



Economy Regeneration & Housing Committee

Date:	Thursday, 26 January 2023
Time:	6.00 p.m.
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Anna Perrett
Tel: 0151 691 8564
e-mail: annaperret@wirral.gov.uk
Website: www.wirral.gov.uk

Please note that public seating is limited, therefore members of the public are encouraged to arrive in good time.

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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 minutes of the meeting of the Economy, Regeneration and Development Committee held on 7 December 2022, attached.

5. PUBLIC AND MEMBER QUESTIONS

Please telephone the Committee Services Officer if you have not received an acknowledgement of your question/statement by the deadline for submission.

5.1 Public Questions

Notice of question to be given in writing or by email by 12 noon, Monday 23 January 2023 to the Council's Monitoring Officer via this link: [Public Question Form](#) and to be dealt with in accordance with Standing Order 10.

For more information on how your personal information will be used, please see this link: [Document Data Protection Protocol for Public Speakers at Committees | Wirral Council](#)

Please telephone the Committee Services Officer if you have not received an acknowledgement of your question by the deadline for submission.

5.2 Statements and Petitions

Statements

Notice of representations to be given in writing or by email by 12 noon, Monday, 23 January 2023 to the Council's Monitoring Office (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 11.1.

Petitions

Petitions may be presented to the Committee if provided to Democratic and Member Services no later than 10 working days before the meeting, at the discretion of the Chair. The person presenting the petition will be allowed to address the meeting briefly (not exceeding three 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. If a petition contains more than 5,000 signatures, it will be debated at a subsequent meeting of Council for up to 15 minutes, at the discretion of the Mayor. Please telephone the Committee Services Officer if you have not received an acknowledgement of your statement/petition by the deadline for submission.

5.3 Questions by Members

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

SECTION A - KEY AND OTHER DECISIONS

- 6. UTILISATION OF PROCURE PARTNERSHIPS FRAMEWORK (Pages 5 - 20)**

SECTION B - BUDGET AND PERFORMANCE MANAGEMENT

- 7. BUDGET SETTING 2023/24 (Pages 21 - 64)**

SECTION C - WORK PROGRAMME / OVERVIEW AND SCRUTINY

- 8. WORK PROGRAMME UPDATE (Pages 65 - 74)**
- 9. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

The following items contain exempt information.

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

- 10. BUDGET SETTING - WORKSHOP APPENDICES (Pages 75 - 84)**
- 11. ACQUISITION OF NATIONAL GRID LAND, NORTHSIDE (Pages 85 - 102)**
- 12. HIND STREET REGENERATION – PROCUREMENT OF GRANT FUNDING ENABLEMENT WORKS (Pages 103 - 114)**

Terms of Reference

The terms of reference for this committee can be found at the end of this agenda.

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ECONOMY REGENERATION & HOUSING COMMITTEE

Wednesday, 7 December 2022

Present: Councillor T Jones (Chair)

Councillors	P Martin	A Hodson
	G Wood	I Lewis
	G Davies	L Rennie
	J Robinson	J Grier
	D Burgess-Joyce	D Mitchell

32 **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 for two years.

33 **APOLOGIES**

No apologies for absence were received.

34 **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

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

No such declarations were made.

35 **MINUTES**

The Chair presented the minutes of the Economy, Regeneration and Housing Committee held on 19 October 2022.

Resolved - That the minutes of the meeting of Economy, Regeneration and Housing Committee held on 19 October 2022 be approved and adopted as a correct record.

36 **PUBLIC AND MEMBER QUESTIONS**

No questions, statements or petitions from the public or Councillors had been received.

37 UK SHARED PROSPERITY FUND

The Head of Economic Growth presented the report to the Committee which provided an overview of the UK Shared Prosperity Fund (UKSPF) and the mechanisms for delivery of the Liverpool City Region Combined Authority's (LCRCA's) allocation. A proportion of LCR's UK Shared Prosperity Fund (UKSPF) funds would be allocated for direct delivery by the six constituent Local Authorities with commencement expected in the financial year 2022/2023.

The report sought approval for the Council's Phase 1 Investment Plan of £1.53m and delegated authority to commence delivery on receipt of the relevant grant funding permissions.

Members were informed that the LCR allocation of UKSPF represented a significant reduction in funding for the region in comparison to funding received from European programmes between 2014 and 2020. The committee sought and obtained an explanation regarding the criteria for the 18.9% allotted allocation, the re-allocation of unspent funding and the level of compliance and reporting that the Council will be undertaking on receipt of the funding.

Resolved – That

- 1. the submission of Wirral Council's Phase 1 Investment Plan to the Liverpool City Region Combined Authority (LCRCA) be endorsed.**
- 2. Delegated authority be granted to the Director of Regeneration and Place to:**
 - (a) make such changes to Wirral Council's Phase 1 UK Shared Prosperity Fund ("UKSPF") Investment Plan as may be necessary to reflect any feedback received from the LCRCA, provided such changes do not have a material impact on Council resources between different intervention areas.**
 - (b) review and accept the UKSPF Phase 1 grant funding agreement of £1.53m from the LCRCA;**
 - (c) commence delivery of the UKSPF Phase 1 programme in line with the grant funding agreement and change control process;**
 - (d) ensure any spend in advance of the grant funding agreement is only in extenuating circumstances where the viability of any project is at risk due to financial timescales; and**

- (e) negotiate and accept management funds for the staffing resource assigned to management, monitoring and evaluation of the Wirral UKSPF Programme.**

38 REVENUE AND CAPITAL BUDGET MONITORING FOR QUARTER TWO

The Senior Manager Finance presented the report which set out the financial monitoring information for the Economy Regeneration & Housing Committee as at quarter 2 (1 Jul – 30 Sep) of 2022-23. The report provided Members with an overview of budget performance, including progress on the delivery of the 2022-23 saving programme and a summary of reserves to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

At the end of Quarter 2, there was a forecast adverse position of £0.237m on the Committee's net revenue budget, of £14.583m. This included the costs of the staff Pay Award which was £0.345m above the 3% pay award budget that had been built in to 22-23 budget. This position was based on activity to date, projected trends in income and expenditure and potential mitigation to offset areas of adverse variance.

Without the pay award there would have been an overall favourable position of £0.104m.

Members queried the costings around the Merseyside Environmental Advisory Service contract. A discussion was also had on the number of Homeless people, including prevention and resettlement in the borough. It was agreed that further work be undertaken by the Committee on this issue. Further queries from Members relating to budget reporting, grant funding and real living wage.

Resolved – That

- (1) the forecast revenue position presented at Quarter 2 be noted;**
- (2) the progress on delivery of the 2022-23 savings programme at Quarter 2 be noted;**
- (3) the forecast level of reserves at Quarter 2 be noted; and**
- (4) the capital forecast position of £39.061m at Quarter 2 be noted.**

39 WORK PROGRAMME UPDATE

The Lead Principal Lawyer presented a report on the work programme for the municipal year. He also informed members that the Regeneration Working Group had met since the previous meeting and arising from that Group was a suggested workshop session with members of the Committee, which would be beneficial to obtain an overview of the timelines of the various major regeneration programmes. He also indicated that members input in relation to

housing and homeless matters would be best dealt with via a workshop in the first instance.

Members discussed several items on the work programme including Council House building and the Mass Transit Business Case. The Director of Regeneration and Place indicated that she intended to arrange workshops relating to housing and homelessness matters and also relating to Regeneration Programmes. Members expressed a preference for the next workshop be held in person.

Resolved – that the Economy, Regeneration and Housing Committee work programme for the remainder of the 2022/23 municipal year be noted.

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

Resolved – That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds 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

41 **APPENDIX 2 - UKSPF WIRRAL INVESTMENT PLAN PHASE 1**

Resolved – That the exempt appendix be noted.



ECONOMY REGENERATION AND HOUSING COMMITTEE

26 JANUARY 2023

REPORT TITLE:	UTILISATION OF PROCURE PARTNERSHIPS FRAMEWORK – BIRKENHEAD WATERFRONT PROGRAMME, CONWAY STREET / EUROPA BOULEVARD AND GRANGE ROAD / CHARING CROSS / GRANGE ROAD WEST MOVEMENT PROJECTS
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks members’ approval to delegate authorisation to the Director of Regeneration and Place to utilise the Procure Partnerships Framework to appoint a suitably qualified and experienced main contractor to develop the design and carry out the construction works in relation to the highways, public realm and active travel schemes across the Birkenhead Waterfront Programme (at Appendix 1) and in Birkenhead Town Centre via the Conway Street / Europa Boulevard (at Appendix 2) and Grange Road / Charing Cross / Grange Road West (at Appendix 3) Movement Projects.

Town centre regeneration, transport improvements and the creation of high-quality places is a long-standing priority for the Council and is reflected in the Wirral Council Plan 2021-2026 and the Birkenhead 2040 Framework. The proposals contained in this report directly support the following key themes within the Wirral Plan:

- A thriving and inclusive economy, creating jobs and opportunities for all;
- A clean-energy, sustainable borough, leading the way in tackling the environment crisis;
- Safe and pleasant communities that our residents are proud of; and
- Healthy and active lives for all, with the right care, at the right time.

The project’s aim to create an environment that is safe and attractive for both pedestrians and cyclists in order to support modal shift and address the environment and climate emergency. These infrastructure improvements will be a critical pump priming element to the ongoing regeneration plans for Birkenhead and will contribute significantly to creating a platform for further investment.

This matter affects the ward of Birkenhead and Tranmere.

This is a key decision given that its value is more than £500,000.

RECOMMENDATIONS

The Economy Regeneration and Housing Committee is recommended to authorise the Director of Regeneration and Place to:

- (1) commence a procurement exercise by way of a mini tendering process via the Procure Partnerships Framework for the appointment of a main contractor to develop the design and carry out the construction works in relation to the highways, public realm and active travel schemes across the Birkenhead Waterfront Programme and in Birkenhead Town Centre via the Conway Street / Europa Boulevard and Grange Road / Charing Cross / Grange Road West Movement Projects; and
- (2) approve the appointment of a main contractor under a pre-construction services agreement following completion of a tender submission

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Birkenhead Waterfront and Central Birkenhead (Town Centre) Programmes have been awarded significant funding from the Levelling Up Fund (LUF), Future High Streets Fund (FHSF), Active Travel Tranche 3 (ATF T3) and Town Deal (TD). All the Programmes are time limited. These time related pressures are exacerbated by the current inflation in construction costs and the availability of suitable contractors in a very competitive marketplace due to similar funding awards in many other authorities. Choice of the recommended procurement route and the use of a suitably qualified and experienced main contractor will bring significant benefits and efficiencies to the process, will greatly aid project certainty, ensuring that funding deadlines are met, and the Programmes are delivered as efficiently as possible.
- 1.2 The public realm and highway infrastructure projects contained in the Birkenhead Waterfront and Town Centre Programmes have been awarded significant funding from the LUF, FHSF, Active Travel ATF T3 and TD. They are key projects within the Birkenhead 2040 Framework Strategy. Birkenhead Waterfront is one of the 8 spatial priorities and the immediate Woodside location contained within this area is one of the specific catalyst projects identified.
- 1.3 Supporting the economy is a further priority and Birkenhead Town Centre plays a very important economic function as the home of the high street. The FHSF and ATF T3 projects directly support the revitalisation of the retail core alongside phase 1 of the new Business Commercial District (currently on site), as well as enabling planned high quality residential development locally and other investments.
- 1.4 Sustainable travel is at the heart of the Birkenhead 2040 Framework and emerging Local Plan. The funding streams in this report feed into a range of schemes in these Programme areas and alongside the movement focused projects are part of a wider regeneration Programme to deliver a prosperous, inclusive economy to benefit local residents.
- 1.5 The Council is already signed up to the Procure Partnerships Framework for utilisation under an existing access agreement. There are significant efficiencies in utilising the Procure Partnerships Framework to secure the appointment of a suitably qualified main contractor via a two-stage procurement process which will allow the Council to speed up the delivery of a number of individual regeneration projects across Birkenhead Waterfront and Town Centre Programme areas.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could decide to not to progress with the procurement exercise. This is not considered to be an appropriate option given that funding has been secured and supporting regeneration and active travel is in line with the Council's emerging Local Plan, Birkenhead 2040 and the commitments to addressing the climate and environment emergency, improving the health of Wirral's residents and encouraging alternative modes of transport to the private car.

- 2.2 The use of open tendering has been considered but discounted due to the additional time that this process would require. The utilisation of a fully compliant framework allows the Council to maintain an open and transparent procurement process whilst reducing the time taken to engage a suitable main contractor. This approach will enable delivery to be in line with that required by funding bodies whilst striving to recover lost time and maintain the required programme outcomes.
- 2.3 The Council could consider other tendering methods such as a traditional full tender using “Find A Tender” but that would risk delivery of time critical infrastructure projects to the possible detriment of Birkenhead Waterfront, Town Centre, and the Council’s emerging Local Plan. That process can be lengthy to accommodate advertisement of the scheme, assessment of interested parties, due diligence review, shortlisting and ultimate tendering; given the timeframes associated with this project it is not deemed feasible to utilise this route.
- 2.4 Furthermore there is considerable demand for main contractor services of this nature and these need to be secured without delay. All funding provided by the FHSF and ATF T3, is required to be spent by 31st March 2024 therefore it is imperative to avoid further delay and commence activity to develop and deliver the projects.

3.0 BACKGROUND INFORMATION

- 3.1 On 27 October 2021, the Council received notification of the outcome of its submission to the first round of the Department of Levelling Up, Housing and Communities (DLUHC) LUF. This announcement set out that the Council had received its full requested allocation of £19,648,873 for a package of projects at Waterfront.
- 3.2 The Liverpool City Region Combined Authority (LCRCA) has also been successful in its application to the LUF for £37,520,000, for a package of strategic transport infrastructure projects across the City Region, including projects as part of the Central Birkenhead Gateway. The Wirral allocation of the City Region LUF is £9,700,900. The Council has also been awarded £2,225,000 of funding from the LCRCA as part of the ATF T3 to support the delivery of the Conway Street / Europa Boulevard Movement Project.
- 3.3 On 26 December 2020, the Council received notification of the outcome of its FHSF submission to the then Ministry of Housing, Communities and Local Government. This set out that Birkenhead was one of only 15 areas nationally that had received its full requested allocation. This award of £25,581,011 will support the regeneration of Birkenhead Town Centre into a diversified, mixed-use centre with a new modern market, new homes and a series of highways, connectivity and public realm projects.
- 3.4 A successful TD bid of £3,031,380 will also fund elements of the Waterfront Programme and delivery will be designed to be seamless across this package of funding elements with the time critical appointment of a single main contractor appointment who will co-ordinate all of the interventions across this combined regeneration bid area.
- 3.5 A main contractor is required to utilise LUF, ATF T3, FHSF and TD funding and implement extensive public realm, active travel and highway infrastructure projects to bring significant regeneration benefits to the Birkenhead Waterfront and as part of

the Birkenhead Town Centre programme highway, active travel and public improvements at Conway Street / Europa Boulevard and Grange Road / Charing Cross / Grange Road West. The main contractor would be the vehicle to bring together a wide range of technical and experienced professionals to complete the design of the various interventions to be consulted upon and delivered. Having one contractor support / deliver the Waterfront and Town Centre Birkenhead Programmes will enable significant benefits from a cost and efficiencies perspective as well as enabling improved network management and co-ordination which will minimise disruption as much as possible.

