

# **POLICY AND RESOURCES COMMITTEE**

Wednesday, 1 December 2021

Present: Councillor J Williamson (Chair)

Councillors T Anderson J Robinson  
P Gilchrist P Stuart  
P Cleary H Cameron  
S Hayes W Clements  
T Jones JE Green  
J McManus L Rennie  
Y Nolan

Deputy: Councillor S Foulkes (In place of EA Grey)

## 95 **WELCOME AND INTRODUCTION**

The Chair welcomed everyone to the meeting and those watching the webcast.

## 96 **APOLOGIES**

The Chair confirmed the apologies of Councillor Liz Grey, with Councillor Steve Foulkes deputising.

## 97 **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.

No such declarations were made.

## 98 **MINUTES**

**Resolved – That the minutes of the meeting held on 10 November, 2021, be approved and adopted as a correct record.**

## 99 **PUBLIC QUESTIONS**

The Chair informed the meeting that two questions had been received from members of the public who had each asked that their questions be read out at the meeting.

The first question was from Susan Kirkham as follows:

“Actions such as the Nottingham City Council Workplace Parking Levy that has raised £25.3 million in the first 3 years and licensing of the private rented sector to cover the enforcement costs of ensuring compliance with minimum energy efficiency standards.

In the first three years of operation, the workplace parking levy in Nottingham raised £25.3 million of revenue, all of which has funded improvements in the city’s transport infrastructure, including the largest fleet of electric buses. Recent research indicates that the levy has significantly contributed to a 33% fall in carbon emissions, and a modal shift which has seen public transport use rise to over 40%

Given the local, national and climate goals, and the Council’s financial position, how is the Policy and Resources Committee ensuring that all actions and decisions within the council are meeting our climate goals and are financially beneficial?”

The Chair read out the following response:

Wirral Council declared an environment and climate emergency in 2019 and in doing so established a corporate priority to respond to the emergency and influence others to do so. The Council has since established its environment and climate emergency policy, committing the Council to be net carbon neutral by 2030 and setting out the framework for doing so. A key element of the policy and carbon neutral commitment is for the Council to become a ‘carbon literate organisation’ to ensure all decisions and future strategy are informed by their environment and climate impact. Since commencing carbon literacy training 200 members and senior officers have attended the course. All Council reports set out the environment and climate impact of the recommendations being put forward. The Council also has a dedicated Climate Emergency Team, headed by the Climate Emergency Manager and their role is to coordinate and drive the Council’s Environment & Climate Emergency Action Plan. This includes working closely with senior regeneration and planning colleagues to support and advise on the development of the Council’s growth strategy and Local Plan, both of which are setting out sustainability objectives including build quality, future neighbourhoods design, a range of development levies including biodiversity net gain and prioritisation of active transport provision.

The Council is a leading partner in the Cool Wirral Climate Change partnership and supported the establishment of the Cool2 climate change strategy for Wirral and net zero target of 2041 (Wirral’s second strategy). Since the strategy’s introduction in early 2020 a range of initiatives have been commenced including a taskforce on low carbon building and an advanced position with a heat network pilot for the Birkenhead area.

In terms of a levy on workplace parking, the Council is developing its post Covid pandemic recovery strategy and new, post lockdown way of working. This will involve a permanent shift to more home working and reduced estate. Therefore, it is premature to consider future parking arrangements of provision, other than travel by car will be discouraged and a greater investment of active travel facilities at the future operational hubs.

The second question was from Naomi Graham as follows:

“The report accompanying the Medium-Term Financial Strategy coming before this committee currently states that the MTFS has no environment and climate implications. Could the Committee ask officers to note that there are environment implications in all Council spend decisions and that there may be climate adaptations and risks that Wirral needs to address over the MTFS period. For example, using transport spend to reduce the impact on air pollution and improve health outcomes, to use all spend to increase the support for the local green economy, to consider spend decisions to improve health and well-being through green spaces etc?”

The Chair read out the following response:

There are no environment and climate implications of producing an electronic Medium Term Financial Strategy document, which is the subject of the report. The document sets a strategy framework for the 2022 – 2027 budget and Medium Term Financial Plan. As part of the budget setting process for 2022/23 individual budget proposals will have robust business cases and equality impact assessments completed and it will be in these documents where the implications for the environment and climate will be made. These documents will be available to the Policy and Resources Committee in the new calendar year, in line with the 2022/23 budget setting process.

## 100 **STATEMENTS AND PETITIONS**

No statements, petitions or questions from Members had been received.

