

TOURISM COMMUNITIES CULTURE AND LEISURE COMMITTEE**THURSDAY, 1 DECEMBER 2022**

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| Report Title: | 2022-23 REVENUE & CAPITAL BUDGET MONITORING FOR QUARTER TWO |
| Report of: | DIRECTOR OF NEIGHBOURHOODS |

REPORT SUMMARY

This report sets out the financial monitoring information for the Tourism, Communities, Culture and Leisure Committee as at quarter 2 (1 Jul – 30 Sep) of 2022-23. The report provides Members with an overview of budget performance, including progress on the delivery of the 2022-23 saving programme and a summary of reserves to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

Managing a budget requires difficult decisions to ensure that a balanced position can be presented. Regular Member engagement, which this report forms part of, is considered essential in delivering effective governance and financial oversight.

At the end of Quarter 2, there is a forecast adverse position of £3.948m on the Committees net revenue budget, of £5.161m. This position is based on activity to date, projected trends in income and expenditure and potential mitigation to offset areas of adverse variance.

This matter affects all Wards within the Borough and is not a key decision.

The report contributes to the Wirral Plan 2021-2026 in supporting the organisation in meeting all Council priorities.

RECOMMENDATION/S

The Tourism, Communities, Culture and Leisure committee is recommended to:

1. Note the forecast revenue position presented at Quarter 2.
2. Note the progress on delivery of the 2022-23 savings programme at Quarter 2.
3. Note the forecast level of reserves at Quarter 2.
4. Note the forecast capital position presented at Quarter 2.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 It is vitally important that the Council has robust processes in place to manage and monitor the in-year financial position, to ensure it delivers a balanced position at the end of the year
- 1.2 Regular monitoring and reporting of the revenue budgets and savings achievements enables decisions to be taken in a timely manner, which may produce revenue benefits and will improve financial control of Wirral Council.
- 1.3 This report presents timely information on the Quarter 2 financial position for 2022/23.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Policy & Resources Committee has previously determined the budget monitoring process to follow and this report details the agreed course of action.
- 2.2 In striving to manage budgets, available options have been evaluated to maintain a balance between service delivery and a balanced budget.

3.0 BACKGROUND INFORMATION

- 3.1 As at the end of September 2022 (Quarter 2), the forecast outturn position for Tourism, Communities, Culture and Leisure is £3.948m adverse against a budget of £5.161m. £0.886m of this relates to an adjustment for the proposed 2022/23 pay award and similar adjustments are being made to other Directorates to reflect this. This is mitigated in part by £0.097m relating to the proposed National Insurance reduction from November.
- 3.2 The Directorate continues to recover from the impact of COVID-19 and all services that were operating in a limited capacity in 2021/22 have now reopened. However, income generation has not yet returned to pre pandemic levels in Quarter 2 due to footfall and usage in some areas being less than it was in 2019/20, which is in line with the national position. There has been some improvement since Quarter 1 due to new pricing structures and a slight increase in footfall in some areas. The ongoing cost of living pressures have adversely impacted income generation and energy costs and there is a risk of further impact in Quarters 3 and 4. Income levels within Leisure are currently at 75% of pre pandemic levels, which reflects the current national position for the sector.
- 3.3 The 2022/23 budget incorporates £3.517m of savings. Work commenced to achieve these savings following agreement at Budget Council in February. As at Quarter 2, the Committee has achieved approximately half of these savings. However, there are risks and pressures associated with some of these areas such as income generation. There will also be additional ongoing pressures within some areas until the Community Asset Transfer (CAT) process is finalised.

TABLE 1 2022/23 Tourism, Communities, Culture and Leisure Committee – Service Budget & Forecast Outturn

| | Budget £0 | Forecast £0 | Variance (+ Fav / - Adv) | | Adverse/ Favourable |
|---------------------------------|--------------|----------------|-----------------------------|-------------|------------------------|
| | | | £0 | % | |
| Public Health Outcomes | -6,336 | -6,342 | 6 | 0% | Favourable |
| Leisure Libraries and Theatre | 7,904 | 11,306 | -3,402 | -43% | Adverse |
| Neighbourhood Safety | 3,327 | 3,746 | -419 | -13% | Adverse |
| Culture and Visitor Economy | 265 | 398 | -133 | -50% | Adverse |
| Total Surplus/ (Deficit) | 5,161 | 9,109 | -3,948 | -76% | Adverse |

3.4 **Public Health Outcomes:** A broadly balanced position is forecast for 2022/23. This area comprises Neighbourhoods management costs and cross cutting funding.

