

POLICY AND RESOURCES COMMITTEE

Wednesday, 8 June 2022

Present: Councillor J Williamson (Chair)

Councillors	T Anderson	J Robinson
	P Gilchrist	P Stuart
	P Cleary	H Cameron
	EA Grey	L Rennie
	T Jones	J Bird
	Y Nolan	J Johnson

In attendance: Councillors C Davies

1 WELCOME AND INTRODUCTION

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

2 APOLOGIES

No apologies for absence were received.

3 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 declarations were made.

At the request of the Chair, the Committee agreed to alter the order of business

4 REPORT OF THE INDEPENDENT ASSURANCE PANEL

The Chief Executive introduced the report, which provided the first update report of Wirral's Independent Assurance Panel, set up to oversee the Council's improvement in response to the external assurance review commissioned by the Department for Levelling Up, Housing and Communities (DLUHC) which was published in November 2021. An error in the report was clarified under section 2.3 which should have read that the two other groups voted against the budget with amendments.

The Chair of the Independent Assurance Panel outlined the positive steps that the Council taken to its improvement including achieving the £18m budget

savings for 2022/23. She advised that the process of implementing the savings would be a challenge and that the Panel would continue to track their progress. It was noted that the budget gap of £14m for 2023/24 had been agreed, but the Committee was advised that given the rate of inflation, cost of living crisis and pay negotiations, this figure could be expected to raise significantly, and this needed to be accounted for.

The Chair of the Panel noted and supported the ambitious regeneration plans for the borough and encouraged the Council to move quickly and build momentum to get delivery on the ground, citing the cost of living crisis as a potential obstacle in future. The Council was further encouraged to retain its inclusivity of political processes, with cross-party working appearing fragile at time and therefore mutual respect moving forward was necessary to achieve what was required. The improvement in officer member relationships and success of the new Councillor induction programme was noted, with improved working between the three statutory officers likely to see the Chief Executive and Leader more supported.

The Committee thanked the Chair of the Independent Assurance Panel for the fair and accurate reflection. In response to questions from members on various aspects of the report, the Chief Executive outlined that the Local Government Association had been commissioned to undertake a piece of work in response to the recommendations in the Ada Burns report, the conclusion of which would be reported back to members.

On a motion by the Chair, seconded by Councillor Tom Anderson, it was –

Resolved – That

- (1) the contents of the report of the Independent Assurance Panel and the dashboard against the recommendations arising from the Department for Levelling Up, Housing and Communities external assurance review be noted and referred to full Council for further consideration.**
- (2) the update in respect to the Corporate Peer Challenge be noted and a detailed report be submitted to the next meeting of the Policy and Resources Committee.**

5 MINUTES

Resolved – That the minutes of the meeting held on 16 March 2022 be approved and adopted as a correct record.

6 PUBLIC QUESTIONS

The Chair informed the Committee that two questions had been received from members of the public. The Monitoring Officer read them out on the questioners' behalf.

The first question was from Dr Jane Turner to the Chair of Policy and Resources Committee seeking information on how many Expressions of Interests had been received for Community Asset Transfers.

In response, the Chair outlined that the window for Expressions of Interests closed on 6 May, and further detail could be found in the Community Asset Transfer report published on the same day for the Tourism, Communities, Culture and Leisure Committee on 16 June.

The second question received was from Jon White to the Chair of Policy and Resources Committee asking how much Wirral Council owes in Lender Option Borrowing Option loans, which lenders are owed to and what steps were being taken to make savings on the loans.

In response, the Chair outlined that £100.5m was owed in Lender Option Borrowing Option loans to Bayern LB, FMS – Wertmanagement, Commerzbank and Just Retirement Ltd, and that the Council was in active discussions with an external advisor to consider refinancing the existing loans if the new refinancing cost provided a saving against the settlement premium for early termination of the existing loans.

7 STATEMENTS AND PETITIONS

The Chair informed the Committee that no statements or petitions had been submitted.

8 QUESTIONS BY MEMBERS

No questions from Members had been received.

9 2021-22 BUDGET MONITORING FOR QUARTER 4 (1 JAN-31 MAR), 2021-22 OUTTURN

The Director of Resources introduced the report which provided a summary of the year-end revenue position for the 2021/22 financial year as at the end of March 2021 and an overview of budget performance to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

The report detailed the conditional offer of Exceptional Financial Support from the Department for Levelling Up, Housing and Communities of £10.7m and that the reduced amount of £6.360m had been agreed by Ministers following receipt of additional grant funding and underspend. The Committee was

advised that the figure had reduced further to £5.846m and the conditions of acceptance were appended to the report.

The report detailed the revenue budget and outturn position broken down by directorate, and the Director of Resources outlined the reasons for any variance for each directorate. Detail was provided on the level of reserves and the Committee was reminded that the Council had been criticised for the low level of earmarked reserves in the External Assurance Review and therefore they had been increased in response.

Members discussed the report in detail and officers responded to questions on various matters including the reasons for the favourable variance in Adult Care and Health.

It was moved by Councillor Janette Williamson, seconded by Councillor Jean Robinson, that the recommendations detailed within the report be agreed.

It was moved by Councillor Jo Bird, seconded by Councillor Pat Cleary, that the recommendations within the report be agreed, subject to the inclusion of the following –

“A further report be submitted to Policy & Resources Committee, by its first meeting in September, regarding the Real Living Wage being paid to all workers delivering Council services.”

