

# POLICY AND RESOURCES COMMITTEE

Wednesday, 6 November 2024

<u>Present:</u>	Councillor	P Stuart (Chair)	
	Councillors	J Robinson JE Green P Gilchrist P Cleary EA Grey A Davies T Jones	J McManus I Lewis S Mountney L Rennie H Gorman J Bird S Bennett

## 43 WELCOME AND INTRODUCTION

The Chair welcomed everyone to the meeting as well as those watching the webcast.

## 44 APOLOGIES

There were no apologies for absence.

## 45 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were invited to declare any disclosable pecuniary interests and any other disclosable interests. No such interests were declared.

## 46 MINUTES

**Resolved – That the minutes of the meeting held on 2 October 2024 be approved as a correct record.**

## 47 PUBLIC QUESTIONS

The Chair informed Members that one public question has been received in advance of the meeting. Vicky Forfar queried if there was going to be a consultation on how to reduce the forecasted budget deficit and if the consultation was going to be produced in Easy Read Format as promised at a previous meeting on the Committee.

The Chair responded to confirm that it was anticipated that due to the scale of the financial challenge faced by the Council, it will be necessary to consult on savings proposals that will result in a reduction to services. However, the final options for consultation would not be determined in advance of the local

government finance settlement which was expected mid-December. The Council was committed, however, to ensuring that an easy read format was available in the event of a consultation and was commissioning work to prepare for this.

#### 48 **WALLASEY AND BIRKENHEAD TOWN HALL - NEXT STEPS**

The Assistant Director for Property and Development presented the report of the Interim Director of Regeneration and Place. It was proposed that Wallasey Town Hall continue to deliver the democratic functions of the council. The report outlined proposals to move into Wallasey Town Hall, front-facing and partner services and explore other opportunities relating to delivering other services and activities from Wallasey Town Hall. For example activating use of the main hall.

In order to comply with the Council's commitment to net zero, officers would also explore opportunities to decarbonise Wallasey Town Hall. The Council would also have to invest in the building. And a robust plan to invest in the asset would be incorporated into the Council's long-term financial planning. Similar work would not be progressed on Birkenhead Town Hall until a decision regarding its future was made.

Officers would undertake a soft market testing exercise for Birkenhead Town Hall and in addition to this would seek to understand what options there were for Council services in Birkenhead Town Hall. Following this work, a further report would be brought to the committee on the future of the asset. It was envisaged that this work would be concluded within six months.

Members considered the cost implications of the two Town Hall Sites and maintaining two listed buildings. Also discussed was the impact of the move from Birkenhead to Wallasey on the Registrars service, along with various suggestions regarding services moving into Wallasey Town Hall.

On a motion by Councillor Paul Stuart, Seconded by Councillor Robinson it was,

**Resolved (3:11) that,**

**(1) the continued occupation of Wallasey Town Hall for licensing services and for civic and democratic functions, including Council, Committee Meetings and the Mayor, including support functions be agreed.**

**(2) the utilisation of Wallasey Town Hall for front facing and other appropriate Council and partner services on a case-by-case basis be endorsed.**

**(3) that further work is to be undertaken by the Interim Director of Regeneration and Place regarding options for Birkenhead Town Hall, including surveys, soft market testing and future options to inform a future decision of this Committee be noted.**

**(4) the relocation of Registrars to Wallasey Town Hall, in light of deterioration of its current accommodation in BTH and the opportunity to generate potential savings by suspending day to day activity in the Building be supported.**

**(5) That work will be undertaken to consider options for a Birkenhead offer for the Registrar Service and this will be included in the report referred to in recommendation six.**

**(6) that a further report will be brought back to this committee to consider the future of Birkenhead Town Hall.**

**(7) That the required capital works (£12m) associated with the condition of the building and the revenue costs (£1.2m) for Wallasey Town Hal be noted. This will be subject to more detailed assessment for future capital bids.**

#### 49 **PAY POLICY 2025 - 2026**

The Assistant Director: People and Organisational Culture presented the report of the Director of Law and Corporate Services which stated that, in line with the Localism Act 2011, the purpose of the Council's Pay Policy Statement was to provide transparency with regard to the Council's approach to setting pay by identifying:

- The methods by which salaries of all employees were determined;
- The detail and level of the salary package of its most senior staff;
- The Head of Paid Service's responsibility for ensuring the provisions set out in this statement were applied consistently throughout the Council and recommending any amendments to Full Council.