- 3.6 Given the scale and ambition of Wirral's regeneration programme and the importance of evidencing delivery capability for the project, it is vital that the wider project team includes individuals with significant expertise and relevant experience when part of the collective design and construction team, can think innovatively and creatively to meet the client brief. This is a once in a lifetime opportunity to act as the catalyst for change in Birkenhead. The appointed main contractor will be responsible for driving forward an ambitious and innovative approach to placemaking. The successful bidder will need to marry technical excellence with an inclusive approach to placemaking as the animation of the public realm space will be as important as the infrastructure works.
- 3.7 Officers have already tested the market and held early contractor engagement meetings which has established that the market remains buoyant and there is an appetite within the marketplace for the proposed developments.
- 3.8 It is considered that a main contractor should be selected via a competitive two stage tender process, procured via the Procure Partnerships North West Framework for projects in excess of £15m. The procurement of the main contractor should be broken down into delivery interventions in line with the anticipated programme of works required to align with the funding partner requirements. This framework presents three main contractors who have the necessary skills, knowledge and experience to carry out the works, all of whom have expressed a wish to be invited to submit a competitive tender. The three framework contractors are:
- Galliford Try Limited;
 - John Graham Construction Limited; and
 - John Sisk and Son Limited.
- 3.9 All three contractors will be invited to submit a Bona Fide Tender on the following basis:
1. Initial works for Conway Street and Grange Road Schemes currently at RIBA Stage 3. A fully priced submission is required;
 2. The Birkenhead Waterfront Development Programme, currently at RIBA Stage 1, will require
 - Pre-construction Services Agreement fee;
 - On-site Preliminary works; and
 - Fixed Overheads & Profit.
- 3.10 The appointed main contractor will be expected to deliver tasks as identified in the RIBA 3 and 4 stages of work for the Waterfront Programme. In relation to the Town

Centre schemes the main contractor will be expected to deliver tasks as identified in RIBA 4 only, as the existing design work on these is further advanced.

- 3.11 In order to seek to reduce the anticipated programme length the key tasks within the scheduled work programme have been scrutinised to ensure that the Council would be compliant in respect to both delivery / spend deadlines. In consideration of this there is a need to keep the procurement timescale to the absolute minimum in order to adhere with grant funding agreements.
- 3.12 All of the above equates to a sound case for utilising the selected framework that will bring considerable speed and efficiency to delivery of this time critical project. Any slippage, given the timing constraints, will risk reputational and financial damage to the Council and hinder the success of future funding bids for regeneration projects which must be mitigated by the action as proposed. Table 1 below sets out the high-level budget allocations, funding streams and timescales for the various schemes.

Table 1

Programme	Scheme Name	Funding Stream	Funding allocation	Forecast detailed design (RIBA 4) completion	Forecast scheme opening	Final spend deadline
Town Centre Birkenhead	Conway St / Europa Boulevard / Claughton Rd	FHSF / ATF T3 / Private Sector Contribution	FHSF – £3,904,059 Active Travel – £2,225,000 Private Sector – £1,170,000 Total - £7,299,059	APR-23	MAR-24	NOV-24
	Grange Rd / Charing Cross / Grange Rd West	FHSF	£2,969,245	APR-23	MAR-24	MAR-24
Waterfront	Argyle Street	LCRCA LUF	£9,700,900	MAR-24	MAR-25	MAR-25
	Woodside Area	Wirral Council LUF	LUF - £8,805,350 WMBC Local Contribution - £1,119,407 Total - £9,924,757	MAR-24	MAR-25	MAR-25
	Hamilton Square / Hamilton	TD	£3,031,380	MAR-24	MAR-25	MAR-25

	Station Plaza					
	TOTAL		£32,925,341			

4.0 FINANCIAL IMPLICATIONS

- 4.1 The Council has been successful in securing external funding from FHSF, LUF, ATF T3, and TD to support the delivery of the Birkenhead 2040 Framework. The total funding in relation to this package of projects is detailed in Table 1 and exceeds £32.9million. The FHSF and ATF T3 element must be incurred by March 2024, LUF by March 2025 (by exception) and TD by March 2026.
- 4.2 The appointment of the main contractor for the Birkenhead Waterfront and Town Centre Programmes are subject to negotiation / finalisation as part of the contract award process, however these costs will not exceed the budget allocation in place for this specific contract, which forms a component of the overall programme budget. Expenditure will be incurred in line with the requirements of the funding streams available, which will cover the costs in full.
- 4.3 Future revenue maintenance costs will be met from the Highway Maintenance Revenue Budget. Highways maintenance colleagues are part of the project team to ensure that work is undertaken and designed in line with the council’s highway asset management principles to ensure value for money. Capital investment as part of these projects will result in reduced revenue maintenance liabilities and the value of this will be calculated going forward as part of life cycle planning as the design work and costings are developed further in 2023 in conjunction with the relevant design teams.

5.0 LEGAL IMPLICATIONS

- 5.1 The Public Contracts Regulations 2015 (“the 2015 Regulations”) provide at paragraph 33 (8) that a framework agreement shall be performed in the following way:
- (c) where not all the terms governing the provision of the works, services, and supplies concerned are laid down in the framework agreement, through reopening competition amongst the economic operators which are party to the framework agreement” (i.e. a mini / further competition).
- 5.2 Carrying out a mini completion would ensure compliance with the 2015 Regulations.
- 5.3 The Council has statutory duties as defined by the Highways Act 1980, Road Traffic Regulations Act 1984, Road Traffic Act 1988, Local Government Act and the Traffic Management Act 2004. All highway schemes will require technical approval by the Director of Neighbourhoods to ensure these statutory duties are complied with.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The programmes will be managed respectively by existing staff from within the Council’s Regeneration and Place Directorate and Neighbourhoods Services Directorate, supported by the Regeneration Programme Management Office.

- 6.2 Existing staff resources will be used for the project development, detailed investigation, design and supervision of these schemes, supplemented by the external specialist support which is the subject of this report.
- 6.3 The Council has established working groups to support the Waterfront Programme delivery including a range of local stakeholders and officers from the Liverpool City Region Combined Authority, to ensure that any project dependencies or resourcing issues are addressed at the earliest opportunity. Various project teams are also set up to support the delivery of the projects in Birkenhead Town Centre and there is commonality across the teams in terms of key Council staff coordinating this combined package of works.
- 6.4 Future maintenance and cleansing of the completed schemes will be undertaken by the arrangements in place through Neighbourhood Services. No new highway will be created by the proposals, but carriageway space will be re-allocated for footways and cycle tracks.

7.0 RELEVANT RISKS

- 7.1 The Council recognises that risk management is essential in good decision making and is a critical element of good governance. The Council continually develops its risk management processes to proactively and effectively manage risk.
- 7.2 The Council has recently established a Project Management Office (PMO) dedicated to the Regeneration and Place directorate. The PMO has oversight of all Waterfront and Town Centre projects and will ensure that they align with the Council's corporate policy to managing risk.
- 7.3 A programme Risk Register has been developed, informed by individual Risk Registers for each project. These will be updated throughout the programme lifecycle through the Council's Regeneration Programme Management Office, in order to assist the Council in identifying, controlling and managing risk.
- 7.4 The major immediate risk is the delay in appointing a main contractor for the identified projects and the subsequent delay in delivery and external funding spend. The most time critical of the funding streams is the FHSF and ATF T3 which must all be spent by 31 March 2024. LUF must be spent by March 2025. The recommendations within this report are framed with a view to mitigating this risk.
- 7.5 The current macro-economic picture is dictating significant increases in inflation and cost of materials which may impact the total cost of works. If cost increases do materialise, the scope of the projects will decrease to ensure that the total cost does not exceed the value of the grant received.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultations will be undertaken in accordance with the following guiding principles:
- It should be at a time when proposals are at a formative stage;
 - Must include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;

- Those consulted should be made aware of the factors that are of decisive relevance to the decision;
- Any consultation will be as accessible as possible;
- Adequate time should be given for consideration and response; and
- The product of the consultation should be conscientiously considered by the decision makers in finalising their statutory proposals/ when the ultimate decision is taken.

- 8.2 Wirral Council has a statutory consultation process that is required for the undertaking of work on the adopted highway which will require public consultation, objections to which would be considered under the Scheme of Delegation in the Council's Constitution.
- 8.3 The Have your Say consultation portal will be used to seek views from residents and stakeholders. This will be promoted via Wirral View, social media and press releases. Consultation will also be undertaken directly by email with wider stakeholders including the Emergency Services, Freight Transport Association, Road Haulage Association, Merseytravel and Wirral's Active Travel Forum. Letters / plans will be delivered to residents living within the vicinity of the schemes, informing them of the proposals and giving them the opportunity to provide comments / support / concerns / objections at the appropriate stages as the ongoing design work evolves.
- 8.4 The Wirral Active Travel Forum is a formally constituted group which meets quarterly with interested public and private organisations and individuals, to support active travel as a simple, low cost and effective way for people to access life opportunities whilst increasing levels of physical activity in their day-to-day life. Membership of this group is open to all and the forum will continue to be engaged as these programmes develop.
- 8.5 An 8-week consultation period commenced in March 2021 for the Birkenhead 2040 Framework. Over 70 per cent of respondents strongly agreed or agreed that works to the Woodside Gyrotory are important for Birkenhead and a number of respondents highlighted the value of the Woodside waterfront and ferry service. Feedback received throughout the public consultation has been used to inform the Levelling Up Fund proposals.
- 8.6 As projects within the programme are developed, these proposals will also go through engagement and consultation as part of initial design and the statutory approval and planning process as appropriate to each project. Early initial engagement on the Waterfront schemes was undertaken in Q4 2022.
- 8.7 Consultation is underway for the Grange Road / Charing Cross scheme and due to commence in January 2023 for the Conway Street / Europa Boulevard Scheme. Further consultation will also be undertaken via a statutory consultation process that is required for the undertaking of work on the adopted highway.

9.0 EQUALITY IMPLICATIONS

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

- 9.2 The potential impact of the Levelling Up Fund has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy and no material amendments have been made. Equality implementations are also embedded into the Council's procurement policies and procedures.
- 9.3. Whilst there are no equality implications arising from this report, the associated actions arising from the delivery may need to assess any equality issues and mitigate any negative impact that may emerge. Any associated EIA will be done at the earliest possible stage.
- 9.4 A copy of the EIA for Wirral's Economic Strategy can be viewed at:
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2021-0#overlay-context=communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2021>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The content and recommendations contained within this report are expected to reduce the emissions of greenhouse gases. This will include, as appropriate, infrastructure improvements to reduce car dominance and create a safer environment for road users and pedestrians, and environmental and climate considerations within the Council's Social Value strategy to be used within the procurement of future contractors.
- 10.2 Gear Change Cycling Strategy produced by Government in Summer 2020 identifies that mode shift to active transport is one of the most cost-effective ways of reducing transport emissions and that meeting the targets to double cycling and increasing walking would lead to savings of £567million annually from air quality alone and prevent 8,300 premature deaths each year in England and provide opportunity to improve green spaces and biodiversity.
- 10.3 The Procure Partnerships Framework sets out clear sustainability, environmental and innovation targets that contractors must achieve in the short term as part of carrying out works packages. Contractors on the framework have signed up to these under the framework agreement and are monitored robustly on their performance through formal monthly KPI reporting.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building reorganises local economies to be fairer and stops wealth flowing out of communities. Striving for a prosperous and inclusive economy where local people can get good jobs and achieve their aspirations, the Council aims to create an economy that benefits all of our residents and one which keeps money within Wirral. The Council's Community Wealth Building Strategy is a key part of how this is achieved and makes a major contribution to improving the economic, social and health outcomes of the borough.
- 11.2 The projects developed by the design leads will revitalise Birkenhead ensuring that more wealth is invested and stays within our Borough. The involvement of local Community Interest Companies will help build a more resilient local community and

support community organisations. Future procurement exercises will build the wealth of our local communities where we will strive to maximise social value activity through creation of local employment/ training opportunities and local labour/spend to maximise the Wirral pound. The request for quotation evaluation criteria has a 10% built in award weighting for social value.

REPORT AUTHOR: David Marsh
Head of Regeneration Delivery
davidmarsh@wirral.gov.uk

APPENDICES

Appendix 1 – Waterfront Programme Combined Scheme Boundary
Appendix 2 – Conway Street / Europa Boulevard / Claughton Road Scheme Boundary
Appendix 3 – Grange Road / Charing Cross / Grange Road West Scheme Boundary

The appendix files may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact David Marsh (davidmarsh@wirral.gov.uk) if you require documents in an accessible format.

