

Public Document Pack

HOUSING COMMITTEE

Thursday, 27 January 2022

Present: Councillor J McManus (Chair)

Councillors A Brame P Martin
H Cameron J Robinson
M Collins T Smith
H Gorman S Whittingham
I Lewis

Apologies Councillor B Berry (For Cllr A Gardner)

26 WELCOME AND INTRODUCTION

The Chair welcomed Members of the Housing Committee, Officers and viewing members of the public to the meeting.

27 APOLOGIES

The Chair confirmed the apologies of Councillor Andrew Gardner, with Councillor Bruce Berry deputising.

28 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

No such declarations were made.

29 MINUTES

Resolved – That the minutes of the Housing Committee held on 18 November 2021 be approved and adopted as a correct record.

30 PUBLIC QUESTIONS, STATEMENTS AND PETITIONS

The Chair reported that no public questions had been received, nor were there any statements or petitions.

31 QUESTIONS BY MEMBERS

The Chair noted that Councillor Jo Bird had asked a number of questions relating to the Budget at the last meeting of Housing Committee and had been informed by the Director of Regeneration and Place that those answers would be answered in a briefing session that subsequently did not take place.

Councillor Bird had received answers in writing to her questions and had asked that these be shared with Members of the Committee and the public. Members agreed that these should be included within the minutes of this meeting. They can be found below:

Question One: In the earmarked reserves, there is £26 million for Covid, could that Covid reserve be used to reduce the loan requirement, if it was not needed to draw down this year?

Response:

The Statement of Accounts for 2020/21 show £26m in Covid reserves, which was funding received but not yet utilised at the end of that financial year. This funding was held in commitment against Covid pressures for 2021/22. Covid grants were made available for a range of matters, with individual grants having specific conditions attached to them. Some funding was provided to the Council in order that it could be passported on to third parties, for example local businesses, in addition funding was made available for the Council to utilise in its response to and the effects of the pandemic. Covid funding that has been made available to the Council (subject to the relevant funding conditions) could be utilised to minimise the current intention to borrow funds in the current year.

The capitalisation request for 21/22 was £10.7m, however the forecast from the most recent quarterly financial monitoring activity, which was reported to Policy & Resources committee on 10th November, indicated that borrowing of £7.2m would be required, a reduction of £3.5m.

A corporate pressure of £1m held for Homelessness has been alleviated and can now be used to reduce the requirement to access borrowing, as the service has received almost the equivalent value in grants that were not known about at the time of setting the budget and applying for a capitalisation directive.

A further £2m from the Contain Outbreak Management Fund (COMF) is expected to reduce the need for borrowing as this funding is eligible to be used to offset Covid pressures that were originally contributing to the position that required a request for a capitalisation directive. These covid pressures included a grants programme for social sector venues enabling them to safely remobilise, resources to support strategic recovery and additional staffing required to support the Covid response.

The remaining £0.5m reduction of the £3.5m total relates to the net favourable forecast across all Council directorates reported at quarter 2.

In case this assists I have also extracted below the Covid-19 reserve note from the draft Statement of Accounts 2020/21 which lists the individual covid reserves and provides some explanation as to their intended use:

Covid-19 Reserves

Since the start of the Covid-19 pandemic various streams of funding have been received from Central Government to support various initiatives as part of the response and recovery. Some of these grants have not yet been full utilised and are therefore held in reserve to offset against related expenditure in 2021/22 as follows:

Covid-19 Reserves	Balance at 31 March 2021 £000
Covid-19 emergency fund	(11,879)
Public Health Test & Trace Contain Outbreak Management Fund	(9,469)
Hardship Fund	(2,139)
Test & Trace Service Support	(1,230)
Hospitality & Leisure Support Grant	(858)
Test & Trace Contain Outbreak Management Fund: Enforcement	(285)
Clinically Extremely Vulnerable (CEV)	(252)
LA Practical Support for Those Self-Isolating	(83)
Local Restriction Support Grants	(1)
Total Covid Reserves:	(26,196)

Question Two: A figure has been put on for around £30 million with budget gap next year. Obviously every million pounds that can be saved or pressures not realised could reduce that £30 million so therefore affects the budget deficit for this committee and the decisions for the committee to make.

I noticed the budget paper, capital receipts are presented to be £3 million, but I've also heard £4.5 million. Why is there a difference?

Response:

Capital receipts are dependent upon sites being able to be identified as surplus to requirements and disposed of with necessary approval as per governance arrangements. Figures are subject to fluctuation in respect of sites proposed, market expectations and timing of potential disposals. Recent revisions to potential capital receipts have stemmed from revised forecasts from the estates management team, plus all assets are being reviewed to determine what viable and beneficial options are available in line with the

recent CIPFA report to DLUHC which noted that the Council should look to rationalise its estate. It is possible this figure could change between now and budget setting.

Question Three: Regarding Wirral Growth Company. Removal of one-off items saving of £1.38 million. I'm confused, is that a plus or a minus? Are we still counting income from Wirral Growth Company given the reports?

Response:

The £1.38m was a one-off 2022/23 saving figure. This has been removed from assumptions in the 2022/23 budget process in line with the CIPFA recommendations that no income from the Growth Company be assumed in supporting the 2022/23 budget; instead, any income received will be held in reserve and then utilised accordingly to support regeneration activity.

