

TOURISM COMMUNITIES CULTURE AND LEISURE Committee**THURSDAY, 9 March 2023**

Report Title:	2022-23 REVENUE & CAPITAL BUDGET MONITORING FOR QUARTER THREE (1 OCT – 31 DEC)
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 3 (1 Oct – 31 Dec) 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 3, there is a forecast adverse position of £3.373m on the Committees net revenue budget, of £5.259m. 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 3.
2. Note the progress on delivery of the 2022-23 savings programme at Quarter 3.
3. Note the forecast level of reserves at Quarter 3.
4. Note the forecast capital position presented at Quarter 3.

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 3 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 2023 (Quarter 3), the forecast outturn position for the Tourism, Communities, Culture and Leisure Committee is £3.373m adverse against a budget of £5.259m. The reasons for this are detailed in the table below:

TABLE 1: Summary of Committee variances

COVID-19	£000
Leisure income shortfall (continuation of the recovery programme post COVID-19)	1,300
Sub-Total	1,300
Macro-Economic Conditions	
Nationally agreed Pay Award	490
Additional unforeseen energy costs due to inflation	700
Sub-Total	1,190
Delays in Decisions	
Holding costs relating to C A T of Woodchurch	200
Holding costs relating to C A T of Libraries	380
Sub-Total	580
Other	
Floral Pavilion income shortfall due to coastal works and increased cost pressures	384
Other Favourable Variances	-81
Sub-Total	303
TOTAL	3,373
MITIGATION	
COVID-19 Reserves	
Leisure income shortfall (continuation of the recovery programme post COVID-19)	-1,300
Savings Contingency Funding	
Holding costs relating to C A T of Woodchurch	-200
Holding costs relating to C A T of Libraries	-380
Corporate Reserves	
Nationally agreed Pay Award	-490
NET POSITION	1,003

- 3.2 Income generation has not yet returned to pre pandemic levels in Quarter 3 due to footfall and usage in some areas remains less than it was in 2019/20, which is in line with the national position. There has been some improvement since Quarter 2 due to new pricing structures, and slight increase in footfall now that most areas are fully operational. there is a risk of further impact in Quarter 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 3, the Committee has achieved £1.854m of these savings. However, there are risks and pressures associated with some savings relating to income generation. There are additional ongoing pressures within some areas due to Community Asset Transfer (CAT) and the management of these buildings has transferred to

Regeneration from 1 November 22. The saving shortfalls are being finalised and a bid will be made to the contingency fund to cover these.

- 3.4 As part of the 2022/23 budget savings, some library assets, two golf courses and Woodchurch Leisure Centre were recommended by Members to be available for CAT as an amendment to the budget. Members agreed that some libraries would remain open until 1 November 22 to enable a potential CAT. On 25 October 2022, Tourism, Communities, Culture and Leisure Committee agreed to commence 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 9 December 2022, with recommendations relating to these being reported at a future Committee.
- 3.5 This results in cost pressures up to November within the Committee, resulting in £0.380m of the total saving being unachievable in-year in relation to Libraries and £0.200m of the total savings being unachievable in-year in relation to Woodchurch Leisure Centre. In addition, there will be some holding costs and decommissioning costs following closure of the libraries on 1 November 22 that have also not been budgeted. These are estimated to be £0.062m and will be reflected within Regeneration Directorate as they have responsibility for running the assets from November 2022. The Directorate is looking at ways that this can be mitigated but with other significant pressure risks resulting from increasing inflation, it is 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.

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

	Budget £000	Forecast £000	Variance (+ Fav / - Adv)		Adverse/ Favourable
			£000	%	
Public Health Outcomes	-5,917	-5,914	-3	0%	
Leisure Libraries and Theatre	7,584	10,432	-2,849	-38%	Adverse
Neighbourhood Safety	3,327	3,706	-379	-11%	Adverse
Culture and Visitor Economy	265	409	-143	-54%	Adverse
Total Surplus/ (Deficit)	5,259	8,633	-3,373	-64%	Adverse

- 3.6 **Cross Cutting Funding and Neighbourhoods Management Team:** A broadly balanced position is forecast for 2022/23. This area comprises Neighbourhoods management costs and cross cutting funding.
- 3.7 **Community Safety and Transport:** An adverse variance of £0.379m is forecast for 2022/23. £0.223m relates to the adjustment for the national public sector pay award.

The remaining £0.196m mainly relates to adverse variances within Children's and Adult Transport due to increased demand and tender price increases. The Community Patrol service continue to be involved in activities associated with the long-term response to COVID-19 in addition to their usual monitoring and response team duties. These employees are funded from the remaining COVID-19 tranche funding. This is temporary funding utilised in 2022/23 only, which will mitigate the £0.096m of lead in pressures whilst a review of the service is underway.

3.8 Leisure, Libraries and Customer Engagement: An adverse variance of £2.849m is reported for 2022/23. This is made up of the following adverse variances. This has improved from Quarter 2 where an adverse variance of £3.5M was reported. This is mainly due to an improvement in income generation and forecasts.