3.5 **Community Safety:** An adverse variance of £0.419m is forecast for 2022/23. £0.223m relates to the adjustment for the proposed pay award. The remaining £0.196m relates to income shortfalls within Community Patrol due to the cessation of an external contract. Work has been undertaken to increase income generation through commissioning external work but there is insufficient capacity within the team due to increasing demands within the service. A review of the service is currently underway but at present the team continue to be engaged in activities associated with the longer-term response to the pandemic in addition to their usual monitoring and response team duties. This includes additional pressures within the Community Patrol team which are being funded from carried forward planned COVID-19 tranche funding. In addition, some of the team are engaged in functions associated with the Community Safety Partnership and are being funded from the reserve for these activities. This is temporary funding utilised in 2022/23 only, which will mitigate £0.096m of lead in pressures associated with the savings within this area.

3.6 **Leisure, Libraries and Customer Engagement:** An adverse variance of £3.402m is reported for 2022/23. This is made up of the following adverse variances:

- £0.667m relates to the adjustment for the proposed pay award. This is a council financial impact, given Leisure, Libraries and Customer Engagement has the largest workforce, this area has been impacted the most.
- £1.710m within Sports and Recreation relating to income pressures as it has still to see full recovery of membership and casual user numbers, which reduced as a consequence of the pandemic. However, this is an improving

trend. This position reflects the worst-case scenario assuming no further recovery in membership and casual usage levels in 2022/23.

- £0.400 relates to energy pressures due to inflationary increases.
- £0.200m of this relates to ongoing holding costs for Woodchurch Leisure Centre
- £0.380m relates to ongoing holding costs for Libraries whilst the Community Asset Transfer process is finalised.

3.7 Overall footfall is approximately 75% of 2019/20 levels which has adversely impacted income generation. This level of reduced recovery rate is consistent with national averages. It was expected at the start of the year that income would not fully recover to pre pandemic levels and as such a £0.5m income contingency budget was set aside. Until the year continues, it will not be fully known what the level of recovery will be as it is anticipated that footfall will increase as the year goes on, as it did in 2021/22. However, it is expected that the full £0.5m will be required in-year. If it appears that recovery will not be back to pre-pandemic levels going into 2023/24 then the value of the Leisure expenditure will have to be decreased to ensure there is not a recurrent pressure going forward. This will be considered as part of the 2023/24 budget proposals.

3.8 The service faces pressures associated with energy price increases and a rise in general costs due to increasing inflation. In a response to mitigate and improve footfall, the following initiatives are being driven:

- The service continues to review all expenditure with a view to reducing or stopping non-urgent expenditure to mitigate the risk of further lost income. As at Quarter 2, costs relating to supplies and premises have been reviewed and areas where efficiencies can be achieved have been identified. To seek to compensate for these challenges, the service is looking to further maximise income generation and the identification of new opportunities as follows:
- Memberships & Income – A drive on usage and memberships including bespoke offers at appropriate sites such as the new Europa Gym, and the introduction of offers for targeted groups. Direct Debits and memberships have increased slightly in Quarter 2 and income generation continues to improve at the remaining sites as some customers have transferred from closed sites and services.
- Golf – Two council eighteen-hole golf courses are currently not in use. Together with price and membership remodelling, this has seen the anticipated transition of players to our two remaining sites at Arrowe Park (predominantly) and the Warrens – successfully reducing cost while increasing income.
- Introduction of activities aimed at children and young people such as holiday camps and pool-based inflatables at selected sites to improve income generation. This increased income generation at Guinea Gap during Quarter 2, which has significantly contributed to the improved position.
- A new marketing campaign was launched in the final month of Quarter 2 to promote the service and the new “Active Wirral” brand, which demonstrates attractive rates and benefits compared to competitor offers. The impact on memberships and income generation will be reflected in Quarters 3 and 4.
- As at Quarter 2 work is still underway to seek out new income aligned to corporate outcomes to improve health and wellbeing, this included funding from NHS / Social Care / third sector partner organisations.