BACKGROUND PAPERS

Wirral Plan 2021-2026
[Wirral Plan 2021-2026 - Wirral Intelligence Service](#)

Birkenhead 2040 Framework
[Birkenhead 2040 Framework | www.wirral.gov.uk](#)

Wirral Council – Levelling Up Bid
Wirral Council – Future High Street Bid
Wirral Council – Town Fund Bid
Wirral Council – Active Travel Tranche 3 Fund Bid

Terms of Reference

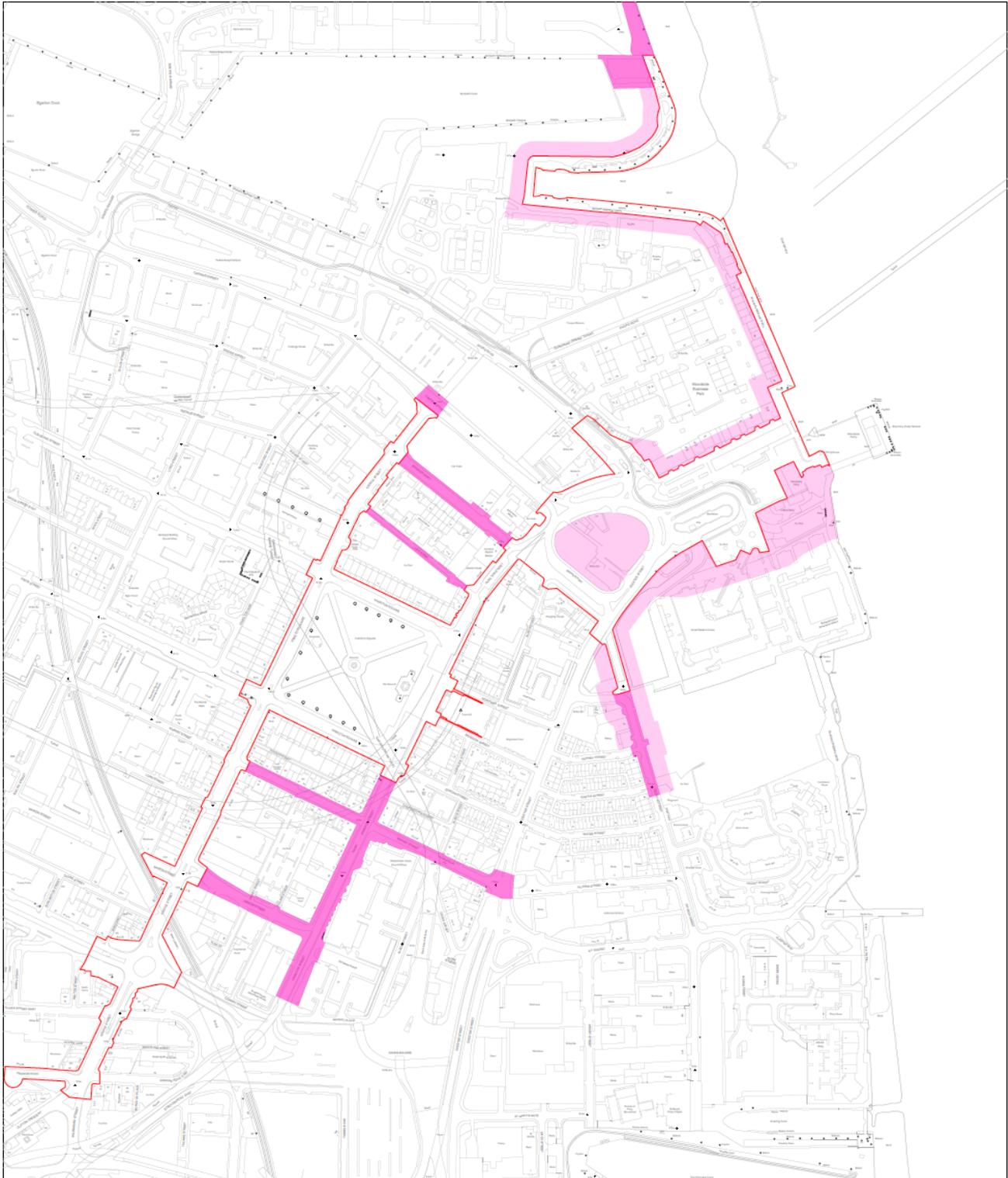
The report is being considered by the Economy, Regeneration and Housing Committee in accordance with section 4.2(a) and (g) of its Terms of Reference:

- (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation;
- (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;

SUBJECT HISTORY (last 3 years)

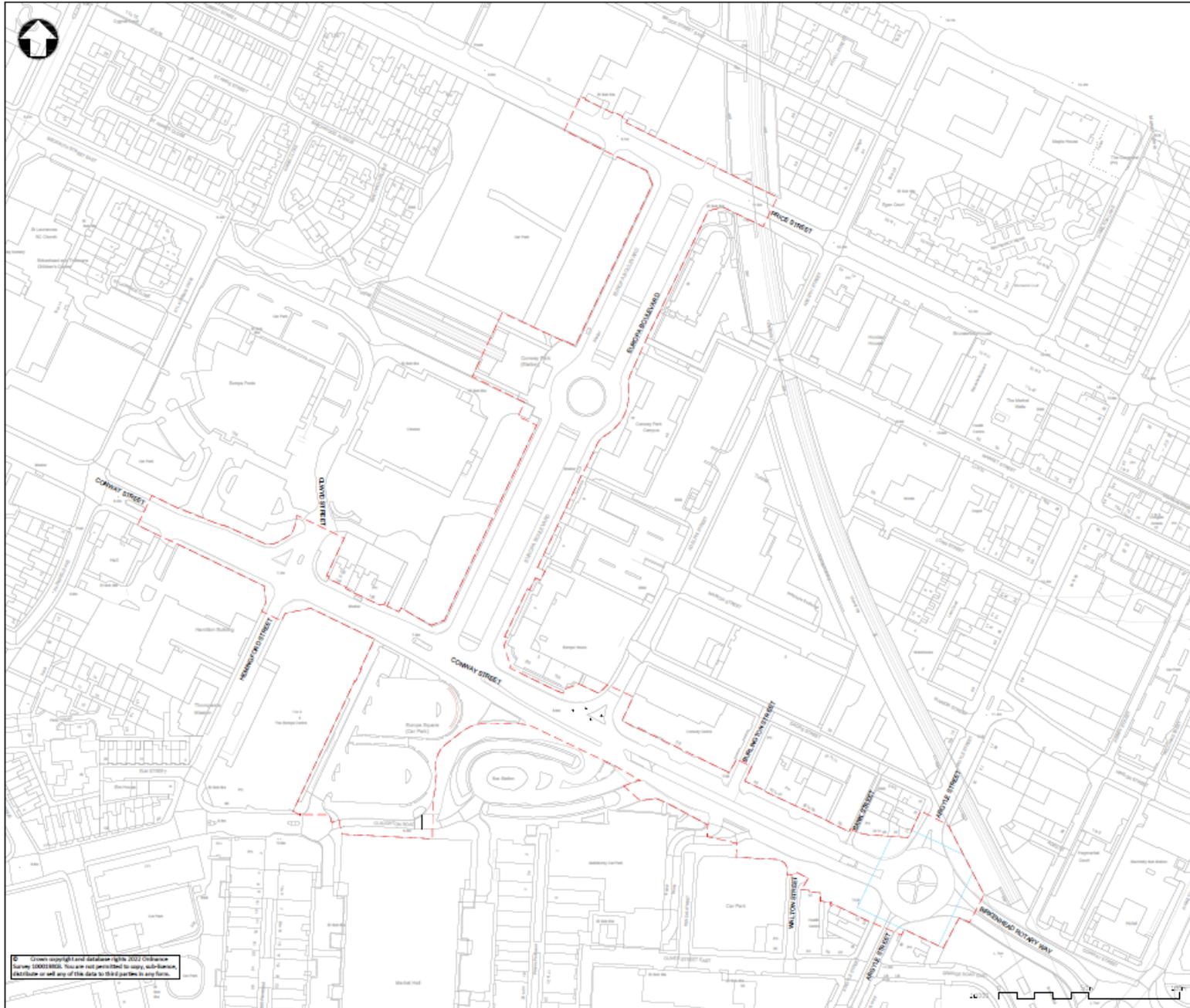
Council Meeting	Date
Town / High Street Funds: Future High Street Fund - Regeneration & Development Committee	4 March 2021
Town / High Street Funds: Future High Street Fund - Policy & Resources Committee	17 March 2021
Levelling Up Fund - Officer Decision Notice	15 February 2022
Active Travel Tranche 3 – ERH	19 October 2022
FHSF Movement Projects – ERH	19 October 2022
FHSF Movement Projects – ECET	20 October 2022

Appendix 1 – Waterfront Programme Combined Scheme Boundary & Associated Study Areas (Shaded)

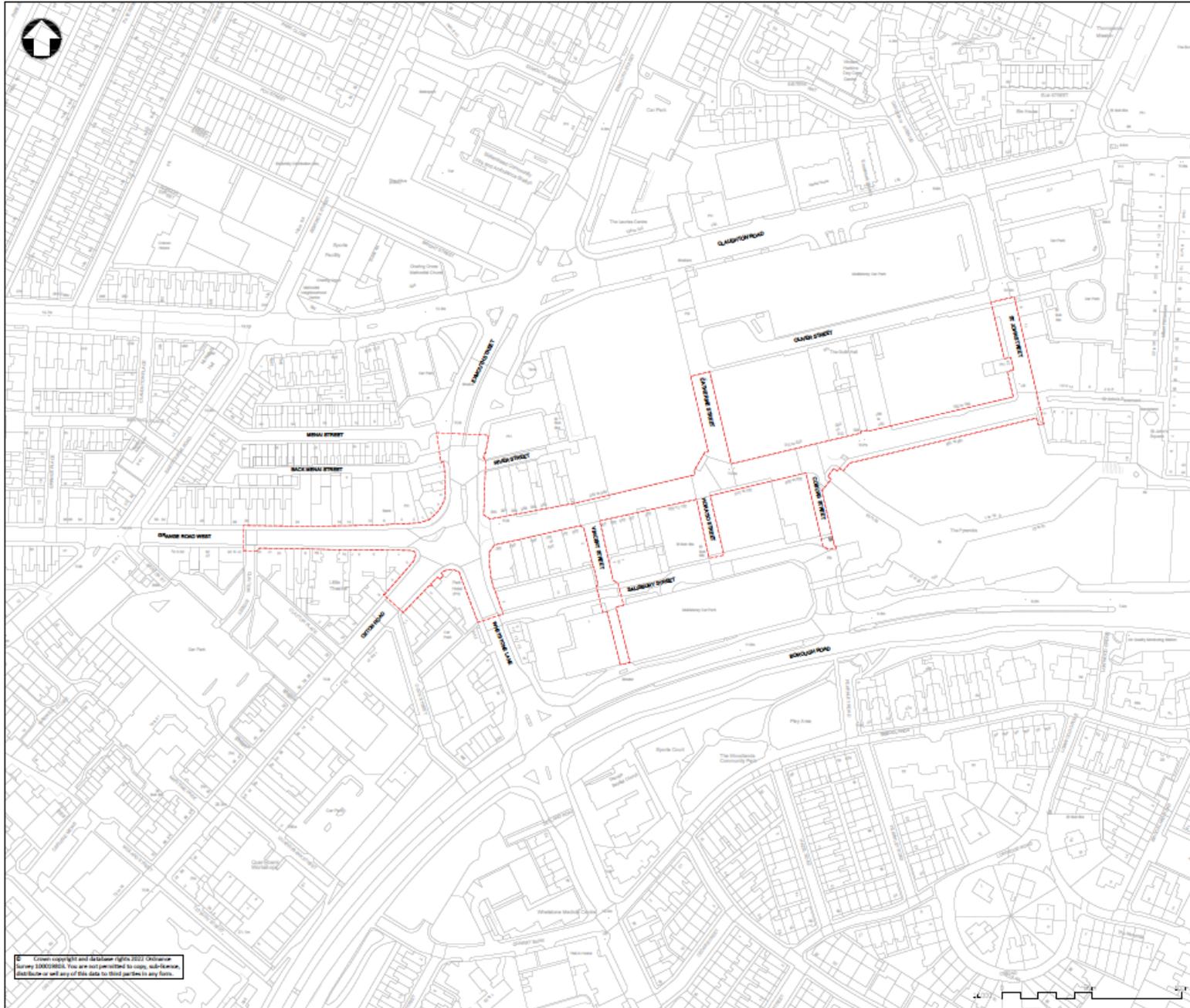


<p>KEY</p> <p>--- Proposed Red Line Boundary</p> <p>--- Supporting Area Boundary</p> <p>--- Area of Immediate Influence</p>	<p style="text-align: center; font-size: 24pt; font-weight: bold;">Page 17</p>	<p>Client Mott MacDonald</p> <p>Project Wirral Waters</p> <p>Dwg Title Red Line Boundary Proposals</p> <p>Created on 14-10-22</p> <p>Created by ML</p> <p>Approved by DM</p> <p>Scale 1:750</p> <p>Size A1</p> <p>Workstage Stage 1</p> <p>Dwg No. 3039-PLA-XXXX-DR-L-0001</p> <p>Subsidiary Division SO</p> <p>POS POS</p>	<p>Plant I.E. Limited E: info@plant.ie.com W: plant.ie.com MANCHESTER 23-24 Colton St., Altrincham, WA14 5DY T: 0161 228 3281</p> <p>LIVERPOOL Liverpool 2, 3, 12 Threlkirk Street, Liverpool, L3 2DT T: 0151 467 0200</p> <p>LONDON Unit 6 Waterside, 6-8 Wharf Road, London, N17 1UK T: 0207 252 5623</p> <p>STANDISH Standish Garage, Standish, Goszenesh, GL10 3ST T: 01292 350 7000</p> <p>NOTES: 1. Do not scale from this drawing. 2. Always work to stated dimensions. 3. All dimensions are in millimetres unless otherwise stated. 4. All hatching and hatching directions to be agreed in situ. 5. The dimensions of all materials must be checked on site before being laid out. 6. To be drawing must be read with the relevant specification clauses and detail drawings. 7. Order of construction and setting out to be agreed on site.</p> <p style="text-align: right; font-size: 8pt;">© Plant I.E. Limited</p>
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Appendix 2 – Conway Street / Europa Boulevard / Claughton Road Scheme Boundary



Appendix 3 - Grange Road / Charing Cross / Grange Road West Scheme Boundary



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ECONOMY REGENERATION AND HOUSING COMMITTEE

26 January 2023

REPORT TITLE:	BUDGET SETTING 2023/24
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is for the Committee to consider feedback and outcomes from the Budget Workshops which have been held in recent months. The workshops enabled officer and member liaison on proposed budget options, to facilitate discussion and allow direction to be obtained on further analysis required. The Budget Workshops also provided an opportunity for alternative proposals to be considered.

The Policy and Service Committees are responsible for those services being delivered under their operational headings within their annual budget envelope. The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, has been charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and budget to recommend to the Council.

This report also provides an update on the 2023/24 budget setting process with details on the most recent budget options, which were developed in response to the previously outlined budget gap.

Appendix 2 and 3 of this report contains exempt information as defined in Schedule 12A of the Local Government Act 1972. It is in the public interest to exclude the press and public during consideration of these items under Paragraph 3 'information relating to financial or business affairs of any particular person (including the authority holding that information).

RECOMMENDATIONS

The Economy Regeneration and Housing Committee is recommended to:

1. Agree that the Budget Workshop feedback and outcomes, as detailed in Appendices 2 & 3, be reported to Policy and Resources Committee for consideration.
2. Note the latest budget information provided to Policy and Resources Committee in January.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Council has a legal responsibility to set an annual balanced budget, which establishes how financial resources are to be allocated and utilised. To successfully do so, engagement with members, staff and residents is undertaken; the recommendations in this report relate to this endeavour and act as a pre-cursor to budget proposals, scheduled to be considered by Full Council on 27 February 2023, following the schedule of activity shown in Appendix 4.
- 1.2 Failure to set a lawful budget in time may lead to a loss of revenue, significant additional administrative costs, as well as reputational damage. Failure to set a budget may lead to intervention from the Secretary of State under section 15 the Local Government Act 1999.
- 1.3 The scale of the financial challenge that the Council faces cannot be overstated. Setting a budget, especially in the context of largely uncontrollable, macro-economic pressures, emerging at an unprecedented pace, requires difficult decisions to ensure that a balanced position can be presented. Regular Member engagement on the process, which this report forms part of, is considered essential for effective budget formulation.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A report does not have to be provided to the Committee to outline activity at this stage, however it is considered appropriate to do so in order to ensure that the Committee has up-to-date information in respect of the financial context that the Council is operating within and set out the budget setting stages that are expected to follow, in order that the Committee can comment accordingly.