- £0.267m relates to the adjustment for the pay award. This has resulted in a Council wide financial impact, and as Leisure, Libraries and Customer Engagement has the largest workforce, this area has been impacted the most.
- £1.302m 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 for the remainder of 2022/23 and £1.0m of this shortfall is due to one Leisure Centre. Committee are aware of these reasons and there has been no significant improvement since Quarter 2. Marketing opportunities and pro-active sales will continue across the whole estate to mitigate this position in year.
- £0.384m within Theatre, Catering and Hospitality relates to income pressures due to the impact of coastal works, recovery from the pandemic and cost of living pressures
- £0.530m 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.
- This is mitigated in part by a favourable variance of £0.081m within One Stop Shops and Customer Contact, and a favourable variance of £0.133m within Sports and Recreation due to the part year effect of employee vacancies.

3.9 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. At the start of the year, it was expected 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 is being considered as part of the 2023/24 budget proposals.

3.10 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 3, 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 3 and income generation continues to improve at the remaining sites as some customers have transferred from closed sites and services.
- New Offers - Les Mills exercise classes have now been introduced at 4 principal Leisure sites, offering a new, interactive and revolutionary style of group fitness classes, designed to appeal to new and existing audiences.
- Golf – Two council eighteen-hole golf courses are currently not in use (Hoylake and Brackenwood) and two leisure courses are also not in use at Kings Parade (Foot golf and Chip and Put). 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 costs 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 and 3, 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. This has improved income generation in Quarter 3 and will continue to impact memberships and income generation which will be reflected in Quarter 4.
- As at Quarter 3, some additional income has been generated which is aligned to corporate outcomes to improve health and wellbeing, this includes funding from NHS / Social Care / third sector partner organisations. This has contributed towards the improved position in Quarter 3 and the forecast position for Quarter 4. The service is also expected to be bidding for approximately £750k of grant income during Q4 although this may not be guaranteed, and any benefits not realised until the next financial year.
- Energy Reduction and Conservation. A contract to install pool covers at all principal Leisure sites was awarded in January 2023 and work will commence imminently. The impact of this on energy bills will be reflected once the work is finalised later in the year. The service is also working with Asset Management to identify energy reduction measures within buildings and increasing the returns from solar panel installations.
- 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.

3.11 Theatre, Catering and Hospitality Services are currently forecasting an adverse position of £0.384m at Quarter 3 as follows:-

- £0.149m relates to the Sail Loft, as income has been severely impacted by a demonstrable fall in customers as a consequence of the coastal works on the West Kirby Sea Defence wall. The team have had some positive success in repositioning the venue as a private hire destination and reducing the opening hours during Winter months to reduce costs. From April 2023, a new operational model will be in place at the Sail Loft which will be in partnership with Wirral Evolutions based on the successful and established model at Royden Park. This is expected to have a significant positive effect on the staffing budget whilst providing great employment opportunities. This will hopefully coincide with the forecast completion of the sea wall in April and the start of the Spring / Summer tourism season.
- £0.235m relates to projected income shortfalls within the Floral Pavilion Theatre. In 2022/3 the Theatre was set an ambitious £0.350m savings target which has mostly been achieved. There is however a legacy saving of £0.5m within the Floral pavilion budget that was left in its accounts following the unsuccessful attempt to outsource the venue in 2018/19. The Theatre has continuously struggled to mitigate the effect of this saving being left in the budget. Income wise, the Theatre had a record breaking pantomime year and is continuing with a third party options appraisal to identify opportunities to redevelop the non-profitable areas of the site, in particular the conferencing centre as part of the New Brighton Masterplan. There are no further issues with the other catering sites as at Quarter 3. The Directorate is taking urgent action to mitigate the costs through reducing staffing expenditure and reviewing expenditure against non-essential items to ensure the budget can still be balanced.

3.12 **Culture and Visitor Economy:** An adverse variance of £0.143m is reported for 2022/23. This is mainly due to projected income shortfalls and agency costs within the area.

Budget Virements

3.13 There have been no budget virements requiring committee approval in quarter 3.

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. This represents 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	£1.854m

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	307	-237	0	70

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	7,535	3,171	4,364	4,155	187	0	0
Library	1,290	500	790	779	0	0	0
Museum	361	361	0	0	0	0	0
Parks	211	64	147	147	0	0	0
Total	9,397	4,096	5,301	5,081	187	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 £5.301m 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 3 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**

REPORT AUTHOR: **Sarah Cox**
(Senior Finance Business Partner)
email: sarahcox@wirral.gov.uk

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

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.