## 101 **DRAFT MEDIUM TERM FINANCIAL STRATEGY 2022-27**

The Director of Resources introduced a report on the Council’s Medium-Term Financial Strategy (MTFS) which set out the financial implications of the Council’s Corporate Plan and how this could be funded over the period of five years. Each year, the Council was required by law to approve a balanced budget, where gross expenditure was matched by available resources. The MTFS set out the guiding principles and considerations to deliver a balanced budget.

The Interim Director of Finance elaborated on the report’s content, and the proposed MTFS 2022/23 to 2026/27, which provided a robust, consistent, and

sustainable approach to establishing and maintaining a stable and prudent financial basis on which the Council's services were to be delivered.

The MTFS was one of the key strategies of the Council and the five-year strategy set out the Council's commitment to providing services that both met the needs of people locally and represented good value for money.

The MTFS identified a structural deficit for the five-year period covered. Upon the budget balancing for 2022/23 this structural deficit was removed based on latest estimates. The Council would need to save £27m, 8.3% of the net spend of the Council for the first year of the MTFS, 2022/23 to achieve a balanced budget.

Contained within the MTFS were indicative figures for financial years 2022/23 to 2026/27; these figures would change in line with a number of factors, including confirmation of the government's forthcoming funding settlement for 2022/23 (expected in mid-December), which in turn would inform the budget proposals made by this Committee for consideration by full Council in February 2022.

The Interim Director and Chief Executive responded to a number of comments from Members. With regard to the benchmarking of public health grants with comparator authorities, the Chief Executive agreed to ask the Director of Public Health to provide a written response on this.

Members spoke of the opportunities to transform services over the lifetime of this MTFS and the need for all political groups on the Council to work together for the benefit of Wirral's residents.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

**Resolved - That the Medium Term Financial Strategy for 2022/23 to 2026/27, be approved.**

## 102 **2022/23 BUDGET PROCESS**

The Director of Resources introduced a report which recommended a new approach to budget setting for the 2022/23 budget. Since the last Committee, the two reports forming the External Assurance Review received from the Department of Levelling Up, Housing and Communities (DLUHC) had been published as a result of the Council requesting capitalisation as a form of exceptional financial support. These reports recommended the Council to develop a financial recovery plan which would require it to provide a realistic Medium Term Financial Strategy, increase General Fund balances and take tough decisions to balance the budget and ensure financial sustainability. These recommendations were put forward for agreement at the Policy and Resources Committee meeting of 30 November 2021.

The new approach to the budget setting process for 2022/23 would set the foundations that would help deliver relevant recommendations in the DLUHC reports. The new process provided for 'Budget Envelopes' for Directorates to remain within for 2022/23 and to identify budget proposals to ensure these budget envelopes could be contained.

The Interim Director of Finance elaborated further on the new approach to the budget process and how this would work.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

**Resolved - That the revised approach to setting the 2022/23 Budget, as outlined in the appendix to the report, be approved.**

### 103 **CHANGE PROGRAMME**

The Chief Executive introduced the report on the proposed Change Programme required to support the implementation of the Wirral Plan by ensuring the Council's operating model was as effective and efficient as possible. This would lead to the optimisation of Council resources in relation to delivering the Wirral Plan priorities and outcomes.

The Assistant Director: Strategic Change then gave further details on the programme which took account of the linked to exceptional financial support External Assurance Review (EAR) recommendations published on the 2 November, 2021. The Change Programme had been put forward as part of the Council's evidence to the Department for Levelling Up, Housing and Communities (DLUHC formerly MHCLG) that the Council had the capability to implement a programme of change to deliver the required savings to achieve financial sustainability.

The EAR reports and recommendations provided a clear steer to the Council and officers had acknowledged this in the design of programmes presented in this report. The overall goals of the Change Programme were to:

- Support the delivery of the Wirral Plan, approved by Council on 6 September 2021, by helping improve outcomes for residents.
- Support the delivery of the Medium-Term Financial Strategy by ensuring the Council's operating model provided best value in prioritising the Council's services and investment around the greatest need.

