

POLICY AND RESOURCES COMMITTEE

Wednesday, 17 February 2021

Present: Councillor J Williamson (Chair)

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

58 WELCOME AND INTRODUCTION

The Chair welcomed everyone to the meeting.

59 APOLOGIES

No apologies for absence were received.

60 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

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

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

61 MINUTES

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

62 LEADER'S UPDATE

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

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

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

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

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

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

63 PUBLIC QUESTIONS

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

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

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

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

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

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

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

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

64 **STATEMENTS AND PETITIONS**

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

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

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

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

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

65 **QUESTIONS BY MEMBERS**

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

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

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

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

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

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

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

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

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

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

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

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

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

A. Resolved - That this Committee:

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

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

B. RECOMMENDED –

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

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

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

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

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

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

A. RECOMMENDED –

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) The following proposals are removed from the list

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

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

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

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

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

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

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

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

The Committee resumed at 8.35pm.

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

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

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

Part 1 of the recommendation was agreed by assent.

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

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

A. Resolved – That the Committee:

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

Appendix 1 Pressures

Appendix 2 Savings Proposals

Appendix 3 Five Year Medium Term Financial Plan

Appendix 4 Proposals included within public budget consultation.

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

Appendix 6 Public Consultation Responses

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

Appendix 12 The estimated position for the Dedicated Schools Grant

B. RECOMMENDED –

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

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

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

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

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

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

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

Producing a revised set of Budget Proposals, consisting of:

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

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

(3) (17:0)

That Council:

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

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

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

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

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

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

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

C. Resolved – That the Committee -

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

69 CAPITAL PROGRAMME 2021-26

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

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

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

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

RECOMMENDED – To Council -

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

70 **CAPITAL FINANCING STRATEGY 2021/22**

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

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

RECOMMENDED – To Council -

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

71 **TREASURY MANAGEMENT STRATEGY 2021/22**

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

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

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

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

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

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

RECOMMENDED – To Council -

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

72 INVESTMENT STRATEGY 2021/22

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

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

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

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

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

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

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

73 **BUDGET MEETING PROCEDURE**

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

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

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

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

74 **WORK PROGRAMME UPDATE**

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

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

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

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