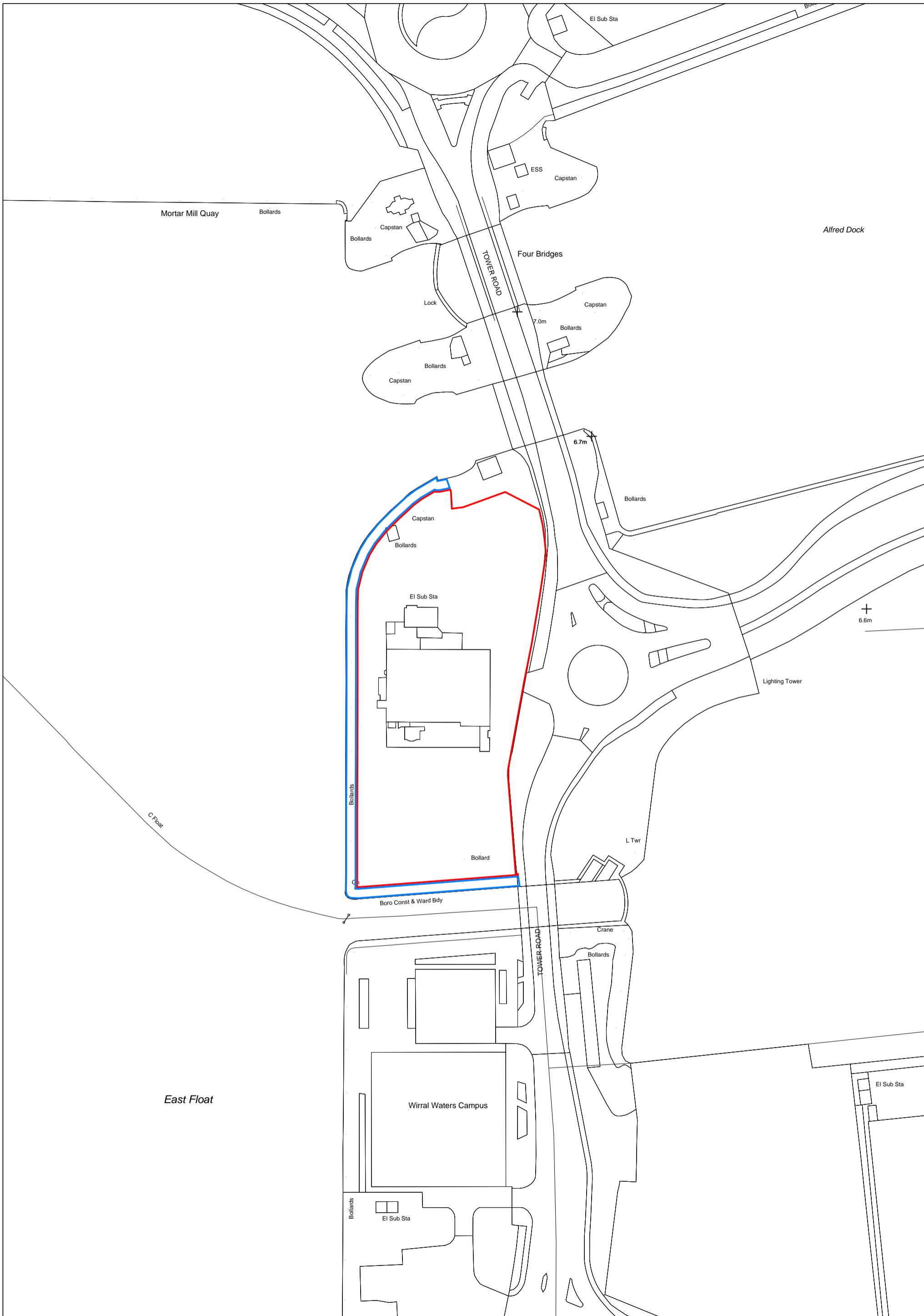
Amion Summary update note - Exempt

Avison Young WWIF Maritime Knowledge Hub report - Exempt

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|-------------|
| N/A | |

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Ref: RM/NT BDS: R04wds/ly/Land at Tower Road, Birkenhead

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POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - EGERTON VILLAGE |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

1. The report provides for consideration the final recommendations of the Economy regeneration and development committee in respect to Wirral Waters Enterprise Zone Investment Fund - Egerton Village The report recommends the approval of a grant from the Wirral Waters Investment Fund to Peel Land and Property Investments (Intermediate) Limited to support the development of new high quality mixed use floorspace at Egerton Village. The report also asks to authorise the Director of Law and Governance, in consultation with the Director of Regeneration and Place to draw up and sign a conditional legal agreement between the Council and Peel Land and Property (Intermediate) Limited to reflect the grant arrangements.

The full report was presented to the Economy Regeneration and Development Committee Report on 4 March 2021 is attached as an appendix.

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

2. Approve a grant from the Wirral Waters Investment Fund to Peel Land and Property Investments (Intermediate) Limited to support the development of new high quality mixed use floorspace at Egerton Village.
2. Authorise the Director of Law and Governance, in consultation with the Director of Regeneration and Place to draw up and sign a conditional legal agreement between the Council and Peel Land and Property (Intermediate) Limited to reflect the grant arrangements.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1.1 This matter is being referred to Policy & Resources Committee because the Economy, Regeneration and Development Committee is recommending acceptance of a grant from the Wirral Waters Investment Fund to Peel Land and Property Investments (Intermediate) Limited to support the development of new high quality mixed use floorspace at Egerton Village. And asks to authorise the Director of Law and Governance, in consultation with the Director of Regeneration and Place to draw up and sign a conditional legal agreement between the Council and Peel Land and Property (Intermediate) Limited to reflect the grant arrangements.
- 1.1.2 In accordance with the Council's Constitution this decision is reserved to Policy & Resources Committee because it has a major impact on the council as a whole.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A number of other options have been considered and were discounted as follows:
- a) Provide a loan rather than a grant: An independent appraisal of the application has concluded that the project is not currently viable and therefore requires grant funding rather than loan funding.
- b) Adopt a "do nothing" approach: The development would be jeopardised, as the project is reliant on securing funding from other public/private sources to meet the identified viability gap. The WWIF grant will enable the delivery of a high-quality development which will support the Wirral Growth Plan. Without grant funding the project may not proceed at all.

3.0 BACKGROUND INFORMATION

- 3.1 The report seeks approval to provide a grant to Peel Land and Property Investments (Intermediate) Limited to enable the delivery of new high quality mixed use floorspace at Egerton Village within Wirral Waters.

The Wirral Plan 2025 sets out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The application for financial assistance contained in this report directly supports the following key themes within that plan.

- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
- Brighter futures for our young people and families – regardless of their background or where they live Appendix 2 of this report is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information. This matter affects Bidston and St James, Birkenhead and Tranmere and Seacombe Wards within the Borough.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial information is set out in detail in Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

5.0 LEGAL IMPLICATIONS

- 5.1 In accordance with the Part 3B of Constitution (Committee Terms of Reference), the Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.
- 5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

- 5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.
- 5.4 Other legal considerations are as set out in the annexed report(s).

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

7.0 RELEVANT RISKS

- 7.1 The relevant risks are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

8.0 ENGAGEMENT/CONSULTATION

8.1 The engagement/consultation are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

9.0 EQUALITY IMPLICATIONS

9.1 The equality implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The Environment and Climate implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

REPORT AUTHOR: **Anna Perret**
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 - Minute extract
Appendix 2 – Committee Report

BACKGROUND PAPERS

A number of background papers to this report are exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as they contain commercially sensitive information.

Notice of Grant of Planning permission APP/1800647 Wirral Waters Investment Fund Business Plan - Exempt Amion Summary Update Note - Exempt Avison Young WWIF Egerton Village report – Exempt

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|---------------------|
| Economy, Regeneration and Development Committee | 4 March 2021 |

MINUTE EXTRACT**ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 2021****37 WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND - EGERTON VILLAGE**

The report of the Director of Regeneration and Place sought approval to provide a grant to Peel Land and Property Investments (Intermediate) Limited to enable the delivery of new high quality mixed use floorspace at Egerton Village within Wirral Waters. Egerton Village would be a new, low carbon 14,671 sq ft gateway community, amenity and arts facility located in the Four Bridges area of Wirral Waters, and would provide a focal point for arrival and orientation around Wirral Waters. The development had been designed to create a new semi-public, semi-covered 'square' at its heart that would be used for events and other activities.

RESOLVED –

That Policy and Resources Committee be requested to approve the following recommendations:

- (1) A grant from the Wirral Waters Investment Fund to Peel Land and Property Investments (Intermediate) Limited be approved to support the development of new high quality mixed use floorspace at Egerton Village.**
- (2) The Director of Law and Governance, in consultation with the Director of Regeneration and Place, be authorised to draw up and sign a conditional legal agreement between the Council and Peel Land and Property (Intermediate) Limited to reflect the grant arrangements.**

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ECONOMY REGENERATION & DEVELOPMENT COMMITTEE

Thursday, 4 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | WIRRAL WATERS ENTERPRISE ZONE INVESTMENT FUND |
| REPORT OF: | DIRECTOR OF REGENERATION AND PLACE |

REPORT SUMMARY

The report seeks approval to provide a grant to Peel Land and Property Investments (Intermediate) Limited to enable the delivery of new high quality mixed use floorspace at Egerton Village within Wirral Waters.

The Wirral Plan 2025 sets out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The application for financial assistance contained in this report directly supports the following key themes within that plan.

- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
- Brighter futures for our young people and families – regardless of their background or where they live

Appendix 2 of this report is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

This matter affects Bidston and St James, Birkenhead and Tranmere and Seacombe Wards within the Borough.

The decision is regarded as a key decision.

RECOMMENDATIONS

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. Approve a grant from the Wirral Waters Investment Fund to Peel Land and Property Investments (Intermediate) Limited to support the development of new high quality mixed use floorspace at Egerton Village.

2. Authorise the Director of Law and Governance, in consultation with the Director of Regeneration and Place to draw up and sign a conditional legal agreement between the Council and Peel Land and Property (Intermediate) Limited to reflect the grant arrangements.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 To enable Peel Land and Property Investments (Intermediate) Limited to create new, high quality floorspace at Egerton Village, to support the priorities of the Wirral Waters Investment Fund (WWIF).
- 1.2 Egerton Village is a new, low carbon 14,671 sq ft gateway community, amenity and arts facility located in the Four Bridges area of Wirral Waters, and will provide a focal point for arrival and orientation around Wirral Waters. The development has been designed to create a new semi-public, semi-covered 'square' at its heart that will be used for events and other activities.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A number of other options have been considered and were discounted as follows: -
 - a) **Provide a loan rather than a grant:** An independent appraisal of the application has concluded that the project is not currently viable and therefore requires grant funding rather than loan funding.
 - b) **Adopt a “do nothing” approach:** The development would be jeopardised, as the project is reliant on securing funding from other public/private sources to meet the identified viability gap. The WWIF grant will enable the delivery of a high-quality development which will support the Wirral Growth Plan. Without grant funding the project may not proceed at all.

3.0 BACKGROUND INFORMATION

- 3.1 Cabinet approved the development of an investment framework for the reinvestment of business rate uplift within the Wirral Waters part of the Mersey Waters Enterprise Zone at its 12 March 2015 meeting (Minute 156 refers). On 5 November 2015 Members formally approved the creation and operation of the Wirral Waters Investment Fund and the incorporation of the investment potential for Phase 1 (£16m by 2020) into the Council's Capital Programme (Minute 62 refers). The Cabinet report also identified potential for the Fund to enable longer-term investment of up to £47m by 2037.
- 3.2 The Investment Fund has been created on the basis of reinvesting uplifted business rates and/or prudential borrowing against future business rates into the Enterprise Zone up to 2037, to support new projects through grants and loans and generate further business rates income. The Wirral Waters Business Plan (August 2018) together with an updated summary note outlines the pipeline of projects that will be brought forward through the Investment Fund process.
- 3.3 The Business Plan set out that intervention in the early years of the programme if invested in the right projects and in the right cluster locations will have a

transformational impact in terms of attracting significant investment and enhancing the image of the area in and around Birkenhead.

- 3.4 The area in and around the Birkenhead Dock system suffers from a number of inter-related market failures following decades of industrial decline and lack of investment. New development in the area is often not viable without some form of public sector support. The low values and associated impact on viability, are caused by the historically poor external perceptions of the area, the lack of occupier confidence across all sectors and associated uncertainties about investment returns.
- 3.5 The Wirral Waters Investment Fund therefore provides a mechanism to support the following:
- Development viability support - funding support for commercial, industrial, and residential development schemes, to close the gap between costs and values, allowing commercial development schemes to proceed.
 - Land remediation and servicing – on-site and off-site works to address poor ground conditions through land remediation and the installation of key services.
 - Environmental improvements – on-site and off-site works aimed at enhancing the quality of the environment across the Wirral Waters area including the improvement of road corridors and gateway locations.
 - Infrastructure investment – on-site and off-site works targeted specific infrastructure weaknesses to enhance access and traffic flows.
 - High quality communities – a programme of on-site and off-site investment aimed at enhancing amenity to create a sustainable environment for businesses and residents moving into the area.

Wirral Waters Investment Fund Process

- 3.6 The Council's Finance department oversees the management of the Wirral Waters Investment Fund. In addition, external advisors have been commissioned to provide expert advice and support for the assessment and appraisal of business cases submitted to the WWIF, ensuring robust due diligence is undertaken. This includes providing subsidy control advice (see Section 5 Legal Implications below); undertaking a site-by-site independent business case review; analysing the property market to support the public investment decision; and reviewing the financial returns to the Council.
- 3.7 Key Project Details are set out in Exempt Appendix 2 attached.
- 3.8 Peel Investments (Intermediate) Limited has applied for a grant for viability support through the Wirral Waters Investment Fund to support the delivery of Egerton Village, which comprises 14,671 sq ft of commercial floorspace to support key sector development at Four Bridges. Egerton Village has been designed as a four-sided, two storey courtyard. To the north the largest wing will potentially accommodate a variety of arts and creative industries and students in flexible workshop, studio and education space, with the potential for part to be used as a gallery. This space may also accommodate a visitor centre which will help signpost visitors and interpret the activities taking place.

