



Policy and Resources Committee

Date: Thursday, 7 October 2021
Time: 6.00 p.m.
Venue: Floral Pavilion, New Brighton

Members of the public are encouraged to view the meeting via the webcast (see below), but for anyone who would like to attend in person, seating is limited therefore please contact us in advance of the meeting if you would like to reserve a seat. All those attending will be asked to wear a face covering (unless exempt) and are encouraged to take a Lateral Flow Test before attending. You should not attend if you have tested positive for Coronavirus or if you have any symptoms of Coronavirus.

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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 - 4)

To approve the accuracy of the minutes of the meeting held on 1 September, 2021.

5. PUBLIC AND MEMBER QUESTIONS

5a. Public Questions

Notice of question to be given in writing or by email by 12 noon, Monday, 4 October, 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 10.

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5b. Statements and Petitions

Notice of representations to be given in writing or by email by 12 noon, Monday 4 October, 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.

5c. 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

6. USE OF COUNCIL BUILDINGS FOR CIVIC, COUNCIL AND COMMITTEE MEETINGS - UPDATE (Pages 5 - 20)

7. LOCAL BOUNDARY COMMISSION: PROPOSED WARD BOUNDARY REVIEW (Pages 21 - 26)

SECTION B - WORK PROGRAMME / OVERVIEW AND SCRUTINY

8. WORK PROGRAMME UPDATE (Pages 27 - 38)

SECTION C - REFERRALS FROM COMMITTEES / COUNCIL

9. REFERRALS FROM ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE

9a. Property Disposals (Pages 39 – 49)

9b. Sale of land at Cross Lane, Wallasey (Pages 51 – 57)

10. REFERRAL FROM CHILDREN, YOUNG PEOPLE AND EDUCATION COMMITTEE - CHILDREN'S RESIDENTIAL TRANSFORMATION PROGRAMME (Pages 59 - 74)

11. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

The following item contains 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 item of business on the grounds that it involves 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.

12. REFERRAL FROM CHILDREN, YOUNG PEOPLE AND EDUCATION COMMITTEE - CHILDREN'S RESIDENTIAL TRANSFORMATION PROGRAMME - EXEMPT APPENDIX (Pages 75 - 102)

Exempt appendix to agenda item 10.

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POLICY AND RESOURCES COMMITTEE

Wednesday, 1 September 2021

Present: Councillor J Williamson (Chair)

Councillors	T Anderson	J Robinson
	P Gilchrist	P Stuart
	P Cleary	H Cameron
	S Hayes	W Clements
	EA Grey	L Rennie
	J McManus	B Kenny
	Y Nolan	A Hodson

45 **WELCOME AND INTRODUCTION**

The Chair opened the meeting and reminded everyone that the meeting was being webcast and a copy is retained on the Council's website.

46 **APOLOGIES**

The Chair confirmed the apologies of Councillors Jeff Green and Tony Jones, with Councillors Andrew Hodson and Brian Kenny deputising for them respectively.

47 **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. There were no declarations.

48 **MINUTES**

Resolved – That the minutes of the meeting held on 28 July 2021 be approved and adopted as a correct record.

49 **PUBLIC AND MEMBER QUESTIONS**

There were no questions, statements or petitions from the public or Members.

50 **BUDGET MONITORING 2021/22 QUARTER 1**

Shaer Halewood, Director of Resources, presented this report which set out the financial monitoring information for the Council as at quarter 1 (Apr-Jun) of the 2021-22 financial year. There was a potential overspend of just over £1 million, mainly due to the underachievement of car parking income. Options to

mitigate the reduction in car parking income would be taken to Environment Committee.

The budget had to be balanced at the end of the year so mitigation measures would be brought to the next meeting. Variances were described, which included not filling vacancies, funding for elections, review of capital programme and limited opening of leisure facilities. The Committee was aware that the Ministry for Housing, Local Government and Communities had provided a conditional offer of exceptional financial support (capitalisation directive) for 2021/22 of up to £10.7m. One of the conditions of that offer was that the Council needed to provide evidence from the assurance review of the authority's financial position and its ability to meet any or all the identified budget gap without any additional borrowing. The review had concluded and the report was awaited.

New financial system due to go live in 2022. There are some virements suggested to ensure funds are in the correct place in case of problems with the new system.

Members asked a range of questions on the budget positions and the detail behind it including voluntary redundancies, Wirral Evolutions, car parking, garden waste and the Merseyside Environmental Advisory Service.

Resolved - That

- (1) the adverse forecast position presented at Quarter 1 be noted.**
- (2) the budget virement proposals detailed within each Directorate Area of the report be approved.**

51 CAPITAL MONITORING QUARTER 1 2021/22

Shaer Halewood, Director of Resources, presented this report which provided an update on the progress of the Capital Programme 2021/22 at the end of June 2021. All schemes had been reviewed and the report listed those which could be achieved within the financial year. This had required some virements to allow for the reprofiling.

Members queried several points and it was clarified that:

- For the extra care housing scheme, funds were provided in advance so that planning permission could be gained to enable the development to take place. The development should lead to savings on adult's care services by enabling people to live longer independently.
- There was key route network funding provided at short notice which was gained after the budget was drawn up.
- The Community Bank had not yet launched although the process continued to be followed and is being led by the CSBA. No expenditure had been incurred in relation to this.

Resolved: That

- (1) the on-going review and reprofiling of the Capital Programme be reported to members in the next quarterly capital monitoring report.**
- (2) Council be recommended to approve:**
 - 1. additional funding for the schemes referred to in section 3.5 in this report.**
 - 2. the revised Capital Programme of £79.7 million for 2021-22, including the virements referred to in Appendix 3 in this report.**

52 **WORK PROGRAMME UPDATE**

The Policy and Resources Committee was responsible for proposing and delivering an annual committee work programme. This work programme was to 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 was pointed out that an item on asset disposals requested at the last meeting had not been added to the programme.

The Chair raised the issue of Afghan that were coming to the Borough as a result of the evacuation of Afghans who had assisted the British forces following the takeover of Afghanistan by the Taliban. Many Councils around the country had offered to take a share of the refugees. Paul Satoor, Chief Executive Officer, explained that he would circulate a note to Members which would include a drop off point for donations and explaining the funding from the Home Office. 12 refugees had been accepted so far.

Resolved: That the work programme for the remainder of the 2021/22 municipal year be agreed subject to the addition of a report on Asset Disposals.

53 **REFERRAL FROM ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE - WIRRAL GROWTH COMPANY - GOVERNANCE ARRANGEMENTS**

Vicky Shaw, Head of Legal Services, introduced this report which detailed the arrangements by which the Council was represented on the Board of the Wirral Growth Company Limited Liability Partnership and the means by which the relationship between those representatives and the Council were governed. The Council had four places on the Board. Two of these were filled by specified positions within the Council and two had been filled by Members. The arrangement for scrutinising the work of the Board was also to be determined and options were suggested in the report.

Members were aware that membership of the Board would prevent a Member from participating in Council debates about the company or project because of the conflict of interests.

Members debated the potential options and proportionalities of any Sub-Committee or other meeting. They were also aware that there were urgent matters requiring attention, including the accounts of the Partnership.

Councillor Phil Gilchrist proposed expanding the membership of any scrutinising Sub-Committee to 7 to allow membership from all parties who were on Policy and Resources Committee. This was seconded by Councillor Pat Cleary and was put to the vote but lost (2 for, 12 against and 1 abstention)

The meeting adjourned for 10 minutes.

Councillor Jeanette Williamson proposed that Policy and Resources Committee in its entirety acted as the scrutiny body for matters regarding the Wirral Growth Company. This was seconded by Councillor Yvonne Nolan.

Councillor Paul Stuart proposed that the two places which had been taken by the Assistant Director Finance and the Director of Children's Services be delegated to the Chief Executive Officer to appoint two suitable senior officers. This was agreed by assent.

Resolved: That

- (1) the Chief Executive Officer be given delegated powers to appoint two appropriate officers to the Board of the Wirral Growth Company Limited Liability Partnership;**
- (2) the remaining 2 vacancies on the Board of the Wirral Growth Company Limited Liability Partnership be filled by two Councillors (one Labour, one Conservative) with names to be provided to the Director of Law and Governance by the political groups;**
- (3) the full Policy and Resources Committee consider all reports relating to the Wirral Growth Company Limited Liability Partnership with a report about the accounts being brought to the next meeting.**



POLICY AND RESOURCES COMMITTEE

Thursday, 7th October 2021

REPORT TITLE:	USE OF COUNCIL BUILDINGS FOR CIVIC, COUNCIL AND COMMITTEE MEETINGS - UPDATE
REPORT OF:	ASSISTANT CHIEF EXECUTIVE – DAVID ARMSTRONG

REPORT SUMMARY

This report provides the Committee with an update and recommendation in respect of proposed arrangements for the safe operation of Council meetings for the Municipal year 2021/22 giving due consideration to guidance and regulations arising from Covid-19.

This is not a key decision.

RECOMMENDATION/S

The Policy and Resources Committee are recommended to: -

1. Agree that the arrangements for the safe operation of Council and Committee meetings continue at the Floral Pavilion for the remainder of the Municipal Year.
2. Consider and agree a way forward on the investment proposals for the Town Halls as set out in the report and request that the Assistant Chief Executive submits an update report to a future meeting of the Committee.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The flexibility for meetings of the Council and Committees to be held remotely came to an end as of 7th May 2021. From that point onwards the Council requires a safe and compliant environment in which to operate in-person meetings.
- 1.2 The Council must comply with its duties to its employees, members and visitors when operating Council buildings and sites. Whilst this has been enshrined in law for many years the new demands in the safe operation of buildings following Covid have implications for the Council estate including those buildings which operate Civic arrangements. Updated guidance from HM Government states that employers must carry out health and safety risk assessments, including the risk of COVID-19, and to take reasonable steps to mitigate the risks identified. The working safely guidance sets out a range of mitigations employers should consider including cleaning surfaces that people touch regularly, identifying poorly ventilated areas in the venue and taking steps to improve air flow, ensuring that staff and customers who are unwell do not attend the workplace or venue, communicating to staff and customers the measures put in place.
- 1.3 Weighing the various matters in early May 2021, an assessment of buildings available, including cost but primarily current and potential Covid related requirements and advice, led to booking meeting space at the Floral Pavilion (auditorium briefly but then conference rooms) for Council and Committee meetings for a six-month period. It is proposed that following assessments of the space available at the Town Halls that the Floral Pavilion continues to host Council and Committee meetings to enable Council to perform its business.
- 1.4 The Floral Pavilion, with its modern heating, ventilation, and air -conditioning systems provides a venue for Council and Committee meetings which meet the guidance relating to airflow and ventilation. The Floral Pavilion also provides a resilient offer, which can flex to changes in infection prevention control guidance such as social distancing.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 An update was provided on the future of remote Committee meetings to the Constitution and Standards Committee in February 2021, where it was explained that the legislative changes required to allow remote Committee meetings to continue once the regulations set out in the Coronavirus Act 2020 expire on 7 May 2021, had not yet been confirmed. Councils have since been advised that in-person meetings are required from 7 May 2021. The Council therefore cannot consider the continuation of hybrid or virtual meetings at this time for decision making meetings.
- 2.2 Alternative accommodation options to host Council and Committee meetings are discussed within the body of this report.

3.0 BACKGROUND INFORMATION

- 3.1 In spite of the additional demands and challenges placed on Members and Officers by virtue of the Covid-19 pandemic, a full programme of Committee meetings was embarked upon following the adoption of the new Constitution in September 2020 as the Council enabled the safe operation of Council and Committee meetings through virtual means. Prior to that the Council had operated emergency decision making arrangements but Regulatory Committees and selected other Committees continued to meet remotely between April and September 2020 predominantly to consider planning and licensing matters.
- 3.2 Regulations which have allowed local authorities to meet remotely during the Covid-19 pandemic do not apply to meetings after 6 May 2021. HM Government advised that it concluded it was not possible to secure primary legislation to extend the regulations to meetings beyond this date. This means that councils need to return to face-to-face meetings.
- 3.3 Following the application by Hertfordshire County Council, the Association of Democratic Service Officers, Lawyers in Local Government and the Local Government Association, the High Court has issued a judgment that the Local Government Act 1972 does not allow local authorities to hold meetings virtually. The High Court concluded that existing legislation specifies that council meetings must take place in person at a single, specified, geographical location and being “present” at such a meeting involves physical presence at that location.
- 3.4 The Secretary of State recognised there may continue to be concerns about holding face-to-face meetings and advised it is for local authorities to apply the Covid-19 guidance to ensure meetings take place safely. HM Government advise that they recognise that there has been a considerable investment of time, training and technology to enable meetings to take place over the last year and have a review in progress on the future of remote meetings.
- 3.5 The Government has published updated guidance to highlight ways in which councils can, if necessary, minimise the need for, or risks of, face-to-face meetings. The Council is currently operating meetings from the Floral Pavilion for a period to enable in-person meetings to operate within the guidance and Regulations. The Floral Pavilion is a modern theatre with large auditorium and conference facilities which operates high-tech heating, ventilation, and air conditioning (HVAC) systems. The Floral Pavilion can therefore operate such meetings safely and compliantly. All Councils across the country are having to consider these issues and several Councils continue to utilise alternative venues to operate Council meetings.
- 3.6 **Covid remains a Workplace Hazard**
- 3.6.1 COVID-19 is a workplace hazard. The associated risks should be managed in the same way as other workplace hazards. This includes completing a suitable and sufficient assessment of the risks of COVID-19 in the workplace and identifying control measures to manage that risk. These measures include undertaking regular risk assessment, cleaning regimes, social distancing, face coverings, ventilation requirements, test and trace processes and arrangements for managing a case of Covid-19.