Question Four: A question about re-opening or rather closure of Europa fun pool. Does that pressure mean we can reopen or change that?

Response:

The pre-budget report showed the Europa closure as a one-off item for 2021/22. Initial plans proposed to reinstate the 2021/22 budget in 2022/23, once the service had recovered from the impact of COVID, which is why it was noted as a pressure. In response to addressing the budget envelopes that have been set out for Directorates in drawing up budget proposals, consideration will be given as to what approach is to be adopted in respect of Europa fun pool.

Question five: Why is there two lists of pressures?

One item relates to 21/22 pressures that are assumed to be one-off and therefore help the budget position for 2022/23 when they are reversed out to recognise their temporary nature. The second item is the 22/23 budget pressures which were noted as needing to be funded from April onwards. Likewise, there were one-off savings in 2021/22 whose removal adds pressure to 2022/23. The summary table below illustrates the impact of these:

Summary of Pre-Budget Setting Report Policy & Resources			
25 October 2021			
	Pessimistic	Mid-Ground	Optimistic
	£ms	£ms	£ms
Funding	-311.43	-323.01	-325.87
Initial 2022/23 Budget Requirement	329.4	329.4	329.4
2021/22 one off savings fall out	7.51	7.51	7.51

2021/22 pressures fall out	-14.06	-14.06	-14.06
Budget Gap Before 2022/23 savings and pressures	11.42	-0.16	-3.02
2022/23 Pressures	29.9	22.51	16.41
2022/23 Savings being considered	-10.48	-12.21	-13.93
Revised Budget Gap	30.84	10.14	-0.54

Question Six: The single largest pressure is £6 million for Leisure and maybe it's possible that under further examination, those figure might not turn out to be so high?

Response:

The £6 million was assumed to be a one-off pressure relating to the impact of Covid of leisure activity in 2021/22. As above, this has been removed for 2022/23, as it was considered temporary, and this removal aids the 2022/23 position. Directorates are currently working on revising budget forecasts and producing budget options to enable them to remain within the 'budget envelope' provided. Once the budget position forecast is refreshed it is possible that figures in respect of pressures will be amended.

No further question were submitted by Members of the Committee.

32 2022/23 BUDGET UPDATE

The Head of Legal Services introduced the report of the Director of Law and Governance which provided for consideration the recommendations of the Policy and Resources Committee in respect of the 2022/23 Budget Update.

The proposals outlined were part of a draft budget and were therefore not without prejudice, and it was for the Committee to focus on these specific proposals, any comments on which would be fed back to the Policy and Resources Committee. The two proposals relevant to this Committee were: 'Cease Financial Contribution for the provision of Community Alarms and Response Calls, saving £200k In 2022/23 and £100k in 2023/24'; and, 'Reconfiguration of Commissioned Homeless Accommodation, saving £115k in 2022/23 and £37k in 2023/24'.

Members questioned some of the details of the two savings proposals in the report which established:

- That other funding and services provided by other directorates would alleviate the proposal to cease grant funding for Community Alarms.

- That Wirral Council was one of a small few of local authorities that still provided funding for this service in England.
- Funding for Community Alarms was effectively a subsidy to services being provided by the Social Landlords that are not eligible for Housing Benefits; and that those living in other accommodation setting such as Owner Occupiers and Private Tenants, did not receive this subsidy towards similar services and would be required to pay themselves regardless of incomes. Social Landlords would be required to either pass on the charges to the individual as an additional service charge or could choose to absorb the cost themselves. That the proposed reconfiguration of commissioned homeless accommodation services would still allow access to the accommodation for those who are homeless as part of the homeless pathway process.
- Additional Government Grant Funding of £161k p.a has also been secured until 2024, to strengthen existing services for homeless people allowing enhancement in some schemes.
- That access to the current service offered to homeless people would not be reduced as a result of the savings.

Resolved – That:

(1) the 2022/23 draft budget proposals be noted.

(2) the relevant director with portfolio be authorised to take the necessary action to consult on any proposals that require additional consultation and take necessary action to deliver the resulting service changes in consultation with the Chair and Group Spokesperson or reporting to the Housing Committee as the Director considers appropriate.

33 WORK PROGRAMME UPDATE

Members gave consideration to a report of the Director of Regeneration and Place that set out the proposed Housing Committee Work Programme 2021/22 as detailed in the appendix to the report.

The report advised that the Housing 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.

The report provided the Committee with an opportunity to plan and regularly review its work across the municipal year.

Members noted that within the next municipal year the number of individual committees was likely to be reduced and Housing Committee was likely to be subsumed within another committee. They raised concerns that subjects that Housing Committee have raised may not be picked up in future and sought reassurance that these issues would be included within the agenda of the Policy and Service committee that was tasked to monitor the Housing Service.

On a motion from the Chair and seconded by Councillor Ian Lewis it was:

Resolved – That:

(1) the Housing Committee Work Programme for the remainder of the 2021/22 municipal year be noted, and;

(2) a recommendation be made to the Constitution and Standards Committee that a Housing Sub-Committee be set-up under the Policy and Services Committee that takes on the Housing Committee's terms of reference in the next municipal year.

34 EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

On a motion by the Chair, seconded by Councillor S Whittingham, it was –

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

35 EXEMPT APPENDIX - 2022/23 BUDGET UPDATE

Resolved – That the exempt appendix to the 2022/23 Budget Update Report, be noted.

This page is intentionally left blank