The approval of the annual Pay Policy Statement was a key decision of the Council and affected all wards. The Pay Policy Statement 2025-2026 supported the effective delivery of the Wirral Plan by ensuring a fair and equitable approach to pay for all Council employees: Council's employees are here to help make the Council's ambitions a reality, to achieve the goals and priorities set out in the Wirral Plan.

Members

- considered a request for Personnel Committee, and
- and queried the rate of performance reviews within the council, and
- if increases in spinal pay points could be subject to annual performance reviews.

Members were advised that the Council's policy was currently in line with the NJC 'Green Book'.

**Resolved – that, Council be recommended to approve the Pay Policy Statement for the financial year 2025-2026.**

## 50 GENDER PAY GAP REPORT 2024

The Assistant Director: People and Organisational Culture presented the report of the Director of Law and Corporate Services.

In line with the Equality Act 2010 (the Act), the purpose of the Council's Gender Pay Gap Report was to provide transparency with regard to the average difference between earnings of women and men. The report must be published by 31 March each year, reflecting the gender pay gap as at March the previous year. This report reflected the position as at March 2024.

The annual Gender Pay Gap report supported the effective delivery of the Council Plan by ensuring the Council had a fair and equitable approach to pay for all its employees. The Council's employees were here to help make the Council's ambitions a reality, to achieve the goals and priorities set out in the Council Plan.

It was noted that the Council's median (the middle of the pay scale) gender pay gap for 2024 was 1.55%. The national average gender pay gap for other public organisations was not yet available. The median gender pay gap had decreased from 6.48% in 2023 whilst the mean (average) gender pay gap also decreased from 4.65% to 3.68%.

The gender profile had remained steady for the fifth consecutive year, 65% female and 35% male. There was no significant shift in the gender quartile profiles and there was a continued positive trend of an increase in the number of females in both the upper mid and upper quartiles. The percentage of full-time female workers increased for the second year from 35.29% to 36.7%.

Members considered the inclusion of non-binary persons within the report and were informed that the report was written in a prescribed format, but that the suggestion would be considered for further reports.

**Resolved – That Policy and Resources Committee notes and endorses the publication of the Gender Pay Gap report.**

51 **ANNUAL WORKFORCE MONITORING REPORT 2023/24**

The Assistant Director: People and Organisational Culture presented the report of the Director of Law and Corporate Services.

The report provided Policy and Resources Committee with the annual Workforce Equality Report for 2023/24. In addition, it also provided the committee with an update in relation to actions outlined in the action plan in terms of progress made since last year for information. This report covered all Wirral wards and was an integral part of Wirral Plan's inequalities agenda.

Members commented on the gender split in workforce, noting that the split at manager and senior manager levels was better than a lot of organisations. Also discussed was absence management and the Carers Passport which Members noted was a valuable resource available to staff.

**Resolved – that,**

- 1. of the annual Workforce Equality report be published to meet the legal requirements under the Public Sector Equality Duty (PSED) 2011,**
- 2. position in relation to workforce equality performance and the progress made by the Council in relation to producing, analysing and publishing workforce data be noted.**

52 **EDSENTIAL CIC DIRECTOR APPOINTMENT**

The Director of Law and Corporate Services reported that Policy and Resources Committee unanimously agreed on 11 September 2024 that Shareholder Board matters would be considered by the Policy and Resources Committee until further notice.

The Policy and Resources Committee could make any decision that might otherwise be handled by the Shareholder Board and any of its entities, given that the latter is a Subcommittee of the former. Therefore, Policy and Resources Committee was responsible for reviewing the 'Reserved Matters' set out in the Shareholder Agreement entered into in respect of Edsential CIC, a company wholly owned equally by the Council and Cheshire West and Chester Council. For this report, a reserved matter was set out for member consideration. Edsential CIC had sought consent to appoint a new Director.

Peter Brown had been selected following a comprehensive recruitment process undertaken by the company, he had been provisionally approved by

the company's board of directors and by the other local authority shareholder, namely Cheshire and Cheshire West Council, and was the company's nominee to sit on the Board.

**Resolved – That appointment of Peter Brown as Director of Edsential CIC be approved.**

53 **2024/25 BUDGET MONITORING FOR QUARTER TWO (THE PERIOD TO 30 SEP 2024)**

The Director of Finance stated that the report set out the financial monitoring information for the Council as at Quarter 2 (30 September) of 2024/25. The report provided Members with an overview of budget performance, including progress on the delivery of the 2024/25 saving programme and a summary of reserves and balances, to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers and, where appropriate, Committees on the performance of those budgets.