- 3.6.2 The application of recommended measures is intended to mitigate, rather than eliminate, the risk of covid-19 transmission. The incidence of Covid-19 in the local community is aligned to the risk of transmission. Rates of Covid-19 in Wirral are at the time of writing this report very high. Despite national changes to restrictions and controls, the Council continues to provide COVID-secure buildings for staff and Elected Members to work within and retains appropriate measures across its estate in line with local Public Health advice and other relevant guidance.
- 3.6.3 All buildings operating across the Council's estate are subject to risk assessments which include Covid-19 considerations. At the time of writing this report the advice to staff, visitors and Members is to continue to maintain 2m distancing where possible, wear face coverings when moving around buildings and continue with increased cleaning arrangements; this aims to mitigate the risks associated with droplet transmission (from people being in close contact) and contact transmission (touching surfaces). This advice currently extends to business and committee meetings.
- 3.6.4 The Director of Public Health is actively reviewing the Covid situation across the Borough and the framework of advice and guidance provided to services to ensure they can deliver safely. A review of current guidance in relation to meetings conducted in Wirral Council buildings is scheduled early October 2021. This could see changes to 2m distancing for Committee and Council meetings. However, the guidance in relation to ventilation from the Health and Safety Executive remains as set out in the report to P&R Committee in June 2021. It is anticipated that this guidance will become legislation in due course.
- 3.7 **Assessment of Venues and Ventilation**
- 3.8 The law says employers must make sure there's an adequate supply of fresh air (ventilation) in enclosed areas of the workplace. This has not changed during the pandemic. Operators can achieve this by using
- natural ventilation - fresh air comes through open windows, doors or air vents. This is also known as 'passive airflow', or-
 - mechanical ventilation - fans and ducts bring in fresh air from outside
- 3.9 Ventilation is important because it reduces how much virus is in the air. It helps reduce the risk from aerosol transmission. Aerosol transmission can happen when someone breathes in small particles in the air (aerosols) after a person with the virus has been in the same enclosed area. The risk from aerosols is greater in areas that are poorly ventilated.
- 3.10 Council engineers have completed an assessment of the Town Halls identifying poorly ventilated areas and the risks associated with aerosol transmission. Controls have been put in place at both Town Halls to minimise the risk of COVID-19 aerosol transmission by increasing natural ventilation and limiting occupancy within rooms and spaces to a level where sufficient fresh air supply can be achieved in line with capacity. Surveys have now been completed to estimate the requirements and costs of additional mechanical control systems which would increase capacity and reduce risk. Given the nature of both of the buildings, any works are subject to listed building consent.

3.11 **Wallasey Town Hall**

- 3.12 Prior to the Covid-19 pandemic, Council and Committee meetings took place in the Chamber and Committee rooms available within the Civic spaces available at Wallasey Town Hall. The Town Hall also provided asset-based services including Taxi Licencing and One Stop Shop services as well as office and meeting space for Council Officers and Elected Members. Wallasey Town Hall was completed in 1920 and is Grade II listed.
- 3.13 Wallasey Town Hall was closed to service users, Members and staff from March 2020 except for pre-arranged visits to collect items. Access to the Town Hall during this period was managed by arrangement with facilities management staff, supporting business continuity.
- 3.14 Recently arrangements have been put in place to enable limited access to some individuals and teams to utilise offices at the Town Hall, this arrangement also extends to Group Leaders and their Office Managers. A risk assessment has been completed in line with this arrangement and controls on capacity and activities are in place.
- 3.15 An initial assessment of Wallasey Town Hall highlighted that the Chamber and Committee Rooms would not meet regulations in place relating to social distancing. Furthermore, assessments of airflow and ventilation highlighted that the Chamber and Committee Rooms do not support the occupancy levels required to conduct the relevant Council meetings. Wallasey Town Hall does not benefit from modern Heating, ventilation, and air conditioning (HVAC) systems. To achieve the required airflow and ventilation in the Civic Hall (sometimes referred to as the Main Hall) to conduct a limited meeting, all windows in the hall would need to be open to 30 degrees for the period of the meeting. Such considerations include meeting the guidelines from Approved Document Part 'F' and 'CIBSE' guidance documentation - where this assists in assessing the passive ventilation available to each room. Operating a meeting in this space using such controls would raise issues relating to weather conditions, thermal comfort as we move into winter, and external noise. Further issues would arise relating to limited availability of break out space, public access and web casting arrangements.
- 3.16 At the request of the P&R Committee, a further assessment has been completed to determine the work and processes required to enable access and operation of Wallasey Town Hall beyond the limited capacity arrangements currently in place. This included inspection by qualified technical service providers.
- 3.17 Following early soft market testing, the forecast investment required to install mechanical ventilation across all floors of the building with central air handling plant is significant, costing approximately £2.4m before additional site management fees or other costs associated with the buildings' listed status. Any tender for future works must comply with contract procedure rules. To determine achievability of proposals, drawings would need to be commissioned, such drawings are usually between 8-10% of total costs and are additional to works.
- 3.18 Any changes are subject to listed building consent, as the Town Hall is a listed building the drawings would require appraisal from a conservation architect before

being subject to planning approval. The full costings and plan for delivery would only become available at this stage and an update to Committee could be provided at this point.

- 3.19 Before Covid-19, Wallasey Town Hall also provided a base for several asset-based services including One Stop Shop Customer Services and Licensing. Whilst these services are operating safely and effectively at alternative sites, relevant service committees may wish to receive reports as to the current delivery arrangements for these services.
- 3.20 Additionally, Asset management have in place arrangements to review the required works following condition surveys undertaken approximately 2 years ago, it is likely that additional investment would be required to maintain the structure and fabric of this building and Birkenhead Town Hall, and this will be updated once surveys have been concluded. It has not been possible to complete further surveys before the publishing of this report though this work is in-train.
- 3.21 **Birkenhead Town Hall**
- 3.22 Members should note that similar issues exist at Birkenhead Town Hall, built in 1887 and Grade II listed. An early assessment of Birkenhead Town Hall using the current guidance highlighted that the Assembly Rooms and Hall could not support Council or Committee meetings requirements due to social distancing and ventilation issues.
- 3.23 Limited and managed operational activity has restarted at this site for business continuity purposes where it can do so safely subject to ventilation and infection prevention control arrangements as identified in risk assessments.
- 3.24 At the request of the P&R Committee, a further assessment has been completed to determine the work and processes required to enable greater access and operation of Birkenhead Town Hall beyond the limited capacity arrangements currently in place. This included inspection by qualified technical service providers.
- 3.25 As with Wallasey Town Hall, early soft market testing has been undertaken. The forecast investment required to install mechanical ventilation across all floors of the building with central air handling plant is also significant at this site, costing approximately £1.3m before any site management fees or other costs associated with the buildings listed status. Any tender for future works must comply with contract procedure rules. To determine achievability of proposals, drawings would need to be commissioned, such drawings are usually between 8-10% of total costs and are additional to works.
- 3.26 Any changes are subject to listed building consent, as the Town Hall is a listed building the drawings would require appraisal from a conservation architect before being subject to planning approval. The full costings and plan for delivery would only become available at this stage.
- 3.27 Areas of the building may need to be closed during works. Should works be progressed, relevant business continuity plans for services operating from this asset would need to be invoked. Such arrangements would likely have additional cost

implications. Income and revenue implications from the hosting of weddings and other ceremonies have not been fully costed at this stage.

CONCLUSIONS

- 3.28 It is recommended that Committee agrees that meetings continue at the Floral Pavilion for the remainder of this Council Municipal Year whilst further detailed assessment works are undertaken at the Town Halls. The Floral Pavilion provides a resilient and safe environment for Council and Committee meetings.
- 3.29 It is recommended that the Assistant Chief Executive provides an update on the Town Halls and proposals for the following Municipal year in due course.
- 3.30 **Options**
- 3.31 The Committee is asked to consider the following options and recommend a course of action, noting that costs for the commissioning of drawings will be funded through recovery budgets:

Option No	Option	Cost Estimate
1.	Proceed with commissioning of drawings for ventilation and air conditioning at both Town Halls and receive report with schedule of costs and conservation architecture advice at the earliest opportunity.	c. £370K
2.	Proceed with commissioning of drawings for ventilation and air conditioning for Wallasey Town Hall and receive report with full schedule of costs and conservation architecture advice at the earliest opportunity. Birkenhead Town Hall to continue with current capacity at this time.	c. £240K
3.	Proceed with commissioning of drawings for ventilation and air conditioning for Birkenhead Town Hall and receive report with full schedule of costs and conservation architecture advice at the earliest opportunity. Wallasey Town Hall to continue with current capacity at this time.	c. £130K
4.	Do Nothing – This would leave current capacity guidance in place at both sites and require a longer-term plan for Civic meetings. This would also release funding from the Covid-19 Recovery budget to reduce the Council’s capitalisation request for 2021/22	Nil

4.0 FINANCIAL IMPLICATIONS

- 4.1 The operation of meetings at the Floral Pavilion does not currently have income implications, this could however be subject to change and future reports will set out any associated costs.
- 4.2 IT costs for the mobilisation of Council meetings at the Floral Pavilion at the time of writing this report are approximately £2,500, associated with the purchase of

additional cabling and a necessary upgrade to the Public I web-casting software. Additional microphones required to improve Council meetings have been quoted at approximately £12,000. Any further improvements to technology, audio or voting systems would require additional investment. This can be funded from the Covid-19 Recovery budget.

- 4.3 Condition Surveys for both Town Halls will provide a view on the works required over the medium term (0-10 years), any works identified will be met through appropriate revenue budgets and/or the capital programme (subject to approval).
- 4.5 Given the age of both Town Halls it would be prudent to consider contingency for additional costs emerging through works as identified by the conservation architect. This should be factored once agreement on the way forward has been made.
- 4.6 A recovery budget for the safe remobilisation of services was put in place using Covid Tranche funding. This budget could meet the cost of commissioning drawings. The cost of these range from £130k to £380k depending on the option chosen. If Option 4 – Do nothing – is chosen, up to £380k of Covid-19 Recovery funding can be released to reduce the 2021/22 capitalisation request. The recovery budget is not sufficient to meet forecast costs of over £3.8m for the installation of ventilation systems at Town Halls. Funding for works to enhance assets could be met through the Council's capital programme (subject to approval), the revenue implications for this are not currently considered in financial planning and would create a revenue pressure in future years. Any revenue pressure will need to be mitigated through additional savings and therefore consideration should be given to the most appropriate use of resources.

5.0 LEGAL IMPLICATIONS

- 5.1 The operation of in-person meetings to make a lawful decision can be achieved only through the requirements of Local Government Act 1972. Other forms of meeting, for briefing, discursive or other purposes, can continue to do so through remote means.
- 5.2 The Health and Safety at Work etc Act 1974 is the primary piece of legislation covering occupational health and safety in Great Britain. It sets out the general duties which employers have towards employees and members of the public, employees have to themselves and to each other and certain self-employed have towards themselves and others. This covers employers ensuring there is an adequate supply of fresh air (ventilation) in enclosed areas of the workplace.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Staff continue to work from locations across the estate. There is no current requirement for further office space at Wallasey Town Hall though the effectiveness of the new ways of working are being reviewed.
- 6.2 Internal staff from Assets Management would be required to support the delivery of works, this would be significant and additional to the current workload. It is suggested that subject to relevant approvals a project team is assembled and financed as part of any capital bid.

6.3 Implications relating to assets are addressed in the body of the report.

6.4 There are no ICT implications associated with this report.

7.0 RELEVANT RISKS

7.1 Risk assessments for the use of the Floral Pavilion for Council and Committee Meetings are completed and regularly reviewed.

8.0 ENGAGEMENT/CONSULTATION

8.1 Plans and preparations have been developed to recommence face to face meetings in a way that intends to reduce covid related risks. This work has been overseen by a team of officers, including representatives from Public Health and Health & Safety. A report was submitted to the Constitution and Standards Committee in February 2021, a further update was submitted to the Member Steering Group in March 2021. Regular updates were provided to Group Leaders at their meetings in March/April 2021.

9.0 EQUALITY IMPLICATIONS

9.1 An equality impact assessment for the use of the Floral Pavilion for Council and Committee Meetings has been completed.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The Floral Pavilion is a theatre with modern climate and HVAC (Heating, ventilation & air conditioning) systems which will provide an efficient, resilient, and optimised safe operating environment.

10.2 Display Energy Certificates (DEC) indicate how much energy is being used to operate a building. The operational rating is based on meter readings of all the energy used in the building including lighting, heating, cooling, ventilation, and hot water. It is compared to a benchmark that represents performance indicative of all buildings of this type.

10.3 The energy performance operational rating tells us how efficiently energy has been used in a building, it is scored A to G (with A being more energy efficient and G less energy efficient). The display energy certificates for Wallasey and Birkenhead Town Halls and the Floral Pavilion are provided as appendices.