BACKGROUND PAPERS

Policy & Resources Committee Report (see below for details)

Bank of England – Monetary Policy Report

CIPFA's Financial Management Code

Guidance on flexible use of capital receipts

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee	15 February 2023
Policy and Resources Committee	18 January 2023
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	16 June 2022

Committee	
Tourism, Communities, Culture and Leisure Committee	25 October 2022
Tourism, Communities, Culture and Leisure Committee	01 December 2022
Tourism, Communities, Culture and Leisure Committee	02 February 2023

APPENDIX 1

Saving Proposal	Approved Saving	Green	Amber	Red	Mitigation	Comment	Actual Savings Delivered to Date
Tourism, Communities, Culture and Leisure Committee							
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.	£0.200m
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.	£0.007m

Saving Proposal	Approved Saving	Green	Amber	Red	Mitigation	Comment	Actual Savings Delivered to Date
Deletion of Vacant Posts	£0.302m	£0.302m	£0.000m	£0.000m	£0.000m	Saving is fully achieved.	£0.302m
Reduction in budget for office related expenditure	£0.023m	£0.023m	£0.000m	£0.000m	£0.000m	Saving is fully achieved.	£0.023m
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.	£0.015m
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 and invoices will be issued to the LTA in Quarter 4.	£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 £0.100m additional income has been achieved due to retention rates with customers transferring to Arrowe Park and Warrens.	£0.328m

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 before the end of the year.	£0.013m
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 4.	£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	£0.259m
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. This saving will be fully achieved this year through mitigation.	£0.270m
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.	£0.150m

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.	£0.109m
Total TCCL Services	£3.517m	£2.256m	£0.681m	£0.580m	£0.681m		£1.854m

Appendix 2 – Earmarked Reserves

Reserve	Opening Balance £000	Use of Reserve £000	Contribution to Reserve £000	Closing Balance £000
Community Safety Initiatives	195	-195	0	0
Les Mills Classes	89	-42	0	47
Sports Development Reserve	22	0	0	22
Library Donations	1	0	0	1
Total	307	-237	0	70

Appendix 3 – Breakdown of Capital Programme

Area	Scheme	Budget 2022/23 £000	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	0	1	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
	Future Golf - Project 1.1	420	46	374	187	187	0
	Library Radio Frequency Identification Kiosks	0	40	-40	80	0	0
	New Brighton Gym Equipment	59	3	56	0	0	0
	Solar Campus 3G	30	30	0	0	0	0
	Studio refurbishment Les Mills classes	138	43	95	0	0	0
	Studio refurbishment Les Mills classes new bid	30	0	30	0	0	0
	Wirral Tennis Centre - 3G Pitch	1,000	32	968	900	0	0
	Woodchurch Sports Pavillion	1,600	32	1,568	1,750	0	0
	Bebington Oval Facility Upgrade	701	5	696	685	0	0
	Floral Pavilion	175	25	150	75	0	0
	Hoylake Golf works depot demolish and replace	83	13	70	0	0	0
	People's Pool Feasibility Study	67	0	67	0	0	0
Pool Covers	72	252	-180	0	0	0	
Soft Play Areas Leisure Centres	410	410	0	0	0	0	
West Kirby Concourse/Guinea	351	0	351	351	0	0	

	Gap Reception upgrade / improve						
	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 - Facility Upgrade	766	765	1	0	0	0
Library	Consolidated Library Works Fund	290	0	290	279	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		9,397	4,096	5,301	5,081	187	0

Appendix 4 – Breakdown of Revenue Budget Monitoring

	Budget	Forecast	Variance		Adv/ Fav
	£000	£000	(+ Fav / - Adv) £000	%	
Public Health Outcomes					
Public Health Outcomes	-5,917	-5,914	-3	0%	
Neighbourhood Safety					
Assisted Travel and Transport	2,153	2,336	-183	-8%	Adverse
Neighbourhood Safety – Operations	1,174	1,370	-196	-17%	Adverse
Leisure, Libraries and Theatre					
Customer Contact Centre Estate and Facilities Management – Neighbourhoods	807	726	81	10%	Favourable
Libraries	2,934	3,314	-380	-13%	Adverse
Museums	530	530	0	0%	
One Stop Shops	909	909	0	0%	
Theatre	-527	-143	-384	73%	Adverse
Golf	-8	-22	14	-173%	
Europa Pools	488	758	-270	-55%	Adverse
Guinea Gap	119	252	-133	-112%	Adverse
Leasowe Recreation Centre	167	416	-249	-149%	Adverse
Oval Sports Centre	373	1,346	-973	-261%	Adverse
West Kirby Concourse	189	495	-306	-162%	Adverse
Tennis Centre	132	132	0	0%	Adverse
Woodchurch Leisure Centre	82	82	0	0%	Adverse
West Kirby Marine Lake	-31	54	-85	278%	Adverse
Aquatics Management	398	398	0	0%	
Leisure Call Centre	94	94	0	0%	
Leisure Management	761	925	-163	-21%	Adverse
Sales and Retention	100	100	0	0%	
Sports Development	66	66	0	0%	
Tourism and Visitor Economy					
Culture and Visitor Economy	265	409	-144	-54%	Adverse
Surplus / (Deficit)	5,259	8,633	-3,374	-64%	Adverse