- 3.9 Across the central square occupying an outstanding, waterfront, westerly location on the dock edge there is the potential for a new restaurant. Complementing these offers along the Tower Road frontage will be a series of smaller, retail outlets / kiosks potentially accommodating such amenity services as food retail, coffee, newsagents etc to support the local and emerging residential, commercial and student community. This will complement the developments coming forward within Birkenhead Town Centre progressed by the Wirral Growth Company.
- 3.10 Now that construction has begun on the 33,541 sqft grade A BREEAM Excellent No 1 Tower Road South Office building, next door to Egerton Village, there is a pressing need to deliver Egerton Village to establish greater and appropriate amenity that will assist in attracting new employers into the area and create a step change in terms of people's perception of the place establishing a vital and viable base for exploring the rest of Wirral Waters and the wider Left Bank area with clear linkages into Birkenhead Town Centre.
- 3.11 Egerton Village will serve existing and new businesses and communities, students, visitors and residents through the provision of much needed amenity space including an appropriate food and drink offer as well as providing studio and workspace accommodation with a focus on the 'arts'. A site plan showing the extent of the boundary is included in Appendix 1.
- 3.12 The development will be built using Modern Methods of Construction involving a panelised approach to construction. The modules are an A-frame construction and will form the fabric of the built environment. It will be BREEAM Excellent and will be distinct, innovative and cost effective in its design and in its use of modules and panels. A design competition has been held and the project has successfully been through PlacesMatter! design review process.
- 3.13 The aim is to try and create the first Net Zero Carbon building at Wirral Waters, that will offset all greenhouse gases that it produces. This will be achieved through its design, selection of materiality, using renewable energy and careful procurement during the construction and operating stages. The fabrication of the building is also of modular typology which means that construction is quick, efficient and provides an opportunity for engagement with the Wirral Met College Construction faculty.
- 3.14 Alongside the engagement with the construction students from the neighbouring college, social value will form a key element of this scheme and Peels intention is to ensure that they work collaboratively with partners to maximize opportunities for local supply chain spend and the use of local construction labour some of which can be accessed via the Wirral Construction Forum. Work will continue with tenants once the site is operational to promote further partnership working and create a project with lasting social value credentials.

Key Outputs

- 3.15 The project will deliver approximately 14,671 sq ft of new commercial floorspace and is estimated that it will generate additional business rates within the Wirral Waters Enterprise Zone from practical completion until 2037. The project is projected to create 49 FTE new jobs following practical completion.

- 3.16 The project is projected to leverage in private sector investment during the construction phase and generate further investment by end users in the form of fit-out and ongoing operation.
- 3.17 The site benefits from full planning permission (APP/18/00647).

Project Costs and Funding Arrangements

- 3.18 The application for grant funding through the Wirral Waters Investment Fund relates to capital expenditure costs. No contribution will be made to the operating costs of Egerton Village.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial information is set out in detail in Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

5.0 LEGAL IMPLICATIONS

- 5.1 The offer of financial assistance is subject to the new Subsidy Control regime which as of 1 January 2021 replaced the previous EU State Aid rules. Subsidies awarded must satisfy 6 core principles, referred to as the "General Principles" which are to be found in Article 3 of the recently concluded UK-EU Trade and Cooperation Agreement. These core principles bear considerable resemblance to the sort of considerations already tested in EU State aid block exemptions. The new UK Subsidy Control regime is certainly no more restrictive than the current EU law framework.
- 5.2 The funding proposed is from Wirral Waters Investment Fund. This was established for the purpose of promoting investment and economic growth within the Wirral Waters priority regeneration area.
- 5.3 Article 56 of the previously applicable General Block Exemption (GBER) specifically addressed projects of this nature. Although the GBER is not within the UK Subsidy Control regime, awards made under the GBER are subject to the same Common Principles under Article 3.4 of the Trade and Cooperation Agreement. GBER was painstakingly drafted to limit aid interventions to the scale and level that would deliver minimal distortions of competition only, and those that were considered balanced out against their distortive effects by their positive effects on investment and the economy, per type of activity. The limits of Article 56 GBER were deemed appropriate for local infrastructure investments, of a scale such as the current proposal. Physical work on the project has not started and there is no risk that the subsidy will be compensating the beneficiary for works that the benefits would have funded in the absence of any subsidy. A project of this nature therefore is not likely to be deemed to have a material effect on trade between different states.
- 5.4 Peel has submitted evidence that the grant is incentivising the proposal, noting that without the funding the investment would not be proceeding as planned or under the current timescale without the aid. The funding pursues the policy objectives of

investing in local infrastructure. Therefore, the subsidy supports an outcome which is likely not to be the case in the absence of the subsidy. The proposals within this report are considered to be compliant with subsidy control rules.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The monitoring and management of the grant will be resourced through the existing work programmes of officers within the Council's Place and Investment Team. The drawing up of the legal agreement will be managed by the Council's Legal team.

7.0 RELEVANT RISKS

7.1 The detailed risks of the project in relation to the grant are identified along with appropriate mitigation measures within the exempt Appendix 2.

8.0 ENGAGEMENT/CONSULTATION

8.1 This report is consistent with the principles of Wirral Council's Growth Plan and Strategic Regeneration Framework and emerging Local Plan, which identifies Wirral Waters Enterprise Zone as an identified and agreed area of significant growth potential.

8.2 The Growth Plan and Strategic Regeneration Framework have been informed by consultation which has taken place with a number of private sector partners and local businesses through Wirral Chamber of Commerce sector forums.

9.0 EQUALITY IMPLICATIONS

9.1 The potential impact of the Egerton Village development has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan and no amendments have been made.

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This project will involve the redevelopment of 0.5 acres of brownfield land. In addition Peels aim is to try and create the first Net Zero Carbon building at Wirral Waters, that will offset all greenhouse gases that it produces. This will be achieved through its design, selection of materiality, using renewable energy and careful procurement during the construction and operating stages. The fabrication of the building is also of modular typology which means that construction is quick and efficient.

REPORT AUTHOR: Alison Pritchard – Regeneration Project Manager

telephone: Tel: 0151 691 8428

email: alisonpritchard1@wirral.gov.uk

APPENDICES

Appendix 1 – Site plan showing Egerton Village edged red being land to the east of East Float dock and west of Tower Road.

Appendix 2 – Key project details - Exempt

BACKGROUND PAPERS

A number of background papers to this report are exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as they contain commercially sensitive information.

Notice of Grant of Planning permission APP/1800647

Wirral Waters Investment Fund Business Plan - Exempt

Amion Summary Update Note - Exempt

Avison Young WWIF Egerton Village report - Exempt

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|-----------------|------|
| N/A | |



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | BUSINESS SUPPORT SERVICES: COMMISSIONING INTENTIONS PAPER |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The report provides for consideration the final recommendations of the Economy Regeneration and Development Committee in respect to the Business Support Services: Commissioning Intentions Paper. The report recommends the Policy and Resource Committee to endorse an extension of the Business Support Services contract to 30 September 2021. And to approve the final Business Support Services specification for delivery of a new service from October 2021 to October 2024, with an option to extend by one year to October 2025 based on satisfactory performance.

The full report was presented to the Economy Regeneration and Development Committee Report on 4 March 2021 is attached as an appendix.

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. To endorse an extension of the Business Support Services contract to 30 September 2021.
2. To authorise the Director of Regeneration and Place, in consultation with the Chair and Spokespersons of the Economy and Regeneration and Development Committee to:
3. Approve the final Business Support Services specification for delivery of a new service from October 2021 to October 2024, with an option to extend by one year to October 2025 based on satisfactory performance.
4. Commence procurement and select the most economically advantageous supplier(s) to deliver the commissioned services.
5. Conclude the final contract award.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1.1 This matter is being referred to Policy & Resources Committee because the Economy, Regeneration and Development Committee is recommending the Policy and Resource Committee to endorse an extension of the Business Support Services contract to 30 September 2021. And to approve the final Business Support Services specification for delivery of a new service from October 2021 to October 2024, with an option to extend by one year to October 2025 based on satisfactory performance.
- 1.1.2 This decision will require funding to be made available by virement between budget funds and in accordance with the Council's Constitution the virement of funds requested by a Committee or Officer in excess of £100,000 is reserved to Policy & Resources Committee.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Closure of service: Provision of frontline business growth support remains critical to the economic recovery, regeneration and growth ambitions for the borough.
- 2.2 Recommissioning based on the current service specification: This would fail to take into consideration changes in our economy that include Brexit and Covid-19, external developments in business support provision and/or the strategic priorities of the Council.

3.0 BACKGROUND INFORMATION

- 3.1 This paper summarises progress of Wirral Council's Business Support Service (BSS) commission which runs to May 2021. It asks Committee to endorse the extension of the current contract to September 2021 to align procurement timescales with the complementary Third Sector Infrastructure service and seeks authority to undertake market procurement for a reprioritised Business Support Service in 2021. The report provides an overview of the emerging business support services specification, which is being developed in line with Wirral's strategic priorities and seeks authority for the Director of Regeneration and Place, in consultation with the Chair and Spokespersons, to sign off the support specification, commence market procurement and select a supplier.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

5.0 LEGAL IMPLICATIONS

- 5.1 The legal implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

7.0 RELEVANT RISKS

7.1 The relevant risks are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

8.0 ENGAGEMENT/CONSULTATION

8.1 The engagement/consultation are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

9.0 EQUALITY IMPLICATIONS

9.1 The equality implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The environment and climate implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

REPORT AUTHOR: **Anna Perret**
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 – Minute extract
Appendix 2 – Committee Report

BACKGROUND PAPERS

Wirral CWB Hub – Emerging Findings, Centre for Local Economic Strategies,
Feb 2021 Stronger Economy Plan for Wirral Emerging findings email, Mickledore,
Feb 2021

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|---------------------|
| Economy Regeneration and Development Committee | 4 March 2021 |

MINUTE EXTRACT

ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 202138 **BUSINESS SUPPORT SERVICES: COMMISSIONING INTENTIONS PAPER**

Councillor Jo Bird, having expressed a Disclosable Pecuniary Interest in this item, left the meeting for the debate and vote.

The report of the Director of Regeneration and Place summarised progress of Wirral Council's Business Support Service commission which was to run to May 2021, and asked the Committee to endorse the extension of the current contract to September 2021 to align procurement timescales with the complementary Third Sector Infrastructure service and sought authority to undertake market procurement for a re-prioritised Business Support Service in 2021.

RESOLVED –

That Policy and Resources Committee be requested to approve the following recommendations:

- (1) An extension of the Business Support Services contract to 30 September 2021 be endorsed.**
- (2) The Director of Regeneration and Place, in consultation with the Chair and Spokespersons of the Economy and Regeneration and Development Committee, be authorised to:**
 - a. Approve the final Business Support Services specification for delivery of a new service from October 2021 to October 2024, with an option to extend by one year to October 2025 based on satisfactory performance.**
 - b. Commence procurement and select the most economically advantageous supplier(s) to deliver the commissioned services.**
 - c. Conclude the final contract award.**

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ECONOMY REGENERATION & DEVELOPMENT COMMITTEE

Thursday, 4 March 2021

| | |
|----------------------|--|
| REPORT TITLE: | BUSINESS SUPPORT SERVICES: COMMISSIONING INTENTIONS |
| REPORT OF: | DIRECTOR OF REGENERATION AND PLACE |

REPORT SUMMARY

This paper summarises progress of Wirral Council's Business Support Service (BSS) commission which runs to May 2021. It asks Committee to endorse the extension of the current contract to September 2021 to align procurement timescales with the complementary Third Sector Infrastructure service and seeks authority to undertake market procurement for a reprioritised Business Support Service in 2021.

The report provides an overview of the emerging business support services specification, which is being developed in line with Wirral's strategic priorities and seeks authority for the Director of Regeneration and Place, in consultation with the Chair and Spokespersons, to sign off the support specification, commence market procurement and select a supplier.

This matter affects all wards.

This is a key decision which requests delegated authority for use of council resources which exceed £500,000.

EXEMPT INFORMATION

Appendix One of this report contains exempt information as defined in part 1 of Schedule 12A of the Local Government Act 1972. It is in the public interest to exclude the press and public under Paragraph 3 'Information relating to the financial or business affairs of any particular person (including the authority holding the information)'.

RECOMMENDATIONS

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. To endorse an extension of the Business Support Services contract to 30 September 2021.

2. To authorise the Director of Regeneration and Place, in consultation with the Chair and Spokespersons of the Economy and Regeneration and Development Committee to:
 - a. Approve the final Business Support Services specification for delivery of a new service from October 2021 to October 2024, with an option to extend by one year to October 2025 based on satisfactory performance.
 - b. Commence procurement and select the most economically advantageous supplier(s) to deliver the commissioned services.
 - c. Conclude the final contract award.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Frontline business growth support for Wirral businesses is key to delivery of Wirral's economic recovery, its significant programme of regeneration and future growth.
- 1.2 The current business support services commission has exceeded its contracted objectives.
- 1.3 To embed local priorities that include community wealth building, regeneration programmes and the Wirral Plan 2020-25 into our future business support services.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Closure of service: Provision of frontline business growth support remains critical to the economic recovery, regeneration and growth ambitions for the borough.
- 2.2 Recommissioning based on the current service specification: This would fail to take into consideration changes in our economy that include Brexit and Covid-19, external developments in business support provision and/or the strategic priorities of the Council.

3.0 BACKGROUND INFORMATION

- 3.1 The Wirral Plan 2025 sets out a vision for a 'prosperous, inclusive economy where local people can get good jobs and achieve their aspirations'. It promises that we will 'support inclusive economic growth and increase community wealth'. Businesses of all sectors, drawn from myriad sectors and operating varied models, will be crucial partners in the delivery of the Wirral Plan 2020-2025.
- 3.2 The global Covid-19 pandemic has placed our economy under unprecedented duress. The Stronger Economy Plan for Wirral states that supporting businesses to enable economic resilience and growth will be crucial in ensuring a shorter, shallower downturn and a quicker, steeper, and sustainable return to growth.
- 3.3 **Current Business Support Services Contract:**
 - 3.3.1 In October 2016 Cabinet agreed to rationalise, redesign, and outsource the in-house provision of frontline support for local businesses via a competitive commissioning process. A three-year contract was subsequently awarded on 01 June 2017 to Wirral Chamber of Commerce (Wirral Chamber), including a 5% annual price reduction and an option to extend for a further year subject to satisfactory performance. This contract was extended in 2020 for one year, to the end of May 2021.
 - 3.3.2 Frontline business support services procured through this contract are obligated to be open for free universal access; however, suppliers are entitled to commercialise specific elements of activity (e.g., through a charging policy, sponsorship, or

membership fees) to enable management of the annual contract price saving requirement. The activities covered by the contract are as follows:

Contracted Activities with Free Universal Access:

- Core business growth support
- Entrepreneurship/business start-up support
- Inward investor 'soft landing'

Contracted Activities in Scope for Commercialisation:

- Sector network development (forums)
- Workforce development
- Place shaping: Love Liscard activities

3.3.3 Additionally, the service provides Wirral Council with business sector intelligence, data and information to enable better informed decision-making and strategy development.