10.4 The location of the Floral Pavilion will increase travel distance and travel time for many Elected Members, partner organisations, Officers, and members of the public, and dependent on their means of travel this will see increased fuel consumption and CO2 emissions from private vehicles.

11.0 COMMUNITY WEALTH BUILDING

11.1 There are currently no community wealth building considerations.

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APPENDICES

A1: Display Energy Certificate for Wallasey Town Hall
A2: Display Energy Certificate for Birkenhead Town Hall
A3: Display Energy Certificate for Floral Pavilion

BACKGROUND PAPERS

The Council Constitution
Remote Meetings Update, Constitution and Standards Committee 24/2/21
The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020
The Local Government Act 1972
Equality Impact Assessment – Floral Pavilion
Floral Pavilion Council Meetings Risk Assessment
Wallasey Town Hall Risk Assessment
Birkenhead Town Hall Risk Assessments
[Health and Safety at Work etc. Act 1974 \(legislation.gov.uk\)](https://www.legislation.gov.uk)
[Ventilation and air conditioning during the coronavirus \(COVID-19\) pandemic \(hse.gov.uk\)](https://www.hse.gov.uk)
Chartered Institute of Building Services Engineers Guidance - [CIBSE - Emerging from Lockdown](#)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Constitution and Standards Committee	24/2/21
Policy & Resources Committee	9/6/21

Display energy certificate (DEC)

Wirral Council Metropolitan Borough of Wirral Town Hall, Brighton Street WALLASEY CH27 9ZZ	Operational rating <h1 style="font-size: 48px; margin: 0;">B</h1>	Certificate number: 0218-8215-2149-6708-4424 <hr/> Valid until: 31 August 2022 <hr/> Total useful floor area: 8428.2 square metres
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Energy performance operational rating

The building's energy performance operational rating is based on its carbon dioxide (CO₂) emissions for the last year.

It is given a score and an operational rating on a scale from A (lowest emissions) to G (highest emissions).

The typical score for a public building is 100. This typical score gives an operational rating of D.

Score	Operational rating	This building	Typical
0-25	A		
26-50	B		
51-75	C		
76-100	D		100
101-125	E		
126-150	F		
150+	G		

Previous operational ratings

Date	Operational rating
September 2021	
September 2020	
September 2019	

Total carbon dioxide (CO₂) emissions

This tells you how much carbon dioxide the building emits. It shows tonnes per year of CO₂.

Date	Electricity	Heating	Renewables
September 2021	89	190	4
September 2020	100	194	4
September 2019	240	225	5

Assessment details

Assessor's name	Gary Hamilton IEng ACIBSE
Employer/Trading name	Wirral MBC
Employer/Trading address	Technical Services Department, Birkenhead, CH41 1ND
Assessor's declaration	Employed by the occupier.
Accreditation scheme	CIBSE Certification Limited
Issue date	23 September 2021
Nominated date	1 September 2021

This building's energy use

Energy use	Electricity	Other fuels
Annual energy use (kWh/m ² /year)	19.25	116.29
Typical energy use (kWh/m ² /year)	95	129.90
Energy from renewables	5.1%	0%

Display energy certificate (DEC)

Wirral Council Wirral Museum Birkenhead Town Hall, Hamilton Street BIRKENHEAD CH41 5BR	Operational rating C	Certificate number: 2023-2716-2610-2207-0903 <hr/> Valid until: 7 November 2021 <hr/> Total useful floor area: 4551 square metres
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Energy performance operational rating

The building's energy performance operational rating is based on its carbon dioxide (CO₂) emissions for the last year.

It is given a score and an operational rating on a scale from A (lowest emissions) to G (highest emissions).

The typical score for a public building is 100. This typical score gives an operational rating of D.

Score	Operational rating	This building	Typical
0-25	A		
26-50	B		
51-75	C	64 C	
76-100	D		
			100
101-125	E		
126-150	F		
150+	G		

Previous operational ratings

Date	Operational rating
November 2020	64 C
November 2019	63 C
November 2018	60 C

Total carbon dioxide (CO₂) emissions

This tells you how much carbon dioxide the building emits. It shows tonnes per year of CO₂.

Date	Electricity	Heating	Renewables
November 2020	77	145	0
November 2019	78	140	0
November 2018	77	133	0

Assessment details

Assessor's name	Gary Hamilton IEng ACIBSE
Employer/Trading name	Wirral MBC
Employer/Trading address	Technical Services Department, Birkenhead, CH41 1ND
Assessor's declaration	Employed by the occupier.
Accreditation scheme	CIBSE Certification Limited
Issue date	23 September 2021
Nominated date	8 November 2020

This building's energy use

Energy use	Electricity	Other fuels
Annual energy use (kWh/m ² /year)	30.72	164.20
Typical energy use (kWh/m ² /year)	95	122.94
Energy from renewables	0%	0%

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Display energy certificate (DEC)



Wirral Council Floral Pavilion Theatre & Conference Centre Marine Promenade WALLASEY CH45 2JS	Operational rating <h1 style="font-size: 48px; margin: 0;">B</h1>	Certificate number: 6720-2916-2019-7209-9963 <hr/> Valid until: 31 January 2022 <hr/> Total useful floor area: 7540 square metres
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Energy performance operational rating

The building's energy performance operational rating is based on its carbon dioxide (CO₂) emissions for the last year.

It is given a score and an operational rating on a scale from A (lowest emissions) to G (highest emissions).

The typical score for a public building is 100. This typical score gives an operational rating of D.

Score	Operational rating	This building	Typical
0-25	A		
26-50	B		
51-75	C		
76-100	D		100
101-125	E		
126-150	F		
150+	G		

Previous operational ratings

Date	Operational rating
February 2021	
February 2020	
February 2019	

Total carbon dioxide (CO₂) emissions

This tells you how much carbon dioxide the building emits. It shows tonnes per year of CO₂.

Date	Electricity	Heating	Renewables
February 2021	264	166	0
February 2020	359	156	0
February 2019	371	166	0

Assessment details

Assessor's name	Gary Hamilton IEng ACIBSE
Employer/Trading name	Wirral MBC
Employer/Trading address	Technical Services Department, Birkenhead, CH41 1ND
Assessor's declaration	Employed by the occupier.
Accreditation scheme	CIBSE Certification Limited
Issue date	24 September 2021
Nominated date	1 February 2021

This building's energy use

Energy use	Electricity	Other fuels
Annual energy use (kWh/m ² /year)	63.58	113.55
Typical energy use (kWh/m ² /year)	133.28	371.49
Energy from renewables	0%	0%

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POLICY AND RESOURCES COMMITTEE

Thursday, 7th October 2021

REPORT TITLE:	Electoral Review of Wirral Council
REPORT OF:	Director of Law and Governance

REPORT SUMMARY

This report informs the Committee of a letter received by the Chief Executive on 25th August 2021 from Jolyon Jackson, Chief Executive of the Local Government Boundary Commission for England which informed that the Commission has now decided to undertake an electoral review of Wirral Council.

This is not a key decision.

RECOMMENDATIONS

The Policy and Resources Committee is recommended to request the Chief Executive to formally respond on behalf of the Council to the Local Government Boundary Commission informing that the Council would like the proposed review to commence in 2023/2024 with a view to any changes being implemented at the 2026 Local Government Elections.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Committee is requested to consider and comment on the report to enable the Chief Executive to respond to the request from the Local Government Boundary Commission for Wirral Council to indicate when it would like the electoral review which considers the number of councillors elected to the council, the names, number and boundaries of the wards, and the number of councillors to be elected to each ward to take place.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 This report is presented to enable the Committee to comment before a formal response is sent to the Local Government Boundary Commission for England, therefore no other options have been considered. Alternative suggestions to when the review should be undertaken could have been suggested.

3.0 BACKGROUND INFORMATION

3.1 The Local Government Boundary Commission

- 3.1.1 The Local Government Boundary Commission for England (the Commission) is an independent body responsible for determining the electoral arrangements of local authorities across England. The Commission wrote to the Chief Executive on the 25th August informing that the Commission had decided to undertake an electoral review of Wirral Council.

3.2 Purpose & Objectives

- 3.2.1 The purpose of an electoral review is to consider the number of councillors elected to the council, the names, number and boundaries of the wards, and the number of councillors to be elected to each ward.
- 3.2.2 The last electoral review of Wirral Council was undertaken in 2003. Accordingly, the Commission considers that a review of Wirral Council should start within the next one to three years. The Commission are asking for initial views on when the Council prefer for this review to take place within that period.

3.3 Process

- 3.3.1 The first decision the Commission will take is how many Members the Council will have. The Commission will invite the Council (and groups on the council) to make proposals for how many members they believe there should be in the future. Once the Commission decide on the total number of councillors, they will then move to the warding pattern part of the process which starts with a full public consultation where they ask what people think the ward boundaries should be. The Commission will then publish their draft recommendations which they then consult on again.
- 3.3.2 The publication of the Commission's final recommendations marks the end of the

review process. An Order will then be laid before Parliament and the Commission will seek to do so no later than the Autumn preceding the Council's scheduled May election. The new electoral arrangements will then be implemented at an 'all out' election before returning to the usual cycle of elections 'by thirds'.

- 3.3.3 The Commission has confirmed that as the Council currently elects 'by thirds' they will seek to return a uniform pattern of three-member wards. If before the electoral review starts the Council resolves to change its electoral cycle to elect 'all out' the Commission will be able to return a mixed pattern of one, two or three member wards. The electoral cycle is entirely a matter for the Council and the Commission takes no view on what it should be. It should be noted that this issue is raised by the Commission as if there is an appetite to change the Council's electoral cycle this should be agreed before the review starts so that the Commission can invite warding proposals with the appropriate number of councillors.
- 3.3.4 In advance of the first public consultation, there will be a preliminary period during which the Commission will gather information from the Council. When preparing for and during the course of the review there are three main areas of work for the Council:
- a) Preparing electorate forecasts, mapping and details of housing developments. The Commission expects the Council to prepare five-year electorate forecasts broken down to polling district level. This reflects the statutory duty to consider forecasts five years from the end of the review.
 - b) Preparing and submitting a warding pattern during the first public consultation and responding to the Commission's draft recommendations
 - c) Supporting the Commission in publicising the review including by sharing details of interested parties and supporting meetings with community and residents' groups.

3.4 Context

- 3.4.1 The Commission have written to 15 other Metropolitan districts in a similar capacity. These authorities have also not been reviewed since 2003 and the Commission intends to review all of them. The Commission hope that early notice of a review and the invitation for the Council to outline when it would prefer for the Review to be conducted will ensure that the Review takes place at a time that works best for members and officers. The Commission have indicated that they will try to accommodate the Council's request but do state that they will need to balance all of the views of the 16 authorities in order ensure the Commission's programme of work is met.
- 3.4.2 Having considered the electoral cycle and planned elections for the forthcoming years (noting that there is a fallow year in 2025) officers are of the opinion that the best time to commence the ward boundary review would be in 2023/2024 with a view to implementation in 2026. The rationale for that suggestion is as follows:
1. It would allow time for any recommendations that arise from MHCLG report to be fully considered and addressed.
 2. The Commission have already indicated that it will not be possible to conduct the review in time for all-out elections in 2023.
 3. It would avoid the prospect an all-out local election in 2024. Combined Parliamentary (on new Constituency Boundaries), Local, PCC and Combined Authority Mayor

Election and potential introduction of Voter ID in polling stations will make that a challenging year to administer.

4. It would enable any recommendations of the Parliamentary Boundary Review to be implemented.
5. The Local Plan proposals for housing development and regeneration will result in changes to the distribution of population which will be of relevance to the boundary review.
6. It is anticipated that the Election Bill will come into force fully by 2024 and potential impacts on future elections would be to –
 - require voters to show photo ID at polling stations before a ballot paper is issued.
 - require Electoral Registration Officers based in local authorities to issue free voter identification documents to those without a valid form of photo ID.
 - require postal voters to reapply for a postal vote every three years, replacing current rules of refreshing their signature every five years.
 - restrict the handling of postal votes, including limiting the number of postal votes an individual can hand in at a polling station.
 - further limit the number of people someone may act as proxy.
 - extend accessibility to elections including requiring Returning Officers to take all reasonable steps to provide support for those with a disability in polling stations.
 - change the voting and candidacy arrangements for EU voters.
 - allow all British citizens living overseas to vote in UK Parliamentary elections, regardless of when they left the UK.

Having consulted the Local Government Boundary Commission, they have advised that all-out elections will take place at the next ordinary scheduled local elections following the passing of the order in Parliament.

A normal review will take 12 - 18 months to complete, the time can vary depending on the consultation periods, the work programme for the Boundary Commission and how quickly they report on the consultations and recommendations.

The Commission confirmed that once a commencement date has been confirmed, they will work with the Council to establish the timetable for the review and will consult on optimum times for delivery while taking account of any representation made by the local authority in relation to the timing of the all-out local elections.

It should be noted that colleagues at Sefton M.B.C have responded to the Local Boundary Commission expressing the view that they would wish to follow the same timetable as that proposed with a view to any changes being implemented in 2026.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications arising from the report.

5.0 LEGAL IMPLICATIONS

- 5.1 The Local Democracy, Economic Development and Construction Act 2009 sets out the duty placed on the LGBCE to undertake an electoral review of every principal local authority in England 'from time to time'.

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 There are no risks arising from this report.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Chief Executive informed Group Leaders of the receipt of the letter and confirmed that a report would be presented to the Policy & Resources Committee prior to a formal response being made.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no direct environment or climate implications arising from this report.