- Work is still underway to introduce pool covers at pool sites to improve energy conservation. The impact of this on energy bills will be reflected once the work is finalised later in the year.
- Working with national sporting governing bodies such as the Football Association and Lawn Tennis Association to identify and introduce delivery models that generate income and reduce cost for example the new 3G pitch builds / new operating model for tennis at Wirral Tennis & Sports Centre, and the introduction of wider offers for children and young people through soft play and interactive activity. Capital work is currently underway at Wirral Tennis & Sports Centre. However, the impact of this on income generation will not be reflected until next financial year when the work is finalised.

- 3.9 As part of the 2022/23 budget savings, some assets were recommended by Members to be available for Community Asset Transfer (CAT) as an amendment to the budget. Council agreed that demolition of Woodchurch Leisure centre will not be progressed whilst a process is undergone to consider the feasibility of any expressions of interest submitted to the Council from community groups. On 25th October 2022, Tourism, Communities Culture and Leisure Committee agreed to consider the reports in relation to the transfer of Woodchurch Leisure Centre and Brackenwood Golf Course at the next Committee scheduled for 25th January. As a result of this, although Woodchurch Leisure Centre remains closed, there are asset holding costs associated with the centre for which no mitigation was put forward at the time of the amendment. The consequence of this is that £0.2m costs will be incurred for the whole financial year that were not factored into the budget. The Directorate is looking at ways that this can be mitigated but with other significant pressure risks resulting from increasing inflation, it may be unlikely that these costs can be mitigated. If this is the case, a bid will need to be made from the £3m contingency for non-achieved savings at the end of the year.
- 3.10 Floral Pavilion is currently forecast as balanced at Quarter 2. Income generation in this area is heavily weighted towards the final Quarters and as at Quarter 2 income generation is in line with pre pandemic trends. However, there are risks associated with some savings and income targets within this area. This could negatively impact income generation within the area, but this will not be apparent until Quarter 3. There are potential income pressures at the sail loft due to the impact of the coastal works which are currently being reviewed, but there are no further issues with the other catering sites as at Quarter 2. As a result, the Directorate is taking urgent action as to how this risk can be mitigated to ensure that if it materialises, costs will be reduced to ensure the budget can still be balanced.
- 3.11 As part of the 2022/23 budget savings, some library assets were recommended by Members to be available for CAT as an amendment to the budget. Members agreed that some libraries would remain open until November to enable a potential CAT. . On 25th October 2022, Tourism, Communities, Culture and Leisure Committee agreed to enter into negotiations to transfer the assets of Pensby Library to Pioneer People and Prenton Library to St Stephen's Church. It was also agreed that further negotiations would commence with the other groups for a period of time ending 9th December 2022. This results in cost pressures up to November, resulting in £0.380m of the total saving being unachievable in-year. In addition, there will be some holding costs and decommissioning costs following closure of the libraries on

1st November that have also not been budgeted which are estimated to be £0.062m. As with the leisure CAT, the Directorate is looking at ways that this can be mitigated but with other significant pressure risks resulting from increasing inflation, it may be unlikely that these costs can be mitigated. If this is the case, a bid will need to be made from the £3m contingency for non-achieved savings at the end of the year.

3.12 **Culture and Visitor Economy:** An adverse variance of £0.133m is reported for 2022/23. This is mainly due to projected income shortfalls within the area.

TABLE 2 2022/23 Tourism, Communities, Culture and Leisure Committee – Subjective Budget & Forecast Outturn

| | Budget £000 | Forecast £000 | Variance (+ Fav / - Adv) | | Adverse/ Favourable |
|-------------------------------------|----------------|------------------|-----------------------------|-------------|------------------------|
| | | | £000 | % | |
| Income | -20,996 | -19,986 | -1,010 | 5% | Adverse |
| Expenditure: | | | | | |
| Employee | 16,348 | 18,254 | -1,906 | -12% | Adverse |
| Non Pay | 9,809 | 10,841 | -1,032 | -11% | Adverse |
| Total Expenditure | 26,157 | 29,095 | -2,938 | -11% | Adverse |
| Total Surplus/ (Deficit) | 5,161 | 9,109 | -3,948 | -76% | Adverse |

Budget Virements

3.13 There have been no budget virements requiring committee approval in quarter 2.

Progress on delivery of the 2022-23 savings programme.