At the end of Quarter 2, the financial outlook had deteriorated further since quarter 1.

Current estimates forecasted an adverse outturn position of £21.563m on Directorate spend. This position was based on activity to date, projected trends in income and expenditure and changes to Council funding. The Council now faced a severe financial challenge that demanded immediate action. To achieve a balanced budget by the end of the financial year it was imperative to implement all possible measures to curtail spending and generate substantial cost savings. Without substantial action being taken, the Council would not be in a position to provide a balanced budget by financial year-end. The Ministry of Housing, Communities & Local Government (MHCLG) had been made aware of the Council's financial position.

The source of the overspend reflected a further deterioration of the outturn position from 2023/24 for which an action plan had been developed and implemented. This action plan was designed to address the main issues generating the adverse position. However, the majority of this overspend was a consequence of increased demand and costs for social care services and would not be easily resolved. Addressing and mitigating the in-year adverse position would be incredibly challenging but several potential strategies were available, some of which were already in progress:

- Full utilisation of all contingency funds (fully utilised in current forecast),
- Council wide spend freeze (implemented from 9 September 24),
- Maximising the use of capital receipts to finance transformational revenue expenditure. (£2.88m already included in current forecast),
- Reallocating earmarked reserves,
- Use of general fund balances.

- Work with MHCLG to identify options for financial sustainability and potential short-term measures to address the issue within the current year. (initial contact had already been made).

The Director of Finance drew Members attention to several sections of the report regarding the pressures on both Adult and Children's social care. It was also highlighted that the 2024/25 pay award had been agreed at the figure originally forecast for. Members discussed the significant pressures surrounding setting a balanced in year budget and the possibility of issuing a Section 114 if the Council's financial position did not improve. It was noted that officers were also in discussion with the Ministry for Housing, Communities and Local Government to identify options for financial sustainability and potential short-term measures to address the issue within the current year.

Resolved – that,

- 1) the Directorate forecast adverse position of £21.563m presented at Quarter 2 and the urgent need to examine all available options to address the position, including using contingency budgets, maximising the Flexible Use of Capital Receipts (FUCR), the re-provision of earmarked reserves, use of General Fund Balances and seeking assistance from the Ministry of Housing, Communities and Local Government (MHCLG) be noted.**
- 2) the Director of Finance had contacted the Ministry of Housing, Communities & Local Government (MHCLG) to make them aware of the Council's financial position be noted.**
- 3) the progress on delivery of the 2024/25 savings programme at Quarter 2 be noted.**
- 4) the forecast level of reserves and balances at Quarter 2 be noted.**
- 5) the budget virements, as detailed in paragraph 3.62 in the report be approved.**

## 54 **2024-25 CAPITAL MONITORING QUARTER 2**

The report of the Director of Finance provided an update on the progress of the Capital Programme 2024/25 at the end of September 2024. It requested that Committee recommends to Council the revised 2024/25 Capital Programme of £100.219 million, which took account of re-profiling, virements, additional funding requirements and grant variations identified since the Capital Programme was formally agreed on 26th February 2024.

The report supported the delivery of the Council Plan: Wirral Working Together 2023-27 specifically in terms of the Efficient, Effective and

Accessible Council theme. The Capital Programme also contributed towards projects that support all five Council Plan delivery themes.

Members discussed the Better Care Fund and funding of the Disabled Facilities Grant, noting it was beneficial to people in their home. Members also noted that the Hind Street project was complex and expressed thanks to officers for their continued work on it. Members also considered the redistribution of grant funding monies in relation to New Ferry.

**Resolved – That Council be recommended to approve,**

- 1. The revised Capital Programme of £100.219 million for 2024/25, including the virements of budget referred to in Appendix 3 of this report.**
- 2. Additional funding for the scheme referred to in section 3.7 in this report.**
- 3. The amendment to the Council’s Minimum Revenue Provision policy as set out in 3.8.1 of this report**
- 4. The request to enter into a Pre-Construction Services Agreement as detailed in 3.8.4 and accept the C4 estimate detailed in 3.8.5 prior to the Grant Fund Agreement being signed.**

## 55 **TREASURY MANAGEMENT MID-YEAR REPORT 2024/25**

The Director of Finance presented the report, which stated that the Council’s treasury management activity was underpinned by CIPFA’s Code of Practice on Treasury Management (“the Code”). This required the production of an annual Treasury Management Strategy Statement on likely financing and investment activity. The Code also recommended that Members were informed of treasury management activities at least twice a year.