Further information was sought from the Director of Resources, who informed the Committee that the feasibility of the proposal had been undertaken with an estimated cost to the Council of £600k to £1.2m, which was considered to be unaffordable, therefore any report that would be submitted to the Policy & Resources Committee as a consequence of the motion would advise the Committee that the proposal was not affordable.

On a motion by Councillor Paul Stuart, seconded by Councillor Janette Williamson, the Committee agreed to move to the vote. The motion as amended was put and lost (2:13).

The original motion was therefore put and agreed unanimously. It was therefore –

Resolved – That

- (1) it be noted that the draft, unaudited outturn variance for 2021/22 is a balanced position, after utilising exceptional financing support.**
- (2) the requirement to utilise £5.846m of exceptional financial support, in line with the relevant guidance (see Appendix 2),**

subject to external audit, be noted.

- (3) the Director of Resources be authorised to accept the revised offer of exceptional financial support from the Department of Levelling Up, Housing and Communities as referred to in Section 3.11 of the report.**
- (4) the impact of funding and expenditure as a direct consequence of Covid-19, including the additional funding sources which have been identified, as referred to in section 3.10 of this report be noted.**
- (5) transfers to earmarked Reserves, as detailed in the report, be approved.**

10 CAPITAL OUTTURN REPORT 2021-22

The Director of Resources introduced the report which detailed the Capital Outturn for 2021/22, the resources used to fund the Programme and provided a review of the progress of the delivery of the agreed Capital Programme.

The Committee was advised that the capital expenditure for the year was £45.6m compared to the Revised Programme of £71.9m which was reported in February 2022 (Quarter 3). The reported detailed that £30.4m of capital had been re-profiled from 2021/22 to 2022/23 due to slippage, and a breakdown by directorate was provided to the Committee.

Resolved – That Council be recommended to:

- (1) note the additional year-end re-profiling of £30.4m from 2021/22 to 2022/23.**
- (2) note the financing of the programme for 2021/22.**
- (3) approve the virements referred to in appendix 3 to the report.**

11 CAPITAL PROGRAMME - VIREMENTS

The Director of Resources introduced a report that followed a Council decision that funding would be identified within the 2022/23 Capital Programme to provide capital resource for community asset transfer of up to £500,000 in respect of library facilities and Climate Emergency Budget support of up to £125,000 and recommended that monies be vired from the property related Health and Safety Condition Surveys Budget.

On a motion by the Chair, seconded by Councillor Jean Robinson, it was –

Resolved – That a virement of capital funding of £625,000 from the Health and Safety Condition Survey programme be agreed to fund eligible capital works in relation to community asset transfer of up to £500,000 and to fund eligible capital works in relation to the climate emergency budget of up to £125,000.

12 **APPOINTMENT TO SUB-COMMITTEES**

The Director of Law and Governance introduced the report which was to enable the Policy and Resources Committee, in accordance with the relevant statutory provisions and the terms of the Constitution, to appoint Members to the three Sub-Committees of the Policy and Resources Committee for 2022/2023, namely:

- The Senior Officer Appointments and Staffing Sub-Committee
- The Finance Sub-Committee
- The Shareholder Board

The report also requested the Committee to re-appoint the Contain Outbreak Management Fund Working Group, first appointed by this Committee on 9 June, 2021 (minute 10 refers).

Members discussed the size of the Finance Sub-Committee and were agreeable to increasing the size of it to six members so that all four groups could be represented on it.

On a motion by the Chair, seconded by Councillor Jean Robinson, it was –

Resolved – That

(1) the Senior Officer Appointments and Staffing Sub-Committee be appointed for 2022-23 with the terms of reference as referred to in paragraph 3.1 of the report and will consist of:

(i) the Leader (Chair of Policy & Resources Committee), or in their absence the Deputy Leader (Vice-Chair), who shall chair the Sub-Committee;

(ii) a member from each of the other Political Groups represented on the Policy & Resources Committee; and

(iii) the Chair, or in their absence the Vice-Chair, of the Policy & Services Committee with terms of reference most closely associated with the post concerned (or if that committee concerned is deemed to be the Policy & Resources Committee then the Deputy Leader (Vice-Chair)).

(2) the Finance Sub-Committee be appointed for 2022-23 with the terms of reference identified with 6 members of the Policy and

Resources Committee.

- (3) the Shareholder Board be appointed for 2022-23 with the terms of reference identified with 3 members of the Policy and Resources Committee.**
- (4) that the Contain Outbreak Management Fund Working Group be appointed with 6 members for 2022/23 with the terms of reference identified.**
- (5) the Monitoring Officer as proper officer be authorised to carry out the wishes of the Group Leaders in allocating Members to membership and substitute membership of those sub-committees and Working Group, listed in recommendations (1) to (4) above and to appoint those Members with effect from the date at which the proper officer is advised of the names of such Members.**

13 WORK PROGRAMME

The Democracy Business Manager introduced the report of the Director of Law and Governance which set out the Committee's current work programme and 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.

The Committee was asked to review its work programme in light of the change in the Terms of Reference following Council's adoption of a revised Constitution on 25 May 2022, 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.

Following an ask from a member, the Director of Resources undertook to circulate the Wirral Growth Company draft accounts to members of the Policy and Resources Committee.

Resolved – That the Policy & Resources Committee work programme for the 2022/23 municipal year be agreed.