3.0 BACKGROUND INFORMATION

- 3.1 The Policy & Resources Committee is responsible for co-ordinating processes for the development of the Budget and Policy Framework, together with decision-making on cross-cutting policies not part of the Policy Framework. The Policy and Service Committees are responsible for those services being delivered under their operational headings within their annual budget envelope. The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, has been charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and budget to recommend to the Council.
- 3.2 The Senior Leadership Team (SLT) has met regularly to discuss the budget setting process, budget proposals, the budget gap that the Council faces and the associated uncertainty on funding. Member engagement in the process has taken place through Budget Workshops along with the presentation on Committee reports.
- 3.3 The Budget workshops were convened to enable officer and member liaison on proposed budget options, in order to facilitate discussion and allow direction to be obtained on further analysis required. The Budget Workshops also provided an opportunity for alternative proposals to be considered.

- 3.4 The outcomes of these workshops are to be reported to meetings of those committees and will in turn be communicated to the Policy & Resources Committee as part of the decision-making process that facilitates a budget proposal to Full Council.
- 3.5 Appendix 2 to this report details the feedback and outcomes from the Budget Workshops in the Summer of 2022 to consider tranche one options. Appendix 3 to the report details the feedback and outcomes from the Budget Workshops held throughout October and November 2022 to consider options the address the further tranche 2 savings noted as required as a result of the national macroeconomic pressures the Council is facing.
- 3.5 At the Policy and Resources Committee on 5 October 2022, a potential budget gap of £49m for 2023/24 was presented. Members will be aware that the budget gap is an ever-moving target due to a number of factors; these include:
- Ongoing Government announcements of funding, including specifically the Chancellor's Autumn Statement and the Provisional Local Government Financial Settlement for 2023/24.
 - A process of challenge and refinement within the Council to ensure that the proposals are evidence based.
 - Addition of new pressures that continue to materialise as further local and national evidence comes to light.
 - The continuing refinement of budget assumptions including inflation.
 - The development and refinement of budget options.
- 3.6 As a result of these factors, the budget forecast presented in October 2022 was updated and a more robust position is now available (the most recent budget update report presented to the Policy & Resources Committee can be found in Appendix 1). This position - which was an estimated budget gap in December of £38.4m - has been noted as £32.3m after application of the Provisional Finance Settlement information. This represents the Budget shortfall as of the date of the report and represents the target which needs to be offset with efficiencies, savings and cost reductions to deliver a balanced position.
- 3.7 The impact of all these changes will be considered, along with feedback from the consultation process and the budget proposals developed through the Service Committee and Policy & Resources Committee (P&R) Budget Workshop approach to present a robust position on financial matters to be considered in formulating a budget proposal to Full Council.
- 3.8 Policy & Resources Committee budget recommendations will be proposed in February 2023 in respect of the agreement of the annual Budget, setting of the council tax requirement and related matters to the Council, which will be debated by Full Council and voted upon by a simple majority.
- 3.9 Given the current size of the budget shortfall, the current level/breadth of services provided by the Council is not considered feasible and viable for continuance, hence the requirement to consider a number of potential budget options to ensure this gap can be closed.

4.0 FINANCIAL IMPLICATIONS

- 4.1 This report provides the Committee with an update on recent budget setting activity and describes the context in which the budget for 2023/24 is being set, where a prudent approach is being undertaken to develop budget proposals amidst an uncertain financial landscape.
- 4.2 The programme to develop a robust budget position, of which this report is a part, will support the Council in demonstrating compliance with CIPFA's Financial Management (FM) Code, specifically in relation to Section 4 of the FM Code which refers to the Annual Budget.
- 4.3 The FM Code requires the Council to demonstrate that the processes used satisfy the principles of good financial management, based on the following six principles:
- Organisational Leadership – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisation culture.
 - Accountability – based on Medium-Term Financial Planning, which derives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
 - Financial management - undertaken with transparency at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer actions and elected member decision making.
 - Professional standards - Adherence to professional standards is promoted by the leadership team and is evidenced.
 - Assurance - sources of assurance are recognised as an effective tool and are mainstreamed into financial management, including political scrutiny and the results of external audit, Internal Audit and inspection.
 - Sustainability: issues around sustainability of local services are at the heart of all financial management processes and is evidenced by prudent use of public Resources.
- 4.4 Delivering financial sustainability is vitally important for the Council and the budget options presented have been drawn up with this in mind; consideration is given to areas of discretionary expenditure that could be curtailed along with demonstrating savings that can be delivered from statutory components of the Council.

5.0 LEGAL IMPLICATIONS

- 5.1 The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, has been charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and budget to recommend to the Council.
- 5.2 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The

legislation leaves discretion to the Council about the allowances to be made and action to be taken.

- 5.3 Section 30(6) of the Local Government Finance Act 1992 provides that the Council has to set its budget before 11th March in the financial year preceding the one in respect of which the budget is set.
- 5.4 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- 5.5 When considering options, Members must bear in mind their fiduciary duty to the council taxpayers of Wirral. Members must have adequate evidence on which to base their decisions on the level of quality at which services should be provided.
- 5.6 Where a service is provided pursuant to a statutory duty, it would be unlawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably.
- 5.7 The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality and level of services which they consider should be provided, against the costs of providing such services.
- 5.8 There is a particular requirement to take into consideration the Council's fiduciary duty and the public sector equality duty in coming to its decision.
- 5.9 The public sector equality duty is that a public authority must, in the exercise of its functions, have due regard to the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.10 Any decision made in the exercise of any function is potentially open to challenge if the duty has been disregarded. The duty applies both to Full Council when setting the budget and to the Policy and Services Committees when considering decisions.
- 5.11 Once a budget is in place, Council has delegated responsibility to the Policy and Services Committees to implement it. The Committees may not act contrary to the Budget without consent of Council other than in accordance with the Procedure Rules set out at Part 4(3) of the Constitution.
- 5.12 It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that agreed savings are delivered and that

new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The implications for staffing, ICT and Assets are complicit with individual savings proposals. Until decisions are taken in forming the final set of proposals to balance the 2023/24 Budget the overall impact is not able to be defined precisely.

7.0 RELEVANT RISKS

7.1 The Council's ability to maintain a balanced budget is dependent on a proactive approach due to estimated figures being provided in the calculation for the budget, albeit the best estimates available at the time, plus any amount of internal and external factors that could impact on the budget position. Examples of which are the significant emerging inflationary and cost of living pressures, new legislation, increased demand, loss of income, increased funding, decreased funding, inability to recruit to posts, ongoing impact of the pandemic etc

7.2 A robust monitoring and management process for the budget is in place. If at any time during the year an adverse position is forecast, remedial action must be agreed and implemented immediately to ensure the budget can be brought back to balanced position.

7.3 The risk of this not being able to be achieved could mean that the Council does not have enough funding to offset its expenditure commitments for the year and therefore not be able report a balanced budget at the end of the year. This could result in the Section 151 Officer issuing a Section 114 notice.

7.4 A key risk to the Council's financial plans is that funding and demand assumptions in particular can change as more information becomes available. As such, the MTFP is regularly reviewed and updated as part of routine financial management.

7.5 A balanced MTFP is fundamental in demonstrating robust and secure financial management. Delivering a balanced position requires continual review and revision of plans to allow alternative financial proposals to be developed and embedded in plans as situations change. A delay in agreeing these may put the timetable for setting the 2023/24 budget at risk and may result in a balanced budget not being identified in time for the deadline of 11 March 2023.

7.7 Assumptions have been made in the current budget outlook for income and funding from business rates and council tax and social care grants as the main sources of funding. If there is an adverse change to these assumptions as a result of the CSR, additional savings proposals or reduced expenditure would need to be identified as soon as possible to ensure a balanced five-year MTFP can be achieved. Committees will be kept updated with any announcements regarding the CSR through the year.

7.8 Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council

to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultation has been carried out with the Senior Leadership Team (SLT) in arriving at the governance process for the 2023/24 budget setting process. SLT have overseen the production of the budget scenarios laid out in this report.
- 8.2 Engagement with local residents and businesses has been undertaken as part of the budget setting process. Service specific consultation has been undertaken and reported to the relevant Policy and Services Committees for comment before being presented to Policy and Resources Committee on 15 February 2023.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there may be equality implications associated with these, and these will be addressed within the relevant business cases presented to the Committee.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 At this time, there are no additional environmental and climate implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there may be environment and climate implications associated with these that will be addressed within the relevant business cases presented to the Committee.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 This report has no direct community wealth implications however the budget proposals under consideration should take account of related matters across headings such as the following:
- **Progressive Procurement and Social Value**
How we commission and procure goods and services. Encouraging contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage, minimising their environmental impact, and greater wellbeing.
 - **More local & community ownership of the economy**
Supporting more cooperatives and community businesses.
Enabling greater opportunities for local businesses.

Building on the experience of partnership working with voluntary, community and faith groups during the pandemic to further develop this sector.

- **Decent and Fair Employment**
Paying all employees a fair and reasonable wage.
- **Making wealth work for local places**

REPORT AUTHOR: Mark Goulding
(Senior Finance Manager)
telephone: Tel: 0151 666 3403
email: markgoulding@wirral.gov.uk

APPENDICES

APPENDIX 1 - POLICY & RESOURCES COMMITTEE BUDGET REPORT JAN 23
APPENDIX 2 – TRANCHE 1 BUDGET WORKSHOP FEEDBACK AND OUTCOMES
APPENDIX 3 – TRANCHE 2 BUDGET WORKSHOP FEEDBACK AND OUTCOMES

BACKGROUND PAPERS

CIPFA's Financial Management Code
The Annual Audit Letter for Wirral Council 2019-20

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee	18 January 2023
Policy and Resources Committee	9 November 2022
Policy and Resources Committee	5 October 2022
Policy and Resources Committee	13 July 2022
Policy and Resources Committee	16 March 2022
Full Council	28 February 2022
Policy and Resources Committee	15 February 2022

APPENDIX 1 - POLICY & RESOURCES COMMITTEE BUDGET REPORT JAN 23

APPENDIX 2 – TRANCHE 1 BUDGET WORKSHOP FEEDBACK AND OUTCOMES

APPENDIX 3 – TRANCHE 2 BUDGET WORKSHOP FEEDBACK AND OUTCOMES

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POLICY AND RESOURCES COMMITTEE

Wednesday, 18 January 2023

REPORT TITLE:	2023/24 BUDGET UPDATE
REPORT OF:	DIRECTOR OF FINANCE (\$151 OFFICER)

REPORT SUMMARY

This report provides an update on the 2023/24 budget position following the forecast position presented at the Policy and Resources Committee meeting on 5 October 2022 and at the subsequent Policy & Resources Committee Budget Workshop on 24 November 2022. Budget options are set out in this report, which have been developed in response to the previously outlined budget gap.

The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, is charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and Budget to recommend to the Council. The Policy and Service Committees are responsible for those services being delivered under their operational headings within their annual budget envelope.

The Provisional Local Government Finance Settlement was published on 19 December 2022 and the information provided in this report outlines the government’s announcements on that day and afterwards. The Provisional Finance Settlement becomes final at a date set by Government in late January or early February 2023.

The Settlement provided a level of additional resources to the Council and in addition the prospect of increasing Council Tax and the Adult Social care Precept by 4.99% for 2023/24; this is significantly below the headline rate of inflation in the UK economy at the present time (CPI c.10% at the date of this report). However, the additional resources which amount to £6.3m are insufficient to bridge the Council’s Budget shortfall which has been confirmed in the sum of £49m (gross) and £32.3m (net) following the completion of internal review and the impact of the Provisional Settlement but excluding the higher level of Council Tax increase that is now possible; that is 4.99% rather than 2.99% as envisaged in the MTFP approved by Council in February 2022.

Final budget proposals will be presented to Policy & Resources Committee on 15 February 2023 for recommendation to full Council. This report supports the delivery of the Wirral Plan as part of the process of delivering a balanced budget for all Council activity, and therefore all Wirral Plan aims and objectives, for 2023/24. This report is not a key decision.

RECOMMENDATIONS

The Policy and Resources Committee is recommended to:

1. Note the outcome of the Provisional Local Government Financial Settlement for 2023/24, in advance of the Final Settlement which is expected in late January/early February 2023.

2. Recognise the extent of the Council's financial challenge and the need to make significant financial savings in order to maintain the Council as a going concern, to avoid the issuance of a Section 114 notice and the potential ministerial intervention under Section 15 of the Local Government Act 1999 which would be likely to ensue.
3. Note the savings, efficiencies and income proposals that are available to address the 2023/24 budget gap.
4. Note the latest position on consultation and agree to consult on the Budget proposals for 2023/24, under section 65 of the Local Government Finance Act 1992.
5. Note that the Section 151 Officer may need to make further adjustments to the forecast budget shortfall pending final decisions by Members in the period ahead.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Council has a legal responsibility to set a balanced budget, which sets out how financial resources are to be allocated and utilised. To do this effectively requires engagement with staff, elected members and residents along with other stakeholders. Previous reports to the Committee have highlighted the external challenges that are impacting on the 2023/24 budget setting process and have highlighted the extent of the financial challenge faced. This report presents the culmination of the work undertaken to present options for budget formulation and to ensure the necessary preparations to facilitate a budget recommendation to Council on 27 February 2023.
- 1.2 The scale of the financial challenge that the Council faces cannot be overstated. Setting a budget, especially in the context of largely uncontrollable, macro-economic pressures, requires challenging decisions to ensure that a balanced position can be presented. Members have been engaged in the process through the work of the Policy and Service Committees and the Policy and Resource Budget and Development Group composed of Group Leaders.
- 1.3 Failure to set a balanced budget may lead to intervention from the Secretary of State under section 15 of the Local Government Act 1999. Failure to set a lawful budget by the required deadline will lead to a loss of revenue that is likely to be irrecoverable and incur significant additional costs and reputational damage. Providing this update following the announcement of the Provisional Local Government Finance Settlement, is a way of taking suitable steps to enable the Council to set a lawful budget and to protect the Council, Customers and Members from the consequences of failing to take the necessary decisions.
- 1.4 Council approved the then latest Medium-Term Financial Strategy (MTFS) at its meeting on 28 February 2022; this confirmed key principles the Council would consider in respect of its financial planning. The MTFS provides a robust, consistent, and sustainable approach to establishing and maintaining a stable and prudent financial basis on which the Council's services are to be delivered.
- 1.5 In order to fulfil the aims of the MTFS, it is imperative that proposals for budget options are evidence based and achievable. In order to ensure that this is the case, rigorous review has been undertaken through:
- Directorate Management Teams (DMT)
 - Senior Leadership Team (SLT)
 - Internal Challenge Panels
 - Council Committees.
- 1.6 This process of review and challenge is ongoing, to ensure that final proposals made to Policy & Resources Committee in February, for recommendation to Full Council, are fully scrutinised and fit and proper in terms of readiness for decision-making. Contained within this report are all current options for consideration prior to the need to make final decisions on how the budget for 2023/24 should be balanced.
- 1.7 The information contained in this report also provides the opportunity for the Policy and Services Committees at their meetings in January 2023 to provide feedback on the budget proposals for the Policy and Resources Committee to take into consideration in recommending a lawful budget to Full Council at its meeting of 27 February 2023.