3.14 In terms of savings, £2.256m of the £3.517m savings targets are either delivered or on track to be delivered. Representing 64% of the total savings target with a further 36% or £1.261m anticipated to be delivered. The table below summarises this progress:

TABLE 3: SUMMARY OF PROGRESS ON DELIVERY OF 2022-23 SAVINGS

| Committee | Approved Saving | Green | Amber | Red | Mitigation | Actual Savings Delivered to Date |
|---|-----------------|---------|---------|---------|------------|----------------------------------|
| Tourism, Communities, Culture and Leisure | £3.517m | £2.256m | £0.681m | £0.580m | £0.681m | £1.403m |

3.15 For savings rated as Amber, an equal amount of temporary in-year mitigation has been identified to cover any shortfalls which may occur. For saving rated as red, a bid will need to be made from the £3m contingency fund set up for non-achieved savings at the end of the year.

3.16 Full details on the progress on specific savings can be found in **Appendix 1**.

Earmarked Reserves

3.17 Earmarked reserves represent money that has been set aside for a clearly defined purpose, and which is available to meet future expenditure in that area. The use of earmarked reserves is only permitted with the approval of the Section 151 officer.

TABLE 4: SUMMARY OF EARMARKED RESERVES

| Committee | Opening Balance £000 | Forecast Use of Reserve £000 | Forecast Contribution to Reserve £000 | Closing Balance £000 |
|---|----------------------|------------------------------|---------------------------------------|----------------------|
| Tourism, Communities, Culture and Leisure | 913 | -442 | 0 | 471 |

3.18 **Appendix 2** provides the full list of all earmarked reserves.

Capital Monitoring

3.19 Capital budgets are the monies allocated for spend on providing or improving non-current assets, which include land, buildings and equipment, which will be of use or benefit in providing services for more than one financial year.

TABLE 5: 2022/23 Tourism, Communities, Culture and Leisure Committee – Capital Budget & Forecast Outturn

| Capital Programme | 2022/23 | | | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
|-------------------|----------------|------------------|------------------|----------------|----------------|----------------|----------------|
| | Budget £000 | Forecast £000 | Variance £000 | Budget £000 | Budget £000 | Budget £000 | Budget £000 |
| Leisure | 7,488 | 6,593 | 895 | 1,207 | 0 | 0 | 0 |
| Library | 1,279 | 779 | 500 | 500 | 0 | 0 | 0 |
| Museum | 361 | 361 | 0 | 0 | 0 | 0 | 0 |
| Parks | 211 | 64 | 147 | 147 | 0 | 0 | 0 |
| Total | 9,339 | 7,797 | 1,542 | 1,854 | 0 | 0 | 0 |

3.20 Table 5 summarises the forecast expenditure against Capital Budgets. A full breakdown of each Capital Scheme with details can be found in Appendix 3. The favourable variance of £1.542m relates to slippage of schemes within Libraries and Leisure which have been reprofiled into 2023/24.

4.0 FINANCIAL IMPLICATIONS

- 4.1 This is the Quarter 2 budget monitoring report that provides information on the forecast outturn for the Council for 2022/23. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Policy & Resources and Service Committees, the financial position is routinely reported at Directorate Management Team meetings and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 5.2 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (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.
- 5.3 It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 At this time, there are no additional resource implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there will be resource implications, and these will be addressed within the relevant business cases presented to the Committee.

7.0 RELEVANT RISKS

- 7.1 The Council's ability to maintain a balanced budget for 2022/23 is dependent on a static financial position. This is an impossible scenario due to estimated figures

being provided in the calculation for the 2022/23 budget, albeit the best estimates that were available at the time, plus any amount of internal and external factors that could impact on the budget position in year. Examples of which are the significant emerging inflationary and cost of living pressures, new legislation, increased demand, loss of income, increased funding, decreased funding, inability to recruit to posts, ongoing impact of the pandemic etc