This report fulfilled the Council’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the Department for Levelling Up, Housing and Communities (DLUHC) Investment Guidance. At the Mid-Year point the Treasury Management budget forecast for this year is for a net balanced position. It is anticipated that the use of a one-off Treasury reserve would compensate for an otherwise overspend position which was due to borrowing costs of temporary borrowing. Some of this cost would be offset by interest generated on Treasury Management investments.

This position was incorporated into the Quarter 2 Revenue Monitoring report. The Council had complied with the Treasury Management Indicators, as set



out in the agreed Treasury Management Strategy for 2024/25, for the first half of the year.

**Resolved – That the Treasury Management Mid-Year Report for 2024/25 be noted.**

## 56 **PRE-BUDGET REPORT**

The Director of Finance introduced this report, the purpose of which was to provide an update on the current progress and developments in budget setting activity for 2025/26 and beyond.

The Council is required to set a balanced budget each year and set a Medium-Term Financial Plan (MTFP) which considers the future pressures and savings options that will be taken forward to result in a balanced budget position. The Council faces a severe budget challenge to identify savings required to set a balance budget for next financial year, largely due to increased demand and costs for social care services, compounded by the previous significant reductions in Government funding and uncertainty around the future financial settlements.

Unless significant deliverable cost reductions were identified and approved, the Council would not meet its statutory obligation to set a legal and balanced budget without a significant increase in funding. The report provided an update for the Committee on those budget areas within its remit and across the Policy & Service Committees.

Members reiterated the need for consultation and informing residents of the gravity of the budget deficit, requesting that any public consultation is as accessible to all. Members further discussed the budget proposals and timelines of these.

**Resolved – That,**

- 1. the indicative resources, pressures and required savings detailed in the report be noted.**
- 2. That Policy & Service Committees undertake budget workshops (via the Budget Oversight Panels) during December to review savings proposals and mitigating actions, with a view to feeding back the outcomes of the workshops to this Committee.**
- 3. That the Director with portfolio, in consultation with the Finance Working Group, be authorised to undertake any required service consultations that are linked to budget policy options being brought forward, in line with the timetable to enable a budget recommendation in February 2025.**

57 **WORK PROGRAMME**

The Chair introduced the work programme which provided an opportunity to plan and regularly review its work across the municipal year.

**Resolved – That the Policy and Resources Committee work programme for the 2023/24 municipal year be noted.**

58 **DOCK BRANCH LINE - ACQUISITION**

The Director of Regeneration and Place introduced a report, which stated that the Council had been developing its regeneration strategy for Wirral Left Bank for a number of years. Birkenhead 2040 was endorsed by this committee as the interim Regeneration strategy for Wirral in March 2022. Within this framework Dock Branch Park was identified as one of the catalyst projects. Dock Branch Project aimed to transform the historic Dock Branch rail corridor into a vibrant public space, connecting key areas of Birkenhead by providing a safe and accessible link for cyclists and pedestrians from Hind Street to Wirral Waters and unlock adjacent development potential in the area. This report recommended a proposal in relation to the Council acquiring Dock Branch line from Network Rail. The proposal was for the Council to acquire the north and south sections in two separate transactions, with the acquisition of the southern section progressing first to enable the Hind Street Urban Village project to be delivered. This approach had been recommended to safeguard the Council from taking on potentially significant financial liabilities associated with the structures in the northern section of the line. The Wirral Plan 2021 – 2026 set out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services.

Members noted that if the Council did not acquire Dock Branch line, it would be unable to deliver the Hind Street Urban Village project. Also considered was the ongoing maintenance costs of the project and Members were informed that stewardship costs had been part of the preparation of the full business case.

**Resolved – That the Director of Regeneration and place be authorised (in consultation with the Chair and Spokespersons of Policy & Resources Committee) to acquire Dock Branch line from Network Rail as set out in the report considered by the Economy Regeneration and Housing Committee (“the exempt report”) (Appendix B) either:**

- 1. in two phases as detailed in paragraph 3.22 of the exempt report; or**
- 2. if funding can be secured to address the liabilities referred to in paragraph 3.12 to 3.15 of the exempt report, in one transaction.**

59 **EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

**Resolved - That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.**

60 **DOCK BRANCH LINE - ACQUISITION - EXEMPT APPENDICES**

**Resolved – That Policy and Resources Committee notes the exempt appendices.**