1.8 As part of the budget setting process, the Policy and Resources Committee is able to take into consideration the outcome of the budget setting consultation process with residents, businesses, and all those with a stake in the future of Wirral.

2.0 OTHER OPTIONS CONSIDERED

2.1 The setting of a legal budget is a statutory requirement and therefore no other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 At the Policy and Resources Committee on 5 October 2022, a potential budget gap of £49m for 2023/24 was presented. Members will be aware that the budget gap is an ever-moving target due to a number of factors; these include:

- Ongoing Government announcements of funding, including specifically the Chancellor's Autumn Statement and the Provisional Local Government Financial Settlement for 2023/24
- A process of challenge and refinement within the Council to ensure that the proposals are evidence based. Addition of new pressures that continue to materialise as further local and national evidence comes to light.
- The continuing refinement of budget assumptions including inflation.
- The development and refinement of budget options.

3.2 As a result of these factors, the budget forecast presented in October 2022 has been updated and a more robust position is now available. This position - which was estimated before Christmas at £38.4m - has been confirmed as £32.3m after application of the Provisional Finance Settlement. This represents the Budget shortfall as of the date of this report and represents the target which needs to be offset with efficiencies, savings and cost reductions in moving towards a balanced position.

2023/24 Budget Position

- The 2023/24 budget position is currently as follows:

	23-24 Budget Position Reported in 5 Oct 22 (£m)	23-24 Revised Budget Position (£m)
TOTAL FUNDING	-339.30	-363.19
BUDGET REQUIREMENT		
Baseline	330.58	330.58
Removal of one-off items from 21/22:	-2.81	-2.81
Baseline Restated	327.77	327.77
ADD KNOWN PRESSURES/ GROWTH	60.54	67.72
INITIAL BUDGET GAP	49.00	32.30
DEDUCT PROPOSED NET SAVINGS	0	-39.50
REVISED BUDGET GAP / (SURPLUS)	49.00	-7.20

A more detailed analysis of this table can be found in Appendix 1.

- 3.3 In November 2022, the Chancellor of the Exchequer make fiscal announcements in his Autumn Statement. The details of this and further information has been supplied in the Provisional Finance Settlement and the main points are summarised in Appendix 2.
- 3.4 At the Policy and Resources Committee on 5 October, it was noted that officers would work up a further package of savings proposals to meet the forecast budget shortfall at that time with Members engaged via the Group Leaders' Budget Development Working Group established by Policy and Resources Committee. Accordingly, a set of budget proposals for 2023/24 are included in Appendix 3.

Capital Programme

- 3.5 In view of the very large revenue savings needed to balance the 2023/24 revenue budget the Budget proposals do not envisage additional Capital Programming for financial year 2023/24 unless one of the following conditions are met:
- The item is to be funded from Government grants, Section 106 contributions or other contributions and funding external to the Council
 - The item is funded from capital receipts

3. The item forms part of a business case that demonstrates clearly that revenue savings will flow from the capital investment and that these savings will exceed the commitment to fund this from borrowing or revenue resources.

3.6 The underlying assumptions used to form the forecast budget shortfall have already taken into account the savings arising from ongoing slippage in the Capital Programme. In addition the review has also identified opportunities to reach for further savings from existing programming.

4.0 FINANCIAL IMPLICATIONS

4.1 This report is part of a programme of activity to ensure that a fully balanced, legal budget can be recommended by the Policy and Resources Committee to Full Council at its meeting of 27 February 2023.

4.2 The programme to develop a robust budget position, of which this report is a part, will support the Council in demonstrating compliance with CIPFA's Financial Management Code, specifically in relation to Section 4 of the FM Code which refers to the Annual Budget.

4.3 The FM Code requires the Council to demonstrate that the processes used satisfy the principles of good financial management, based on the following six principles:

- Organisational Leadership – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisation culture.
- Accountability – based on Medium-Term Financial Planning, which derives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
- Financial management - undertaken with transparency at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer actions and elected member decision making.
- Professional standards - Adherence to professional standards is promoted by the leadership team and is evidenced.
- Assurance - sources of assurance are recognised as an effective tool and are mainstreamed into financial management, including political scrutiny and the results of external audit, Internal Audit and inspection.
- Sustainability: issues around sustainability of local services are at the heart of all financial management processes and is evidenced by prudent use of public Resources.

4.4 Delivering financial sustainability is vitally important for the Council and the budget options presented have been drawn up with this in mind, consideration is given to areas of discretionary expenditure that could be curtailed along with demonstrating savings that can be delivered from statutory components of the Council.

5.0 LEGAL IMPLICATIONS

5.1 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council and, therefore, of this Committee in preparing that budget.

- 5.2 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement in February, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. In doing so, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered, and that new expenditure is contained within the available resources. Accordingly, proposals put forward as part of the budget process will have identified the realistic measures and mechanisms to produce the desired outcomes.
- 5.3 Once the Committee has agreed draft budget proposals, there is then a requirement under section 65 of the Local Government Finance Act 1992 to conduct specific consultation with persons or bodies appearing to it to be representative of non-domestic ratepayers about the authority's proposals for expenditure (including capital expenditure) in the forthcoming financial year. The information required to be shared as part of the consultation is set out in the Non Domestic Ratepayers (Consultation) Regulations 1992. This includes the authority's current estimates of the total of its revenue expenditure and the total of its expenditure for capital purposes for the forthcoming financial year (the draft budget proposals). It must be borne in mind that this is consultation on the budget proposals, not on the decision to take whatever decision is implied by the adoption of that budget.
- 5.4 The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully and, where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality and level of services which they consider should be provided, against the costs of providing such services.
- 5.5 There is a particular requirement to take into consideration the Council's fiduciary duty and the public sector equality duty in coming to a decision.
- 5.6 Members are also individually reminded that Section 106 of the Local Government Finance Act 1992 applies to the Council meeting on the budget and therefore arguably to the formulation of the Budget. Members who are two months or more in arrears with their Council Tax must declare this to the meeting and must not vote on budget recommendations, as to do otherwise can be a criminal offence.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The implications for staffing, ICT and Assets are complicit with individual savings proposals. Until decisions are taken in forming the final set of proposals to balance the 2023/24 Budget the overall impact is not able to be defined precisely.

7.0 RELEVANT RISKS

- 7.1 The Budget process designed for 2023/24 mitigates the risks of a Budget not being set lawfully. This is underpinned by a robust monitoring and review process both in 2022/23 and for 2023/24.
- 7.2 Failure to achieve a balanced budget would lead to the Section 151 Officer issuing a Section 114 notice and potential ministerial invention under Section 15 of the Local Government Act

1999.

- 7.3 Funding and demand assumptions can change as more information becomes available. As such, the Medium-Term Finance Plan (MTFP) is regularly reviewed and updated as part of routine financial management.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Initial consultation has taken place in respect of the priorities and views of the public in formulating the draft budget, as set out in this report. An update on the approach, methodology and current findings as of this date (given the consultation remains live) can be found in Appendix 4.
- 8.2 Statutory budget consultation will commence subject to agreement by the Committee. This will take place in January 2023 and feedback will be taken into consideration by the Policy and Resources Committee when recommending a budget to Full Council at its meeting of 15 February 2023.
- 8.3 The Council has engaged regularly with trade unions about the Council's financial position. This will continue throughout the budget setting process.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 The equality implications will be included within the individual savings proposals currently being developed and will be addressed when these are brought forward for approval.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The environment and climate implications will be considered within the individual savings proposals currently being developed and will be addressed when these are brought forward for approval.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The community wealth implications will be considered within the individual savings proposals currently being developed. The budget proposals under consideration will take account of related matters across headings such as:
- a. Progressive Procurement and Social Value - How we commission and procure goods and services. Encouraging contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage, minimising their environmental impact, and greater wellbeing.
 - b. More local & community ownership of the economy – Supporting cooperatives and community businesses. Enabling greater opportunities for local businesses. Building on the experience of partnership working with voluntary, community and faith groups during recent years to further develop this sector.
 - c. Decent and Fair Employment Paying all employees a fair and reasonable wage.
 - d. Making wealth work for local places

REPORT AUTHOR: Daniel Kirwan & Brendan Arnold
(Assistant Director and Interim Director of Finance)
telephone: Tel: 0151 691 8026
email: danielkirwan@wirral.gov.uk, brendanarnold@wirral.gov.uk

APPENDICES

Appendix 1 Forecast Budget Position 2023/24.

Appendix 2: Provisional Local Government Finance Settlement 2023/24.

Appendix 3: Budget Setting Options 2023/24.

Appendix 4: Budget Consultation Update 2023/24.

BACKGROUND PAPERS

CIPFA's Financial Management Code

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee	09 November 2022
Policy and Resources Committee	05 October 2022
Policy and Resources Committee	13 July 2022
Policy and Resources Committee	16 March 2022
Full Council	28 February 2022
Policy and Resources Committee	15 February 2022

Appendix 1 - Forecast Budget Position 2023/24.

	23-24 Budget Position Reported in 5 Oct 22 (£m)	23-24 Revised Budget Position (£m)	Change (£m)	Note
FUNDING				
Council Tax	-168.43	-168.63	-0.20	
Business Rates	-138.07	-152.96	-14.89	
Other	-32.80	-41.59	-8.80	
TOTAL FUNDING	-339.30	-363.19	-23.89	a
BUDGET REQUIREMENT				
Baseline	330.58	330.58	0.00	
Removal of one-off items from 21/22:	-2.81	-2.81	0.00	
Baseline Restated	327.77	327.77	0.00	
ADD KNOWN PRESSURES/ GROWTH	60.54	67.72	7.18	
BUDGET GAP	49.00	32.30	-16.70	
DEDUCT PROPOSED SAVINGS				
Increasing Business Efficiencies	0	-17.91	-17.91	
Increasing Income	0	-5.36	-5.36	
Changing how we fund or provide services	0	-8.97	-8.97	
Reducing or stopping services	0	-7.26	-7.26	
Total Savings Income and efficiencies:	0	-39.50	-39.50	b
REVISED BUDGET GAP / (SURPLUS)	49.00	-7.20	-56.20	

Notes

a: Funding Changes

	£m	£m
Estimated funding assumptions 1 Oct 22		-339.30
Revised estimated funding assumptions Nov 22	-8.97	
Impact of Council Tax base increase	-0.20	
Additional funding - Provisional Local Government Finance Settlement	-14.72	
		-23.89
Revised estimated funding assumptions Dec 22		-363.19

Impact of Provisional Local Government Finance Settlement

Adjustment to funding	-14.72	
Related new pressures	8.44	
Net Impact of provisional Local Government Finance Settlement		-6.28

b: Proposed Savings

Proposed savings by Tranche	23-24 Budget Position Reported in 5 Oct 22 (£m)	23-24 Revised Budget Position (£m)
Tranche 1	0	-12.02
Tranche 2	0	-13.49
Tranche 3	0	-14.00
Total Savings Income and efficiencies:	0	-39.50

Proposed saving by Committee	23-24 Budget Position Reported in 5 Oct 22 (£m)	23-24 Revised Budget Position (£m)
Adult Social Care and Public Health	0	-5.94
Children, Young People & Education	0	-5.47
Economy Regeneration & Housing	0	-2.66
Environment, Climate Emergency & Transport	0	-1.69
Policy & Resources	0	-17.37
Tourism, Communities, Culture and Leisure	0	-6.38
Total Savings Income and efficiencies:	0	-39.50

Appendix 2

Local Government Finance Settlement 2023/24

1.0 EXECUTIVE SUMMARY

- 1.1 This briefing note outlines the government's announcement and subsequent publications on 19th December 2022 concerning the Local Government Finance Settlement 2023/24 and gives an analysis on the impact on Wirral Council's Medium-Term Financial Plan (MTFP), although as noted below all data is provisional at this stage.
- 1.2 The Local Government Finance Settlement gives a net betterment position of £6.28m compared to previous assumptions in the Medium-Term Financial Position (MTFP).
- 1.3 The £6.28m includes £12.30m more than previously assumed in Adult Social Care related ringfenced grants. However, this will bring additional cost pressures of £8.44m.
- 1.4 Despite additional funding in the settlement, additional savings will still be required in order to achieve a balanced budget position for 2023/24.

2.0 BACKGROUND

- 2.1 On 17th November 2022 the government announced The Autumn Statement, alongside the Office for Budget Responsibility's (OBR's) new set of Economic and Fiscal Outlook forecasts. The Autumn Statement responded to the OBR forecasts and set out the medium-term path for public finances and the Government's spending plans for each government department for the next two financial years, including local government.

Following this, on 19th December 2022 the Local Government Finance Settlement 2023/24 was announced, with impacts on Core Spending Power for 2023/24, Social Care Grant allocations as well as other grant details. The settlement was for a single year only based on Spending Review 2021 funding levels updated for the Autumn Statement 2022 announcements.

At the same time, a consultation related to the settlement proposals was launched, which runs for 4 weeks and concludes on 16th January 2023.

3.0 LOCAL GOVERNMENT HEADLINES

3.1 Core Spending Power

Core Spending Power is a measure of the resources available to local authorities to fund service delivery. It sets out the money that has been made available to local authorities (assuming the maximum permitted Council Tax increase is implemented) through the Local Government Finance Settlement.

The headline announcement was that an additional £5 billion of funding would be "made available" to councils, representing a 9.2% cash terms increase, with a minimum increase being guaranteed at 3%.

Despite a 9.2% cash terms increase, the increase in funding does not meet inflation pressures faced by Councils, and therefore represents a real term drop in core spending power.

The main sources of the funding are summarised in the following table:

ENGLAND Funding Source	2022-23*	Provisional 2023-24	Change 23-24	Change 23-24
	<i>£ million</i>	£ million	<i>£ million</i>	%
Settlement Funding Assessment	14,882.2	15,671.1	788.9	5.3%
Compensation for the business rates multiplier	1,275.1	2,204.6	929.5	72.9%
Council Tax Requirement	31,922.5	33,838.4	1,915.9	6.0%
Improved Better Care Fund	2,139.8	2,139.8	0	0
New Homes Bonus	556.0	290.6	-265.4	-47.7%
Rural Services Delivery Grant	85.0	85.0	0	0
Social Care Grant	2,346.4	3,852.0	1,505.6	64.2%
Services Grant	822.0	464.2	-357.8	-45.5%
Market sustainability and FCC (and improvement)	162.0	562.0	400	246.9%
ASC Discharge Funding	0	300.0	300	100%
Lower Tier Services Grant	111.0	0	-111	-100%
Rolled in grants	238.6	0	-238.6	-100%
Minimum Funding Guarantee	0	136.0	136	100%
Core Spending Power	54,540.5	59,543.8	5,003.2	9.2%

3.2 Council Tax

The Council Tax proposals set out in the Autumn Statement in November were confirmed as part of the settlement. The proposal for core Council Tax in 2023/24 is a referendum cap of up to 3% (previously 2%).