The Chief Executive responded to a number of comments from Members and elaborated on the role of the Finance Sub-Committee in providing oversight of business cases as they were developed and the reporting procedure through this Committee and on to Council as and when required. There would be an increasing role for Committee Chairs and Party Spokespersons in the

direction of savings, but in the knowledge that both the Leadership and Governance report and CIPFA reports highlighted the increasing role of this Committee and its Sub-Committee in providing direction and steer on the Financial Recovery Plan. Decisions would need to be made quickly whilst ensuring the stability and security of the Council in the delivery of major change programmes and whilst maintaining the confidence of the workforce.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

**Resolved – That,**

**(1) the Chief Executive be requested to progress and implement the Change Programme and required service reviews to deliver a new operating model;**

**(2) it be agreed that oversight of the Programme be through P&R Finance Sub-Committee who will review emerging business cases and receive regular updates on progress.**

#### 104 **WORK PROGRAMME UPDATE**

The Director of Law and Governance introduced a report which advised how this Committee, in co-operation with the other Policy and Service Committees, was responsible for proposing and delivering an annual committee work programme.

The work programme was 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 and was attached as an appendix to the report, although the Committee would now be aware of the decision taken at the special meeting of this Committee on 30 November, 2021, with regard to future agendas.

**Resolved – That the Policy & Resources Committee work programme for the 2021/22 municipal year, be agreed.**

#### 105 **REFERRAL FROM COMMITTEES**

The Chair suggested that the three committee referral items on the agenda (see minutes 106, 107 and 108 post), be taken en bloc, and on a motion by the Chair, seconded by Councillor Yvonne Nolan, it was –

**Resolved – That the three committee referrals be agreed.**

106 **REFERRAL FROM TOURISM, COMMUNITIES, CULTURE AND LEISURE COMMITTEE: GRANT FUNDING FOR DESTINATION MARKETING**

A report on the Tourism, Communities, Culture and Leisure Committee's recommendations from its meeting on 17 November in respect of the acceptance of grant funding for destination marketing from the Liverpool City Region Combined Authority's Single Investment Fund.

The report was before the Committee because in accordance with the Council's Constitution any amendment to the Capital Programme requested by a Committee or officer in excess of £100,000 was reserved to Policy and Resources Committee.

**Resolved – That,**

- (1) this Committee notes that the funding is subject to receiving and entering into a formal Grant Funding Agreement, which details the terms and conditions of the award;**
- (2) the Director of Regeneration and Place be authorised to approve the Grant Funding Agreement, thereby accepting the funds.**

107 **REFERRAL FROM ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE: TOWN DEAL - ACCEPTANCE OF FUNDING**

A report on the Economy, Regeneration and Development Committee's recommendations from its meeting on 22 November in respect of the acceptance of a Town Deal grant from the government.

The report was before the Committee because in accordance with the Council's Constitution any amendment to the Capital Programme requested by a Committee or officer in excess of £100,000 was reserved to Policy and Resources Committee.

**Resolved – That,**

- (1) the content of the report and the announcement from Government regarding the Town Deal funding award in relation to Birkenhead, be noted;**
- (2) the re-profiling of the funding allocation for projects as set out in paragraph 3.8 of the report, be noted;**
- (3) the Director of Regeneration and Place be authorised to accept the offer and funding from DLUHC, via a grant made under Section 31 of the Local Government Act 2003;**

- (4) the Director of Regeneration and Place be authorised to progress delivery of the Town Deal Programme, in line with the Section 31 Grant and the Town Investment Plan, and to implement a change control process (if required);**
- (5) the Director of Regeneration and Place be authorised to allocate the Town Deal predevelopment funding of £1,250,000 (5% of the total award) on receipt;**
- (6) the Director of Resources, as S151 Officer, be authorised to review and approve business cases, in consultation with the Director of Regeneration and Place, and submit the results to DLUHC in order to release the remaining funds; and**
- (7) the Director of Law and Governance be authorised, in consultation with the Director of Regeneration and Place and the Director of Resources, to enter into any necessary agreements or other legal documentation to implement the above recommendations.**

**108 REFERRAL FROM ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE: EXMOUTH STREET, SEAMUS O'DONNELLS**

A report on the Economy, Regeneration and Development Committee's recommendations from its meeting on 22 November in respect of the proposed disposal of the Council's freehold interest in land at Exmouth Street, Birkenhead, to the existing lessee that holds a ground lease of the site and owns the operational public house which is sited thereon.

The report was before the Committee because in accordance with the Council's Constitution any disposal of assets with a value in excess of £100,000 was reserved to Policy and Resources Committee.

**Resolved – That,**

- (1) the freehold interest of land at Exmouth Street, Birkenhead, (which is held via a ground lease with 56 years unexpired and occupied by an operational public house with a grassed area to one side), be declared surplus to the Council's requirements.**
- (2) the Director of Law & Governance be authorised, in consultation with the Director of Regeneration and Place, to dispose of the property to the current lessee, JSM Company Group Ltd for a price of £120,000, plus payment of the Council's legal costs.**