3.3.4 The budget for commissioning this service was agreed at £1,300,000 for the first 3 Years (01.06.17 to 31.05.20) with an additional £391,000 for the +1 facility (01.06.20 to 31.05.21).

3.3.5 As the specification for services effectively enabled the supplier to operate as the Council's frontline service for business engagement, the commission also included a flexible facility for any Council Service to buy suitably aligned additional activity/outputs up to a limit of a 20% increase in value. An Official Journal of the European Union (OJEU) notice was therefore posted for the maximum possible contract value of £2,029,200, based upon all possible future variations and extensions of the contract.

3.4 **Outputs to date:**

3.4.1 Performance of the contract is measured against key performance indicators. Performance to the end of Quarter 3 2020/21 is outlined in Table 1 below; note that contractual targets were reviewed and revised at Year 2 end to maintain stretch in areas of overperformance. With a further three months of reported performance remaining in the current contract, delivery is on target to either achieve or overperform in all output areas except Liscard Shopping Centre footfall.

3.4.2 **Table 1: Wirral Business Support Service Cumulative Contract Performance to December 2020***

| Ref | Output | Performance against target |
|-----------|--|----------------------------|
| 1 | Enterprises Engaged | Exceeding performance |
| 2a | Businesses Supported <12 hrs | Exceeding performance |
| 2b | Businesses Assisted >12hrs | Exceeding performance |
| 3a | Potential Entrepreneurs supported to be enterprise ready | Exceeding performance |
| 3b | Potential Entrepreneurs assisted to be enterprise ready | Exceeding performance |
| 3c | New Enterprises Created: Direct | Exceeding performance |

| | | |
|-----------|---|-----------------------|
| 3d | New Enterprises Sustained | Exceeding performance |
| 3e | New Enterprises Created: Indirect | Exceeding performance |
| 4a | Jobs Created (FTE): Direct | Good |
| 4b | Jobs Created/ Safeguarded (FTE): Indirect | Exceeding performance |
| 5 | Business Sector Intelligence Reports | Exceeding performance |
| 6 | Local Centre Improvements | Below target |
| 7 | Income Targets | Good |

*Output definitions and detailed performance metrics are contained in Appendix One (exempt from publication).

3.5 **Commission Value:**

- 3.5.1 The approved permanent annual budget for business support services is £396,000 per annum, based on a fully benchmarked viable cost per output for the current contract and savings made to date. The original tender was designed with a requirement for increased savings to be made year on year through income generation to offset costs of delivery.
- 3.5.2 Maintaining an annual £396,000 budget envelope for future years would enable restructuring the new commission to take account of the conditions for the supplier market, allow some flexibility to increase/redesign outcomes and/or service activities, and reflect any changing demand/priority requirements in line with our large-scale recovery, regeneration and growth ambitions.

3.6 **Link with Third Sector Infrastructure (TSI) contract:**

- 3.6.1 Wirral Council's Public Health team commissions an infrastructure organisation to act as the conduit between the community, voluntary and faith (CVF) sector and the council. This contract is valued at £137,000 per annum and has been delivered by Community Action Wirral (CAW) which now operates in partnership with Wirral Chamber.
- 3.6.2 In response to changing demands and focus on the CVF sector, necessitated by covid-19, the shifting financial landscape in the public sector and by our evolving organisational priorities linked to community wealth building, a new way of working with the sector is required (see para. 3.7.7 - 3.7.8).
- 3.6.3 The TSI contract tenure extends to September 2021 and this represents an opportunity to jointly commission a reprofiled third sector support and Business Support Services contract. To bring forward a new service that meets our shared ambitions for business and CVF sectors, the commissioning timescales will be brought into alignment to commence in September 2021.
- 3.6.4 Public Health, following the review of TSI support, may decide to add to our BSS commission, specifically to provide bespoke business support services for the third sector.

- 3.6.5 Legal and procurement advice states that we can extend provision of the current BSS on the condition that the cost of extending remains within 10% of the total commission value (i.e., £202,290) and within the Public Contracts Regulations threshold of £189,000. This can be achieved within current budgets by extending to the end of September 2021, at a cost of £129,941.
- 3.6.6 Committee is asked to endorse the decision to extend the delivery of the current BSS contract to bring commissioning in line with the TSI contract.
- 3.7 Commissioning a new service:**
- 3.7.1 A new BSS must reflect the current context in which businesses operate to provide demand-led, evidence-based, and impactful support. This includes recognising and responding to the challenges and opportunities emanating from the global Covid-19 pandemic; Brexit and new trade regimes; changes in the market for business support, and; new and emerging local priorities that include community wealth building, regeneration programmes and the Wirral Plan 2020-25.
- 3.7.2 The Council has commissioned Mickledore to review the business support provision undertaken by Wirral Council within the context of the wider Liverpool City Region and national business support activity. This exercise will map business support services, which have expanded in recent years, to identify areas of potential duplication, gaps in provision and provide a set of specification recommendations.
- 3.7.3 Emerging findings which may inform the specification include:
- Less requirement for generic support services because of expanded LCR Growth Platform commissioned activity.
 - Initiatives to support larger organisations to localise their supply chains and skills.
 - High-value sector development work in existing and emerging priority sectors.
 - Enhanced services for newly established businesses to ensure that they are embedded in the local economy and achieve greater survival rates.
 - A short term offer that supports recovery aspects of Covid-19.
 - Brexit transition support for at least the next 12 months.
- 3.7.4 Wirral Council has committed to ensure that 'Community Wealth Building is intrinsic to everything the council does and will be embedded into all our activity going forward'. The Business Support Services commission provides an opportunity to support the delivery of both the Community Wealth Building Strategy and Inclusive growth strand of the Wirral Plan 2025.
- 3.7.5 The Wirral Plan 2025 and Community Wealth Building Strategy 2020-2025 have objectives which are directly related to the BSS. These relate to 'creating jobs and supporting businesses' and 'maximising the ability of local enterprise as a driver of economic regeneration and community wealth building'.
- 3.7.6 The Wirral Community Wealth Building Strategy sets out the ways in which progress can be measured and Business Support Services in Wirral can be shaped to deliver the following relevant outputs:
- Number of new businesses created.

- Number of businesses successfully winning public sector contracts.
- Increase in the number of community land trusts.
- Funds raised through crowdfunding.
- Number of new apprenticeships starts.
- Decrease in the number of employees on zero-hour contracts.

3.7.7 The Centre for Local Economic Strategies (CLES) has been appointed to support the embedding of community wealth building within a sustainable economic recovery in Wirral. Their emerging Action Plan will support BSS commissioning by:

1. Reviewing existing contracts and contract monitoring for BSS and TSI support programmes.
2. Assessing the impact of Covid-19 on the third sector and aspirations to work differently.
3. Developing outline proposals for a Community Wealth Building (CWB) Hub, which explores the potential for a repurposing of the local business support landscape with increased connectivity to the voluntary, community and social enterprise infrastructure support bodies.
4. Making clear recommendations on how the Council's front-line business and CVF support contracts may need to be refocused to develop a strong local eco-system to support community wealth building.

3.7.8 Emerging findings which may inform the specification include:

- Ensuring that local wealth is harnessed to increase investment in local communities.
- Ensuring that residents can access secure and quality employment with progression opportunities and good terms and conditions.
- Supporting key sectors to grow and develop in ways that ensure local businesses and residents are prepared, supported and enabled to access local opportunities.
- Bringing together knowledge and understanding of the VCSE sector and the areas where entrepreneurial activity and energy can be supported to flourish.
- Leveraging support and funding from external providers.
- Harnessing the power of anchor institutions to understand their commissioning intentions and how these can be met from the local economy.

3.8 Procurement timescales:

3.8.1 In summary, the headline timescales are as follows:

| | |
|-----------------------------|---|
| January 2021 to April 2021 | Consultation/Engagement and specification development |
| March 2021 | ER&D Committee decision for commissioning intentions |
| March 2021 | P&R Committee decision for commissioning intentions |
| April to June 2021 | Procurement process |
| July 2021 | Committee endorsement of appointment |
| July 2021 to September 2021 | Mobilisation period |
| September 2021 | Contract start |

4.0 FINANCIAL IMPLICATIONS

- 4.1 Funding for the procurement and delivery of this contract is contained within the existing departmental budgets.
- 4.2 It is recommended that the BSS commission includes a flexible facility for any council service to buy, from their own budgets, suitably aligned additional activity/outputs from the successful contractor up to a limit of a 20% increase in contract value. This creates a maximum possible contract value of £1,900,800, based upon all possible future variations and extensions of the contract.
- 4.3 Legal and procurement advice states that we can extend provision of the current BSS to September 2021 on the condition that the cost of extending remains within 10% of the total commission value (i.e., £202,290) and within the Public Contracts Regulations threshold of £189,000. This can be achieved within current budgets by extending to the end of September 2021, at a cost of £155,655.

5.0 LEGAL IMPLICATIONS

- 5.1 The proposed commissioning activity will be procured in accordance with Wirral Council's Contract Procedure Rules and the opportunity will be competitively tendered as per Public Contracts Regulations 2015.
- 5.2 The tender documents, including the terms and conditions of contract, will be developed with appropriate legal and procurement advice.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Where functions are transferring from the current supplier to another, both the receiver and sender organisations have a statutory responsibility (where the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) applies) to inform and consult representatives of employees affected by transfer or potential transfer situations.
- 6.2 No Council assets, ICT equipment or recharged services are proposed for supply/transfer as part of the commissioned model.

7.0 RELEVANT RISKS

- 7.1 Risk of distorting competition through engagement with current contract providers: Our procurement and legal team are experienced in the management of market consultation with incumbent suppliers through procedures compliant with the parameters of Regulation 40 of the Public Contracts Regulations 2015, which exist to ensure that any discussions do not distort competition and violate principles of non-discrimination and transparency.
- 7.2 Specification does not meet strategic need: this risk is mitigated through thorough specification development work in partnership with CLES, Mickledore and business support/third sector stakeholders to ensure strategic fit with local priorities and existing provision.

- 7.3 There is a risk that there is a lack of market interest in delivering this service.
- 7.4 There is a risk of disruption to service provision during service redesign, recommissioning and commencement of new services. To mitigate against this and minimise disruption, adequate time to plan for, and implement the mobilisation of new services has been built into the procurement process between contract award and commencement.
- 7.5 The procurement process is subject to scrutiny and at risk of legal challenge. Regard is given to contract procedure rules and relevant legislation at all stages of the process, while legal and procurement advice and support is obtained to ensure compliance.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Wide-ranging consultation is underway with stakeholders that include local businesses, representative bodies, council officers, business support providers, Liverpool City Region Growth Platform representatives and third sector organisations. This consultation and engagement will inform the future service specification.
- 8.2 Engagement with current contract providers in their roles as representative bodies, will be a crucial element of the commissioning needs assessment and specification development. Our procurement and legal teams are experienced in the management of market consultation with incumbent suppliers through procedures compliant with the parameters of Regulation 40 of the Public Contracts Regulations 2015, which exist to ensure that any discussions do not distort competition and violate principles of non-discrimination and transparency.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment (EIA) is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 The recommendations in this report aim to reduce inequalities by providing access to employment, training, skills and enterprise opportunities for all residents. The integrated commissioning of Business Support Services and Community, Voluntary and Faith support services aims to increase access to services by persons from protected groups.
- 9.3 The potential impact of the Business Support Service Contract has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan, which can be found here: <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>. No material changes to the EIA are required because of this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The Wirral Plan 2025 includes a set of goals and objectives to create a sustainable environment which urgently tackles the environment emergency
- 10.2 It is anticipated that the emerging community wealth building and local supply chain development aspects of our future BSS commission will support the transition to a low carbon economy.
- 10.3 The Energy & Environment Sector Network, delivered as part of the Wirral Business Support Services contract, is key to facilitating the exchange of best practise, information and knowledge transfer across the business community.
- 10.4 The content and/or recommendations contained within this report are therefore expected to reduce emissions of Greenhouse Gases.

REPORT AUTHOR: Ben Lavell
 email: benlavell@wirral.gov.uk

APPENDICES

Appendix 1 Business Support Service Performance to December 2020 (Exempt)

BACKGROUND PAPERS

Wirral CWB Hub – Emerging Findings, Centre for Local Economic Strategies, Feb 2021
 Stronger Economy Plan for Wirral
 Emerging findings email, Mickledore, Feb 2021

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|-------------|
| Delegated Report Business Support Service | 10.2016 |
| Executive Member Decision Business Support Service | 12.10.2016 |
| Delegated Report Business Support Service Pensions Provision | 11.2016 |
| Executive Officer Decision Business Support Service Pensions Provision | 30.11.2016 |
| Delegated Report Business Support Service Award of Contract | 01.2017 |
| Executive Officer Decision Business Support Service Award of Contract | 26.01.2017 |
| Officer Decision Business Support Services Contract Extension | 24.02.2020 |



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---------------------------------------|
| REPORT TITLE: | WIRRAL WAYS TO WORK |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The report provides for consideration the final recommendations of the Economy Regeneration and Development committee in respect to Wirral Ways to Work. The report requests that Policy and Resource Committee authorise the Director of Law and Governance in consultation with the Director for Regeneration and Place to enter a contract extension and sign the supplier contract with Involve Northwest to continue delivery of the Wirral Ways to Work Worklessness Support Service. And to authorise an option for the Director of Regeneration and Place in consultation with the Director of Law and Governance to enter a 3-month contract extension from July to September 2021.

The full report was presented to the Economy Regeneration and Development Committee Report on 4 March 2021 is attached as an appendix.

RECOMMENDATION/S

The Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

- Authorise the Director of Law and Governance in consultation with the Director for Regeneration and Place to enter a contract extension and sign the supplier contract with Involve Northwest to continue delivery of the Wirral Ways to Work Worklessness Support Service.
- Authorise an option for the Director of Regeneration and Place in consultation with the Director of Law and Governance to enter a 3-month contract extension from July to September 2021 to cover off the risk of awaiting a grant funding agreement from Liverpool City Region Combined Authority and then proceed to a full extension once confirmation of EU funds is received, should this option need to be utilised.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This matter is being referred to Policy & Resources Committee because the Economy, Regeneration and Development Committee is requesting recommending the authorisation of the Director of Law and Governance in consultation with the Director for Regeneration and Place to enter a contract extension and sign the supplier contract with Involve Northwest to continue delivery of the Wirral Ways to Work Worklessness Support Service whilst the Council awaits formal award of European Social Fund (ESF). This decision will require funding to be made available by virement between budget funds and in accordance with the Council's Constitution the virement of funds requested by a Committee or Officer in excess of £100,000 is reserved to Policy & Resources Committee.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Do Nothing: The council takes no action and does not extend the contract with Involve Northwest from 1st July 2021. This option would significantly impact Involve Northwest by jeopardising the jobs of 35 staff employed to deliver the contract. Doing nothing would seriously reduce highly valued employability provision within Wirral which supports unemployed and inactive adults and young people into jobs and training.
- 2.2 Delay/reduce the commissioned service: If the Council chooses to delay or reduce the commissioned service beyond 1st July 2021 (until a finalised grant agreement is formally awarded via the Liverpool City Region Combined Authority), this will seriously risk the financial viability of Involve Northwest. The charity would declare staff redundancies thereby losing the staff to run the contract before it is formally awarded. Delay would therefore also seriously jeopardise Wirral Council's ability to deliver any future expected outputs of the Ways to Work Programme.