There is also the flexibility to add up to a further 2% adult social care precept for authorities providing adult social care services.

3.3 Improved Better Care Fund

Improved Better Care fund is unchanged in cash terms for all upper tier councils, with distribution also unchanged.

3.4 Social Care Grant

Social Care Grant will increase by £2,044.6m in 2023/24, with the additional amounts allocated as follows:

- £1,505.6m of additional grant funding.
- However, £161m of that is the rolling in of the Independent Living Fund.
- £400m for additional Improvement funding added to Market Sustainability grant.
- £300m for ringfenced Adult Social Care Discharge funding.

Allocations are related to the Adult Social Care needs formula with recognition of Social Care Council Tax precept and to previous market sustainability funding allocations. More detail will follow on additional reporting requirements, and the better care fund and discharge funding must be pooled with local health boards.

- 3.5 Lower Tier Services Grant**
Introduced in 2021/22, the Lower Tier Services Grant will cease and therefore not be distributed to Local Authorities in 2023/24. The funding for this grant will instead be used to support the guaranteed 3% increase in Core Spending Power.
- 3.6 New Homes Bonus**
The government has decided to maintain the current approach to the NHB payments in 2022/23. There will be no legacy (i.e., second) payment of New Homes Bonus, with the value previously representing legacy payments instead being used to support the 3% CSP increase referred to in paragraph 3.1.
- This results in a £265m (48%) reduction in the overall grant for 2023/24.
- 3.7 Services Grant**
The overall value of this grant, first introduced in 2022/23, has reduced from £822m to £464m partly due to the removal of the National Insurance Levy which this grant previously included support for. The reduced amount will instead be used to enhance the Supporting Families Grant and to partially fund a contingency provision.
- 3.8 Public Health Grant**
Information on the Public Health grant is not yet available and is expected in the new year.
- 3.9 Market Sustainability and Improvement Fund**
This new grant totalling £562m includes £162m from the former Market Sustainability and Fair Cost of Care Fund, with the additional £400m intended to support Local Authorities in making tangible improvements to adult social care and in particular to address discharge delays, social care waiting times, low fee rates, workforce pressures, and to promote technological innovation in the sector.
- 3.10 ASC Discharge Fund**
This is a new £300m grant for 2023/24 and is intended to form part of Better Care Fund plans. It is aimed at reducing delayed transfers of care and has been allocated based on the improved Better Care Fund shares in used in 2023/24.
- 3.11 Minimum Funding Guarantee**
A new funding stream will be distributed in 2023/24 to replace Lower Tier Services grant and is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% before Council Tax decisions. The total funding for this grant is £136m.
- 3.12 Funding Reform**
Government has confirmed that reforms to local government funding through the Relative Review of Needs and Resources, as well as the reset of accumulated business rates growth have both been paused for the remainder of this Spending Review period, but they are “committed to improving the local government finance landscape in the next Parliament”.

4.0 WIRRAL COUNCIL IMPACT

4.1 Council Tax

Previous assumptions have been that a 2% Core increase and a 1% Social Care Precept would be applied. The confirmation of the 3% core referendum principal means a potential increase in Council Tax income of approximately £1.65m.

Similarly, an additional 1% Council Tax precept for Adult Social Care would generate an additional £1.65m. Both these figures are subject to confirmation of the Council Tax Base figure for 2023/24, which is due to be reported to Policy and Resources in January 2023.

Should these increases not be fully implemented, alternative savings of £3.3m will need to be found.

4.2 Social Care Grant

Provisional allocations of the ringfenced Social Care Grant indicate that Wirral will receive £32.14m in 2023/24, which is an increase of £5.38m (including the Independent Living Fund) compared with previous 2023/24 assumptions included in the £38.4m budget gap.

However, as the Independent Living Fund has been rolled into the Social Care Grant there is a corresponding £1.52m pressure due to the removal of the grant from the revenue budget.

The net impact is therefore a £3.86m improvement on the MTFP.

4.3 Lower Tier Services Grant

With confirmation being received that this grant will cease after 2022/23, this constitutes a £0.52m reduction in funding for Wirral from 2022/23 budget and previous 2023/24 assumptions.

4.4 New Homes Bonus

It had previously been unsure if New Homes Bonus would continue after 2022/23, or if it would be distributed with the same methodology, and a reduction from the 2022/23 budget had therefore been assumed.

However, confirmation that the current New Homes Bonus approach would continue, and provisional allocations indicate Wirral will received £0.44m in 2023/24, an increase of £0.14m against previous assumptions.

4.5 Services Grant

Previous forecasts had assumed a reduction of Services grant due to the removal of the National Insurance Levy. However, provisional allocations indicate Wirral will receive £3.16m for this grant, which is £0.75m less than anticipated.

4.6 Market Sustainability and Improvement Fund

Provisional allocations allocate £4.22m of this fund to Wirral for 2023/24, which wasn't included in previous assumptions. However, although detailed conditions for this grant are not expected until early in 2023, at this stage it is assumed that this grant will be ringfenced and met with subsequent cost pressures and is therefore not an improvement to the overall budget position.

4.7 **ASC Discharge Grant**

This new grant will form part of Better Care Fund plans and Wirral has been allocated £2.7m for 2023/24. This will be met by corresponding cost pressures and therefore does not impact the budget position.

4.8 **Business Rates 100% Retention Pilot**

The settlement confirmed that the 100% Business Rates Retention pilot that Wirral participates in alongside Liverpool City Region authorities will continue in 2023/24 and will therefore continue to benefit from the resulting increased level of Business Rates receipts for another year. This was already budgeted for in the MTFP. This is positive news as Wirral benefits by approximately £7m per year as a result of participating in the pilot.

Government will review the role of such arrangements as a source of income for areas and its impact on local economic growth, and as part of deeper devolution commitments as set out in the Levelling Up White Paper.

4.9 **Business Rates Top-up**

The latest assumptions were that the Business Rates Top-up would increase by 5% to £55.69m. Settlement confirms Wirral's 2023/24 allocation as £59.24m which is a 9.1% increase from 2022/23. This is an improvement of £3.55m and constitutes the following:

- 10.1% increase based on September 2022 CPI.
- An adjustment for the impact on Business Rates of the Revaluation 2023.

4.10 MTFP Assumptions Comparison

In total, the provisional impact of the Local Government Finance Settlement on Wirral's MTFP is an improvement of £6.28m, not including the potential further Council Tax increases referenced in paragraph 4.1. The following table summarises the impact of the provisional Local Government Finance Settlement on Wirral Council's MTFP:

	2022/23 Budget £m	2023/24		
		MTFP assumption (£38.4m gap) £m	Provisional settlement £m	MTFP Impact £m
Business Rates Top-Up	(54.29)	(55.69)	(59.24)	(3.55)
New Homes Bonus	(0.44)	(0.30)	(0.44)	(0.14)
Social Care Grant	(19.77)	(26.77)	(32.15)	(5.38)*
Lower Tier Funding	(0.52)	(0.52)	0.00	0.52
2022/23 Services Grant	(5.62)	(3.91)	(3.16)	0.75
Market Sustainability & Improvement Fund	0.00	0.00	(4.22)	(4.22)*
ASC Discharge Fund	0.00	0.00	(2.70)	(2.70)*
Funding impact of LGFS measures				(14.72)
Corresponding pressures:				
Independent Living Fund removal			1.52	
Market Sustainability & Improvement Fund			4.22	
Discharge Fund			2.70	
Additional cost pressures				8.44
Total provisional 2023/24 MTFP impact				(6.28)
* Additional Adult Social Care related ringfenced grants				(12.30)

5.0 CONCLUSION

- 5.1 While the settlement brings an improvement to Wirral's MTFP position, the data outlined in this briefing note should be treated with caution as it is subject to change.
- 5.2 Firstly the settlement is provisional at this stage and is open to consultation until the 16th January 2023. Following the closure of the consultation period the settlement is subject to Parliament approval, and as such the data outlined above is subject to change.
- 5.3 The impact of the Business Rates Revaluation 2023 on Business Rates income is at this stage unclear. The estimated income generated from Business Rates for 2023/24, as well as the related Section 31 Grants for qualifying reliefs, will be analysed in detail in conjunction with the guidance when available. Such estimates have a deadline for completion and submission to Department for Levelling Up, Housing and Communities (DLUHC) of 31st January 2023, and as such the impact of Business Rates income on the MTFP is not yet clear.

- 5.4 Similarly, the estimate of the Collection Fund position will impact the 2022/23 budget. This is a statutory process and is based on the latest data available on 15th January 2022 and therefore this will not be confirmed until late January.
- 5.6 It is important to remember that the government have only impacted a single -year settlement and the additional resources for 2023/24 only provide limited and short-term certainty while creating uncertainty for longer term financial planning.

Appendix 3 - List of Savings

Budget Saving Proposals can be placed into the following categories:

- Increasing Business Efficiencies
 - This approach will identify efficiency measures that will result in more effective ways in which services are currently provided and may include cost reduction.
- Increasing Income
 - The Council will look to identify areas where it can raise income through fees and charges.
- Changing how we fund or provide services
 - We aim to ensure that the right service reaches the right resident when and where they need it, for the best cost. This may mean changing how we fund or provide services so that we are able to reduce costs and maintain services by becoming more efficient and by doing things differently.
- Reducing or stopping services
 - Although all efforts will be made to keep service reduction to a minimum, the scale of the financial challenge means that not all reduction proposals can be avoided.

ENVIRONMENT, CLIMATE EMERGENCY & TRANSPORT			
THEME	OPTION	DESCRIPTION	SAVING
Increasing Income	Introduction of Electric Vehicle charging scheme	Following a pilot, the Council is planning to introduce an electric vehicle charging policy and strategy that will introduce new charging points for electric vehicles generating a small income to the authority for re-investment.	£10,000
	Increase costs for Dropped Kerb service	The proposal would seek to increase the fees the Council applies to provide dropped kerbs outside people's houses to enable residents to access their drives. This will ensure full cost recovery to support the service.	£15,000
	Introduction of large format digital screen advertising opportunities	The Council plans to introduce large format, digital advertising screens in key gateway locations and small format free standing units in shopping areas to be used for commercial advertising to generate an income to the Council.	£20,000
	Review of Cemeteries and Crematoria service income	A review of income within Cemeteries and Crematoriums will look to increase income targets sustainable for future years.	£100,000
	Review of Pest Control service income	This option will increase the income target within the pest control team of Environmental Services in line with the recent demand for the service.	£10,000
	Review of bulky waste (ERIC) collections	The Bulky Waste collection service (ERIC service) currently collects up to 6 items for £32 per slot, with 120 slots available per week. The proposal is to reduce the number of items to 4 for £32 and increase the number of bookable slots by 5 per day - 145 per week.	£10,000

Increasing Income	Sale of Parks vehicles	A capital bid has been accepted for the procurement of new, efficient 'green' machinery. This saving would be achieved through the sale of the existing fleet, of which there are a number of vehicles that are high value.	£100,000
	Introduction of catering facilities at football playing fields	This option would see income generated through placement of outdoor catering pods at Arrowe Park Playing Fields and Levers Playing Fields to serve high footfall football traffic. A capital investment would be required.	£20,000
	Expansion of the camping offer at Wirral Country Park	This option would look to generate income through expanding the councils camping offer at Wirral Country Park.	£10,000
	Introduction of Pet Memorial Garden	This option would see an income generated through the development of a pet memorial garden for Wirral residents to commemorate their domestic pets.	£10,000
	Reintroduction of Christmas Markets at Birkenhead Park	This option would seek to restart Christmas Markets at Birkenhead Park. This model would see units / pitches being offered to traders who would pay a fee.	£10,000
	Introduction of an environmental enforcement scheme	This option proposes a move back to enforcement action against increasing levels of environmental crime including littering, dog fouling and fly tipping. The enforcement action will be undertaken by a 3rd party through an enforcement contract and would generate an income.	£150,000
Increasing Business Efficiencies	Capitalise Staff costs on infrastructure projects	A number of staff can be charged against the Council's capital programme budget leading to corresponding savings in the Council's revenue budget.	£60,000
	Review of Tree Management service	A redesign of the tree management service that will generate efficiency through the reduction of a vacant post and the generation of new income.	£50,000
	Restructure of the transport fleet	This option will deliver efficiencies through transport fleet and equipment remodelling and the introduction of replacement, alternative fuelled vehicles, and equipment.	£30,000
Changing how we fund or provide services	Environmental Health Service Review	A redesign of the Environmental Health Service to reduce the level of non-statutory provision and a reduction in staff by 1.5 FTE fixed term roles and 1 FTE permanent role.	£40,000
	Reduction in recycling promotional budget	This reflects a permanent, partial reduction of the Waste Team's recycling promotional budget from 2023/24.	£20,000
	Reduction in Waste & Environment Services budget	This option will make saving through partial reductions to elements of the Waste and Environmental Services budget.	£24,000

Reducing or stopping services	Reduction of non-statutory parks and countryside maintenance	The Parks and Countryside budget is approximately £4m. £3m of this is for statutory provision. Options have been brought forward to reduce the non-statutory element of the service by 50%.	£500,000
	Reduction in street cleansing	This option proposes the reduction in regular service street cleansing provision across the borough in residential areas, with a move to a reactive cleansing model. Cleansing would be undertaken in response to service requests and known hot spot/high demand locations. The service could still respond to fly tipping instances and service litter bins.	£500,000

TOURISM COMMUNITIES CULTURE & LEISURE			
THEME	OPTION	DESCRIPTION	SAVING
Increasing Income	Development of the events programme at Williamson Art Gallery	This option would look to generate income by developing the events programme at Williamson Art Gallery (weddings, formal dinners, birthday etc.). The option also includes savings from potential community asset transfer of the Transport Museum.	£70,000
	Review of current Neighbourhood Directorate assets/ buildings	This option would generate savings through a review of Neighbourhood Directorate assets, to identify properties/ buildings that could be considered for community asset transfer. There are currently no capital resources available from the Council in order to process CAT transfers.	£50,000
Increasing Business Efficiencies	Review of Neighbourhoods Staffing Structure	A re-structure in the Neighbourhoods Directorate that reflects a longer-term transformation plan to ensure the most efficient and cost-effective model of delivery.	£425,000
	Consolidation of under committed budgets across Neighbourhoods	This option will generate savings through a one-off collation of underspent budget lines across the service.	£60,000
	Leisure Centre service review	This saving option focuses on transformation of the service over 5-year period. The headline saving of £500k is for the first year's savings. This will focus on several key themes: energy efficiency measures, service restructures, contracts and commissioning arrangements and sales & marketing.	£500,000
Changing how we fund or provide services	Leisure Centre service review and closure of a council leisure centre	This saving option incorporates the transformation of the service saving of £500k along with the closure of one of the Council's leisure centres.	£1,000,000
	Reduce library service to 5 key sites	Wirral currently has 15 library sites. Footfall at all libraries has reduced and has not recovered from pre-pandemic levels. This option proposes a reduction in the service down to 5 sites.	£759,000