- 7.2 A robust monitoring and management process for the 2022/23 budget is in place. If at any time during the year an adverse position is forecast, remedial action must be agreed and implemented immediately to ensure the budget can be brought back to balanced position.
- 7.3 The risk of this not being able to be achieved could mean that the Council does not have enough funding to offset its expenditure commitments for the year and therefore not be able report a balanced budget at the end of the year. This could result in the Section 151 Officer issuing a Section 114 notice.
- 7.4 A key risk to the Council's financial plans is that funding and demand assumptions in particular can change as more information becomes available. Significant inflation and cost of living pressures have already impacted the quarter 1 forecast position. and the impact of these pressures will be reviewed and considered in the MTFP as part of routine financial management.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultation has been carried out with the Senior Leadership Team (SLT) in arriving at the governance process for the 2022/23 budget monitoring process and the 2022/23 budget setting process. This report will also be shared and reviewed by the Independent Panel.
- 8.2 Since the budget was agreed at Full Council on 28 February, some proposals may have been the subject of further consultation with Members, Customer and Residents. The details of these are included within the individual business cases or are the subject of separate reports to the Committee

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there may be equality implications associated with these, and these will be addressed within the relevant business cases presented to the Committee.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This report has no direct environmental implications, however due regard is given as appropriate in respect of procurement and expenditure decision-making processes that contribute to the outturn position.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 In year activity will have incorporated community wealth implications. Consideration would have taken account of related matters across headings such as the following:

- **Progressive Procurement and Social Value**
How we commission and procure goods and services. Encouraging contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage, minimising their environmental impact, and greater wellbeing.
- **More local & community ownership of the economy**
Supporting more cooperatives and community businesses.
Enabling greater opportunities for local businesses.
Building on the experience of partnership working with voluntary, community and faith groups during the pandemic to further develop this sector.
- **Decent and Fair Employment**
Paying all employees a fair and reasonable wage.
- **Making wealth work for local places**

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APPENDICES

APPENDIX 1 – Progress on the delivery of the 2022-23 Saving Programme

APPENDIX 2 – Earmarked Reserves

APPENDIX 3 – Breakdown of Capital Spend

APPENDIX 4 – Breakdown of Revenue Spend

BACKGROUND PAPERS

Bank of England – Monetary Policy Report – August 2022

DLUHC External Assurance Reports

CIPFA's Financial Management Code

TERMS OF REFERENCE

This report is being considered by the Tourism, Communities, Culture and Leisure Committee in accordance with Section 6.2 (part k) of its Terms of Reference, providing a view of performance, budget monitoring and risk management in relation to the Committee's functions

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|--------------------------|
| Policy and Resources Committee | 09 November 2022 |
| Policy and Resources Committee | 13 July 2022 |
| Council | 28 February 2022 |
| Policy and Resources Committee | 15 February 2022 |
| Tourism, Communities, Culture and Leisure Committee | 26 October 2020 |
| Tourism, Communities, Culture and Leisure Committee | 23 November 2020 |
| Tourism, Communities, Culture and Leisure Committee | 21 January 2021 |
| Tourism, Communities, Culture and Leisure Committee | 3 March 2021 |
| Tourism, Communities, Culture and Leisure Committee | 16 June 2021 |
| Tourism, Communities, Culture and Leisure Committee | 2 September 2021 |
| Tourism, Communities, Culture and Leisure Committee | 17 September 2021 |
| Tourism, Communities, Culture and Leisure Committee | 18 January 2022 |
| Tourism, Communities, Culture and Leisure Committee | 8 March 2022 |
| Tourism, Communities, Culture and Leisure Committee | 16 June 2022 |
| Tourism, Communities, Culture and Leisure Committee | 25 October 2022 |

APPENDIX 1

| | Approved Saving | Green | Amber | Red | Mitigation | Comment | Actual Savings Delivered to Date |
|---|-----------------|---------|---------|---------|------------|---|----------------------------------|
| Closure of Europa Fun/Leisure Pool & Enhanced Gym Offer | £0.266m | £0.266m | £0.000m | £0.000m | £0.000m | Fun Pool has remained closed since March 2020, therefore this saving is expected to be fully achieved. A new staffing structure was put in place last financial year to reflect the reduced costs associated with running a gym in place of the fun pool. | £0.133m |
| Catering Pod at Leasowe Leisure Centre for Football Traffic | £0.021m | £0.021m | £0.000m | £0.000m | £0.000m | Catering pod has been purchased and located at Leasowe. Trading commenced mid-September to coincide with the football season when income generation opportunities are greatest. Since commencing trading, the catering pod is currently achieving an average of £600 per weekend, meaning it is on track to fully achieve the target by the end of the year if trends continue. | £0.000m |
| Deletion of Vacant Posts | £0.302m | £0.302m | £0.000m | £0.000m | £0.000m | Saving is fully achieved as straight reduction in the budget for vacant posts which have been deleted | £0.302m |
| Reduction in budget for office related expenditure | £0.023m | £0.023m | £0.000m | £0.000m | £0.000m | Saving is fully achieved as straight reduction in the budget to reflect reduced requirements | £0.023m |