3.0 BACKGROUND INFORMATION

- 3.1 This report seeks authority for the Council to enter into an extension of a supplier agreement with Involve Northwest whilst the Council awaits formal award of European Social Fund (ESF). Following a competitive tender exercise, Involve Northwest has been selected as preferred supplier to deliver the Worklessness Support Service, which is part of the Wirral Ways to Work Programme. The contract is due to expire on 30th June 2021, however there is scope within the current contract to extend for 16 months until October 2022.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

5.0 LEGAL IMPLICATIONS

5.1 The legal implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.1 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

6.0 RELEVANT RISKS

The relevant risks are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021

7.0 ENGAGEMENT/CONSULTATION

7.1 The engagement/consultation are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

8.0 EQUALITY IMPLICATIONS

8.1 The equality implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The environment and climate implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021

REPORT AUTHOR: Anna Perret
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 – Minute Extract
Appendix 2 – Committee Report

BACKGROUND PAPERS

Liverpool City Region Employment & Skills Portfolio Holders meeting 13.01.2021 –
Item 3

ESF Update DWP ESF/YEI Call guidance: <https://www.gov.uk/european-structural-investmentfunds/youth-employment-initiative-oc50s21p1801>

Evaluation of Ways to Work Liverpool City Region (Draft) December 2018. Centrifuge Consulting

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|----------------|
| Delegated Decision Report of the Portfolio Holder for Jobs and Growth - European Structural and Investment Fund Programme for England 2014-2020: Wirral Ways to Work Programme Extension | 6 July 2021 |
| European Structural and Investment Fund programme for England 2014-2020: Wirral Ways to Work Programme | 7th March 2019 |

MINUTE EXTRACT**ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 2021****39 WIRRAL WAYS TO WORK**

Councillor Andrew Gardner, having declared a Disclosable Pecuniary Interest, left the meeting for the debate and vote.

The report of the Director of Regeneration and Place sought authority for the Council to enter into an extension of a supplier agreement with Involve Northwest whilst the Council awaited formal award of European Social Fund. Following a competitive tender exercise, Involve Northwest had been selected as preferred supplier to deliver the Worklessness Support Service, which was part of the Wirral Ways to Work Programme. The contract was due to expire on 30th June 2021 but an application had been made for funding from the Liverpool City Region which would enable the Council to extend this contract for 16 months until October 2022. An option to extend for 3 months at risk was also sought whilst this application was processed.

RESOLVED –

That Policy and Resources Committee be requested to approve the following recommendations:

- (1) The Director of Law and Governance in consultation with the Director for Regeneration and Place be authorised to enter a contract extension and sign the supplier contract with Involve Northwest to continue delivery of the Wirral Ways to Work Worklessness Support Service.**
- (2) An option be authorised for the Director of Regeneration and Place in consultation with the Director of Law and Governance to enter a 3-month contract extension from July to September 2021 to cover off the risk of awaiting a grant funding agreement from Liverpool City Region Combined Authority and then proceed to a full extension once confirmation of EU funds is received, should this option need to be utilised.**

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ECONOMY REGENERATION & DEVELOPMENT COMMITTEE

Thursday, 4 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | EUROPEAN STRUCTURAL AND INVESTMENT FUND PROGRAMME FOR ENGLAND 2014-2020: WIRRAL WAYS TO WORK PROGRAMME |
| REPORT OF: | DIRECTOR OF REGENERATION & PLACE |

REPORT SUMMARY

This report seeks authority for the Council to enter into an extension of a supplier agreement with Involve Northwest whilst the Council awaits formal award of European Social Fund (ESF). Following a competitive tender exercise, Involve Northwest has been selected as preferred supplier to deliver the Worklessness Support Service, which is part of the Wirral Ways to Work Programme. The contract is due to expire on 30th June 2021, however there is scope within the current contract to extend for 16 months until October 2022.

This is a key decision and this matter affects all Wards within the borough.

RECOMMENDATION/S

The Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

- authorise the Law and Governance in consultation with the Director for Regeneration and Place to enter a contract extension and sign the supplier contract with Involve Northwest to continue delivery of the Wirral Ways to Work Worklessness Support Service.
- authorise an option for the Director of Regeneration and Place in consultation with the Director of Law and Governance to enter a 3-month contract extension from July to September 2021 to cover off the risk of awaiting a grant funding agreement from Liverpool City Region Combined Authority and then proceed to a full extension once confirmation of EU funds is received, should this option need to be utilised.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Ways to Work Programme is helping to address worklessness in Wirral. Wirral is an area which has had persistent levels of worklessness far exceeding regional and national averages for many years. Ways to Work provides services that support adults and young people into employment and training, and therefore successfully supports the Inclusive Economy theme of the Wirral Plan 2025.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 **Do Nothing:** The council takes no action and does not extend the contract with Involve Northwest from 1st July 2021. This option would significantly impact Involve Northwest by jeopardising the jobs of 35 staff employed to deliver the contract. Doing nothing would seriously reduce highly valued employability provision within Wirral which supports unemployed and inactive adults and young people into jobs and training.
- 2.2 **Delay/reduce the commissioned service:** If the Council chooses to delay or reduce the commissioned service beyond 1st July 2021 (until a finalised grant agreement is formally awarded via the Liverpool City Region Combined Authority), this will seriously risk the financial viability of Involve Northwest. The charity would declare staff redundancies thereby losing the staff to run the contract before it is formally awarded. Delay would therefore also seriously jeopardise Wirral Council's ability to deliver any future expected outputs of the Ways to Work Programme.

3.0 BACKGROUND INFORMATION

- 3.1 The Wirral Ways to Work Programme is part of the Liverpool City Region Combined Authority Ways to Work programme. The programme is designed to engage eligible workless young people and adults and support their progression into education, employment, and training via a suite of flexible, tailored employment support services.
- 3.2 The Ways to Work programme supports a number of key pledges in the Wirral Plan. The current programme has been delivering since April 2016 and has achieved the following outcomes as of 30th December 2020:
- Engaged 7,468 Wirral residents onto the programme
 - Supported 4,051 Wirral residents back into employment or training; and
 - Positive outcome rate of 54%
- 3.3 Ways to Work has provided immense benefit to residents who have been supported into local and regional employment and training opportunities, which not only supports a more inclusive Wirral economy, but also improves the health and wellbeing and life chances of individuals and their families through increased household incomes, improved mental and physical health, personal confidence, social networks and aspirations.

- 3.4 Wirral's Ways to Work Programme is currently broken down between two services under two ESF priorities. Involve Northwest deliver our Worklessness Support Service under Priority Axis 1.1 which is aimed at adults aged 16-64. The Council's 14-19 team deliver an Intermediate Labour Market (ILM) programme through Priority 1.3 Axis which is a stream of funding aimed at disadvantaged young people aged 16-29.
- 3.5 Involve Northwest delivers the programme through its 'ReachOut Partnership' model which operates and supports residents in some of the most deprived areas of Wirral through a network of community work clubs and dedicated job coaches. The service has been funded in various forms by Wirral Council over the last thirteen years and is a highly valued service which has made positive inroads into improving the lives and life chances of local residents.
- 3.6 Liverpool City Region Combined Authority (LCRCA) has Intermediate Body status which means they draft all ESF funding calls for the LCRCA, these are approved by the Department for Work and Pensions as Managing Authority. These are then published and authorised by European Structural Investment Funds committee.
- 3.7 The LCRCA has fully committed its initial funding of around £100m to calls and projects since 2016. Nationally, there are some areas who have not done so and there are further areas who have underspends on their delivery, this additional funding has been transferred to a National Reserve Fund and areas have been asked to apply for further elements of funding. To date, Liverpool City Region has secured an additional £20m through the Reserve Fund and this includes a further £13m for extended delivery of Ways to Work.
- 3.8 The Department for Work and Pensions as Managing Authority, are seeking to commit all reserve fund by September 2021, with all calls agreed and published before the end of April 2021. The Worklessness Support Service is reliant on the publishing of an ESF call against Priority Axis 1.1, which is the stream of funding targeting people aged 16-64. This is due to be published before April, which would then need to be appraised and authorised before 30th June 2021 for the Council to confirm the grant funding is available to continue this contract.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Wirral Council has identified £515,733.33 of match-funding to the Ways to Work Programme from 1 July 2021 to 31 October 2022 through the Public Health grant. This will enable the Council to draw down c£733k of additional ESF grant, providing a total Wirral programme worth £1.289m. Table 1 outlines the Worklessness Support Service contract value.
- 4.2 The values estimated for monthly contract costs are based on current average spend.

Table 1: Value of Worklessness Support Contract:

| Contract | Awarded to | Total Value | Monthly Value | Contract duration |
|---------------------|------------|-------------|---------------|---------------------------|
| Wirral Worklessness | Involve | £1.120m | £70,000 | 1 July 2021 to 30 October |

| | | | | |
|-----------------|-----------|--|--|------------------|
| Support Service | Northwest | | | 2022 (16 months) |
|-----------------|-----------|--|--|------------------|

5.0 LEGAL IMPLICATIONS

- 5.1 The Council decision will be authorising the Director of Law and Governance in consultation with the Director of Regeneration and Place to authorise agreement and commencement of the extension to the existing Worklessness Support Service contract for 16 months in total in line with the current provision for the maximum contract length within the original Official Journal of the European Union (OJEU).
- 5.2 Should the Council not receive a grant funding agreement in sufficient time to exercise an extension from 1st July 2021 for the full period the Council will exercise the option to extend the contract at risk for 3 months July to September 2021, with full extension to come for a further 13 months once the legal GFA is received.
- 5.3 The proposed extension will be procured in accordance with Wirral Council's Contract Procedure Rules. Any new commission beyond the legal limits of the current OJEU notice will be competitively tendered as per Public Contracts Regulations 2015.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Securing grant funding from ESF funds enables the Council to fund the relevant compliance and support roles that are needed to ensure successful delivery of the Worklessness Support contract. This therefore creates a saving to the Council's budget as these posts are original substantive Council positions.

7.0 RELEVANT RISKS

Financial

- 7.1 The risk of ESF funds not being committed by DWP is now assessed to be medium, given that the process of development of a ESF call is underway and the LCRCA has been ringfenced an amount of the National Reserve Fund to bid for. This has been confirmed in writing by DWP. Officials at DWP have informed the LCRCA that they will try to speed up the appraisal process of applications, as there has been a delay over recent months due to COVID and other resource issues.
- 7.2 If in the event that DWP do not award the LCRCA the ESF funds in sufficient time to execute an extension from July 2021 for the full period then there is a risk that the Council will need to commit to funding the Worklessness Support contract at risk for 3 months using the match funding until the grant funding agreement is in place.

Reputational:

- 7.3 There is a high risk of reputational damage to the Council of not commencing the contract on time; stemming from the negative impact on unemployed Wirral residents who rely on the support provided by the service.

- 7.4 Any delay to the commencement of the Worklessness Support contract would likely put Involve Northwest, a Wirral based charity who locally employ 35 staff to deliver this valued service under significant financial stress and would risk an immediate commencement of staff redundancies. Other employees within their partnership delivery model which includes the Community Connectors Programme and Wirral Change, another local charity, could also potentially be put at risk.

Operational/contractual:

- 7.5 Any delay to the commencement of the Worklessness Support contract could jeopardise the Council's (and Involve Northwest's) delivery of expected ESF outputs and results as profiled in the revised grant funding agreement once executed.
- 7.6 As a relatively small local operator, Involve Northwest would be unable to deliver the service 'at risk' without the security of a contract and payment from the Council. Nor would the organisation be able to make staff redundant to then re-employ at a future date, which itself presents a significant risk to Wirral's programme if the Worklessness contract extension were to be delayed.
- 7.7 Currently the funds being applied for by LCRCA are for delivery up to September 2023 therefore re-commissioning of Priority 1.1 service may need to happen due to the limitations of the current OJEU notice period covering the current commission. If the existing contract is extended, then it is anticipated this would need to be from November 2022 to September 2023.

Brexit:

- 7.8 The UK Government has guaranteed that it will continue to sign new to the full value of the ESIF programme allocations.
- 7.9 The guarantee ensures that UK organisations will continue to receive funding over a project's lifetime if they successfully bid into EU-funded programmes before the end of 2020. The guarantee covers the full Multiannual Financial Framework allocation for structural and investment funds over the 2014-20 funding period, with payments to beneficiaries made up to the end of 2023.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 This project supports the Inclusive Economy theme of the Wirral Plan 2025 which is being developed in full consultation with partner organisations and residents. The Wirral Growth Plan has also been informed by consultation which has taken place with a number of public and private sector partners and with local businesses, which were made accessible as possible to all stakeholders involved.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment (EIA) is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 The potential impact of the Worklessness Support Service Contract has been reviewed with regard to equality and links to the existing EIA conducted for Wirral’s Growth Plan, which can be found here: <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>. No material changes to the EIA are required because of this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The recommendations within this report have no impact on emissions of Greenhouse Gases.

REPORT AUTHOR: Sarah Dodd
 (Regen and Inward Investment - Economic Development Lead)
 email: sarahdodd@wirral.gov.uk

BACKGROUND PAPERS

Liverpool City Region Employment & Skills Portfolio Holders meeting 13.01.2021 – Item 3 ESF Update
 DWP ESF/YEI Call guidance: <https://www.gov.uk/european-structural-investment-funds/youth-employment-initiative-oc50s21p1801>
 Evaluation of Ways to Work Liverpool City Region (Draft) December 2018. Centrifuge Consulting

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|----------------------------|
| Delegated Decision Report of the Portfolio Holder for Jobs and Growth - European Structural and Investment Fund Programme for England 2014-2020: Wirral Ways to Work Programme Extension | 6 th July 2018 |
| European Structural and Investment Fund programme for England 2014-2020: Wirral Ways to Work Programme | 7 th March 2019 |



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

| | |
|----------------------|---|
| REPORT TITLE: | NEW FERRY – IMPLEMENTING THE REGENERATION PLAN |
| REPORT OF: | DIRECTOR OF LAW AND GOVERNANCE |

REPORT SUMMARY

The report provides for consideration the final recommendations of the Economy Regeneration and Development Committee in respect of New Ferry – Implementing the regeneration plan.