Changing how we fund or provide services	Relocation of Birkenhead & Wallasey Central libraries	This option proposes the relocation of Wirral's 2 Central libraries in Birkenhead and Wallasey from the two, current, high-cost sites into Birkenhead Town Hall and the Floral Pavilion respectively to reduce overall library service building running costs.	£280,000
	Reduce library service to 5 key sites & relocate central libraries	Wirral currently has 15 library sites. Footfall at all libraries has reduced and has not recovered from pre-pandemic levels. This option proposes a reduction in the service down to 5 sites as well as relocating Birkenhead and Wallasey sites into Birkenhead Town Hall and the Floral Pavilion.	£874,000
Reducing or stopping services	Temporary standing down of two council swimming pools	This proposal would involve standing down two of the Council's swimming pools to achieve savings in heating and running costs.	£850,000
	Closure of all non-statutory leisure services and activities	This option would involve stopping all Council leisure provision on the basis that it is a non-statutory, discretionary service that requires significant financial support from core Council budget which is forecast to increase further in 2023/24.	£4,900,000

CHILDREN, FAMILIES AND EDUCATION			
THEME	OPTION	DESCRIPTION	SAVING
Increasing Business Efficiencies	Reduction in Wirral's Looked After Children numbers	This saving reflects a reduction in Wirral's Looked After Children numbers as historic high levels align more with other authorities following practice improvements since 2019.	£410,000
	Reduction in Teacher's pension liabilities to the council	This saving reflects a reduction in Teacher's pension liabilities for the Council.	£190,000
	Review of Supporting Families funding and Early Help budgets	The proposal will involve investing the supporting families funding and Early help budgets effectively to reduce CIN and CP demand. The outlook is of increasing demand on frontline services as things return to normal post covid.	£1,121,000
	Review of contracts within Children's Services	A review will be undertaken to look at all contracts that are in place across Children's Services to explore where there are any efficiencies which can be achieved.	£250,000
	Review of council's contribution towards European Funded Send Inclusion Programme	This saving reflects the end of the Council's contribution towards a European Funded programme that will end at the end of 2022/23.	£220,000
	Reduction in financial support to Kingsway High School	Kingsway High School is being re-purposed for other educational uses and as such the occupier will pay the proportionate liability associated with the PFI deal, which will reduce costs and generate a financial saving.	£134,000
Changing how we	Reduction in contributions to the Regional Adoption	This saving reflects a reduction in contributions to the Regional Adoption Agency in line with the	£100,000

	Agency in line with the average number of referrals	average number of referrals reducing in recent years.	
	Increase the number of <i>children looked after</i> placed in family settings as opposed to higher cost residential settings	This proposal involves increasing the proportion of children placed in family settings and less in other settings such as residential and semi-independent settings. As family-based settings are lower cost than residential settings there is a cost reduction for the Council.	£1,100,000
	Remodelling of social care and early help	The proposal will involve the redesign and restructure of the Assessment and Intervention Service in Children and Families and the Family Matters service to provide one single service.	£655,000
Reducing or stopping services	Removal of budget supporting Play Services schemes	Wirral currently has 3 of out of hours and weekend play schemes. This service, which employs 9 staff, supports child development and education through play and is non-statutory. Play services currently operate at: Leasowe Adventure Playground, Gautby Play Scheme, Beechwood Play scheme as they are targeted in areas of greatest need. The option would remove this service altogether.	£284,000
	Reduction of Youth services offer to minimum statutory service	This service, which employs 68 staff, includes a youth club provision in each of the 9 neighbourhoods, detached youth workers covering the borough, and an annual contribution to the Hive Youth Zone. A number of options have been brought forward to reduce the service. This option would see the service being reduced to a statutory minimum provision.	£666,000
	Removal of budget supporting Creative Youth offer	Creative Youth Development employs 10 staff and delivers targeted packages of support to young people in crisis or with special educational needs and disabilities using a range of creative arts as therapeutic tools. The service is non-statutory, and options have been brought forward to reduce the service. This option would involve the service stopping altogether.	£343,000

THEME	OPTION	DESCRIPTION	SAVING
Changing how we fund or provide services	Review of all-age disability transition planning	This programme will focus on transition planning to better prepare young people with care and health needs for adulthood through tailored and more creative approaches to meeting care and support needs. A review of practice and approaches to transition planning will see needs identified earlier, with planned care and support leading to the delivery of the efficiency target.	£1,000,000
	Review of services to support Independent Living	A range of Demand Management initiatives will deliver the required efficiency savings. These are related to technology enabled care provision, increasing take up of Direct Payments as a cost-effective way to meet people's needs, utilising an increased range of extra care and supported housing options, and continuing to embed The Three Conversations approach to requests for care and support.	£4,935,000

ECONOMY REGENERATION AND HOUSING			
THEME	OPTION	DESCRIPTION	SAVING
Increasing Income	One off rental income for partial leasing of Cheshire Lines office space	The NHS CCG will be occupying some of the space in Cheshire Lines Building and paying a contribution towards the lease and running of costs. As the lease on Cheshire Lines is due to end in April 2024, this is a one year only income for 23-24.	£146,000
	Lease income from rental of floors 4 & 5 at Marris House	The Council had leased the 4th and 5th Floors of Marris House, with the break clause having been implemented and the lease terminated in July 22. Any make good work on the return of the lease have been met from the 22/23-part year saving on the lease costs. Full savings will be achievable for 23-24.	£136,000
	Increase eligible rechargeable costs for Building Control services	This option would generate income through increasing the eligible rechargeable costs in the areas of building control and housing services and is based on the assumptions on what can be recharged to fee income in the areas of building control, street names and numbering and land charges.	£80,000
Increasing Business Efficiencies	Review of Merseytravel levy budget	The Merseytravel levy is set by the Combined Authority, which includes any changes identified in the City Region population levels and demographics. This option will realise a saving through the financial difference between the budget set for the levy and the actual levy cost.	£122,000
	Capitalisation of salaries (Re-direction of qualifying salaries away from the council's central budget	This proposal will include a change to re-direct qualifying salaries away from the council's central budget. This will apply to staff within Assets division work on the school's capital programme, which enhances and creates schools' assets and is funded via grant.	£85,000
Increasing Business Efficiency	Stand down and disposal of a number of council owned buildings	This option is a continuation of a project that was commissioned in 2019 to review the accommodation strategy of the Council. Savings will be made on the	£672,000

		assumption that the buildings will all be empty, and functions “stood down” completed by 31 st March 2021 and disposed of no later than 31 st March 2023.	
	Decommissioning of the Solar Campus site and relocation of teams currently working from the facility.	This option will see a partial in-year saving through decommissioning of the Solar Campus and relocation of teams currently working from the facility. Full stand down savings will be realised in 24/25.	£5,000
	Standing down of Wallasey Town Hall for a 12-month period	In 2023/24, the North and South Annexes are being demolished and this will effectively put the Town Hall between two demolition sites for most of the year. This will have practical implications on the use of, and access to the building. Savings will therefore be realised through the standing down of Wallasey Town Hall for 2023/24.	£400,000
	redesign and review of contract commissioning for Economic Growth	This option will see savings made through the redesign of the specification for services completed prior to commissioning and the subsequent competitive price achieved through tendering.	£65,000
	Recharging of staff costs where eligible grant funding is in place for Economic Growth projects	This option will see a one-off saving of staff cost recovery from grant funding. This relates to eligible work across several regeneration programmes where a proportion of permanent staffing costs can be recharged for staffing time including European Regional Development Fund, European Social Fund and Town Deal.	£71,500
	Recharging of staff costs where eligible grant funding is in place for Homes for Ukraine Resettlement Programme	This option will see a one-off saving of staff cost recovery from grant funding. This relates to eligible work undertaken for the Resettlement Programme associated with responding to the Homes for Ukraine.	£593,110
	Recharging of costs where eligible grant and fee income is rechargeable within Supported Housing services	This option would realise savings where grant and fee income are rechargeable. This includes eligible costs associated with Private Rented Sector Housing Licensing, the Healthy Homes service and works linked to the Disabled Facilities Grant.	£59,600
Changing how we fund or provide services	Re-provision of homeless accommodation and review of community alarm grant	This option is a follow on from savings implemented in 22/23 that can again be realised in 23/24 – this being re-provision of homeless accommodation and review of grant to current eligible customers for the community alarm/response services charges.	£137,000
	Review of Housing Support service and Fuel Poverty contract	This proposal will realise efficiencies by moving to a single low level floating housing support service, as well as a review of the Fuel Poverty contract.	£87,500

POLICY AND RESOURCES

THEME	OPTION	DESCRIPTION	SAVING
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Increasing Business Efficiencies	Review of digital systems within the Revenue and Benefits service	This option will generate efficiencies through increased use of automation within Revenues & Benefits reducing the need for double keying and manual intervention from staff.	£100,000
	Review of council funded trade union representatives	The Council currently funds salaries for four full time trade union reps for UNISON. Funding was in place initially for three reps, but this was increased to a fourth, on a temporary basis, during the pandemic and been absorbed into the core budget. This option will realise a saving by returning to financially supporting just three full reps.	£35,000
	Review of current payroll functions	This option will realise saving through a review of the council's current payroll functions in order to reduce duplication and increase efficiencies.	£60,000
	Review of enabling (back office) services across the council	This option will bring forward a review of all enabling (back office) services across the whole organisation to identify economies of scale and opportunities for greater centralisation of these services.	£2,300,000
	Review of senior management structure	This option brings forward a package of senior management savings across the whole organisation to be achieved primarily through vacancy management.	£800,000
Reducing or stopping services	Corporate Office Restructure	This option will generate efficiencies and reduction in budget through a re-structure of the PA hub, which takes account of the changes in duties arising within this cohort since the move to remote and hybrid working. The review is inextricably linked with the review of the Chief Officer structure.	£70,000
Increasing Business Efficiencies	Use of NNDR reserve - one off	Use of the residual sum of £3m to balance budget shortfall.	£3,000,000
	Insurance reserve - one off	Following a review of Insurance Reserves, a figure of £1m can be release on one off basis.	£1,000,000
	Reprice pay budgets at mid-point	To this point council pay budgets have been costed at highest spinal point. This adjustment re-costs pay budget at mid-point which is normal for the sector and appropriate of pay commitments of this council.	£2,800,000
	Apply vacancy factor to pay budgets	A vacancy factor has been calculated in detail for each directorate of the council.	£2,300,000
	Council wide budget adjustment	Adjust operational budgets applying a factor of tenth of 1%	£440,000

Increasing Income	DSG contribution to statutory functions	This was a correction of the previous base estimate.	£1,200,000
	Increase Council Tax / ASC Levy by 2% to a total of 4.99%	Council Tax increase beyond base assumption	£3,260,000

1.0 Wirral ‘Have Your Say’ Consultation

1.1 The approach to the initial consultation was twofold; firstly, in terms of service impact consultation (where a budget option has a direct impact on reducing the level of provision of a specific service) and secondly, to gauge the opinions and priorities of our residents as to what council services matter most to them, and where they believe the council should be focusing its efforts to help develop the budget plan – this was presented via an online budget simulator.

1.2 Both were delivered through the council’s ‘Have Your Say’ platform in the form of a ‘Hub’. This approach provided users with one single location through which to engage in the service consultations and participate in the budget simulator exercise. <https://haveyoursay.wirral.gov.uk/hub-page/budget-2023-24>

Projects within the Hub include:

1. Street Cleansing Budget Option
2. Library Services Budget Option
3. Leisure Services Budget Option
4. Parks & Countryside Budget Option
5. Youth Services Budget Option
6. Budget Simulator

1.3 To ensure the consultations were as accessible as possible, a social and digital sub campaign was also carried out, which included regular messaging, targeted demographical and geographical communications, resident e-newsletters, and regular theme specific stories, linking with the narrative, and urging residents and stakeholders to take part in the consultation. communication channels included (but not limited to):

1. Social media messaging across a variety of platforms
2. Dedicated email address (for comments, ideas, request for paper copies etc)
3. Paper copies in libraries and leisure centres
4. WirralView news channel – article and links
5. Links and details in weekly Resident E-Newsletter
6. Digital and social links to the ‘Have Your Say’ Hub
7. Online redirection through local news platforms
8. Council website notices
9. Internal / Staff communications
10. Local media briefing/ media management
11. Member briefing
12. Sharing of links and paper copy locations with CVF sector

***The following data and findings are true as of 5.1.22. Consultation remains live at this date.**

1.4 Parks and Countryside <https://haveyoursay.wirral.gov.uk/budget-2023-24-parks>

At present, the online consultation has engaged 484 respondents*. Users were asked their opinion on:

1. A 50% reduction in the maintenance budget (effecting non-statutory works at a selection of parks across the parks and countryside services estate).

Current sentiment:

- a. 80% Strongly disagree/disagree
- b. 6% neutral
- c. 14% Strongly agree/agree

2. A 25% reduction in the maintenance budget (effecting non-statutory works at a smaller selection of parks across the parks and countryside services estate).

Current sentiment:

- a. 64% Strongly disagree/disagree
- b. 7% neutral
- c. 29% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.5 **Leisure Services** <https://haveyoursay.wirral.gov.uk/budget-2023-24-leisure-services>

At present, the online consultation has engaged 453 respondents*. Users were asked their opinion on:

1. A Discontinuation to provide Leisure Services across the borough.

Current sentiment:

- a. 86% Strongly disagree/disagree
- b. 3% neutral
- c. 11% Strongly agree/agree

2. The Possible closure of two swimming pools

Current sentiment:

- a. 56% Strongly disagree/disagree
- b. 7% neutral
- c. 37% Strongly agree/agree

3. A reduction in the number of leisure centre sites the council owns and manages.

Current sentiment:

- a. 53% Strongly disagree/disagree
- b. 9% neutral
- c. 38% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.6 **Library Services** <https://haveyoursay.wirral.gov.uk/budget-2023-24-leisure-services>

At present, the online consultation has engaged 459 respondents*. Users were asked their opinion on:

1. A relocation of the council's two biggest and most expensive library sites to operate, Birkenhead Central and Wallasey Central libraries.

Current sentiment:

- a. 46% Strongly disagree/disagree
- b. 7% neutral
- c. 47% Strongly agree/agree

2. Reducing the size of the library service to provide a small number of key, geographically located sites, supported by a wide-ranging online, digital and mobile library offer.