11.0 COMMUNITY WEALTH BUILDING

11.1 There are no direct Community Wealth Building implications arising from the report.

REPORT AUTHOR:

Steve Fox
Head of Democratic and Member Services
stevefox@wirral.gov.uk

APPENDICES

None

BACKGROUND PAPERS

[Technical Guidance | LGBCE Site](#)

The Local Democracy, Economic Development and Construction Act 2009

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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POLICY AND RESOURCES COMMITTEE

Thursday, 7 October 2021

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 2021/22 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
Policy and Resources Committee	17 March 2021
Policy and Resources Committee	9 June 2021
Policy and Resources Committee	30 June 2021
Policy and Resources Committee	28 July 2021
Policy and Resources Committee	01 September 2021

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POLICY AND RESOURCES COMMITTEE

WORK PROGRAMME 2020/21

07 October 2021

Contact Officer/s: Andrew Mossop / Bryn Griffiths

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PROPOSED AGENDA FOR POLICY AND RESOURCES COMMITTEE – 07 OCTOBER 2021

Item	Key Decision Yes/No	Lead Departmental Officer	Wirral Plan Priority
Use of Council Buildings for Civic, Council and Committee Meetings – Update	No	Director of Resources: Shaer Halewood	
Local Boundary Commission: Proposed Ward Boundary Review	No	Director of Law and Governance: Phil McCourt	
Referred from Economy Regeneration and Development Committee on 29.09.2021: Property Disposals	Yes	Director of Regeneration and Place: Alan Evans	Sustainable Environment
Referred from Economy Regeneration and Development Committee on 29.09.2021: Sale of Land at Cross Lane, Wallasey	No	Director of Regeneration and Place: Alan Evans	Sustainable Environment

Referred from Children, Young People & education Committee on 04.10.2021: Children's Residential Transformation Programme	Yes	Director of Children, Family and Education: Simone White	Brighter Futures
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Deadline for SLT	Deadline for Cleared Reports	Agenda Published
10 Sept 2021	20 Sept 2021	29 September 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 October 2021 and December 2021	Director of Law and Governance, Phil McCourt
Strategic Asset Acquisitions Key	Approval to acquire key assets as part of the Council's growth strategy	Between October 2021 and December 2021	Director of Regeneration and Place, Alan Evans
Liscard Neighbourhood Framework / Integrated Masterplan Key	Approval of the Neighbourhood Framework / Integrated Masterplan for Liscard Town and confirmation of next steps	Between October 2021 and December 2021	Director of Regeneration and Place, Alan Evans
Wirral Local Plan: 'Local Green Space - Assessment of Applications for Designations'	TBC	Between October 2021 and December 2021	Director of Regeneration and Place, Alan Evans

Key			
Loan / Loan Facility Application Key	To agree a business loan application relating to a local business	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Northwest Community Bank Key	Update and decisions on Community Bank	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Edsential Update and Finance Key	Update and decisions on Edsential	Between October 2021 and December 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 July, 2020	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
One Wirral Change Programme Key	This report provides an overview of the Council's emerging change programme.	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Council Tax 2022/23 (Tax Base, Discounts and Exemptions and Local Council Tax Reduction Scheme) Key	Agree the Council Tax Base for Council and precepting authorities (including discounts and exemptions and Local Council Tax Reduction Scheme).	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Medium Term Financial Strategy Key	TBC	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Financial Monitoring Quarter 2 Key	TBC	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Treasury Management Mid-Year Report Key	TBC	Between October 2021 and December 2021	Director of Resources, Shaer Halewood
Asset Disposals		Between October 2021 and December 2021	Director of Regeneration and Place, Alan Evans

Hind Street Regeneration (Exempt)	Referral from Economy Regeneration and Development Committee on 29.09.2021	November 2021	Director of Regeneration and Place, Alan Evans
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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 liability for paying Rates will apply to the Council for such support which requires a formal decision.	Between November 2021 and December 2021	Director of Resources, Shaer Halewood
Community Investment Bonds	Update on Community Investment Bonds	Between November 2021 and December 2021	Director of Resources, Shaer Halewood
Income Generation	Added at request of P&R Committee	Between November 2021 and December 2021	Director of Resources, Shaer Halewood
Refugees and Asylum Seekers	Referred from Council on 22 March 2021	Between November 2021 and December 2021	Director of Regeneration and Place, Alan Evans
Early Help Alliance		November 2021	Director of Adults' Care & Health & Strategic Commissioning, Graham Hodgkinson
Wirral Growth Company Limited Liability Partnership Accounts		November 2021	Director of Resources, Shaer Halewood

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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ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE

Wednesday, 29 SEPTEMBER 2021

REPORT TITLE:	PROPERTY DISPOSALS
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks approval to the disposal of three of the Council’s property assets.

This matter affects the Oxton, Eastham and Rock Ferry Wards and is a key decision.

RECOMMENDATION/S

It is recommended that the Economic, Regeneration and Development Committee requests that Policy and Resources Committee approves that:

- (1) 27 Balls Road, Oxton be declared surplus to requirements and authority be given to the Director of Law and Governance, in consultation with the Director of Regeneration and Place, to arrange for its marketing by auction and subsequent sale on the terms described in paragraphs 3.2 and 3.3. of this report;
- (2) Plymyard Cemetery Lodge, 996 New Chester Road, Eastham, be declared surplus to requirements and authority be given to the Director of Law and Governance, in consultation with the Director of Regeneration and Place, to arrange for its marketing through a local estate agency on the terms described in paragraphs 3.4 and 3.5. of this report;
- (3) In the event that a sale of Plymyard Cemetery Lodge through an estate agency is not achieved expeditiously, the Director of Law and Governance, in consultation with the Director of Regeneration and Place, be authorised to arrange for its marketing by auction and subsequent sale on the terms described in paragraphs 3.4 and 3.5. of this report;
- (4) The Director of Law and Governance, in consultation with the Director of Regeneration and Place be authorised to secure the sale of the Laser Engineering Centre to the current tenant, for £340,000 (excluding VAT) plus fees of £1,500.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To meet targets for the generation of capital receipts from the sale of property assets and to dispose of surplus and non-operational assets.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The other option is for the Council to retain ownership of these properties. However the properties have been considered by the Council's Capital and Assets Group and no alternative requirements by the Council were identified, consequently disposal is the preferred option.

3.0 BACKGROUND INFORMATION

- 3.1 Set out below is the description and background to three properties which have been identified for disposal. Each has been considered by the Capital and Assets Group with an officer recommendation that they be sold to generate capital receipts which have been factored into the Council's financial forecast.

27 Balls Road

- 3.2 The property is located approximately opposite to the Williamson Art Gallery and is shown as the Appendix 1 plan. It was constructed around 1900 as a purpose built 3 storey house with basement, with a more recent outrigger added to the rear. The property is currently laid out with 7 bedrooms, 3 kitchens, 2 bathrooms, 2 offices, 1 lounge and basement storage. The property is now vacant, having previously been used for supported Living accommodation for adults with learning disabilities.
- 3.3 In order to secure a sale this financial year it is proposed that the property is sold by auction. The auctioneer has suggested a guide price for the disposal of this property in the range of £150,000 - £175,000, although a reserve sale price will be set prior to the auction by the auctioneer, based on the level of interest generated.

Plymyard Cemetery Lodge

- 3.4 Plymyard Cemetery Lodge is located at 996 New Chester Road, Eastham on the edge of Plymyard Cemetery directly adjacent to the New Chester Road entrance and is identified on the Appendix 2 plan. The lodge was the original gate house for Plymyard House and constructed in the 1800s. The house and grounds were purchased in 1938 with the main house being demolished in the 1960s. The grounds of the house are now Plymyard Cemetery and Plymyard Allotments. Although located on the New Chester Road adjacent to the Cemetery gates (which are now only used for pedestrian access) vehicular access to the lodge is from Bridle Road. The detached lodge comprises 2 reception rooms and a kitchen on the ground floor and 2 bedrooms and a bathroom upstairs, with an enclosed rear garden. The lodge is one of only a few residential properties which were retained by the Council following the transfer of its housing stock to Wirral Partnership Homes (now Magenta Living). Magenta Living managed the tenancy of this property until it became vacant.

- 3.5 Given the unusual nature of the property it is proposed that a local agent be instructed to market the property on the Council's behalf in order that prospective purchasers can fully consider its individuality and location. The agent has suggested an asking price in the region of £180,000 to £220,000 but will undertake to agree a sale at market value. In the event that a sale through an agent cannot be achieved in a suitable timeframe it is proposed that the opportunity be retained to offer the property for sale by auction to attempt to secure a capital receipt this financial year. Similar to the property above the auctioneer would recommend a reserve sale price based on the level of interest prior to the auction although this is likely to be lower than the indicated asking price of the estate agent due to the nature of the property.

The Former Laser Engineering Centre

- 3.6 The Laser Engineering Centre is identified on the Appendix 3 plan and occupies a plot of approximately 2,697 sqm. The property was previously a training centre for Cammell Lairds but was acquired by the Council in 1997 and converted to a laser engineering facility for the University of Liverpool for research and development of laser equipment. The University of Liverpool vacated the building and it was subsequently leased to Quinnovations on a 7 year lease at a rent of £28,000 ex VAT per annum.
- 3.7 This property is part of a list of assets, presented to the Council's Capital and Assets Group, which have been identified for sale to meet targets for the generation of capital receipts. At a similar time to identifying this property for disposal, the lessee approached the Council with a request to purchase the Council's freehold interest. This would afford the tenant more security to establish its base which it intends to develop. In support of the request to buy the property, the lessee set out some of its activities and ambitions as follows:

In response to Covid-19, Quinnovations has developed an agile response to emerging community needs and has enhanced the primary vision for the building utilisation. Innovative projects which focus on the environment will remain at the forefront of project development within the Laser Centre; however, I have also expanded our offer to help address the emerging critical social needs within the Wirral.

I have taken a collaborative approach with local partners to serve the needs of local charities, such as NEO and Hype Cycling, who are now based within the Laser Centre. Both of these companies make a massive impact to people on the Wirral, by distributing food hampers to those in need and providing bicycles for key workers and those in need of transport to provide accessibility to vital services.

Merseyside Community Training (CIC) is part of Quinnovations Group and has been delivering virtual mentoring sessions from the building for unemployed individuals on behalf of DWP. We are currently working with DWP to look at the feasibility of setting up a multi-agency hub for Wirral within the building to enhance support and employment opportunities for unemployed adults living in Wirral. We will encourage more local charities and businesses to collaborate with the hub.

Additionally, a young entrepreneurs programme for socially disadvantaged young adults will be rolled-out and will measure and publish the social and environmental impact of all projects delivered within the building on an annual basis.

To summarise, my intent is to grow a long-term sustainable business for the benefit of Wirral community and its environment in the most cost-effective manner, whilst providing greater control and freedom for its beneficiaries and stakeholders.

- 3.8 A sale price in the sum of £340,000 (excluding VAT) plus fees has provisionally been agreed with the lessee. This figure is considered to be market value and has been independently ratified by a local commercial property valuer.
- 3.9 The proposed disposal of these properties has been considered and endorsed by the Council's Capital and Assets Group and the potential receipts have been factored into the Council's financial plan.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The sales will generate capital receipts as indicated in the report. The actual sale prices in respect of 27 Balls Road and Plymyard Cemetery Lodge will only be established at the time of sale.
- 4.2 The sale of the former Laser Centre will generate a capital receipt of £340,000 exclusive of VAT plus a contribution towards the Council's costs. The receipt will be in lieu of the annual rent of £28,000.
- 4.3 The estate agent and auctioneer costs will be deducted from the sale prices.
- 4.4 The receipts from these sales will contribute towards the capital receipts target contained within the current budget.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council is obliged to obtain the best price reasonably obtainable under s 123 of the Local Government Act 1972. In respect of 27 Balls Road and Plymyard Cemetery Lodge, these will be marketed to demonstrate market value. In the case of the former Laser Centre, the negotiated price is believed to reflect market value and has been endorsed by an independent valuer.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no IT or staffing implications arising from the disposal of this land.
- 6.2 The asset implications are the subject of this report.

7.0 RELEVANT RISKS

- 7.1 Failure to conclude the sales will impact on the anticipated capital receipts programme.

- 7.2 When selling by auction reserve sale prices will be set based on the recommendation of the auctioneer. Should bidding not meet or better the reserve, the sales will not proceed.
- 7.3 The Laser Engineering Centre benefitted from European Regional Development Funding in 2006 under the project heading "Engineering and Construction Centre". The total grant was £890,652 but with a maximum re-payable element in the sum of £545,652 should the terms of the grant fail to be complied with. The repayable element is also based on a diminishing scale over the 20-year life of the grant. On the face of it, the terms of the grant will still be met by the current occupier but will be subject to verification by the grant funding body. There is therefore a risk that the grant funding body may take a different view and an element of the grant will be repayable. This would, however, be the case whether or not the Council sells the freehold. If the Council sells the freehold there will at least be a capital receipt in place to cover the clawback.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 There are no engagement or consultation implications arising from the proposals set out within this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 There are no implications relevant to equality arising directly from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The sale of these properties will not have any direct implications for the environment or climate.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 This report seeks to dispose of surplus assets which will bring them back in to use.