The report recommends the acceptance of the making of a Compulsory Purchase Order(s) (“the Order”) under the Town and Country Planning Act 1990, Section 226(1)(a), and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and new rights in respect of the area identified in the plan and table in an appendix attached to this report to enable the regeneration of New Ferry to be undertaken and the process for the Order shall be subject to following the procedures laid down by the Acquisition of Land Act 1981. And that the Economy, Development and Regeneration Committee be authorised to make all necessary further decisions that are not otherwise delegated to officers, in relation to the Compulsory Purchase Order and consequential on the Compulsory Purchase Order including the selection process for and approval of a development partner the structure of that partnership arrangement whether through a land transaction or otherwise and any related land transactions and settlement of compensation and the engagement of appropriate advisors to advise on compensation for any business interests.

The full report was presented to the Economy, Regeneration and Development Committee on the 4 March and is attached as an appendix.

RECOMMENDATION/S

The Economy, Regeneration & Development Committee are requested to make a recommendation to Policy and Resources Committee to approve the following:

- (1) the making of a Compulsory Purchase Order(s) (“the Order”) under the Town and Country Planning Act 1990, Section 226(1)(a), and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and new rights in respect of the area identified in the plan and table in an appendix attached to this report to enable the

regeneration of New Ferry to be undertaken and the process for the Order shall be subject to following the procedures laid down by the Acquisition of Land Act 1981.

(2) the draft skeleton Statement of Reasons attached as an appendix to this report, which (in addition to the information in this report) sets out the justification for making the Order.

(3) the Director of Regeneration and Place in consultation with the Director of Law and Governance be granted delegated authority to:

(a) finalise the Statement of Reasons.

(b) draft the Order Map and Schedule before the making of the Order (if required).

(c) negotiate, agree terms and enter into agreements with interested parties including agreements for the withdrawal of blight notices and/or the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including (but not limited to) where appropriate seeking the exclusion of land or rights from the Order, making provision for the payment of compensation and/or relocation.

(4) the Director of Law and Governance be granted delegated authority to:

(a) take all steps to secure the making, confirmation and implementation of the Order including the publication and service of all notices and the promotion of the Council's case at any public inquiry.

(c) in the event the Order is confirmed by the Secretary of State, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order.

(d) take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Upper Tribunal and/or applications to the courts and any appeals.

(5) That where required to assist in the delivery of the New Ferry Preferred development option and may be appropriated for planning purposes pursuant to the Local Government Act 1972 to enable Section 203 of the Housing and Planning Act 2016 to be utilised to override any third-party rights of land or part thereof.

(6) That the Economy, Development and Regeneration Committee be authorised to make all necessary further decisions that are not otherwise delegated to officers, in relation to the Compulsory Purchase Order and consequential on the Compulsory Purchase Order including the selection process for and approval of a development partner the structure of that partnership arrangement whether through a land transaction or otherwise and any related land transactions and settlement of compensation and the engagement of appropriate advisors to advise on compensation for any business interests.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This matter is being referred to Policy & Resources Committee because the Economy, Regeneration and Development Committee is recommending acceptance of the making of a Compulsory Purchase Order(s) (“the Order”) under the Town and Country Planning Act 1990, Section 226(1)(a), and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and new rights in respect of the area identified in the plan and table in an appendix attached to this report to enable the regeneration of New Ferry to be undertaken and the process for the Order shall be subject to following the procedures laid down by the Acquisition of Land Act 1981. This decision will involve the acquisition of land and property and in accordance with the Council’s Constitution considerations regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000 is reserved to Policy & Resources Committee.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Members could decide not to proceed with the Order. In such case all the land will not be acquired by agreement, and the regeneration masterplan would not be fully delivered. The partial redevelopment of Council owned sites would result in piecemeal development and leave a number of derelict and dilapidated properties remaining in New Ferry. Not proceeding with the Order would impact negatively on the economic, social, and environmental well-being of the area leading to further decline in the retail centre, with significant impact on the local community and businesses. It would also damage the reputation of the Council, which has pledged to support New Ferry’s recovery and regeneration.
- 2.2 There are other alternative compulsory purchase powers including powers under section 17 of the Housing Act 1985. It is considered that proceeding with the powers under Section 226(1)(a) of the Town and Country Planning Act 1990 is the most appropriate choice as the New Ferry Regeneration Plan provides for a mix of housing and retail.

3.0 BACKGROUND INFORMATION

- 3.1 In March 2017 an explosion in New Ferry devastated the heart of the retail centre, destroying businesses and homes, having a significant impact on the local community. Since that time, the Council has been fully supporting the recovery of the area, seeking additional funding to acquire the interests of key properties and parcels of land which will enable the regeneration and redevelopment of the town centre to proceed.

These acquisitions are crucial to the delivery of the New Ferry Regeneration Plan. This was produced by the Council and consulted on in September 2017 and has led to a preferred development option being selected with the support of the community.

The plan seeks to protect local businesses and bring a mix of new residential and retail units into the town to create a sustainable future for New Ferry.

However, negotiations for the acquisition of a number of property interests are not progressing or have reached an impasse. The use of Compulsory Purchase Order(s) powers is therefore recommended as the Council is unlikely to be able to acquire these interests by agreement. Since Members first considered the regeneration plan proposals for New Ferry, a preferred development option has been endorsed by Leader Decision in December 2019. An outline planning application for the preferred development option was approved by the Council in September 2020. An updated viability assessment has also been recently undertaken which is detailed further in this report. This scheme will now be taken forward for delivery and a preferred developer partner will be appointed to deliver the scheme in 2021. It is anticipated that this will be delivered by 2024.

This report provides an update to Members on the progress of the regeneration in New Ferry. It also asks that the Committee recommends to Policy and Resources Committee, the use of Compulsory Purchase Order(s) under the Town and Country Planning Act 1990 are used as a last resort, to acquire property critical to the implementation of the New Ferry Regeneration Plan. Finally, it updates members on the process for identifying a preferred developer to work with the Council on delivering the regeneration.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial implications are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

5.0 LEGAL IMPLICATIONS

- 5.1 The legal implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

- 5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

- 5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee

must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

7.0 RELEVANT RISKS

7.1 The relevant risks are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

8.0 ENGAGEMENT/CONSULTATION

8.1 The engagement/consultation are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

9.0 EQUALITY IMPLICATIONS

9.1 The equality implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The environment and implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

REPORT AUTHOR: **Anna Perret**
(Senior Democratic Services Officer)
email: annaperret@wirral.gov.uk

APPENDICES

Appendix 1 – Minute Extract
Appendix 2 – Committee Report

BACKGROUND PAPERS

New Ferry Regeneration Delivery Plan, November 2017, GVA Grimley Outline Planning Applications DPP3/20/00415, DPP3/20/00420, DPP3/20/00418 BDP – Masterplan B – see attached appendix 3 Equality Act 2010 Human Rights Act 1998 Guidance on preparing CPO, MHCLG 2019 Equality Impact Assessment, completed February 2021.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|---------------------------|
| Cabinet Report - New Ferry Regeneration Strategic Acquisitions | 17th December 2018 |
| Delegated decision Report - Preferred Development Option for New Ferry | 20th December 2019 |

MINUTE EXTRACT

ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE
4 MARCH 2021

31 NEW FERRY – IMPLEMENTING THE REGENERATION PLAN

The report of the Director of Regeneration and Place set out that in March 2017 an explosion in New Ferry devastated the heart of the New Ferry retail centre, destroying businesses and homes, having a significant impact on the local community. Since that time, the Council had been fully supporting the recovery of the area, seeking additional funding to acquire the interests of key properties and parcels of land which would enable the regeneration and redevelopment of the town centre to proceed under the New Ferry Regeneration Plan.

The plan sought to protect local businesses and bring a mix of new residential and retail units into the town to create a sustainable future for New Ferry. However, negotiations for the acquisition of a number of property interests were not progressing. The use of Compulsory Purchase Order powers was therefore recommended as the Council was unlikely to be able to acquire these interests by agreement. The report also detailed a preferred development option. This had been endorsed by a Leader Decision in December 2019, then followed by an outline planning application for the preferred development option approved by Council in September 2020. The scheme would be taken forward for delivery and a preferred developer partner would be appointed to deliver the scheme in 2021. It was anticipated that the overall scheme would be delivered by 2024.

Members were keen that the redevelopment be accelerated where possible and asked questions about potential delays. Members offered their thanks to the team who had worked on the proposals.

RESOLVED –

That Policy and Resources Committee be requested to approve the following:

- (1) The making of a Compulsory Purchase Order(s) (“the Order”) under the Town and Country Planning Act 1990, Section 226(1)(a), and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and new rights in respect of the area identified in the plan and table of Appendix 1 of the report to enable the regeneration of New Ferry to be undertaken and that the process for the Order shall be subject to following the procedures laid down by the Acquisition of Land Act 1981.**
- (2) The draft skeleton Statement of Reasons (Appendix 2 to the report) which (in addition to the information in this report) sets out the justification for making the Order.**
- (3) The Director of Regeneration and Place in consultation with the Director of Law and Governance be granted delegated authority to:**
 - (a) finalise the Statement of Reasons.**
 - (b) draft the Order Map and Schedule before the making of the Order (if required).**

- (c) negotiate, agree terms and enter into agreements with interested parties including agreements for the withdrawal of blight notices and/or the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including (but not limited to) where appropriate seeking the exclusion of land or rights from the Order, making provision for the payment of compensation and/or relocation.
- (4) The Director of Law and Governance be granted delegated authority to:

 - (a) take all steps to secure the making, confirmation and implementation of the Order including the publication and service of all notices and the promotion of the Council's case at any public inquiry.
 - (b) in the event the Order is confirmed by the Secretary of State, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order.
 - (c) take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Upper Tribunal and/or applications to the courts and any appeals.
- (5) That where required to assist in the delivery of the New Ferry Preferred development option land may be appropriated for planning purposes pursuant to Section 122 of the Local Government Act 1972 to enable Section 203 of the Housing and Planning Act 2016 to be utilised to override any third-party rights of land or part thereof.
- (6) The Economy, Development and Regeneration Committee be authorised to make all necessary further decisions that are not otherwise delegated to officers, in relation to the Compulsory Purchase Order and consequential on the Compulsory Purchase Order including the selection process for and approval of a development partner the structure of that partnership arrangement whether through a land transaction or otherwise and any related land transactions and settlement of compensation and the engagement of appropriate advisors to advise on compensation for any business interests.

ECONOMY REGENERATION & DEVELOPMENT COMMITTEE**Thursday, 4 March 2021**

| | |
|----------------------|---|
| REPORT TITLE: | NEW FERRY – IMPLEMENTING THE REGENERATION PLAN |
| REPORT OF: | DIRECTOR OF REGENERATION AND PLACE |

REPORT SUMMARY

In March 2017 an explosion in New Ferry devastated the heart of the retail centre, destroying businesses and homes, having a significant impact on the local community. Since that time, the Council has been fully supporting the recovery of the area, seeking additional funding to acquire the interests of key properties and parcels of land which will enable the regeneration and redevelopment of the town centre to proceed.

These acquisitions are crucial to the delivery of the New Ferry Regeneration Plan. This was produced by the Council and consulted on in September 2017 and has led to a preferred development option being selected with the support of the community. The plan seeks to protect local businesses and bring a mix of new residential and retail units into the town to create a sustainable future for New Ferry.

However, negotiations for the acquisition of a number of property interests are not progressing or have reached an impasse. The use of Compulsory Purchase Order(s) powers is therefore recommended as the Council is unlikely to be able to acquire these interests by agreement. Since Members first considered the regeneration plan proposals for New Ferry, a preferred development option has been endorsed by Leader Decision in December 2019. An outline planning application for the preferred development option was approved by the Council in September 2020. An updated viability assessment has also been recently undertaken which is detailed further in this report. This scheme will now be taken forward for delivery and a preferred developer partner will be appointed to deliver the scheme in 2021. It is anticipated that this will be delivered by 2024.

This report provides an update to Members on the progress of the regeneration in New Ferry. It also asks that the Committee recommends to Policy and Resources Committee, the use of Compulsory Purchase Order(s) under the Town and Country Planning Act 1990 are used as a last resort, to acquire property critical to the implementation of the New Ferry Regeneration Plan. Finally, it updates members on the process for identifying a preferred developer to work with the Council on delivering the regeneration.

The matter affects the Bromborough Ward and is a Key Decision.

RECOMMENDATION/S

The Economy, Regeneration & Development Committee are requested to make a recommendation to Policy and Resources Committee to approve the following:

- (1) the making of a Compulsory Purchase Order(s) (“the Order”) under the Town and Country Planning Act 1990, Section 226(1)(a), and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and new rights in respect of the area identified in the plan and table of Appendix 1 of the report to enable the regeneration of New Ferry to be undertaken and the process for the Order shall be subject to following the procedures laid down by the Acquisition of Land Act 1981.
- (2) the draft skeleton Statement of Reasons (Appendix 2) attached to this report, which (in addition to the information in this report) sets out the justification for making the Order.
- (3) the Director of Regeneration and Place in consultation with the Director of Law and Governance be granted delegated authority to:
 - (a) finalise the Statement of Reasons.
 - (b) draft the Order Map and Schedule before the making of the Order (if required).
 - (c) negotiate, agree terms and enter into agreements with interested parties including agreements for the withdrawal of blight notices and/or the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including (but not limited to) where appropriate seeking the exclusion of land or rights from the Order, making provision for the payment of compensation and/or relocation.
- (4) the Director of Law and Governance be granted delegated authority to:
 - (a) take all steps to secure the making, confirmation and implementation of the Order including the publication and service of all notices and the promotion of the Council’s case at any public inquiry.
 - (b) in the event the Order is confirmed by the Secretary of State, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order.
 - (c) take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Upper Tribunal and/or applications to the courts and any appeals.
- (5) That where required to assist in the delivery of the New Ferry Preferred development option and may be appropriated for planning purposes pursuant to Section 122 of

the Local Government Act 1972 to enable Section 203 of the Housing and Planning Act 2016 to be utilised to override any third-party rights of land or part thereof.