| Saving Proposal | Approved Saving | Green | Amber | Red | Mitigation | Comment | Actual Savings Delivered to Date |
|--|-----------------|---------|---------|---------|------------|--|----------------------------------|
| Review of Leisure service | £0.178m | £0.130m | £0.048m | £0.000m | £0.048m | This has been fully achieved from EVR/VS requests within the service. | £0.178m |
| Increase catering across all Leisure Sites | £0.060m | £0.040m | £0.020m | £0.000m | £0.020m | Introduction of new rotas which are more efficient will reduce spending and an increase income generation at the remaining sites. There is a risk that the continuing cost of living increases will impact income. Mitigation to be achieved through part year vacant posts and a review repairs and maintenance to ensure only essential work relating to Leisure Centres is carried out. | £0.010m |
| Outdoor Water Sports Offer at West Kirby Marine Lake | £0.015m | £0.000m | £0.015m | £0.000m | £0.015m | This saving is at risk. Visitors, footfall and income at the site are still recovering following the impact of COVID-19 and have also been negatively impacted by inflation increases. No actual savings achieved to date. This will be mitigated through a review of non-essential expenditure within Leisure. | £0.000m |

| Saving Proposal | Approved Saving | Green | Amber | Red | Mitigation | Comment | Actual Savings Delivered to Date |
|--|-----------------|---------|---------|---------|------------|--|----------------------------------|
| Temporary Closure and Remodelling of Bidston Tennis Centre | £0.114m | £0.114m | £0.000m | £0.000m | £0.000m | On target to be achieved. On 16/06/22 Tourism, Communities, Culture and Leisure Committee agreed that the Authority would work in partnership with the Lawn Tennis Association to run this site. Options relating to cost and income contributions have been finalised which will mean this saving is fully achieved. No savings have been achieved to date as the LTA only commenced operations from mid-September. | £0.000m |
| Review of Golf Offer | £0.328m | £0.246m | £0.082m | £0.000m | £0.082m | Prices have been increased from April 2022 and sites linked to this saving have closed. Savings have been achieved through deleting posts relating to employees who have now left the Authority and through additional income from the revised price offer. Approximately £0.082m additional income has been achieved due to retention rates with customers transferring to Arrowe Park and Warrens. | £0.246m |

| Saving Proposal | Approved Saving | Green | Amber | Red | Mitigation | Comment | Actual Savings Delivered to Date |
|---|-----------------|---------|---------|---------|------------|--|----------------------------------|
| Exercise referral programme | £0.100m | £0.080m | £0.020m | £0.000m | £0.020m | The service is working with health partners to achieve this saving. However, agreement was not reached until after 1st July. It was announced in April 2022 that the Weight Management grant had been discontinued which was not foreseen when the budget was set. There is a risk this could impact income generation associated with this saving. Mitigation will be achieved through new grant applications as opportunities arise throughout the year. Confirmation of new grants and funding applications will be finalised during Quarter 3. | £0.000m |
| Floral pavilion - plans to reduce subsidy | £0.350m | £0.150m | £0.200m | £0.000m | £0.200m | Income generating opportunities could be impacted by increases in the cost of living which was unforeseen at the time the saving was approved and may cause delays in fully implementing this proposal. Mitigation to be achieved through part year vacant posts and a review repairs and maintenance to ensure only essential work relating to the Theatre is carried out. No actual savings achieved to date, as most of the income associated with this service relates to the annual pantomime and does not materialise until Quarter 3. | £0.000m |