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APPENDICES

Appendix 1 - Plan for 27 Balls Road, Oxton
Appendix 2 - Plan for Plymyard Cemetery Lodge
Appendix 3 - Plan for Laser Engineering Centre

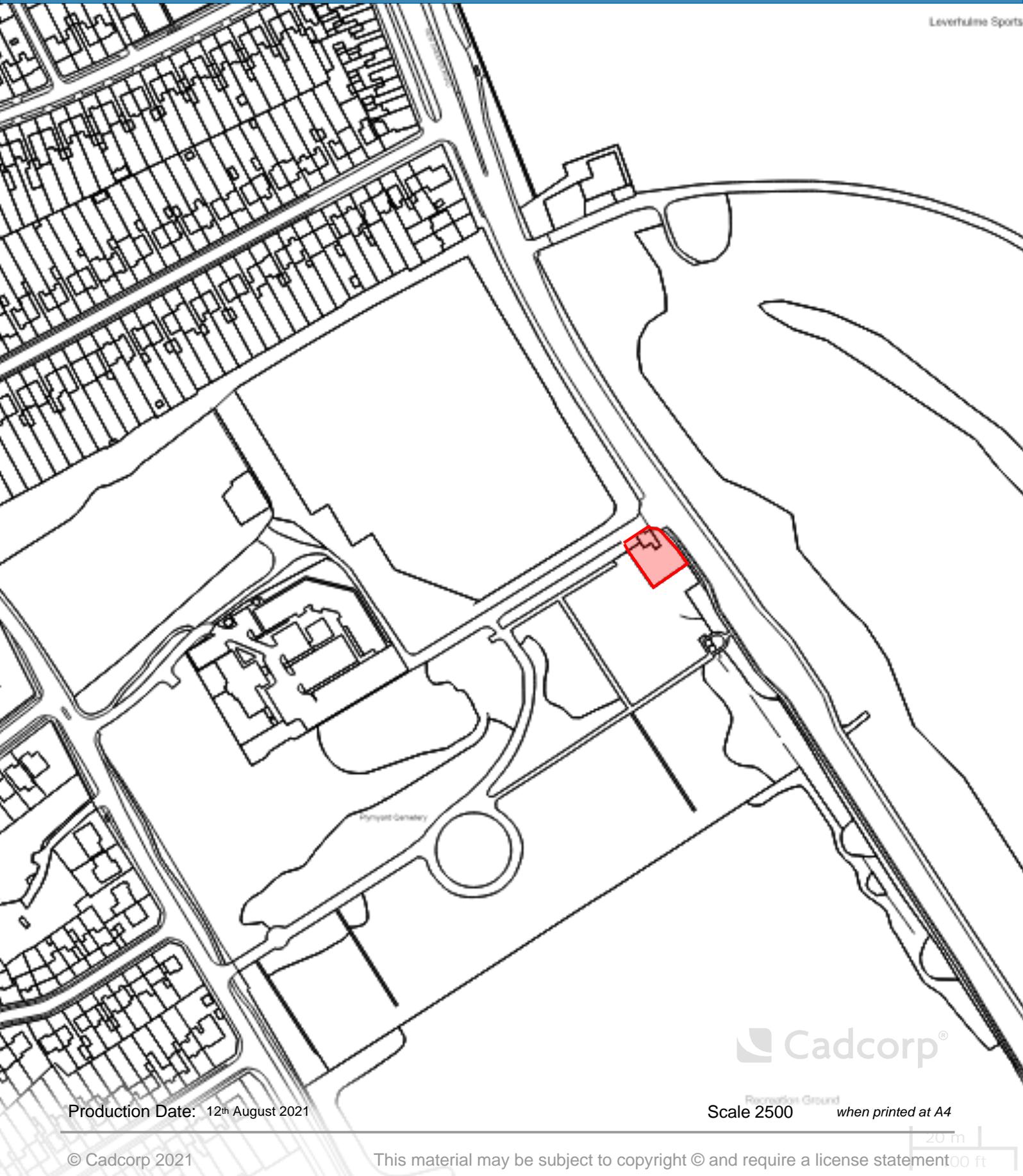
BACKGROUND PAPERS

Marketing advice from the agent and auctioneer.
Independent valuation appraisal

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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Production Date: 12th August 2021

Scale 2500 when printed at A4

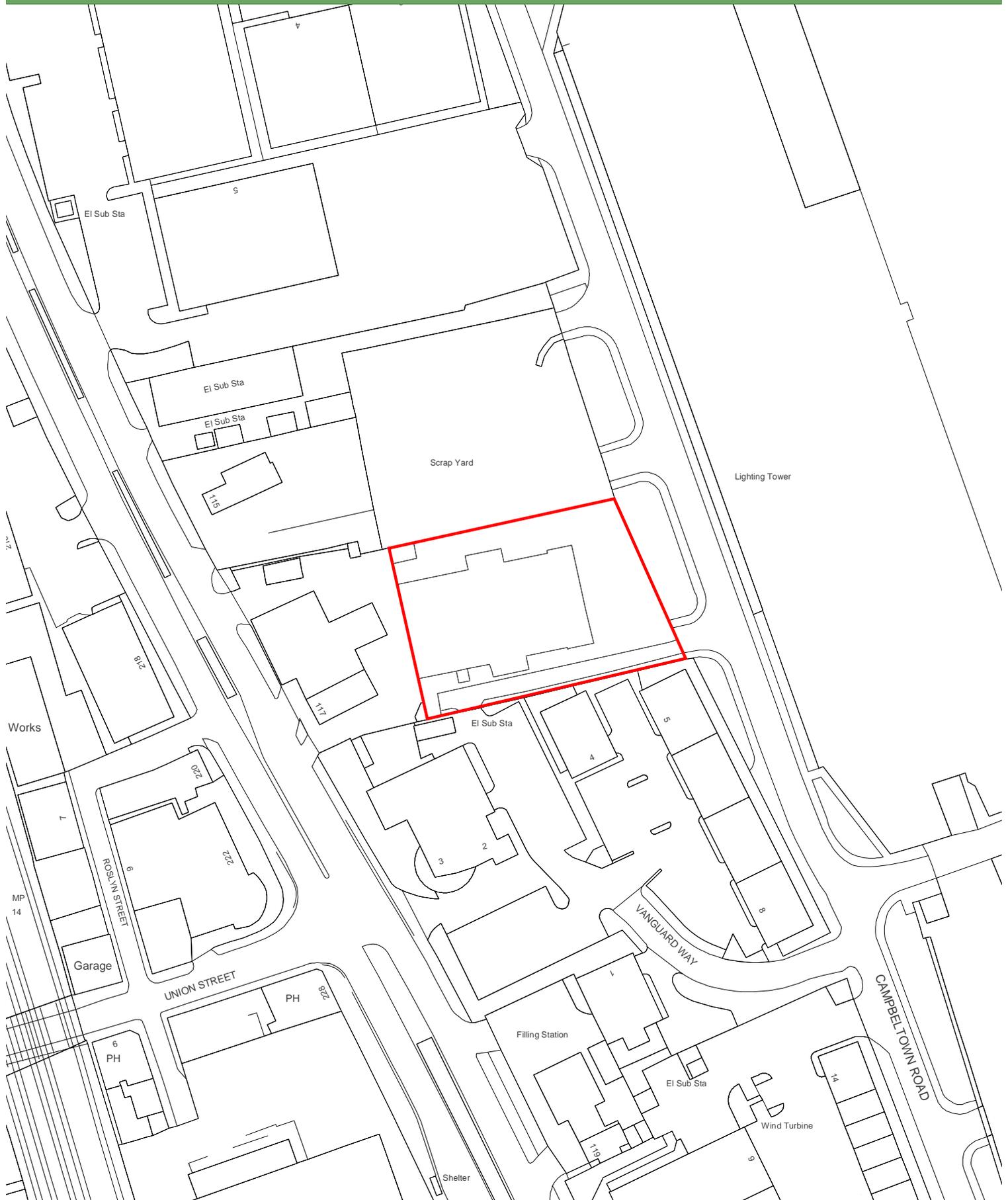
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ECONOMY REGENERATION AND DEVELOPMENT COMMITTEE

Wednesday, 29 September 2021

REPORT TITLE:	SALE OF LAND AT CROSS LANE, WALLASEY
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks approval for a recommendation to be made to Policy and Resources Committee for the disposal of land at Cross Lane, Wallasey.

The sale will enable West Wallasey Van Hire to meet its expansion needs and will generate a capital receipt.

The matter affects the Wallasey Ward and is not a key decision.

RECOMMENDATION/S

It is recommended that the Economy and Regeneration Committee requests that Policy and Resources Committee approves that:

- (1) the site edged red on the attached plan set out as Appendix 1 to this report, at Cross Lane, Wallasey, be declared surplus to Council requirements.
- (2) the Director of Regeneration and Place be authorised to agree a sale of the site to West Wallasey Van Hire for £150,000 plus £3,000 towards the Council’s legal costs and surveyor’s fees(3) notices be placed in the local press in accordance with section 122 of the Local Government Act 1972 regarding the intention of the Council to sell land comprising open space and any objections received be considered and determined by the Director of Regeneration and Place, in consultation with the Chair and Spokesperson of the Policy and Resources Committee; and
- (4) the Director of Regeneration and Place be authorised to negotiate a variation of the lease with Forestry England to facilitate an access to the site.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To facilitate the sale of land to West Wallasey Van Hire to enable the Company to meet its expansion needs and to generate a capital receipt from the sale of the land.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Due to the restricted access the site has limited potential. The Council could retain the land, but it is currently unmaintained and underused.

3.0 BACKGROUND INFORMATION

- 3.1 The land which is shown edged red on the plan annexed as appendix 1 has previously been used as amenity space with part being used by Mosslands School as its playing fields. The plan shows the land located adjacent to Ashville football ground with the railway line running to its early border, with Forestry England's land to the south. The site has limited access which is currently provided via the School Lane footpath and underpass. It also suffers from flooding and as a consequence it has not been used as a playing field for decades with Mosslands school having relocated its sporting activities to the neighbouring Wallacre playing fields.
- 3.2 West Wallasey Van Hire (WWVH) is located at the premises shown edged blue on the plan in appendix 1. The premises is located towards the end of Cross Lane and is visible from the motorway link road. It also occupies several sites at various locations in the borough. WWVH has advised that its current main site is being operated at maximum capacity and is inadequate to meet its future growth plans. Consequently, it is considering options to expand and consolidate the business in its current location which would be facilitated by the purchase of the land that is subject of this report. If this is not possible WWVH has stated that due to the lack of alternative sites in Wirral the company may have to look outside of the borough to realise its growth ambitions. Since the company started over 46 years ago it has steadily grown and expanded its operations to become one of the largest independent van hire companies in the U.K. Its Cross Lane site currently employs 280 people, mainly drawn from the local area, in a range of sales, administration and technical roles. The company estimates that a further 250 jobs could be created over the next 5 years if it is able to realise its growth plans.
- 3.3 WWVH is aware that expansion on to the Council's land has a number of challenges but has worked with consultants to try to mitigate them. Their proposal will include the following:
- a. The need to engineer a solution to the water levels on the site;
 - b. The need to create a linked access route from their site to the Council's land via the route shown hatched black on the plan. This land is owned by the Council but leased to Forestry England. The terms of the lease with forestry England will need to be varied to permit the construction of a link road between the two sites. Any special conditions required by Forestry England will be met by WWVH;

- c. Third party pedestrian access through the site will be provided via reserved rights of way to access Forestry England's site and also the playing field identified on the plan;
- d. As part of the planning process WWVH has recognised that the land it wishes to purchase is designated as greenspace in the Council's UDP and has therefore agreed to provide, as part of its planning process for its expansion plans, a commuted sum that would be used to fund works to off-set the loss of the greenspace. Early discussion between WWVH and planning officers have identified a range of options that could be included in a future programme of works including an upgrade to the changing facilities at nearby Wallacre Park as well as providing new drainage infrastructure to upgrade the park's football and rugby pitches. Details of this will be determined as part of the planning process for the new facility.
- e. WWVH has previously secured planning consent (now lapsed) to provide access to its site from the motorway link road. This is a hugely costly proposal that will help address some of the access issues to the site. Should the Council approve the sale of this site, WWVH will resurrect its application to create this access.

3.4 The site in its current status could not be readily sold on the open market due to its lack of access and the restrictions referred to above. In negotiating a purchase price, the Council commissioned a valuation of the land which took in to account the above factors and established a land value in the sum of £150,000. WWVH has agreed to pay this sum plus a contribution towards the Council's legal costs and surveyor's fees. WWVH will sub a detailed planning application for both the expansion land and the new access road. The sale would only complete once full planning is granted. As this will incur significant expenditure by WWVH they would need the confidence that securing planning permission would result in them acquiring the site. It is therefore proposed that, if approved, a contract for sale be entered into which is conditional on the securing of full planning consent.

3.5 The site is open to public access. Accordingly, a proposal to dispose of the land will need to be advertised in the local press in accordance with the Local Government Act 1972. Agreement to disposal on the terms now proposed would be subject to the outcome of the public advertisement period. The sale will result in the loss of amenity space, but the steps required to try to offset the loss of amenity will only be fully determined within the planning process.

4.0 FINANCIAL IMPLICATIONS

4.1 The sale will generate a capital receipt of £150,000 towards the capital receipt target agreed as part of the 2021/22 budget, plus a contribution towards the Council's costs.