- (6) That the Economy, Development and Regeneration Committee be authorised to make all necessary further decisions that are not otherwise delegated to officers, in relation to the Compulsory Purchase Order and consequential on the Compulsory Purchase Order including the selection process for and approval of a development partner the structure of that partnership arrangement whether through a land transaction or otherwise and any related land transactions and settlement of compensation and the engagement of appropriate advisors to advise on compensation for any business interests.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council is committed to the regeneration of New Ferry. It endorsed the New Ferry preferred development option in December 2019. There are a series of critical strategic acquisitions of land and property that is required to implement and deliver the regeneration proposals that have been endorsed by the Council.
- 1.2 There is approved capital funding in place of £1.3m to acquire the interests of all the properties required for the redevelopment. A number of sites have already been acquired and negotiations with property owners have taken place over the last two years, which are detailed in the plan in Appendix 1. However, for various reasons the acquisition of the remaining land and property interests cannot be acquired by agreement.
- 1.3 A number of the sites and properties in New Ferry are derelict and in a dilapidated state of repair. This is having a detrimental effect on the area and detracts from attracting new investment. Therefore, while the acquisition of the land and property required for the regeneration would be ideally achieved by agreement, the use of compulsory purchase order powers is now being sought (as a last resort) to enable the Council to promote and improve the economic, social and environmental well-being of New Ferry.
- 1.4 The Order will enable the full site assembly for preferred development option and remove these derelict and dilapidated properties and premises.
- 1.5 The strategic acquisition of various sites in New Ferry is necessary to deliver the preferred development option and of a suitable scale to make the development opportunity attractive and with financial assistance, which has now been secured, commercially viable.
- 1.6 The redevelopment of these sites will support the delivery of good quality housing provision and contribute to the authority's house building targets which will meet local housing needs in the area. This in turn will make New Ferry a more desirable area. The influx of new residents has the potential to have a positive impact in terms of increased footfall and spend in the local centre.
- 1.7 Delivering the regeneration and the preferred development option will also help to meet the Wirral Plan 2025 strategic priorities - specifically the themes for 'Safe and Pleasant Communities and Inclusive Economy'.
- 1.8 In the absence of a voluntary sale by the owners of their interests in the Order Land the most appropriate compulsory purchase power is under Section 226(1)(a) of the Town and Country Planning Act 1990, which allows acquiring authorities, with permission of the Secretary of State, to compulsorily purchase land in its area, if the authority thinks that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land. In this case, given the

dilapidated condition and low demand for many of the properties concerned, the acquisition and demolition of these properties is considered vital to enable the New Ferry Regeneration Plan and preferred development option to proceed.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Members could decide not to proceed with the Order. In such case all the land will not be acquired by agreement, and the regeneration masterplan would not be fully delivered. The partial redevelopment of Council owned sites would result in piecemeal development and leave a number of derelict and dilapidated properties remaining in New Ferry. Not proceeding with the Order would impact negatively on the economic, social, and environmental well-being of the area leading to further decline in the retail centre, with significant impact on the local community and businesses. It would also damage the reputation of the Council, which has pledged to support New Ferry's recovery and regeneration.
- 2.2 There are other alternative compulsory purchase powers including powers under section 17 of the Housing Act 1985. It is considered that proceeding with the powers under Section 226(1)(a) of the Town and Country Planning Act 1990 is the most appropriate choice as the New Ferry Regeneration Plan provides for a mix of housing and retail.

3.0 BACKGROUND INFORMATION

- 3.1 The explosion in New Ferry in March 2017 had a very significant effect on people's lives and businesses in the area and beyond. Many businesses reported damage and a number were forced to cease trading with immediate effect. In addition, a significant number of households suffered structural damage which resulted in occupiers being displaced into temporary accommodation.
- 3.2 The Council developed a New Ferry Regeneration Delivery Plan, with the help of GVA Grimley. This was consulted on in September 2017 with the local community and finalised in December 2017, as a way of positively responding to the issues in New Ferry and working with local people and businesses to create a sustainable future for the area. This led to the preferred development option was endorsed by the Council in December 2019 and includes re-development plans for 79 residential units, 1008 m² of new retail accommodation and 78 public car parking spaces. See Appendix 3 for a plan of the preferred development option.
- 3.3 There have been a significant number of achievements in taking forward the regeneration of New Ferry which can be summarised as follows:
 - Resources of £1.3m approved by the Council to fund strategic acquisitions for the regeneration in December 2018;
 - Acquisition of key sites for the redevelopment including 41-43 Bebington Road, ("the blast site") and the site of the former Griffith's butchers, 68-72 Bebington Road;
 - The demolition of damaged buildings and site clearance in readiness for redevelopment;
 - Assisting in the establishment of the New Ferry Community Land Trust, "New Ferry CLT";

- Putting forward a successful bid to the Liverpool City Region Combined Authority which has resulted in resources of £500,000 to support the work and development of the CLT. This includes the acquisition of a prominent building in the Town Centre, 78-80 New Chester Road, which will be refurbished and brought back into economic use;
- The submission of a £4.65M funding bid to the Government's Future High Street Fund. This resulted in £3.2M of funding being awarded to the Council from MHCLG which will be used to support regeneration and development in New Ferry;
- Various community projects – notice board, alleyway project, community garden/planting;
- Outline planning permission was secured in September 2020 for the preferred development option across three specific sites in the town centre.

3.4 In 2019 the Council carried out soft market testing with potential housing providers regarding the development opportunities within New Ferry. Initial discussions indicated that there were several Registered Providers who expressed an interest in becoming involved in the redevelopment plans. Since then, the Council has been approached by a number of local developers/house builders who have expressed an interest in the scheme.

3.5 The Council has been actively negotiating with various property owners in New Ferry for the land and property that will facilitate the carrying out of development, re-development or improvement for over 2 years. The properties and land to be acquired are shown in the attached plan and table (Appendix 1). A number of key sites have been acquired by negotiation (shown in blue on the plan), but there are a number of others (shown in pink) where agreement has not been achieved. As an impasse has now been reached on these acquisitions, as a last resort a recommendation to the Policy and Resources Committee is sought for authorisation to make a Compulsory Purchase Order.

3.6 Whilst some progress has been recently made in negotiations for a couple of properties, for most of the remaining land interests, these are unlikely to be acquired by agreement. It is therefore recommended that the use of Compulsory Purchase powers should now be sought as a last resort.

3.7 The Council will deliver the preferred development option. It will do this either directly or by working with a preferred developer partner to the Council's own defined timescale. In indicative terms the delivery programme will be as follows;

Future High Street Funding awarded – December 2020

Making of CPO (subject to Member agreement) – June 2021

Preferred Developer identified – July 2021

Completion of CPO – November 2022 (estimated 18 months assuming that the CPO has to run its full course.)

Development of Griffith's site completed by January 2023

Development of 41-43 Bebington Road completed by March 2023

Development of Woodhead Street car park completed by September 2023

New Chester Road site (subject to CPO) completed by September 2024

Bebington Road/Grove Street site (subject to CPO) to be completed by December 2024

3.8 Detailed timescale site development plans are now in preparation. The Council will commence a procurement process in March 2021 to identify a preferred development partner and once concluded this matter will be reported back to Members.

4.0 FINANCIAL IMPLICATIONS

4.1 £1.3m of funding for the Strategic Acquisitions Programme was approved by Cabinet on the 17th December 2018. This covers funding for the acquisitions, business relocations, site clearance works and meeting any inquiry/legal costs associated with the Compulsory Purchase Order.

4.2 There are no known revenue funding implications arising from this report.

4.3 It is considered that the retail market both nationally and locally has been significantly adversely impacted by the Covid 19 pandemic with demand for units and the values they can attract being significantly reduced. This is the case with the current retail picture for New Ferry also. The residential market has generally held its value and there remains a demand for this use in New Ferry. With some adjustment between the retail/residential mix across the various development sites within the preferred development option and with the inclusion of the Future High Street Fund, (a grant from Government was approved on 26 December 2020), the scheme is viable and therefore can be delivered. The Council has already approved funding of £1.3m in December 2018, to fund property and land acquisitions to enable site assembly to deliver the scheme.

4.4 The Future High Street Funding award includes financial support to enable the delivery of the preferred development option (£2.6M), with the remainder of £0.6M to be used to facilitate highways infrastructure improvements. The £2.6M of funding can be used to make a contribution to the selected developer, subject to Subsidy Control rules to support in the delivery of the scheme.

4.5 New residential properties will result in increased council tax income for the authority once the redevelopment works have been completed. The addition of new commercial units may also provide an increase to business rates income.

5.0 LEGAL IMPLICATIONS

5.1 It is acknowledged that the compulsory acquisition of the Order Land will amount to an interference with the human rights of those with an interest in the Order Land. These will include rights under Article 1 of the First Protocol of the European Convention on Human Rights (“ECHR”) (which provides that every natural or legal person is entitled to peaceful enjoyment of his possessions) and Article 8 of the ECHR (which provides that everyone has the right to respect for his private and family life, his home and his correspondence). However, the acquisition of land “in the public interest” is specifically allowed by the ECHR. The Council is of the view that there is a compelling case in the public interest for the compulsory acquisition of the Order Land which outweighs the ECHR rights and that the use of compulsory purchase powers in this matter is proportionate as this will improve the environmental well-being of the area.

- 5.2 The principal terms of any disposal and scheme delivery will be brought for Committee approval in due course following the appointment of a preferred development partner and further delegated authority will be sought as necessary for implementation.
- 5.3 Section 226(1)(a) of the Town and County Planning Act 1990 allows a local authority, on being authorised to do so by the Secretary of State, to have power to acquire any land in their area if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land.
- 5.4 A local authority can only exercise the power if the development, re-development or improvement is likely to contribute to the achievement of any one or more of the following objectives;
- (1) the promotion or improvement of the economic well-being of their area;
 - (2) the promotion or improvement of the social well-being of their area;
 - (3) the promotion or improvement of the environmental well-being of their area.
- 5.5 It is considered that all three of these issues can be met by the making of the CPO and the following considerations justify the Council using the CPO powers recommended in this report.
- 5.6 Section 13(1) of the Local Government (Miscellaneous Provisions) Act 1976 permits a local authority to purchase any new rights over land compulsorily. Those whose property interests are affected by the order have a right to compensation. Compensation could include (depending on a person's circumstances):
- the market value of the property interest
 - compensation for a reduction in value of any retained land
 - reimbursement for the costs of moving from the land
 - statutory loss payments, and
 - other costs, including reasonable professional fees in respect of the negotiation and settlement of compensation.

- 5.7 The proposals in this report may have an adverse effect on property so that an owner-occupier is unable to realise the market value that would have been obtainable had the owner's land not been affected by the proposals because prospective purchasers either will not proceed with the purchase or, having learned of the planning proposals, will only offer a price 'substantially lower than that for which it might reasonably have been expected to sell'. This is generally referred to as 'planning blight'. Sections 149 to 171 Town and Country Planning Act 1990 are designed to relieve hardship by making it possible, subject to conditions, for owner-occupiers or mortgagees of certain properties to require the Council to purchase their interests.
- 5.8 A person whose interest qualifies for protection and who has fulfilled the other statutory requirements may serve on the Council a notice in the prescribed form requiring it to purchase the interest. The notice is known as a 'blight notice'.
- 5.9 An authority that does not wish to accept a blight notice may serve on the claimant within two months of the date of service of the blight notice, a counter notice in the prescribed form specifying the grounds upon which objection is made to the claim. Upon receipt of the counter notice the claimant, if not satisfied, has a period of two months in which to refer the objection to the Upper Tribunal (Lands Chamber) for determination. Appropriate delegated authority is sought within the recommendations within this report to deal with any blight notices that may arise from the proposed Order.
- 5.10 Any changes to any regulatory orders governing existing car parking will be the subject of separate processes and this process will not pre-determine such process.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 This regeneration project will be delivered by the Council's Special Projects Team in conjunction with Asset Management and Legal Services using existing resources. The legal team may seek external advice from appointed Counsel regarding the CPO should this be required.

7.0 RELEVANT RISKS

- 7.1 There is a risk that any Compulsory Purchase Order action taken will result in objections being received which could result in a Local Public Inquiry. This will prolong the time taken to secure ownership and demolition of the remaining interests and consequent delivery of any scheme. As with all such proceedings it is difficult to project exactly how long the process will take, but this could be over 2 years from start to finish. The service of the Order in a timely manner will ensure that the Council has used its reasonable endeavours in relation to the procedural matters under its control.
- 7.2 Any objections formally made to the service of the Order could result in a Local Public Inquiry being held and there is a possibility that the Secretary of State may not confirm the Order following the Inquiry. However, officers consider that there is a compelling case in the public interest to proceed with the Order.

- 7.3 All risks associated with the proposal will be identified and managed in line with the Corporate Risk Management Procedure as part of the project delivery process.
- 7.4 As the re-development will require reserved matters planning approval, there is a risk that this would not be approved, should this be fundamentally different to the outline application. However, a competitive selection process will be undertaken to appoint a suitable development partner with the skills, experience and resources to deliver the scheme. The project team will work closely with development partners and Development Control officers to ensure that an acceptable reserved matters application is submitted and that the design meets the key objectives of the New Ferry Regeneration Delivery Plan and the preferred development option.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The development of the New Ferry Regeneration Delivery Plan was subject to a public consultation in September 2017 and the preferred development option which was consulted on in January 2019.
- 8.2 Ward members and the Member for Parliament have been informed of the proposal to seek the use of Compulsory Purchase Order powers by Council Officers and are in support of this action.
- 8.3 The property owners would be notified and kept informed as the process progresses. Negotiations to acquire the properties by agreement will continue in conjunction with the Order.

9.0 EQUALITY IMPLICATIONS

- 9.1 Pursuant to Part II of the Equality Act 2010, public authorities must, in the exercise of their functions, have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and,
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 9.2 Public authorities must have due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment; pregnancy and maternity, race, religion and belief, sex and sexual orientation) and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and,
 - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

9.3 The Council is not aware of any significant equality and diversity implications arising from the proposals set out within this report.

9.4 An Equality Impact Assessment has been completed for this report. This is published on the Council website <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The re-development of the sites, including the Order Land, will result in the removal of old, dilapidated and inefficient buildings. These will be replaced with modern homes built to current energy efficiency standards. The Council will work with its delivery partner(s) to promote energy efficiency and incorporate low carbon initiatives where possible.