| Saving Proposal | Approved Saving | Green | Amber | Red | Mitigation | Comment | Actual Savings Delivered to Date |
|---|-----------------|---------|---------|---------|------------|--|----------------------------------|
| Cessation of Constituency Team and Remodelling of Section | £0.346m | £0.300m | £0.046m | £0.000m | £0.046m | The restructure of this area is now complete and employees have moved to new roles from Q2 onwards. Due to these delays, mitigation is being achieved through the Community Safety Grant | £0.300m |
| Review of Neighbourhoods Service Directorate | £0.360m | £0.110m | £0.250m | £0.000m | £0.250m | Delay in commencing whilst EVR/VS requests are considered in line with the new requirements for the service and links with other service reviews and consultations. Mitigation to be achieved through part year vacant posts. | £0.110m |
| Permanent Closure and Demolition of Woodchurch Leisure Centre | £0.402m | £0.202m | £0.000m | £0.200m | £0.000m | As full Council agreed to keep the centre open until September to explore the opportunities for Community Asset Transfer, holding costs are being incurred that were not forecast, resulting in the full saving now being unachievable. If alternative savings cannot be found in year, a bid will be made to the contingency budget for non-achievement of savings at the end of the year. Small actual savings recorded to date further saving dependent on outcome of CAT. Some employees are still working their notice periods/awaiting redeployment during Q1. | £0.101m |

| Saving Proposal | Approved Saving | Green | Amber | Red | Mitigation | Comment | Actual Savings Delivered to Date |
|-------------------------------------|-----------------|----------------|----------------|----------------|----------------|--|----------------------------------|
| Reprovision of the Library Service | £0.652m | £0.272m | £0.000m | £0.380m | £0.000m | Due to the agreement by Council to delay the closure of the libraries in scope until 1 November due to CAT opportunities, it was agreed that if mitigating savings could not be found in-year as a result of the delay, then a bid would be made to access monies from the £3m contingency pot to offset costs at the end of the year. Actual savings will not be achieved until 1 November when the libraries will be closed. | £0.000m |
| Total Neighbourhood Services | £3.517m | £2.256m | £0.681m | £0.580m | £0.681m | | £1.403m |

Appendix 2 - Earmarked Reserves 2022-23
Tourism, Communities, Culture and
Leisure

| Reserve | Opening Balance £000 | Use of Reserve £000 | Contribution to Reserve £000 | Closing Balance £000 |
|------------------------------|-------------------------------------|------------------------------------|---|-------------------------------------|
| Community Safety Initiatives | 801 | -400 | 0 | 401 |
| Les Mills Classes | 89 | -42 | 0 | 47 |
| Sports Development Reserve | 22 | 0 | 0 | 22 |
| Library Donations | 1 | 0 | 0 | 1 |
| Total | 913 | -442 | 0 | 471 |

Appendix 3 – Breakdown of Capital Programme

| Area | Scheme | Budget 2022/23 0 | Forecast 2022/23 £000 | Variance 2022/23 £000 | Budget 2023/24 £000 | Budget 2024/25 £000 | Budget 2025/26 £000 |
|---|---|------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Leisure | Arrowe Park Sports Village Redevelopment Feasibility Study | 1 | 1 | 0 | 0 | 0 | 0 |
| | Bebington Oval Facility Upgrade | 690 | 690 | 0 | 0 | 0 | 0 |
| | Catering Provision | 0 | 0 | 0 | 0 | 0 | 0 |
| | Defibrillators | 67 | 67 | 0 | 0 | 0 | 0 |
| | Fitness Equipment | 4 | 4 | 0 | 0 | 0 | 0 |
| | Floral Pavilion | 155 | 25 | 130 | 130 | 0 | 0 |
| | Future Golf - Project 1.1 | 420 | 13 | 407 | 407 | 0 | 0 |
| | Hoylake Golf works depot demolish and replace | 83 | 20 | 63 | 63 | 0 | 0 |
| | Library Radio Frequency Identification Kiosks | 0 | 40 | -40 | 80 | 0 | 0 |
| | New Brighton Gym Equipment | 59 | 59 | 0 | 0 | 0 | 0 |
| | People's Pool Feasibility Study | 52 | 0 | 52 | 0 | 0 | 0 |
| | Pool Covers | 72 | 232 | -160 | 0 | 0 | 0 |
| | Soft Play Areas Leisure Centres | 410 | 410 | 0 | 0 | 0 | 0 |
| | Solar Campus 3G | 30 | 30 | 0 | 0 | 0 | 0 |
| | Studio refurbishment Les Mills classes | 138 | 68 | 70 | 100 | 0 | 0 |
| | Studio refurbishment Les Mills classes new bid | 30 | 0 | 30 | 0 | 0 | 0 |
| | West Kirby Concourse/Guinea Gap Reception upgrade / improve | 351 | 351 | 0 | 0 | 0 | 0 |
| West Kirby Marine Lake/Sailing Centre – accommodation | 197 | 40 | 157 | 127 | 0 | 0 | |