4.2 A sale of the site would remove the maintenance liability, albeit relatively minor.

5.0 LEGAL IMPLICATIONS

5.1 The Council is obliged to obtain the best price reasonably obtainable under s 123 of the Local Government Act 1972. To establish best price the Council sought the advice of an external valuer.

5.2 The proposed sale of this open space land will be advertised by Public Notice and any objections will be considered by the Director of Regeneration and Place in consultation with the Chair and Spokespersons of Policy and Resources Committee.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no IT or staffing implications arising from the disposal of this land.

7.0 RELEVANT RISKS

7.1 Failure to complete the deal will result in the potential loss of a capital receipt of £150,000. It could also force WWVH to look elsewhere for a location to meet its expansion plans.

7.2 The proposal by WWVH could fail to secure planning consent, in which case the sale would not proceed.

8.0 ENGAGEMENT/CONSULTATION

8.1 The sale of the site will be advertised by way of Public Notice as required under the provisions of the Local Government Act 1972.

8.2 The sale will only take place once WWVH secure planning consent and as such the public will be consulted on the proposed change of use of the land as part of that process.

9.0 EQUALITY IMPLICATIONS

9.1 This report has no direct equality implications..

9.2 Access to the site is currently limited to a single, poorly maintained footpath. As part of the proposed planning application WWVH are proposing to upgrade and light this footpath and create a new link to the remediated Cross Lane landfill. This will enhance the connectivity of the area making it more accessible.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The sale of this site will result in the loss of amenity space as referred to in the report. The purchaser will be asked to make contributions to the enhancement of other sports and amenity facilities as part of the planning process.

10.2 The purchaser has been made aware of the Council's aspirations to tackle the climate emergency and has offered the following information to be taken into consideration:

In respect of West Wallasey's environmental credentials, we have x5 onsite wind turbines that produce more green energy than we use onsite (displacing more than

50 tonnes of CO2 annually) making us one of the most environmentally sustainable businesses for energy in the country. We are also transitioning our customers across to electric vehicle fleets wherever possible in a drive to net zero emissions.

In conjunction with electric vehicles, we are also in discussion with manufacturers in relation to zero emission hydrogen technology to support businesses that work in heavy industries or remote regions where electric vehicles may not fulfil their requirements. We are independently audited for our environmental management and we are accredited to the internationally recognised ISO14001 standard.

The proposal is for vehicle storage on land adjoining the current West Wallasey's main site. The environmental and community impacts of this proposal have been considered from the beginning of the design process and West Wallasey seeks to incorporate the following, bringing wider benefits across the area:

- *Permeable car parking surfacing and sustainable drainage systems (SuDS) to mitigate flood risk.*
 - *Tree and buffer woodland planting to screen the car park and improve the environmental quality for users of the new footpath.*
 - *Biodiversity will be enhanced on the site through the tree planting and other landscaping as well as the potential creation of new ponds as part of the SuDS proposals.*
 - *Creation of a new footpath (from existing pedestrian entry point under railway line) which will relocate the Public Rights of Way to ensure accessibility is maintained. Furthermore, an additional path will be provided to increase access to the Forestry Commission woodland, situated south of the site.*
 - *Improvement of existing nearby sports pitches as well as off-site improvement of other open spaces, as agreed with Wirral Council officers.*
- Further details of the above will be discussed as the scheme develops, but the overarching principles of the proposal consider the local environment and seek to provide mitigation or enhancement where possible.*

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The aim of this report is to secure the best possible outcome for the future of this land.

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APPENDICES

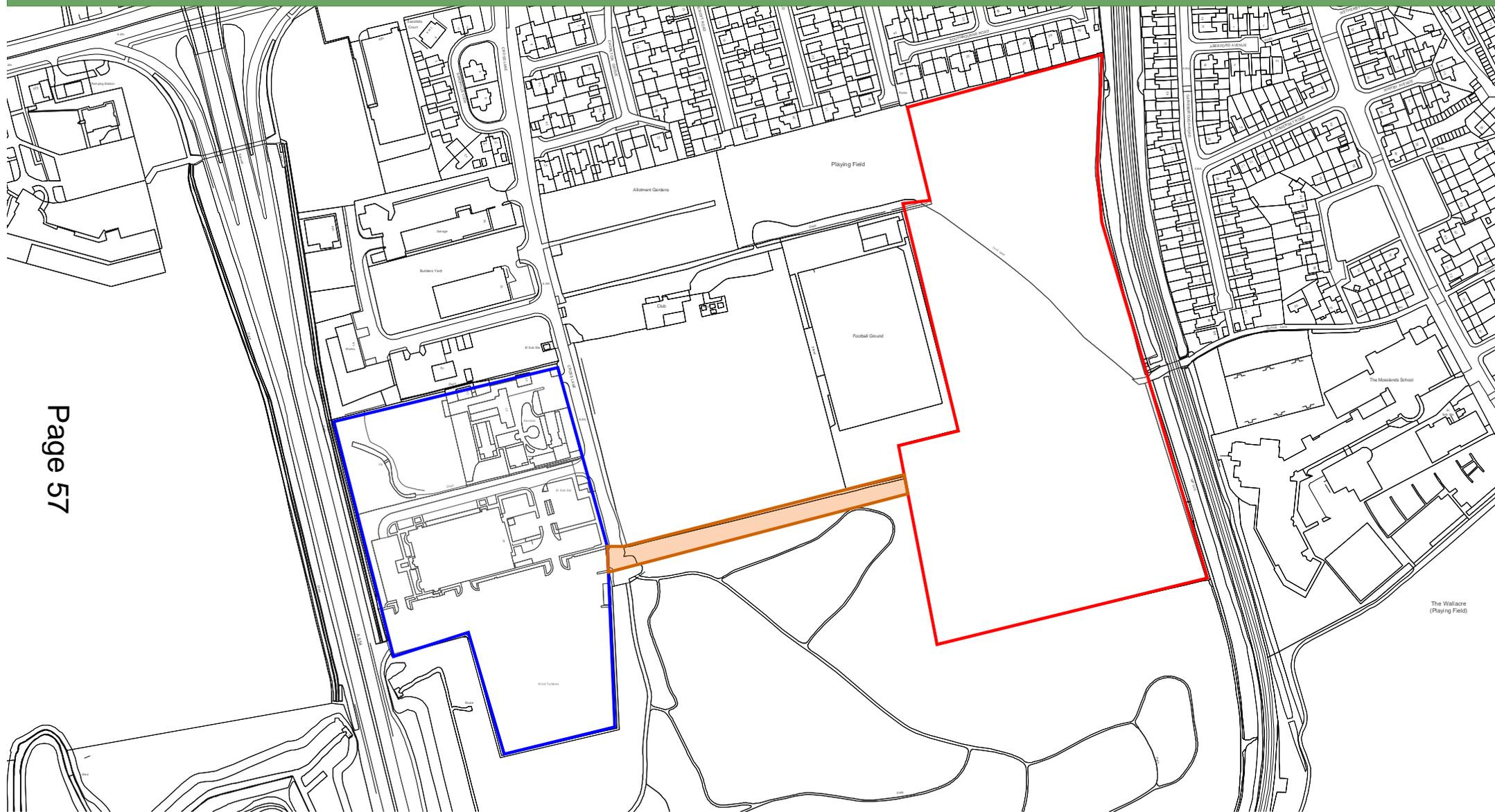
Appendix 1 Site plan

BACKGROUND PAPERS

Negotiated Heads of Terms

SUBJECT HISTORY (last 3 years)

Council Meeting	Date



Page 57

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CHILDREN, YOUNG PEOPLE AND EDUCATION COMMITTEE

4th October 2021

REPORT TITLE:	CHILDREN’S RESIDENTIAL TRANSFORMATION PROGRAMME
REPORT OF:	SIMONE WHITE, DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

REPORT SUMMARY

In June 2021, the Children, Young People and Education Committee considered a report which requested approval for a financial investment of £1,000,000 by way of a commercial loan to support the development of up to four new children’s homes in Wirral.

The Committee gave an in-principle agreement to the proposal subject to due diligence being carried out and requested that the Director for Children, Families and Education bring a further report back to the Committee at an appropriate date.

This report presents a summary of the external due diligence work carried out and outlines the proposed loan arrangements for the investment.

This is a key decision which affects all Wards.

RECOMMENDATION/S

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

- (1) approves the issue of a commercial loan facility to We Are Juno CIC, in terms approved by the Director of Resources, in consultation with the Director of Law and Governance, as set out in section 5 of this report, in the sum of up to £1,000,000;
- (2) authorises the Director of Resources, in consultation with the Director of Law and Governance, to:
 - (a) settle and perfect such security for the performance of the borrower’s obligations under the commercial loan facility as is offered by We Are Juno CIC to the Council; and
 - (b) agree such minor variations in the terms of the commercial loan facility as are necessary to reflect any changes in circumstances arising during the term of any loan agreed, including any security pursuant to recommendation 2(a) above.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 **The external due diligence has now been completed:** The Children, Young People and Education Committee gave an in-principle agreement for the recommended investment, subject to due diligence being carried out. An external organisation, Camdor Global, was requested to complete the due diligence work, taking into account the business case and financial plans produced by the proposed borrower, We Are Juno CIC. A report was produced, as attached at Appendix A, which provides a balanced overview of the proposals and identifies a recommended loan interest rate for Wirral Council. Appendix A to this report contains exempt information as defined in Schedule 12 A of the Local Government Act 1972. It is in the public interest to exclude the press and public during consideration of this item under paragraph 3 (information relating to the financial and/or business affairs of any particular person including the authority holding the information). Given that the due diligence work is now complete, and a full report can be presented, it is anticipated that the Committee will be in a better position to make an informed decision on whether to recommend the proposal to Policy and Resources Committee.
- 1.2 **To ensure there are local homes for Wirral Children Looked After as the numbers of children in care continues to rise:** Across the Liverpool City Region (LCR), the number of Children Looked After has increased by 18% since April 2016. Wirral Council has implemented a rigorous programme to reduce numbers, however, the current number of children in care is 820, is still high. With 11% fewer independent foster carers than in 2016 and with in-house foster carers reducing across the region, the number of carers is failing to grow in line with increases in Children Looked After.
- 1.3 **To help address the financial pressures for Wirral Council as the costs of placements continues to increase:** With demand outstripping supply, there is no incentive for providers to be competitive in their pricing resulting in costs. Indeed the increase in costs shows little sign of slowing. The current average weekly cost of a residential placement in the North West is £4,196 per week with some placements for children presenting more complex needs, costing over £6,000 per week.
- 1.4 **To provide high quality provision for the borough's most vulnerable children in a market where the quality of current provision is mixed:** Whilst the Council tries to ensure Wirral children are placed in provision rated good or outstanding by Ofsted, the mixed position of quality in the market means that this is not always possible. To mitigate this, the Council has put measures in place to ensure regular quality monitoring and review of premises and organisations offering placements. There remains a need to drive up quality so that children have holistic environments which not only provide basic care requirements, but also provide support for emotional wellbeing and education outcomes.
- 1.5 **To create more local placements and help reduce the number of children who must be placed out of the borough:** Currently residential placements for Children Looked After are commissioned via an established procurement framework - the North West Flexible Purchasing Scheme. This framework offers competitive

placement rates compared with other frameworks across the country. Many local authorities seek to reduce placement costs by commissioning via the North West Flexible Purchasing Scheme thereby reducing the number of local placements available in Wirral. This results in the Council having to place children in out of borough homes away from their families and local communities. It also has a significant financial impact on the Council, given that out of borough placement unit costs are higher and require additional resources to support the child e.g. travel and time required by key workers such as social workers, Independent Reviewing Officers and support workers.

- 1.6 **To increase sufficiency within the current children's care sector:** The Council has an average of 8% of Children Looked After in externally commissioned residential placements. As at the end of April 2021, 61 residential placements were commissioned with 26 children (42.6%) living in-borough and 35 children placed out of borough. Of the 35 children living out of borough, 27 live more than 20 miles away from the Wirral, some as far away as Scotland, Cumbria and Durham, rupturing ties with their local community, peers, schools and, at times, family. These 'at a distance' placements hinder the Council's ability to monitor value for money, quality standards and most importantly the progress and outcomes of the young person. Whilst in some circumstances it is in the child's best interest to be out of area, for safeguarding reasons and/or matching reasons, a proportion of out of area placements relate to lack of current local options.
- 1.7 **To invest in an ethical provider to provide balance to a market dominated by private providers who use growth acquisition models to increase market share and encourage resilience in the supply of placement opportunities :** It is evident that private equity companies have used growth acquisition models (where private companies buy other private companies) to increase their market share in the children's care sector. This means that a large proportion of the children's residential market is owned by small number of private companies. Within the North West, five private providers provide 30% of all residential placements. This risk is that should any of these companies enter significant financial difficulty and be unable to continue to provide homes for children, there would be a significant adverse effect on Wirral's most vulnerable children and young people.
- 1.8 **The current model of growth by acquisition may possibly come to an end or be restricted as the Competition and Markets Authority starts to investigate sales and potentially intervene:** This means the next tranche of private equity owners may not be able to rely on economies of scale and efficiency savings through growth by acquisition. The unavoidable consequence of this is that future profitability of these organisations may need to be gained through higher prices and/or lower service investment.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 **Do nothing.** This option has been considered and discounted given that the current situation is unsustainable. As outlined above, rising costs in the placement market, the increasing needs of children and young people to live in good quality homes and a proportion of private ownership within the market, means that there is not a sufficient supply of suitable accommodation for Wirral children.