REPORT AUTHOR: Lee Parker
Special Projects Team
email: leeparker@wirral.gov.uk

APPENDICES

Appendix 1 Table and plan of land/properties to be acquired by CPO

Appendix 2 Draft Skeleton Statement of Reasons

Appendix 3 Preferred Development Option Plan

BACKGROUND PAPERS

New Ferry Regeneration Delivery Plan, November 2017, GVA Grimley

Outline Planning Applications DPP3/20/00415, DPP3/20/00420, DPP3/20/00418

BDP – Masterplan B – see attached appendix 3

Equality Act 2010

Human Rights Act 1998

Guidance on preparing CPO, MHCLG 2019

Equality Impact Assessment, completed February 2021.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|--------------------|
| Cabinet Report - New Ferry Regeneration Strategic Acquisitions | 17th December 2018 |
| Delegated decision Report - Preferred Development Option for New Ferry | 20th December 2019 |

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APPENDIX 1- TABLE AND PLAN OF LAND/PROPERTIES TO BE ACQUIRED UNDER THE COMPULSORY PURCHASE ORDER

| |
|---|
| Property Address |
| New Chester Road |
| 104 New Chester Road, New Ferry, CH62 5AG |
| 106 New Chester Road, New Ferry, CH62 5AG |
| 106A New Chester Road, New Ferry, CH62 5AG |
| 108 New Chester Road, New Ferry CH62 5AG |
| 110 New Chester Road, New Ferry CH62 5AG |
| 112 New Chester Road, New Ferry CH62 5AG |
| 114 New Chester Road, New Ferry CH62 5AG |
| 116 New Chester Road, New Ferry CH62 5AG |
| 118 New Chester Road, New Ferry CH62 5AG |
| 120 New Chester Road, New Ferry CH62 5AG |
| 122 New Chester Road, New Ferry CH62 5AG |
| 124 New Chester Road, New Ferry CH62 5AG |
| Bebington Road |
| 52 Bebington Road, New Ferry CH62 5BH |
| Cleared site |
| 56-58 Bebington Road, New Ferry CH62 5BH |
| 60 Bebington Road, New Ferry CH62 5BH |
| 62 Bebington Road, New Ferry CH62 5BH |
| 64 Bebington Road, New Ferry CH62 5BH |
| Grove Street |
| Industrial Unit, Grove Street, New Ferry (Building/land behind 7 and 9 School Lane) |
| Other |
| Land within the Passageway between 46 and 48 Bebington Rd, New Ferry |
| Land within the Alleyway/pavement behind properties 48-72 Bebington Road, New Ferry |



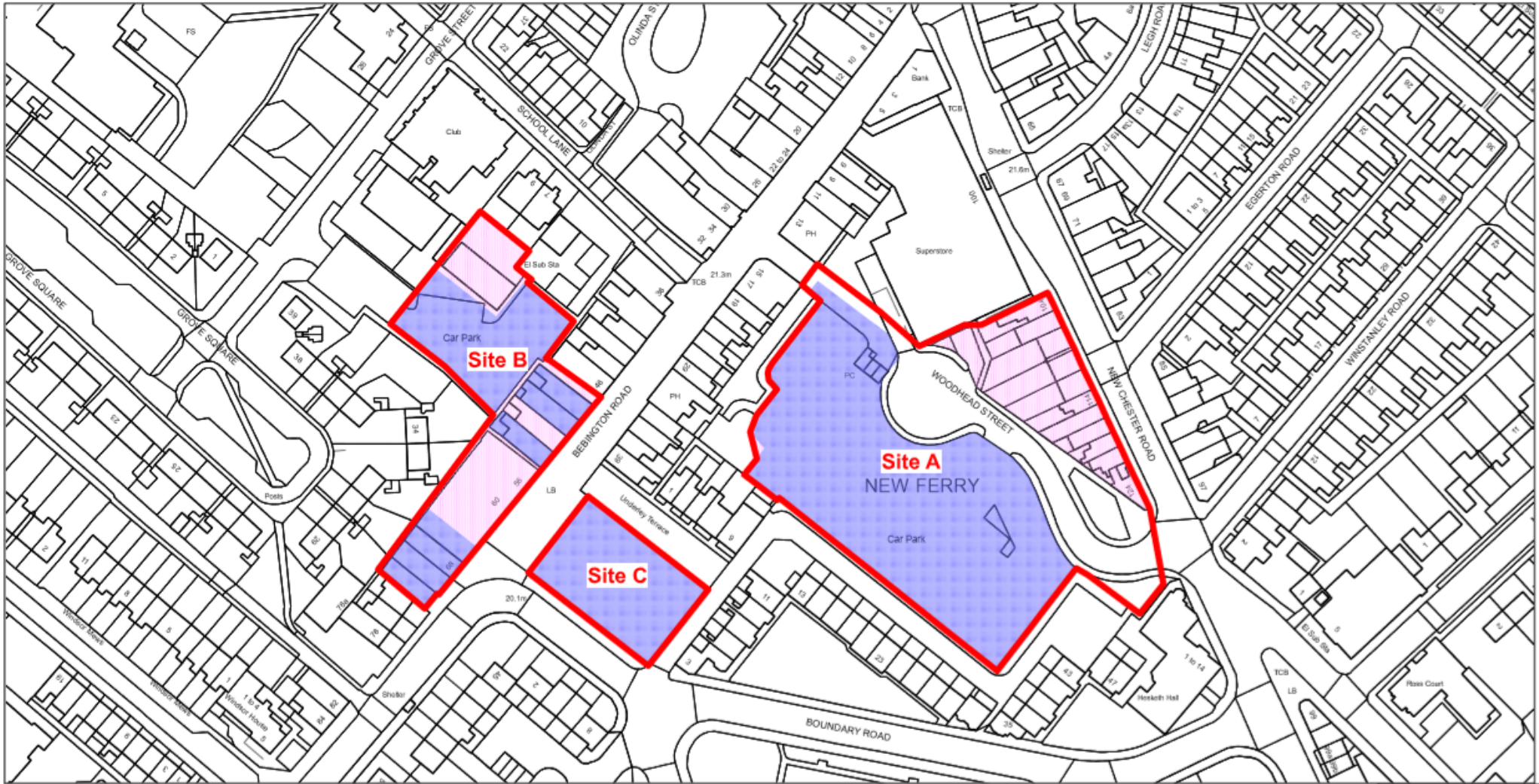
Site Boundaries



Council Ownership



Properties to be acquired by CPO



CPO Plan
 New Ferry Regeneration Scheme
 Wirral

Scale:
 1:1500

Date:
 09.02.2021



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APPENDIX 2

Draft Statement of Reasons for making a Compulsory Purchase order

STATEMENT OF REASONS

WIRRAL BOROUGH COUNCIL (NEW FERRY) COMPULSORY PURCHASE ORDER 2021

TOWN AND COUNTRY PLANNING ACT 1990 THE ACQUISITION OF LAND ACT 1981

Contents

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| 7 JUSTIFICATION FOR USE OF COMPULSORY PURCHASE POWERS | |
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| 9 CONCLUSION | |
| 10 ADDITIONAL INFORMATION FOR PERSONS AFFECTED BY THE ORDER | |
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1.0 INTRODUCTION

- 1.1 Wirral Borough Council (" the Council") has made the Wirral Borough Council (New Ferry) Compulsory Purchase Order 2021(' the Order') under section 226(1)(a) of the Town and Country Planning Act 1990. This document is the non-statutory Statement of Reasons ('Statement') prepared on behalf of the Council in accordance with the Ministry for Housing Communities and Local Government Guidance on Compulsory Purchase process and the Crichel Down Rules (July 2019) (the "Guidance") to explain the reasons and justifications for making the Order.
- 1.2 The Council has made the Order to secure outstanding interests and thereby facilitate the development of a mixed-use scheme, which includes 15 houses, 64 apartments and 1,020 sqm of retail space. The site is comprised of land with an area of approximately 1.14 hectares and is located at Woodhead Street car park and land off New Chester Road, land off Boundary Road, land off Bebington Road including existing car park off Grove Street, New Ferry ("the Order Land").
- 1.3 The Council's resolved to grant outline planning permission for the developments identified at 1.2 above on 2nd September 2020, subject to conditions (DPP3/20/00415, DPP03/20/418 AND DPP3/20/00420 refers). The developments are described in the planning permission as:
- (i) Outline Planning Application (with all matters reserved except access) for development of up to 15 houses and 30 apartments on Woodhead Street car park and land off New Chester Road, together with retention of 70 car park spaces for public use;
 - (ii) Outline Planning Application (with all matters reserved except access) for development of up to 11 apartments and 480sqm retail floorspace on land off Boundary Road;
 - (iii) Outline Planning Application (with all matters reserved except access) for development of up to 23 apartments and 540sqm retail floorspace on land off

Bebington Road, including existing car park off Grove Street, together with retention of 8 car park spaces for public use.

(‘the Order Scheme’)

- 1.4 The Order Scheme would transform New Ferry and would make a significant contribution to the economic, social and environmental well-being of the area and deliver very significant benefits including the following; delivering sustainable regeneration of the area with new homes and retail businesses; delivering new infrastructure to improve accessibility to the retail area; environmental improvements which will enhance the area and the overall regeneration with improve social well-being and opportunity in an area that has a range of deprivation challenges.
- 1.5 The Order has been submitted to the Minister for Housing Communities and Local Government for confirmation. If confirmed, the Order will enable the Council to acquire compulsorily the land required to facilitate the Order Scheme. This Statement explains why the Council considers that, for the purposes of the powers enabling the Order, the Order Scheme will contribute to:
- the development, redevelopment or improvement of the Order Land;
 - improving the economic and social well-being of the area of New Ferry through the provision of new housing and additional employment opportunities; and
 - the environmental well-being of the area as a consequence of the public realm improvements
- 1.6 The extent of the Order Land is shown edged red and coloured pink on the Order Map which accompanies the Order (“Order Map”)
- 1.7 Over 75% of the Order Land is owned by the Council, however there are other land interests currently in third party ownership which make up the site comprised in the Order Land. The Council is now seeking to secure ownership of all of the Order Land to ensure that the Order Scheme can be implemented and so that the comprehensive benefits referred to at section 1.4 above are secured.

1.8 The Council has and will continue to take steps to consult and negotiate with third party owners to acquire their interests by agreement, but it is clear that compulsory purchase powers will need to be employed to ensure that the full Order Scheme can be delivered.

1.9 A copy of this Statement, the Order and the accompanying maps and background documents are available for inspection at the following locations:

TBC

They will also be available for inspection on the Council's website (**insert link**)

2.0 ENABLING POWERS

2.1 Section 226(1)(a) of the Town and Country Planning Act 1990 Act (as amended by the 2004 Act) (the "1990 Act") enables a local authority to make a compulsory purchase order if it thinks that acquiring the land in question will facilitate the carrying out of development, redevelopment, or improvement on, or in relation to, the land being acquired.

2.2 Section 226(1)(a) of the 1990 Act states that a local authority must not exercise its powers under section unless it thinks that the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of its area.

2.3 The Council is satisfied that the proposed Order Scheme will result in overwhelming social, economic and environmental well-being improvements to the area through redevelopment of the Order Land with a comprehensive development providing new high quality new housing, and retail and improvements to the public realm.

2.4 The Acquisition of Land Act 1981 sets out the process for compulsory acquisition and applies to the Order, and the acquiring authority is the Council.

2.5 The making of the Order is consistent with the Guidance, and in particular Section 1 which provides advice on orders made under section 226 of the 1990 Act.

3.0 DESCRIPTION OF ORDER LAND

- 3.1 The Order Land¹ is delineated in red and shown coloured pink on the plan attached to the Statement of Reasons at Appendix 1.
- 3.2 The Order Land forms part of a site of approximately 1.14 hectares, within the area of New Ferry. Within the Order Land boundary are a number of land and building interests still in private ownership. The former properties at 41- 43 Bebington Road and 54 - 66 Bebington Road were demolished by the Council in 2017, and 68 - 72 Bebington Road in 2020, pursuant to section 84 of the Building Act 1984 and the Order Land is vacant land.
- 3.3 Details of the ownerships and other interests in the Order Land to be acquired are listed in the Schedule² annexed to the Order in Appendix 3.
- 3.4 The Council has carried out Land Registry searches and a review of available deeds and similar information. IT has also served Service of Requisitions for Information pursuant to section 16 of the Local Government (Miscellaneous Provisions) Act 1976 on behalf of the Council and a review of information returned in response. The Council has also carried out site inspections.
- 3.5 It is considered the Schedule to the Order is therefore as accurate as it can be based on diligent inquiries made on behalf of the Council.
- 3.6 The Order Map indicates the area within which a number of land interests are sought to be compulsorily acquired. The Order Map has been carefully delineated to ensure that the parcels of the land to be acquired includes only the land that is required to facilitate the delivery of the Order Scheme.

4.0 REASONS FOR COMPULSORILY ACQUIRING THE ORDER LAND

- 4.1 Past attempts to develop the Order Land have been unsuccessful in most cases, due to a mismatch between the landowners' assessments of market value and the

assessment of the Council. In some cases, owners have not responded to the Council despite repeated attempts to contact them.

- 4.2 The Council has been seeking to assemble the Order Land required for the Order Scheme since January 2019.
- 4.3 To deal with any unregistered titles or possible implied or other rights which may exist over the site. It is considered prudent and necessary to include the entire site in the Order **(TBC)** so that any private express or implied rights, covenants or other interests that may have been granted, entered into or acquired over the Order Land or any part of it can be dealt with.
- 4.4 The decision to use compulsory purchase powers is considered to be a last resort to ensure the delivery of the Development.
- 4.5 The interests to be acquired include those of freehold landowners, and any private express or implied rights that may have been granted over the Order Land. A summary of the main land interests are as follows (plot numbers are as referred to in the Order Map and Order Schedule):
- 4.6 Formal written offers to acquire their land interests were sent to the relevant landowners by the Council between January 2019 and present date, but agreements to acquire the parcels of land have not yet been finalised.

5.0 HOUSING & PLANNING POLICY BACKGROUND

- 5.1 The borough's Housing Strategy (The Wirral Plan a 2020 Vision: Wirral's Housing Strategy) outlines the Council's overall strategic objectives for housing. It sets out a vision for "more and better, well-managed affordable housing in mixed income, mixed tenure successful places." The Housing Strategy overall supports the key objectives of the Order to ensure the safety of the residents and also the surrounding neighbouring housing. The Housing Strategy also supports the subsequent residential redevelopment of the Order Land.

- 5.2 The strategic planning framework on the making of the Order consisted of the following key documents:

Council plans available to support this Scheme

Wirral UDP

Wirral (draft) Local Plan

The National Planning Policy Framework (NPPF) 2019

- 5.3 The NPPF is a material consideration. It seeks to ensure that in the pursuit of sustainable development, the three-overarching economic, social and environmental objectives are delivered through the implementation of plans and the application of policies. Section 2 paragraph 8b seeks safe built environments as a key social objective of achieving sustainable development. The NPPF seeks to deliver a sufficient supply of homes, significantly boosting the supply of homes and ensuring that land suitable for housing is developed without unnecessary delay.
- 5.4 The draft Local Plan provides the strategic context for housing need in Wirral. This provides a target of **(TBC)** new homes for the Borough for the period of 2020-2037.
- 5.5 The Wirral Local Plan Issues and Options consultation was published for consultation between January and April 2020. It is currently estimated that The Submission Draft Local Plan will be published for public comment later this year, prior to submission to Secretary of State for independent examination. Once adopted the Wirral Local Plan will replace the current Wirral UDP.
- 5.6 The relevant policies of the development plan - **TBC**
- 5.7 The Council considers the Order Land to be capable of delivering a housing scheme achieving a significant qualitative housing gain; there is also potential to deliver a quantitative housing gain. The commitment to the re-provision of housing and delivery of such gain within 10 years of the confirmation of the Order thus accords with adopted policy.