Current sentiment:

- a. 58% Strongly disagree/disagree
- b. 7% neutral
- c. 35% Strongly agree/agree

3. The moving of some library sites into other council buildings, reducing the overall number of library sites it currently provides. (Retaining an online and digital service and deploying a mobile library service).

Current sentiment:

- a. 40% Strongly disagree/disagree
- b. 8% neutral
- c. 52% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.7 **Street Cleansing** https://haveyoursay.wirral.gov.uk/budget-2023-24-street-cleansing/survey_tools/budget-2023-24-street-cleansing

At present, the online consultation has engaged 322 respondents*. Users were asked their opinion on:

1. Moving to a reactive model of street cleaning (cleansing undertaken in response to service requests and in known hot spot/ high demand locations).

Current sentiment:

- a. 54% Strongly disagree/disagree
- b. 10% neutral
- c. 36% Strongly agree/agree

2. A reduction in cleansing schedules would see a move from 4-weekly to 12-weekly cleansing schedules across the whole borough (retaining 4-weekly alleyway cleanse service.)

Current sentiment:

- a. 56% Strongly disagree/disagree
- b. 9% neutral
- c. 35% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.8 **Youth Services Street Cleansing** https://haveyoursay.wirral.gov.uk/budget-2023-24-youth-services/survey_tools/budget-2023-24-youth-services

In order to increase and ensure engagement for Wirral's under 18 residents, a Microsoft Forms version of the consultation was produced. Preliminary findings below will therefore reflect both versions.

At present, the online consultation has engaged 151 respondents through the 'Have Your Say'(HYS) hub, and 740 through the MS Forms (MSF) channel.* Users were asked their opinion on:

1. The closure of Pilgrim Street Arts Centre and re-provision of services to either an 'outreach' or 'pop-up' offer.

Current sentiment: (HYS)

- a. 67% Strongly disagree/disagree
- b. 10% neutral
- c. 23% Strongly agree/agree

Current sentiment: (MSF)

- a. 69% Strongly disagree/disagree
- b. 10% neutral
- c. 21% Strongly agree/agree

2. The removal of the Play Services budget.

Current sentiment: (HYS)

- a. 62% Strongly disagree/disagree
- b. 7% neutral
- c. 31% Strongly agree/agree

Current sentiment: (MSF)

- a. 78% Strongly disagree/disagree
- b. 4% neutral
- c. 18% Strongly agree/agree

3. The reduction of the council's Youth Services offer.

Current sentiment: (HYS)

- a. 72% Strongly disagree/disagree
- b. 6% neutral
- c. 22% Strongly agree/agree

Current sentiment: (MSF)

- a. 80% Strongly disagree/disagree
- b. 5% neutral
- c. 15% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.9 **Budget Simulator** <https://haveyoursay.wirral.gov.uk/budget-2023-24-simulator>

The budget simulator is easy to use and allows residents to reduce spending across council services and see the consequences of their choices. There is also opportunity to provide comments, which will help us understand what is important when we come to set a legal budget.

At present, the online simulator has engaged 640 respondents*

The below chart indicates the average expenditure change for each slider reflecting resident priorities:

Adult Social Care & Health	
Adult Social Care commissioned services	-20.70%
Children, Families & Education	
Early Help & Prevention	-13.63%
Education & Special Educational Needs (SEN) Support	-12.11%
Children's Social Care & Safeguarding	-9.45%
Neighbourhood Services	
Community Safety	-18.09%
Highways and Infrastructure	-18.91%
Leisure, Libraries & Customer Engagement	-24.06%
Parks & Environment	-23.24%
Resources	
Revenues & Benefits	-25.35%
Regeneration	
Regeneration	-26.05%
Housing	-20.78%
Planning	-29.26%
Support Services	
Support Services	-28.40%



ECONOMY REGENERATION AND HOUSING COMMITTEE

THURSDAY 26 JANUARY 2023

REPORT TITLE:	ECONOMY REGENERATION AND HOUSING WORK PROGRAMME
REPORT OF:	DIRECTOR OF LAW AND GOVERNANCE

REPORT SUMMARY

The Economy Regeneration and Housing 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 Economy Regeneration and Housing Committee is attached as Appendix 1 to this report.

Following the adoption of a revised Constitution by Council on 25 May 2022, the Terms of Reference for Committees were updated so that the agenda of any Committee or Sub-Committee shall only include those items of business that require a decision, relate to budget or performance monitoring or which are necessary to discharge their overview and scrutiny function. The Committee is therefore asked to consider whether any items for future consideration on its work programme need to be reviewed to comply with the revised Constitution. It is proposed that issues on the existing work programme that are for information purposes only can be considered via other means, such as briefing notes or workshops.

RECOMMENDATION

The Economy Regeneration and Housing Committee is recommended to note and comment on the proposed Economy Regeneration and Housing Committee work programme for the remainder of the 2022/23 municipal year.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To ensure Members of the Adult Social Care and Health Committee have the opportunity to contribute to the delivery of the annual work programme.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A number of workplan formats were explored, with the current framework 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:

- The Council Plan
- The Council's transformation programme
- The Council's Forward Plan
- Service performance information
- Risk management information
- Public or service user feedback
- Referrals from Council

Terms of Reference

The Economy Regeneration and Housing Committee is responsible for the Council's adult social care and preventative and community based services. This includes the commissioning and quality standards of adult social care services, incorporating responsibility for all of the services, from protection to residential care, that help people live fulfilling lives and stay as independent as possible as well as overseeing the protection of vulnerable adults. The Economy Regeneration and Housing Committee is also responsible for the promotion of the health and wellbeing of the people in the Borough. The Committee is charged by full Council to undertake responsibility for:

- (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation;
- (b) developing and recommending those plans and strategies which together comprise the Local Plan;
- (c) developing and adopting or recommending (if reserved to Council) other spatial planning documents, including but not limited to
 - (i) supplementary planning documents (SPD) and planning policy advice notes;
 - (ii) Master Plans and development briefs;
 - (iii) The Infrastructure Delivery Plan; and
 - (iv) [The Community Infrastructure Levy (CIL) when applicable];

- (d) economic development, including but not limited to infrastructure, enterprise, skills and seeking, securing and managing external funds to achieve that, directly or in partnership with joint ventures and external companies or bodies as well as with the Combined Authority and government bodies;
- (e) the Council's functions and partnerships regarding the promotion of economic growth and the establishment and development of business;
- (f) the promotion and development of the economic factors in the area, such as seeking to ensure sufficient and appropriate employment sites, investment, adult skills, apprenticeship schemes, productivity, development sites and so forth;
- (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;
- (h) the Authority's role and functions in relation to strategic and private sector housing policies and as the housing authority, including but not limited to
 - (i) the Council's Housing Strategy;
 - (ii) homelessness and the allocation of housing;
 - (iii) private sector housing, including taking action to remedy overcrowding, disrepair, unfitness and statutory nuisances; to promote fire safety in private sector housing and the Council's functions in relation to houses in multiple occupation;
 - (iv) licensing schemes;
 - (v) tenancy relations and the provision of housing advice;
 - (vi) relationship with Registered Providers of housing;
 - (vii) housing loans and grants;
 - (viii) housing related support services;
 - (ix) policies and actions with a view to reducing and eliminating street homelessness to ensure that appropriate action is taken; and
 - (x) analysis, development and overview of housing policies in terms of spatial planning to inform the Local Plan and planning policies;
- (i) reviewing major projects and any project boards having regard to capacity to deliver, corporate priorities and resources, and advise the Policy and Resources Committee as appropriate;
- (j) providing a view of performance, budget monitoring and risk management in relation to the Committee's functions; and
- (k) undertaking the development and implementation of policy in relation to the Committee's functions, incorporating the assessment of outcomes, review of effectiveness and formulation of recommendations to the Council, partners and other bodies, which shall include any decision relating to the above functions.

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.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 This report is for information to Members and there are no direct community wealth implications.

REPORT AUTHOR: Anna Perrett
telephone: 0151 691 8564
email: annaperret@wirral.gov.uk

APPENDICES

Committee Work Plan

BACKGROUND PAPERS

Wirral Council Constitution
Forward Plan
The Council's transformation programme

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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**ECONOMY, REGENERATION AND DEVELOPMENT
COMMITTEE
WORK PROGRAMME 2022/23**

Key decisions – to be scheduled

Item	Key Decision	Wirral Plan Priority
Application for Financial Assistance	Yes	'Inclusive Economy'
Wirral Waters – Neighbourhood area masterplans	Yes	'Inclusive Economy'
Wirral Waters - development projects	Yes	'Inclusive Economy'
Liverpool City Region Economic Initiatives and Funding	Yes	'Inclusive Economy'
Birkenhead Town Centre Masterplan	Yes	'Inclusive Economy'
Hind Street Movement Strategy	Yes	'Inclusive Economy'
Hind Street Regeneration Strategy	Yes	'Inclusive Economy'
Asset Strategy and Asset Management Plans	Yes	'Inclusive Economy'
Assets – Disposals and Acquisitions	Yes	'Inclusive Economy'
Bringing forward of key development sites – Foxfield, Moreton & Old Hall Lane, Bromborough	Yes	'Inclusive Economy'
Wirral Mass Transit Business Case	Yes	'Inclusive Economy'
Liverpool City Region Cycling Walking Investment Plan – Birkenhead to New Brighton	Yes	'Inclusive Economy'
Liverpool City Region Transport initiatives and Funding programmes	Yes	'Inclusive Economy'

Future High Streets Fund Projects	Yes	'Inclusive Economy'
Dock Branch Park Masterplan	Yes	'Inclusive Economy'
Birkenhead Waterfront	Yes	'Inclusive Economy'
St Werburgh's Masterplan and Delivery Strategy	Yes	'Inclusive Economy'
Towns Fund projects	Yes	'Inclusive Economy'
Freeport and Maritime Innovation & Growth Projects	Yes	'Inclusive Economy'
Active Travel Programme – regeneration areas	Yes	'Inclusive Economy'
Submission of Outline Business Case for Homes England Funding	Yes	'Inclusive Economy'
Former House of Fraser Site (part) Appointment of residential developer partner	Yes	'Inclusive Economy'
Trafalgar Road CPO	Yes	'Inclusive Economy'
Development of a New Market for Birkenhead	Yes	'Inclusive Economy'
European Structural and Investment Funds – Worklessness programme	Yes	'Inclusive Economy'
Local Development Scheme	Yes	'Inclusive Economy'
Preferred developer for residential development on Europa Boulevard site	Yes	'Inclusive Economy'
Birkenhead Heat Network	Yes	'Inclusive Economy'
Birkenhead Delivery Partnership	Yes	'Inclusive Economy'
Liscard development proposals	Yes	'Inclusive Economy'
Approval for Compulsory Purchase Order	Yes	'Inclusive Economy'
Affordable Homes Statement	Yes	'Inclusive Economy'
Amendment to Housing Financial Assistance Policy	Yes	'Inclusive Economy'
Housing Growth Strategy – Delivering for Wirral	Yes	'Inclusive Economy'

Old Hall Lane Bromborough	Yes	'Inclusive Economy'
New Ferry Community Clubhouse Capital	Yes	'Inclusive Economy'

Non- Key Decisions and Update Reports

Item	Lead Departmental Officer	Wirral Plan Priority
Council House Building Options	Lisa Newman	'Inclusive Economy'
Finding land	Lisa Newman	Inclusive Economy'

REFERRALS FROM COUNCIL

Item	Lead Departmental Officer
Notice of Motion – energy efficiency residential	Lisa Newman

STANDING ITEMS AND MONITORING REPORTS

Item	Reporting Frequency	Lead Departmental Officer
Financial Monitoring Report	TBC	Shaer Halewood
Regen Committee Work Programme Update	TBC	Committee Team

WORK PROGRAMME ACTIVITIES OUTSIDE COMMITTEE

Item	Format	Timescale	Lead Officer	Progress
Working Groups/ Sub Committees				
Active Travel Working Group	Workshops	Ongoing	Julie Barnes	Ongoing
Regeneration Working Group	Workshops	TBC	Matthew Neal	Ongoing

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Economy, Regeneration and Housing Committee – Terms of Reference

The Economy, Regeneration and Housing Committee has responsibility for developing and delivering a vision for Wirral as a place. It is responsible for developing and determining or recommending all planning policies, including the Local Plan, and infrastructure planning. It is also responsible for promoting regeneration, economic development and associated activities, including the tourism, culture and visitor economy, and for removing barriers to growth. It is also responsible for taking a strategic approach to the Council's various housing functions, including issues concerning social rented and affordable housing, homelessness, allocations and standards of housing.

The Committee is charged by full Council to undertake responsibility for:

- (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation;
- (b) developing and recommending those plans and strategies which together comprise the Local Plan;
- (c) developing and adopting or recommending (if reserved to Council) other spatial planning documents, including but not limited to
 - (i) supplementary planning documents (SPD) and planning policy advice notes;
 - (ii) Master Plans and development briefs;
 - (iii) The Infrastructure Delivery Plan; and
 - (iv) [The Community Infrastructure Levy (CIL) when applicable];
- (d) economic development, including but not limited to infrastructure, enterprise, skills and seeking, securing and managing external funds to achieve that, directly or in partnership with joint ventures and external companies or bodies as well as with the Combined Authority and government bodies;
- (e) the Council's functions and partnerships regarding the promotion of economic growth and the establishment and development of business;
- (f) the promotion and development of the economic factors in the area, such as seeking to ensure sufficient and appropriate employment sites, investment, adult skills, apprenticeship schemes, productivity, development sites and so forth;
- (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;
- (h) the Authority's role and functions in relation to strategic and private sector housing policies and as the housing authority, including but not limited to
 - (i) the Council's Housing Strategy;
 - (ii) homelessness and the allocation of housing;
 - (iii) private sector housing, including taking action to remedy overcrowding, disrepair, unfitness and statutory nuisances; to promote fire safety in private sector housing and the Council's functions in relation to houses in multiple occupation;
 - (iv) licensing schemes;

- (v) tenancy relations and the provision of housing advice;
 - (vi) relationship with Registered Providers of housing;
 - (vii) housing loans and grants;
 - (viii) housing related support services;
 - (ix) policies and actions with a view to reducing and eliminating street homelessness to ensure that appropriate action is taken; and
 - (x) analysis, development and overview of housing policies in terms of spatial planning to inform the Local Plan and planning policies;
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- (i) reviewing major projects and any project boards having regard to capacity to deliver, corporate priorities and resources, and advise the Policy and Resources Committee as appropriate;
 - (j) providing a view of performance, budget monitoring and risk management in relation to the Committee's functions; and
 - (k) undertaking the development and implementation of policy in relation to the Committee's functions, incorporating the assessment of outcomes, review of effectiveness and formulation of recommendations to the Council, partners and other bodies, which shall include any decision relating to the above functions.