

COUNCIL

14th OCTOBER 2013

CABINET PORTFOLIO SUMMARY REPORT

REPORT OF	COUNCILLOR PHIL DAVIES
CABINET PORTFOLIO	LEADER
CO-ORDINATING CHIEF OFFICER	GRAHAM BURGESS

EXECUTIVE SUMMARY

This report is an update from the Cabinet Portfolio Holder to Members of the Council on matters relevant to his/her portfolio.

1. FUTURE COUNCIL MODEL AND VISION

Over the coming months we will focus upon developing a model and vision for how the Council will operate in the future. This important work will help to determine the future shape of services for our residents, and will set out arrangements for working in partnership with our strategic partners, businesses and the voluntary and community sector to deliver joined up services to appropriately support the diverse needs of Wirral's residents and communities.

All Elected Members will have an opportunity to engage in the development of the future Council model and vision. This was a key focus of the Elected Member annual conference on the 12th October. A Policy Council will take place later in the year to agree the vision and priorities for the Council, in order that Council is in a position to adopt a new Corporate Plan in December 2013 to guide the allocation of Councils resources.

Engagement and consultation will also take place with our workforce and partners to ensure that we have a joined up vision and that places our workforce at the heart of delivering this vision.

2. BUDGET

The Council's financial position continues to be challenging and in 2014/15 we will need to find further savings of £27.5 million in order to deal with reductions in Government funding which includes the additional 2% cuts to local government announced by the Chancellor, George Osborne MP in the Autumn Statement. The savings target also takes into consideration additional budget pressures such as inflation and unavoidable demographic growth.

Over the next three years it is estimated that the Council will need to identify savings in the region of £83 million. This is on top of the £48 million savings that were agreed last year. Robust action has been taken over the past 12 months to ensure that the Council is well placed to deliver further savings. Significant progress has been made to stabilise our finances through addressing issues including bad debts

and eliminating departmental overspends. At month 5 of 2013/14 the full year forecast projects a General Fund underspend of £320k. Identifying further savings over the next three years will be difficult and challenging, however we are already looking ahead at savings for future years with the agreed programme of transformational projects and exploring new models for delivery, for example the shared services arrangement with Cheshire West and Chester and Cheshire East Councils.

Within the £27.5 million savings required for 2014/15, 'efficiency savings' of around £7 million have been identified, and the Council is assuming a below inflation Council Tax rise which will generate around £2 million. This means that, of the options put forward for consultation, around £17.5 million need to be agreed as savings to deliver a balanced budget. The Council's Chief Executive published a series of officer budget savings options on the 16th September to start a 12 week consultation process. The public consultation on these budget options closes on Friday 6th December and in the first two weeks of the consultation had received almost 4,000 responses.

3. EUROPEAN FUNDING

The UK Government's allocation of European Union funding from 2014-20 will result in a significant cut in Merseyside's European funding by around 60%. It is particularly disappointing that money from deprived areas such as the Liverpool City Region will go to the more affluent areas in the south of the country. I have been instrumental in lobbying for a review of this funding allocation with the coalition Government but unfortunately they have so far refused this request. As our clear evidence of unjustness has been ignored, we will join the rest of our City Region partners in legally challenging the coalition Government on this basis.

Government has now set out its preferred model for delivery as a single national programme with Local Enterprise Partnerships taking a strategic role in delivering new programmes. In my role as the Chair of the EU sub group I have led the development of a new EU Structural Funds Programme for the period 2014-2020, and work is currently underway on the development of the Liverpool City Region EU Investment Plan which will be submitted to Government on 7th October 2013, with the final submission early 2014.

4. COMBINED AUTHORITY

Council at its meeting on the 19th September voted in support of the proposal to establish a Liverpool City Region Combined Authority. This follows a period of consultation with elected members, businesses and partner organisations which provide an overwhelming positive response to the proposals, with over 80% of respondents supporting the proposals.

On the 30th September, the six local authorities in the Liverpool City Region submitted to Government a review of its strategic governance arrangements which recommended the creation of a Combined Authority which would demonstrate clear and accountable leadership on strategic economic development, transport, housing and employment skills. The Governance Review concluded that a Combined Authority would be best placed to support economic growth and secure more jobs for the city region.

There are many examples of other city region areas including Greater Manchester, North East, South Yorkshire and West Yorkshire having either established or proposing to establish a similar arrangement.

Government will now consider the proposal and will carry out a further consultation exercise in the autumn. If there is support for the proposal, an order will be laid before Parliament to create the Combined Authority. There will be a further opportunity to consider the proposal at a meeting of Council in March 2014 where Elected Members will be asked to approve the creation of a Combined Authority with effect from April 2014.

5. VISIT TO CHINA

I recently led a delegation to Taicang, Wirral's sister city in China with the purpose of promoting the International Trade Centre. The delegation, which included Peel Holdings, met with the Mayor of Taicang, senior government officials and over 50 businesses to promote the International Trade Centre.

There was great interest from Chinese companies and I am very confident that we will see hundreds of new jobs and millions of pounds of new investment coming to Wirral from this development. I also met with the Head of UK Trade & Investment to discuss how opportunities in Wirral, with particular regard to the offshore wind sector and the proposed automotive supplier park on the Wirral Waters site, can be promoted. I met with a number of wind power companies who are interested in opportunities for investing in Wirral which they see as an important centre for the offshore wind sector.