5.8 The new homes to be erected upon the Order Land will provide safe and good quality homes, delivered in an improved physical environment with the new buildings designed to interface with the adjoining streets [and public spaces].

5.9 The Council's approach accords with the key relevant principles of the Government's National Estate Regeneration Strategy.

5.10 On the basis of the above, the Council contends that the provision of a housing gain also accords with the Councils' established policies and the planning framework.

6.0 CURRENT PLANNING POSITION & ORDER SCHEME

6.1 The Council granted outline planning permission for the Order Scheme in September 2020, subject to conditions (DPP3/20/00415, DPP03/20/418 and DPP3/20/00420 refers). The Development is described in the planning permission as:

- (i) Outline Planning Application (with all matters reserved except access) for development of up to 15 houses and 30 apartments on Woodhead Street car park and land off New Chester Road, together with retention of 70 car park spaces for public use;
- (ii) Outline Planning Application (with all matters reserved except access) for development of up to 11 apartments and 480sqm retail floorspace on land off Boundary Road;
- (iii) Outline Planning Application (with all matters reserved except access) for development of up to 23 apartments and 540sqm retail floorspace on land off Bebington Road, including existing car park off Grove Street, together with retention of 8 car park spaces for public use.

6.2 The Order Scheme is a significant opportunity for economic, social and environmental improvements which can help achieve the broad goals of sustainable development and also help in the wider regeneration of the area.

7.0 JUSTIFICATION FOR USE OF COMPULSORY PURCHASE POWERS

Promotion or improvement of the economic well-being of the area

- 7.1 The centre of New Ferry has been in decline for a number of years. This is evidenced by a number of factors:
- (1) key retailers withdrawing from New Ferry. For example the Co-op that occupied the largest property left in 2017;
 - (2) high vacancy rates (recorded at 34% in 2019); and
 - (3) property conditions deteriorating due to a lack of investment.
- 7.2 The New Ferry Regeneration Delivery Plan has been endorsed by the Council with the aim of reversing this decline by promoting and improving the economic well-being of the area in the following ways:
- (1) a comprehensive strategy for the whole of the district centre is in place;
 - (2) An approved and funded strategic acquisitions programme is in place. This enables the purchase of all the identified key sites and properties in the centre;
 - (3) A bid for additional investment from the Future High Streets Fund has been made to Government and funding of £3.2M has been awarded to provide financial assistance to the regeneration plan and to support infrastructure improvements to improve the accessibility to the centre;
 - (4) The Government's Re-opening High Streets Safely initiative is supporting a number of campaigns to shop safe, shop local which encourages the community to use their local facilities;
 - (5) The New Ferry Community Land Trust has been established to promote the area and work with the local community on local initiatives;
 - (6) The construction of new residential and mixed-use development will create greater diversity in the centre, bringing in new residents, generating increased footfall and condensing the high street. It will also include new retail provision designed to meet current and emerging market requirements.

Promotion or improvement of the social well-being of the area

- 7.3 New Ferry suffers from high levels of deprivation. The Indices of Multiple Deprivation 2019 identifies two of the four Lower Layer Super Output Areas in the immediate proximity of New Ferry Town Centre are in the most deprived 10% in the whole country; with the LSOA to the south west in the most deprived 20%. This has declined further since the previous IMD study in 2015.

7.4 There are also significant mobility challenges around New Ferry with 35.1% of local households not having access to a car or van, significantly higher than the national average (26.2%). This means that these households are heavily reliant on New Ferry as the main retail centre within walking distance.

7.5 The New Ferry Regeneration Delivery Plan will promote or improve social well-being by:
(1) creating a diversified retail centre providing a range of uses including retail, residential and community, which will create the area as the social centre of the community.

(2) By doing this derelict and vacant properties will be removed which will improve the area and reduce anti-social activity.

(3) An improved centre will be more attractive to the local community meaning they do not have to travel to other areas to shop and with the infrastructure improvements proposed, accessibility will be further improved to the facilities which will help to support older people by reducing issues of social isolation.

Promotion or improvement of the environmental well-being of the area

7.6 The centre of New Ferry is characterised by a number of vacant sites (caused by the explosion in 2017) which resulted in a number of properties having to be demolished for structural and health and safety reasons. Some of these are vacant sites which are overgrown and not being maintained. This creates an unattractive appearance and a perception of the town and centre, which also attracts fly-tipping.

7.7 The implementation of the New Ferry Regeneration Plan will promote or improve the environment of the area by:

(1) removing vacant sites and vacant and derelict buildings;

(2) providing new development which will be built to the latest environmental standards,

(3) through good design the environment of the area between the developments will be improved to encourage walking and safe routes,

(4) infrastructure improvements [surfacing, lighting, parking areas] will be designed to standards which improve the environment of the area,

(5) the Community Land Trust will promote a series of environmental measures to improve alleyways, create a community garden and planters,

(6) routes linking the local school and Port Sunlight will be assessed to improve connectivity in the area.

No planning impediment

7.8 There is no planning impediment to the redevelopment proposals as outline planning permission was granted in September 2020. (insert date and link to approval)

Human rights

7.9 It is acknowledged that the compulsory acquisition of the Order Land will amount to an interference with the human rights of those with an interest in the Order Land. These will include rights under Article 1 of the First Protocol of the European Convention on Human Rights (“ECHR”) (which provides that every natural or legal person is entitled to peaceful enjoyment of his possessions) and Article 8 of the ECHR (which provides that everyone has the right to respect for his private and family life, his home and his correspondence). However, the acquisition of land “in the public interest” is specifically allowed by the ECHR. The Council is of the view that there is a compelling case in the public interest for the compulsory acquisition of the Order Land which outweighs the ECHR rights and that the use of compulsory purchase powers in this matter is proportionate as this will improve the economic, social and environmental well-being of the area.

Equality Act 2010

7.10 Pursuant to Part II of the Equality Act 2010, public authorities must, in the exercise of their functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and,
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.11 Public authorities must have due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment; pregnancy and maternity, race, religion and belief, sex and sexual

orientation) and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- and,
- encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The Council is not aware of any significant equality and diversity implications arising from the proposals set out within the regeneration plan and this document.

No alternative site or means

- 7.12 The geographical nature of the area, as can be seen from the plan at Appendix X of this report, means that there are no alternative sites or means. The area is an urban area with high density meaning that sites are immediately adjacent to each other and satisfactory re-development is impossible without acquiring the properties outlined in this report.

Compelling case in the public interest

- 7.13 The retail area is in decline. It is characterised by a number of vacant sites, derelict and dilapidated properties and a poor environment. Without intervention, the area will continue to decline and this will have an adverse impact on remaining businesses and the local community. This along with the matters set out above make a compelling case for the Order being in the public interest.

Viability

- 7.14 It is considered that the retail market both nationally and locally has been significantly adversely impacted by the Covid 19 pandemic with demand for units and the values they can attract being significantly reduced. This is the case with the current retail picture for New Ferry also. The residential market has generally held its value and there remains a

demand for this use in New Ferry. With some adjustment between the retail/residential mix across the various development sites within the preferred development option and with the inclusion of some of the £3.2M of the Future High Street Fund, (a grant from Government approved on 26 December 2020), the scheme is viable and therefore can be delivered. The Council has already approved funding of £1.3m in December 2018, to fund property and land acquisitions to enable site assembly to deliver the scheme.

Measure of last resort

- 7.15 It has always been the Council's intention to acquire the required properties by negotiation. However, after extensive negotiations, these are now at an impasse and unlikely to be purchased by agreement. The Council has the funding in place to acquire and relocate or extinguish any businesses, as well as rehousing any residential tenants.

Reasonable prospect of scheme going ahead

- 7.16 The Council has an endorsed regeneration strategy in place with funding to meet the acquisition, legal and enquiry costs to support the CPO. The Regeneration Plan has the support from the local community, Ward Councillors and other key stakeholders such as the Liverpool City Region and Homes England. Furthermore, there is outline planning consent in place, and interest from private sector partners and registered providers in the scheme. The possibility of additional Future High Streets Funding means that there is a reasonable prospect of the scheme going ahead.

Preferred Development Partner

- 7.17 The Council will deliver the preferred development option. It will do this either directly or by working with a preferred developer partner to the Council's own defined timescale. In indicative terms the delivery programme will be as follows;

Future High Street Funding awarded – December 2020

Making of CPO (subject to Member agreement) – June 2021

Preferred Developer identified – July 2021

Completion of CPO – November 2022 (estimated 18 months assuming that the CPO has to run its full course.)

Development of Griffith's site completed by January 2023

Development of 41-43 Bebington Road completed by March 2023

Development of Woodhead Street car park completed by September 2023

New Chester Road site (subject to CPO) completed by September 2024

Bebington Road/Grove Street site (subject to CPO) to be completed by December 2024

- 7.18 The development partner will work with the Council in progressing with a phased development programme, which is dependent on the Council obtaining full site assembly and the confirmation of the Compulsory Purchase Order.

8.0 ANY SPECIAL CONSIDERATIONS AFFECTING THE LAND

- 8.1 Some areas of land – the Co-op building and an area owned by Port Sunlight Village Trust – have been included for land referencing purposes as there may be land issues which need to be dealt with in relation to these sites adjacent to the redevelopment sites, to enable that development to take place.

9.0 CONCLUSION

- 9.1 Given the progress made to date in assembling the required land, and the financial viability assessment, the Council is satisfied that it has necessary acumen, experience and resources to both complete the land assembly and to implement the proposals relating to the Order Scheme.
- 9.2 The Council has set out above its detailed reasons for making the Wirral Council (New Ferry) Compulsory Purchase Order 2021. In summary these reasons are as follows:
- (i) The Council thinks that the proposed Order Scheme will facilitate development which is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of its area, and further details of these are set out in preceding sections;
 - (ii) The Council considers that there are no impediments to delivering the Order Scheme if the Order is confirmed;
 - (iii) The proposals for the redevelopment of the Order Land accord with local and national planning policy;
 - (iv) There is a resolution in place to grant planning permission for the Order Scheme
 - (v) There is sufficient funding in place to deliver the proposals for the Order Land
 - (vi) The Order Scheme satisfies the tests set out in the Guidance;

9.3 Having considered relevant National Planning Policy, Guidance and Unitary Development Plan and draft Local Plan Policies the Council is satisfied that there is a compelling need in the public interest for compulsory purchase powers to be sought in order to secure the development, redevelopment or improvement of the Order Land by way of the delivery of the Order Scheme for the economic, social and environmental improvement of this part of the Wirral Borough. The Council has therefore made the Order and asks the Secretary of State to confirm the Order.

10.0 ADDITIONAL INFORMATION FOR PERSONS AFFECTED BY THE ORDER

10.1 The Council will make the Order and associated documents available on its website at www.wirral.gov.uk. To obtain further information or planning-related enquiries please contact David Ball at; davidball@wirral.gov.uk

10.2 Owners and occupiers affected by the scheme who wish negotiate or discuss details of the Order, including selling your property or interest and matters of compensation should contact Steve McMorran at: stevemcmorran@wirral.gov.uk

11.0 RELEVANT DOCUMENTS FOR ANY PUBLIC INQUIRY

11.1 The Council intends to refer to, or put in evidence, the documents (or relevant extracts from those documents) which are listed below. The Council reserves the right to refer to or adduce additional documents.

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NOTES

Woodhead Street Car Park
 Houses:
 2b3p - 8 units
 3b4p - 7 units
 Public parking spaces:
 General - 66
 Disabled - 4

Apartments:
 1b2p - 12 units
 2b4p - 18 units

Subtotal residential units: 45 units

Bebington Road and Car Park
 Apartments:
 1b2p - 16 units
 2b4p - 7 units
 Public parking spaces:
 General - 3
 Disabled - 5

Retail:
 535 m²

Subtotal residential units: 23 units

| REVISION / DESCRIPTION | DRAWN | AUTHORISED | DATE |
|------------------------|-------|------------|------|
| KEY PLAN | | | |

Boundary Road
 Apartments:
 1b2p - 9 units
 2b4p - 2 units
 Retail:
 473 m²

Subtotal residential units: 11 units

Total residential units: 79 units



11 Ducie Street
 P.O. Box 85, Piccadilly Basin
 Manchester M60 3JA
 United Kingdom
 T +44 (0)161 828 2200
 F +44 (0)161 828 2235
 www.bdp.com

PROJECT
New Ferry

DRAWING TITLE
Illustrative Masterplan Preferred Option B

SCALE
**@ A3
 1:1000**

DATE
May 2019

JOB NUMBER
P3000050

DRAWING NUMBER

REVISION

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SENIOR OFFICER AND APPOINTMENTS STAFFING SUB-COMMITTEE

Wednesday, 13 January 2021

Present: Councillor J Williamson (Chair)
Councillors P Cleary M McLaughlin
W Clements L Rennie
P Gilchrist

4 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Sub Committee were asked to declare any disclosable pecuniary and non-pecuniary interests, in connection with any item on the agenda and state the nature of the interest.

No such declarations were made.

5 EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

On a motion by the Chair, duly seconded, it was -

Resolved – That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by paragraph 1 of Part I of Schedule 12A (as amended) to the Act.

6 APPOINTMENT OF ASSISTANT DIRECTOR: EDUCATION

The Panel interviewed the two short listed candidates for the post of Assistant Director: Education

On a motion by Councillor Wendy Clements, seconded by Councillor Moira McLaughlin, it was –

Resolved (unanimously) – That James Backhouse be appointed to the post of Assistant Director: Education.

SENIOR OFFICER AND APPOINTMENTS STAFFING SUB-COMMITTEE

Wednesday, 24 February 2021

Present: Councillor J Williamson (Chair)

Councillors W Clements Y Nolan
P Gilchrist L Rennie
M McLaughlin

In attendance: Councillor C Cooke (In place of P Cleary)

Apologies Councillor P Cleary

7 MEMBERS CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Sub-Committee were asked to declare any disclosable pecuniary and any over relevant non-pecuniary interest, in connection with any item on the agenda and state the nature of the interest.

Cllr Cooke declared a personal interest relating to his background in Education.

8 EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

On a motion by the Chair, seconded by Councillor Phil Gilchrist, it was

Resolved – That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by paragraph 1 of Part I of schedule 12A (as amended) to the Act.

9 APPOINTMENT OF DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

The Panel interviewed the short listed candidate for the post of Director: Children, Families & Education

On a motion by the Chair, seconded by Councillor Wendy Clements, it was –

Resolved (unanimously) – That Simone White be appointed to the post of Director: Children, Families & Education, for a period of 18 months.

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of the Local Government Act 1972.

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