- 2.2 Given the current level of demand and level of need within Wirral, this option would increase commissioning pressures resulting in children being placed in lower quality accommodation and increase budgetary pressures.
- 2.3 **Operate a single in-house model for Wirral children only.** This option is being implemented within the Council's Accommodation Programme and plans are in place to build a 6-bed in-house residential facility for Children Looked After with disabilities through the refurbishment of Willowtree Short Breaks Service.
- 2.4 For the proposal outlined in the report, this option has been considered and discounted for several reasons:
- **Meeting the needs of children and young people:** Previous in-house delivery models were ceased because of the challenge in ensuring that children were suitably matched to accommodation which met their needs. The fundamental need which determines a child's placement in residential provision is how the home will best support the needs of the child or young person. Due to the complexity of children now being placed in non-specialist homes, it remains a challenge to match children in the right way to support their outcomes in specific in-house homes. The model proposed allows a rigorous process of matching across the social care children's homes market. This ensures that children can be suitably accommodated where their needs are best met and satisfying those needs is integral to securing a placement. An in-house option solely would not work because it puts significant limitations on the Council to place children in its own homes without wider access to the market. This is different to the specialist provision within Willowtree because the nature of children's needs are more specific and can be matched accordingly.
 - **Financial:** Where appropriate matching is not possible, homes can accrue voids which increase costs, and which can put them under financial pressure. Current large-scale providers mitigate this risk through economies of scale and through wide reaching market presence. Any in-house provision would need to have a sufficient risk mitigation strategy which manages the financial impact of voids. Placing children in homes which do not meet their need to prevent voids, runs the risk of challenge by Ofsted and potential closure. Therefore the in-house model has been discounted on the basis that financial pressures on voids can be avoided with the recommended model.
 - **Resources:** Any in-house provision is fully managed and resourced by the Council. Employees are directly employed under statutory terms and conditions. Attracting employees to roles in residential settings can also be a challenge and Councils often do not have the support functions to intensively recruit staff. Significant back-office support would be required for a large-scale in-house model including senior management oversight, Information Technology infrastructure, building and asset regulatory work, finance and HR functions. All of this would add a significant resource burden onto the Council's own core support functions.
 - **Reputation:** For in-house provision, responsibility for the registration, compliance and support for children and young people would lie solely with the Council. Failing to meet the rigorous requirements as set out by Ofsted resulting in poor

inspection judgements could have a detrimental impact on the reputation of the Council. Local community challenges, neighbourhood disturbances and failing to improve outcomes and meet the needs of children and young people could lead to further reputational damage. The Council does not have the capacity to undertake the extent of the rigour to gain registration and the wider infrastructure support (including finance, administration, specialist expertise) to be confident in its position to set up at the scale of developments and children's homes as outlined within this proposal.

- 2.5 **Commissioning an external provider to provide the service in Council owned property:** This option is being progressed as part of a project within the Accommodation Programme and following agreement from the Children Young People and Education Committee to support an NHS England proposal to develop a new three bedded specialist service to support and prevent children going into Tier 4 mental health provision.
- 2.6 The option of using current Council assets has been considered and discounted given that no appropriate buildings have been found. Work with Housing, Assets, Major Projects and Regeneration colleagues has been undertaken by officers to ensure all avenues for local suitable housing options have been explored. The challenges with owning and maintaining a property are the costs associated with the development and maintenance of the provision, meeting the requirements of Ofsted for the building and the potential lack of interest from providers to deliver a service without ownership of the associated asset.
- 2.7 **Use of flexible lot on the North West Flexible Purchasing Scheme to block contract:** This option is to enter block contract with providers to purchase a set number of beds at a fixed price, via the North West Flexible Purchasing Scheme. Whilst this option provides control over provision and matching of beds available it is likely (from market insight) that there would be a lack of provider interest in this option as demand is higher than supply so there is no reason for providers to offer single local authorities block contracts at a fixed price. This option was also discounted given the lack of available provision within the current market.
- 2.8 **Enter into a Joint venture with a service provider:** The Council could enter a Joint Venture with a corporate partner (public or private) to establish and run the children's homes as a formal partnership. The Council and its Joint Venture partner would need to decide whether to establish a separate legal entity as a vehicle for the joint venture. The four basic legal forms are:
1. Limited liability company;
 2. Limited liability partnership;
 3. Partnership (or limited partnership); and
 4. A purely contractual co-operation agreement.
- 2.9 The Council would need to provide a business case to support the decision to enter a Joint Venture and be quite clear on the scope and purpose of the Joint Venture and the relative bargaining strengths of the parties. The main documents required to establish a corporate joint venture will be the joint venture agreement or shareholders' agreement and the company's articles of association. These

documents should cover, between them, several constitutional aspects of the arrangements and day-to-day operations.

- 2.10 This is a very technical and time-consuming option, which is not warranted, given the level of investment proposed. The proposal outlined in this report does not require the Council to be involved in the direct delivery of services for children. The proposal is to support a kickstart loan to allow the initial infrastructure to be established.
- 2.11 **Inter-Local Authority option [Collaboration/contractual Agreement]:** The option of entering into a formal contractual agreement with other local authorities, such as the Regional Adoption Agency model has been discounted given there is no current commitment to enter an inter-agency arrangement of this nature. The preferred option recommended in this report offers the possibility in future phases of scalability and inter- local authority commissioning as the new homes are rolled out.
- 2.12 **Local Authority Trading Company.** If the Council wanted to set up children's homes and trade services to third parties on the open market, it would be required under s.4 of the Localism Act 2011 and under the provisions of s95 of the Local Government Act 2003 to set up a corporate vehicle. The type of vehicle which may be used includes:
- Company limited by shares or guarantee;
 - Social Enterprise;
 - Unlimited company;
 - Community Interest Company.

Before setting up a corporate vehicle the Council must be able to provide a strong business case to support the proposal. This option was not pursued given the potential long run-in time for delivery and the overly technical nature of the approach, which is not required for the proposed loan investment.

- 2.13 **Teckal:** The Teckal exemption applies where a contracting authority contracts with a legally distinct entity – usually this will be a company that the authority has set up, either on its own or in concert with others to provide services. The conditions for the exemption are that:
- The service provider carries out the principal part of its activities with the authority;
 - The authority exercises the same kind of control over the service provider as it does over its own departments; and
 - There is no private sector ownership of the service provider nor any intention that there should be any.
- 2.14 The advantage of the Teckal exemption is that it allows public authorities to enter service contracts with wholly owned companies without having to conduct a competitive tender exercise under the EU procurement regulations. This option was ruled out on the basis that as the local authority would not wish to maintain control of the management arrangements for the service provider therefore the Teckal exemption rule would not apply.

3.0 BACKGROUND INFORMATION

- 3.1 In March 2019, the Council agreed a Children Looked After Sufficiency Strategy 2019-2022. This Strategy set out the local authority's priorities to respond to the current challenges around sufficiency of high-quality placements. The Strategy outlined plans to ensure good quality, local homes for Children Looked After through the development and exploration of alternative options for residential placement provision.
- 3.2 Following approval of the Sufficiency Strategy a working group was established to develop an initial options appraisal, understand the potential costings and savings, and consider wider opportunities. An options appraisal was presented to Children's Departmental Management Team which resulted in agreement that a mixed model solution was preferred to affect sustainable market change and reduce over-reliance on any sector. Following this, an Accommodation Programme was established to bring together and drive forward a range of projects which would deliver the outcomes identified in the Sufficiency Strategy.

Liverpool City Region Market Reform Programme

- 3.3 In 2019, the Liverpool City Region Directors of Children's Services agreed to establish a Market Reform Programme. The overarching aim of the Market Reform Programme was to explore how commissioning across the LCR local authorities would need to change from its current focus from describing demand and developing frameworks, to better managing supply and intervening and reforming local markets. The Programme purpose was to consider the development of local authority services and the expansion of a local market of community-based enterprises which could include co-operatives, mutuals and community interest companies.
- 3.4 The 'Childrens Market Reform Programme - Blueprint for Change' document published in October 2019 set out a whole-system approach to reform and a series of inter-dependent projects working simultaneously on placement finding improvements, in-house foster care offer, the independent fostering marketplace and risk mitigation. One of the successes of the Programme has been the development of a new commissioning vehicle, the LCR Partner Provider Arrangement, launched in 2020, to become the primary interface with local providers committed to delivering quality and value to local authorities and Children Looked After.
- 3.5 In 2019, LCR Children's Commissioners approached Capacity Lab with a mandate for wider market reform from the Directors of Children's Services to help design a new approach that could meet significant local challenges in the residential market. Capacity Lab has a good track record in service design, used by local authorities, funders and providers from across the North West to interrogate long-standing challenges in communities, to bring people and partners together to work collaboratively and create solutions using evidence-based approaches, and to actively implement new ideas.

4.0 DEVELOPING CHILDREN'S HOMES IN WIRRAL

- 4.1 In October 2019, a proposal was presented to the Director for Children, Families and Education by Capacity Lab which outlined plans to create a new ethical, sustainable

network of residential care homes that would significantly improve the life chances of children living in care. The plan was not to simply replicate existing children's homes models but to develop a network of homes that deliver greater quality, with more comprehensive support to transform opportunities for children and young people.

- 4.2 The proposal outlined an overarching plan to establish 10 homes across the Liverpool City Region, in a two-phased approach. Phase 1 would see the set up of four, 4-bed homes across the region with a further six homes established in phase 2, based on learning from the previous phase and linked to surplus reinvestment. It was outlined that Phase 2 would only commence if several conditions were met from the first phase. This plan would see the voluntary/social enterprise sector of the market increase from 4% to around 14%, whilst simultaneously improve outcomes for young people.

Wirral homes

- 4.3 At the heart of the plan was for two 4-bed residential homes to be established in Wirral (in phase 1) and a further two 4-bed homes in phase 2. The homes would be located in accordance with good practice guidance and all of the legal and practical arrangements for the establishment of the home would be followed in order for them to be set up successfully.
- 4.4 In phase one, the focus of the homes would be on Social Emotional Mental Health residential care provision, mixed gender and caring predominantly for young people aged 12-16 years but with a strong focus on supporting towards independence.
- 4.5 Several key aspects of the business case and plans for Wirral were identified as being of significant benefit for young people. In summary, these include:
- a) Service model: A social pedagogy service delivery model based on international evidence and best practice. Social Pedagogy is a conceptual framework at the meeting point between care and education. It is concerned with the educational dimension of social issues and the social dimension of educational issues, and aims to create a fertile environment for children which is conducive to their well-being and learning, developing their own resources and connecting them to society. Social pedagogy is both a field of practice, and a field of enquiry that crosses disciplines such as social work, education, community development and psychology.
The Social Pedagogy Strategy and Implementation Plan (derbyshire.gov.uk) stated 'We know that its impact in children's residential care has been impressive – with improved educational attainment, fewer children missing from care, better staff morale and fewer physical interventions.'
 - b) Recruitment: A comprehensive staffing model up to 1:1 support during peak hours and based on need. It is focussed on values-based recruitment, assessing behavioural and technical competencies and securing high quality leadership and management in all areas. Young care experienced people are involved every step of the way in the recruitment processes. An experienced

Head of Home and the first Registered Manager have been recruited with the full involvement of Wirral Care Leavers Council.

- c) Employee training and development: Centralised training and development support to upskill staff and create a sustainable workforce self-generating registered managers of the future. An offer of intensive training and Continuous Professional Development setting a new standard in the sector. Partnerships have been formed with the University of Central Lancashire, ThemPra the organisation supporting the sustainable development of social pedagogy, the Lighthouse and the Social Pedagogy Professional Association to drive the social pedagogy element of the workforce development forward. Employment and training local partnerships are developed with employers
- d) Dedicated emotional health and wellbeing support for young people: A Child Psychologist on the team to support the emotional health and wellbeing of children and young people in each of the homes.
- e) Financial: A cost model that is fixed for minimum 3 years.
- f) Community networks: Services rooted in their local communities enabling stronger links to wider local offer e.g. sports, mental health, lower-level youth service provisions, other local providers delivering creative arts, music etc

4.6 In phase two, it was outlined that the homes would have all the above plus the potential to create models of care for young people looked after where currently on the Wirral it is difficult to meet their needs, such as:

- step-down residential care for children and young people leaving secure accommodation;
- provision for children returning to Wirral from out of borough placements;
- a defined local offer for young people exposed to criminal exploitation where it is safe for them to stay on the Wirral.

4.7 The timescale for Phase 1 from commencement to implementation is October 2021 to March 2022 and for Phase 2 from January 2023 to September 2023. In order to provide the organisational delivery management and oversight, a community interest company, We Are Juno CIC (CRN 12999413), was formed on 5 November 2020 to act as the service delivery company and main hub for administrative support e.g. Human Resources, Information Technology etc. for the children's homes as they became operational.

Request for support

4.8 In order to provide the kick-start funding for phase 1 to deliver the plans outlined, Capacity Lab are seeking investment from the Council and wider social investors. Details of potential social investment is identified within section 12 of this report. It should be noted that the social investment is contingent on investment from the Council.