| | | | | | | | |
|--------------------|---|--------------|--------------|--------------|--------------|----------|----------|
| | Wirral Tennis & Sports Centre | 1,364 | 1,364 | 0 | 0 | 0 | 0 |
| | Wirral Tennis Centre - 3G Pitch | 1,000 | 932 | 68 | 0 | 0 | 0 |
| | Wirral Tennis Centre - Facility Upgrade | 765 | 765 | 0 | 0 | 0 | 0 |
| | Woodchurch Sports Pavillion | 1,600 | 1,482 | 118 | 300 | 0 | 0 |
| Library | Consolidated Library Works Fund | 279 | 279 | 0 | 0 | 0 | 0 |
| | Moreton Youth Club & Library | 1,000 | 500 | 500 | 500 | 0 | 0 |
| Museum | Williamson Art Gallery Catalogue | 73 | 73 | 0 | 0 | 0 | 0 |
| | Williamson Art Gallery Ventilation 21-22 | 288 | 288 | 0 | 0 | 0 | 0 |
| Parks | Ashton Park Lake | 147 | 0 | 147 | 147 | 0 | 0 |
| | Essential H&S Access Improvements @ Wirral Country Park | 64 | 64 | 0 | 0 | 0 | 0 |
| Grand Total | | 9,339 | 7,797 | 1,542 | 1,854 | 0 | 0 |

Appendix 4 – Breakdown of Revenue Budget Monitoring

| | Budget | Forecast | Variance | | Adv/ Fav |
|---|--------|----------|-------------------------|-------|----------|
| | £000 | £000 | (+ Fav / - Adv) £000 | % | |
| Public Health Outcomes | | | | | |
| Public Health Outcomes | -6,336 | -6,342 | 6 | 0% | |
| Neighbourhood Safety | | | | | |
| Assisted Travel and Transport | 2,153 | 2,212 | -59 | -3% | Adverse |
| Neighbourhood Safety – Operations | 1,174 | 1,535 | -360 | -31% | Adverse |
| Leisure, Libraries and Theatre | | | | | |
| Customer Contact Centre | 726 | 726 | 0 | 0% | |
| Estate and Facilities Management – Neighbourhoods | 0 | 0 | 0 | 0% | |
| Libraries | 3,203 | 3,583 | -380 | -12% | Adverse |
| Museums | 530 | 530 | 0 | 0% | |
| One Stop Shops | 909 | 909 | 0 | 0% | |
| Theatre | -527 | -527 | 0 | 0% | |
| Golf | -8 | -8 | 0 | 0% | |
| Europa Pools | 488 | 676 | -188 | -39% | Adverse |
| Guinea Gap | 119 | 200 | -81 | -68% | Adverse |
| Leasowe Recreation Centre | 167 | 383 | -216 | -129% | Adverse |
| Oval Sports Centre | 373 | 1,352 | -979 | -263% | Adverse |
| West Kirby Concourse | 189 | 379 | -190 | -100% | Adverse |
| Tennis Centre | 158 | 752 | -594 | -377% | Adverse |
| Woodchurch Leisure Centre | 82 | 284 | -202 | -248% | Adverse |
| West Kirby Marine Lake | -31 | 16 | -47 | 154% | Adverse |
| Aquatics Management | 398 | 398 | 0 | 0% | |

| | | | | | |
|------------------------------------|--------------|--------------|---------------|-------------|----------------|
| Community Centres | 151 | 151 | 0 | 0% | |
| Leisure Call Centre | 94 | 94 | 0 | 0% | |
| Leisure Management | 717 | 1,243 | -526 | -73% | Adverse |
| Sales and Retention | 100 | 100 | 0 | 0% | |
| Sports Development | 66 | 66 | 0 | 0% | |
| Tourism and Visitor Economy | | | | | |
| Culture and Visitor Economy | 265 | 398 | -133 | -50% | Adverse |
| Surplus / (Deficit) | 5,161 | 9,110 | -3,948 | -76% | Adverse |