- 4.9 The Council is being requested to provide a £1,000,000 commercial loan to support the social enterprise organisation (We Are Juno) to:
- Provide initial rental allocation or purchase new properties and accounts for the need to expend capital to refurbish/renovate properties prior to opening;
 - Take account of a predicted time-lag (void costs) of approximately 4 -6 months prior to young people living in the home for building renovations, staff recruitment, Ofsted registration etc; and
 - Enable recruitment, selection and training of employees as well as start-up salaries prior to full functioning of the home/s.

Due Diligence

- 4.10 An external organisation, Camdor Global Advisors, was appointed to examine the opportunity and proposal presented, assess the organisation, We Are Juno and evaluate the interest rate for the loan. It should be noted that the preferred interest rate outlined in the business case was 5%.
- 4.11 The analysis report provided by Camdor Global Advisors (“Camdor”) is attached in the exempt Appendix A. In summary, analysis work carried out included:
- A market research exercise to provide context to the care sector and the key features of the investment landscape;
 - Review and analysis of the parent organisation Catch 22 and Capacity Lab, the incubator company;
 - Evaluation of comparable interest rates for loans on two categories comprising
 - Loans provided to start-up companies with revenues supported by public sector bodies;
 - Loans provided to organisations with clear social impact aspects, often to not for-profit entities.
- 4.12 The Camdor report made the following findings:
- (a) the investment has both a financial return (i.e. the interest rate on the loan) as well as a social impact return for the Council, as it disrupts the current landscape of providers, which are largely for-profit dominated;
- (b) There is a large undersupply of services to the children’s homes sector, with almost 400,000 children in need compared to 80,000 children currently in care.
- (c) Local authorities have experienced challenges in funding their own children’s homes due to high upfront capital expenditure requirements and the stigma of the sector more generally. This has resulted in a dominance of private companies providing these services, often at excessive costs in response to the extreme demand. These costs ultimately must be paid by local authorities who have an obligation to support children in need within their borough. These local authorities are also already experiencing budgetary pressures which are exacerbated by the costly services offered by private companies.
- 4.13 The Camdor report identified that the following stakeholders are involved in the proposals:

- We Are Juno CIC is the delivery company, but has no operational history. This represents a notable risk as revenues are yet to be generated and much of the return is contingent on the business plan coming to fruition;
- Catch 22 (as parent company) and Capacity Lab (incubator company) have healthy financial positions for not-for-profit organisations, however no guarantee has been provided by either entity;
- Catch22 has provided a letter of comfort which states that it is their policy to provide guidance and expertise to We Are Juno to help ensure it can meet financial obligations and achieve its business plan. It should be noted that this letter of comfort is expressed not to be legally enforceable and the Council will not be able to seek a remedy if there is a default.

4.14 In terms of loans for start-up companies the Camdor report indicated that the interest rates are generally between 4%-16% and that:

- social impact loans are generally lower with rates ranging from 4% to 8%; and
- considering the indirect financial and non-financial returns to the Council and the cost savings presented (circa £200 per week per child) it was concluded that a suitable range for the loan's interest rate is between 6% and 8%.

4.15 Considering the due diligence report and further to discussions with Capacity Lab regarding the timescale for payment, it is proposed that an interest rate of 7.5% will be applied to the loan.

5.0 FINANCIAL IMPLICATIONS

5.1 The loan agreement would be for £1,000,000 over a 12-year period, at 7.5% interest per year. There would be no repayments (capital or interest payments) in the first 3 years, to allow the organisation to build sufficient cash balances during the start-up phase of the business. This is based upon the loan being unsecured, with no collateral or guarantor available and this is reflected in the recommended interest rate as per the external advice received (exempt Appendix A).

5.2 Interest at a rate of 7.5% would generate £75,000 in revenue per year, deferred for the first three years. The loan would be managed and operated from within the Council's Treasury Management function and funded from within the Council's cash flow management policy. There will be some financial implications of deferring the interest repayment for the first three years as the council would either have to borrow to finance the loan, or the opportunity to invest its surplus cash flow for three years would be lost. This amounts to £20,000 per year for each of the three years. However, this will be more than recouped from the £75,000 per year in interest payments over the subsequent remaining 9 years of the loans.

5.3 The loan would enable placement of Wirral children in-borough at a fixed price for the next three years, which would be at sub-market cost, creating a cost saving of circa £200 per week per child placement. This would also help to reduce the need for expensive out of borough placements. This is part of the Council's Medium Term Financial Strategy to reduce high-cost placements. The initial investment required

will result in a time lag on savings to be made in the first year of operation. However once phase 2 is in operation, savings of circa £170k per year will be realised on a permanent basis from 2024/25 with a proportion of the savings being achieved from 2022/23

- 5.4 The interest rate charged will be reviewed every three years. This will then reflect any altered risk from any changes in the Council's cost of borrowing, as well as any change in the organisation's performance, assets and security. This means the interest rate when reviewed could increase or decrease dependent upon the position at that time.
- 5.5 Provision is made in the recommendations for the Director of Resources, in consultation with the Director of Law and Governance, to adjust the interest rate in the event that a security or guarantee is offered by the organisation.

6.0 LEGAL IMPLICATIONS

- 6.1 The following Legislation is relevant to the provision of care homes for children:-
The Care Act 2014 and supporting guidance;
The Children's Homes (England) Regulations 2015; and
The Care Standards Act 2000.
- 6.2 Under Section 12 of the Local Government Act 2003 the Council may invest:
- (a) for any purpose relevant to its functions under any enactment, or
 - (b) for the purposes of the prudent management of its financial affairs.
- 6.3 The Council also has a general power to make loans under the General Power of Competence in Section 1 of the Localism Act 2011. This power is supplemental to Section 12 of the Local Government Act 2003.
- 6.4 The commercial loan arrangement documentation will be drawn up by the Council's legal services and entered into by the relevant parties. If additional security is to be taken to support performance of the borrower's commitments this will be settled and perfected by the Council.
- 6.5 A loan from a local authority to a third party can fall under the category of a public subsidy under the UK-EU Trade and Cooperation Agreement, which has replaced the previous State Aid regime post-Brexit. A 'subsidy' can be described as a financial contribution provided by a public authority (which would include the Council) which confers a benefit on the recipient. A financial contribution includes, but is not limited to, measures such as direct transfers of funds, such as the loan described in this report, as well as potential transfers of funds, for example the giving of a guarantee or the foregoing of revenue.
- 6.6 The Council, to avoid breaching the subsidy control regime, has to demonstrate that the decision to grant the loan is based on an economic evaluation comparable to that would be affected by a rational market operator in similar circumstances. This is known as the Market Economy Operator Principle test. Whilst the Council would be afforded a margin of discretion by the Courts when taking an investment decision of

this type, the economic evaluation should be based on objective criteria and is to be carried out by an expert with appropriate skill, experience and expertise.

- 6.7 The report by Camdor sets out the basis for a commercial loan and this is reflected in the recommendations. It is therefore considered that the Market Economy Operator Principle test is satisfied by virtue of the proposed arrangements.
- 6.8 Commissioning of any placements in any residential care facility would need to comply with the requirements of all relevant procurement obligations including the Public Contracts Regulations 2015 and Part 4 Section 6 of the Council's Constitution – Contract Procedure Rules.

7.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 7.1 There are no significant Information Technology issues arising out of the report.
- 7.2 There are no significant staffing issues arising out of the report. However, officers from across several departments across the Council have been involved in the collaboration with and work with the Capacity Lab and We are Juno and will continue to be involved either indirectly through overseeing various elements of the project from a Council perspective or through representation within the formal governance arrangements of the social enterprise backbone organisation.
- 7.3 Work will need to continue with the Council's Asset teams to explore the feasibility of acquiring property or land to support the development.

8.0 RELEVANT RISKS

- 8.1 Risks to the Council include:
 - a) Failure to pay the loan back due to any reason including business failure: Any loan needs to be assessed under Accounting Standards for its potential bad debt provision. This would mean the Council would have to set aside revenue or reserves to cover this risk assessment. The benefit of this model is that the organisation appointed will have access to social investment mitigating some of the risk of 'bad debt';
 - b) Any loan made by the Council in connection with this proposal must be on commercial terms and at or above commercial interest rates to ensure compliance with subsidy control law: This risk is mitigated by the exempt report attached as Appendix A. There is provision for a payment holiday of capital loan repayments should the borrower cease to be able to meet repayment terms, which if applied will create a revenue pressure for the Council on borrowing costs;
 - c) Failure to provide financial savings to the Council: This risk must be weighed up against the improved offer of homes for vulnerable children and young people and the potential quality of support to improve outcomes for young people. The escalating placement costs which are continuing to rise means that alternative options need to be explored even if they do not achieve the full financial return

expected. The expected savings from this programme, once fully operational, are estimated to be £166,400 per year;

- d) Failing to deliver the programme outlined and the children's homes on Wirral: The loan agreement will include conditions for repayment of the loan if the project is not completed. The impact of this risk and the significance of a third-party guarantee not being offered by We Are Juno CIC is mitigated by the market equivalent rate of interest to be charged on any loan made and the provision for non-repayment of debt;
- e) Reputational damage should the homes fail to obtain registration or are do not deliver on the quality of provision promised: This risk will be mitigated by the Council having oversight of the progress of the project throughout its establishment and will be able to guide and support the backbone social enterprise organisation. The Council will have influence over the strategic direction of the backbone organisation and be regularly sighted on performance monitoring and quality assurance activity/analysis.

9.0 ENGAGEMENT/CONSULTATION

- 9.1 Fundamental to the development of new residential models has been understanding what young people want and need. Their views and aspirations have been integral to shaping and designing the models outlined. They have said:

*“Good quality homes and accommodation for us are what we want **you** to make **your** priority”*

“We want to be supported by people who care”

“We want to be near our family, school and friends’

- 9.2 Care experienced children will have the loudest voice throughout the implementation and delivery of the proposal.
- 9.3 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.
- 9.4 Children and young people have played an integral part in designing and influencing the development of the projects. Their voice will be maintained throughout.

10.0 EQUALITY IMPLICATIONS

- 10.1 The proposed children's homes will bring more choice locally for children, young people looked after with a vastly increased likelihood of being able to offer them provisions to meet their needs on the Wirral.
- 10.2 Consistency of education, peers and contact with family and the team of local professionals around Children Looked After is likely to lead to much greater emotional and placement stability.

- 10.3 Looking to provide excellent accommodation standards in good areas, near good schools raises aspirations for Children Looked After.
- 10.4 Environmental considerations will consider the sensory needs and triggers for children with adverse childhood experiences and who have suffered trauma and neglect including noise, physical structure, colours and patterns, labelling, lighting, window coverings, smells and temperature.
- 10.5 An Equality Impact Assessment will be required for each home with a view to assessing and mitigating any equality impacts.

11.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 11.1 There is the opportunity during any purchase, lease or refurbishment of property to ensure that a low carbon footprint design is undertaken.
- 11.2 The recommendations contained in this report are expected to have a neutral effect on emissions and greenhouse gases.

12.0 COMMUNITY WEALTH IMPLICATIONS

- 12.1 The proposal outlined within this report has the potential to bring significant additional investment to the borough of Wirral. In summary, this includes:
- potential £250,000 from the National Lottery Community Fund for a 2-year development grant to support youth participation, social pedagogy learning and evaluation. This application is through to the second stage of the evaluation process but contingent on the investment decision from Wirral;
 - Segelman Trust: potential investment of £150,000 of development grant to support core costs and is pending approval of investment from Wirral;
 - Steve Morgan Foundation have committed to invest £600,000 plus building of high spec children's homes on land identified and work is progressing with social landlords to progress this;
 - Secured £600,000 from Green Pastures for the purchase and refurbishment of one of the homes.
- 12.2 As the investment catalyst, Wirral Councils investment could enable We Are Juno CIC to secure additional funding which will create employment opportunities in multiple sectors including construction, care and training and development bringing new opportunities and funding to the borough. As a social enterprise, the organisation is committing to providing opportunities within the borough that will help generate growth across many areas.

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APPENDICES

Appendix A – Camdor Report. Appendix A to this report contains exempt information as defined in Schedule 12 A of the Local Government Act 1972. It is in the public interest to exclude the press and public during consideration of this item under paragraph 3 (information relating to the financial and/or business affairs of any particular person including the authority holding the information).

BACKGROUND PAPERS

Social pedagogy and the children's workforce | Community Care

Pedagogy – a holistic, personal approach to work with children and young people, across services European models for practice, training, education and qualification 2009
<https://core.ac.uk/download/pdf/82095.pdf>

Introducing Social Pedagogy into Residential Child Care in England 2008 report
http://www.sppa-uk.org/wp-content/uploads/2016/10/introducing_sp_into_rcc_in_england_feb08.pdf

The Relevance of Social Pedagogy in Working with Young People in Residential Care 2011
<http://thempra.org.uk/downloads/Essex%20Social%20Pedagogy.pdf>

2019 Social Pedagogy-informed Residential Child Care
https://www.researchgate.net/publication/330766123_Social_pedagogy-informed_residential_child_care

[literaturereview.pdf \(scie.org.uk\)](#)

[Social pedagogy - Lighthouse Children's Homes \(lighthousechildrenshomes.org.uk\)](#)

[Home - ThemPra Social Pedagogy](#)

[Wirral Borough Council's Accommodation Programme](#)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Children, Young People & Education Committee	15 th June 2021

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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