



POLICY AND RESOURCES COMMITTEE

Wednesday, 18 January 2023

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| REPORT TITLE: | 2023/24 BUDGET UPDATE |
| REPORT OF: | DIRECTOR OF FINANCE (\$151 OFFICER) |

REPORT SUMMARY

This report provides an update on the 2023/24 budget position following the forecast position presented at the Policy and Resources Committee meeting on 5 October 2022 and at the subsequent Policy & Resources Committee Budget Workshop on 24 November 2022. Budget options are set out in this report, which have been developed in response to the previously outlined budget gap.

The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, is charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and Budget to recommend to the Council. The Policy and Service Committees are responsible for those services being delivered under their operational headings within their annual budget envelope.

The Provisional Local Government Finance Settlement was published on 19 December 2022 and the information provided in this report outlines the government’s announcements on that day and afterwards. The Provisional Finance Settlement becomes final at a date set by Government in late January or early February 2023.

The Settlement provided a level of additional resources to the Council and in addition the prospect of increasing Council Tax and the Adult Social care Precept by 4.99% for 2023/24; this is significantly below the headline rate of inflation in the UK economy at the present time (CPI c.10% at the date of this report). However, the additional resources which amount to £6.3m are insufficient to bridge the Council’s Budget shortfall which has been confirmed in the sum of £49m (gross) and £32.3m (net) following the completion of internal review and the impact of the Provisional Settlement but excluding the higher level of Council Tax increase that is now possible; that is 4.99% rather than 2.99% as envisaged in the MTFP approved by Council in February 2022.

Final budget proposals will be presented to Policy & Resources Committee on 15 February 2023 for recommendation to full Council. This report supports the delivery of the Wirral Plan as part of the process of delivering a balanced budget for all Council activity, and therefore all Wirral Plan aims and objectives, for 2023/24. This report is not a key decision.

RECOMMENDATIONS

The Policy and Resources Committee is recommended to:

1. Note the outcome of the Provisional Local Government Financial Settlement for 2023/24, in advance of the Final Settlement which is expected in late January/early February 2023.

2. Recognise the extent of the Council's financial challenge and the need to make significant financial savings in order to maintain the Council as a going concern, to avoid the issuance of a Section 114 notice and the potential ministerial intervention under Section 15 of the Local Government Act 1999 which would be likely to ensue.
3. Note the savings, efficiencies and income proposals that are available to address the 2023/24 budget gap.
4. Note the latest position on consultation and agree to consult on the Budget proposals for 2023/24, under section 65 of the Local Government Finance Act 1992.
5. Note that the Section 151 Officer may need to make further adjustments to the forecast budget shortfall pending final decisions by Members in the period ahead.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Council has a legal responsibility to set a balanced budget, which sets out how financial resources are to be allocated and utilised. To do this effectively requires engagement with staff, elected members and residents along with other stakeholders. Previous reports to the Committee have highlighted the external challenges that are impacting on the 2023/24 budget setting process and have highlighted the extent of the financial challenge faced. This report presents the culmination of the work undertaken to present options for budget formulation and to ensure the necessary preparations to facilitate a budget recommendation to Council on 27 February 2023.
- 1.2 The scale of the financial challenge that the Council faces cannot be overstated. Setting a budget, especially in the context of largely uncontrollable, macro-economic pressures, requires challenging decisions to ensure that a balanced position can be presented. Members have been engaged in the process through the work of the Policy and Service Committees and the Policy and Resource Budget and Development Group composed of Group Leaders.
- 1.3 Failure to set a balanced budget may lead to intervention from the Secretary of State under section 15 of the Local Government Act 1999. Failure to set a lawful budget by the required deadline will lead to a loss of revenue that is likely to be irrecoverable and incur significant additional costs and reputational damage. Providing this update following the announcement of the Provisional Local Government Finance Settlement, is a way of taking suitable steps to enable the Council to set a lawful budget and to protect the Council, Customers and Members from the consequences of failing to take the necessary decisions.
- 1.4 Council approved the then latest Medium-Term Financial Strategy (MTFS) at its meeting on 28 February 2022; this confirmed key principles the Council would consider in respect of its financial planning. The MTFS provides a robust, consistent, and sustainable approach to establishing and maintaining a stable and prudent financial basis on which the Council's services are to be delivered.
- 1.5 In order to fulfil the aims of the MTFS, it is imperative that proposals for budget options are evidence based and achievable. In order to ensure that this is the case, rigorous review has been undertaken through:
- Directorate Management Teams (DMT)
 - Senior Leadership Team (SLT)
 - Internal Challenge Panels
 - Council Committees.
- 1.6 This process of review and challenge is ongoing, to ensure that final proposals made to Policy & Resources Committee in February, for recommendation to Full Council, are fully scrutinised and fit and proper in terms of readiness for decision-making. Contained within this report are all current options for consideration prior to the need to make final decisions on how the budget for 2023/24 should be balanced.
- 1.7 The information contained in this report also provides the opportunity for the Policy and Services Committees at their meetings in January 2023 to provide feedback on the budget proposals for the Policy and Resources Committee to take into consideration in recommending a lawful budget to Full Council at its meeting of 27 February 2023.

1.8 As part of the budget setting process, the Policy and Resources Committee is able to take into consideration the outcome of the budget setting consultation process with residents, businesses, and all those with a stake in the future of Wirral.

2.0 OTHER OPTIONS CONSIDERED

2.1 The setting of a legal budget is a statutory requirement and therefore no other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 At the Policy and Resources Committee on 5 October 2022, a potential budget gap of £49m for 2023/24 was presented. Members will be aware that the budget gap is an ever-moving target due to a number of factors; these include:

- Ongoing Government announcements of funding, including specifically the Chancellor's Autumn Statement and the Provisional Local Government Financial Settlement for 2023/24
- A process of challenge and refinement within the Council to ensure that the proposals are evidence based. Addition of new pressures that continue to materialise as further local and national evidence comes to light.
- The continuing refinement of budget assumptions including inflation.
- The development and refinement of budget options.

3.2 As a result of these factors, the budget forecast presented in October 2022 has been updated and a more robust position is now available. This position - which was estimated before Christmas at £38.4m - has been confirmed as £32.3m after application of the Provisional Finance Settlement. This represents the Budget shortfall as of the date of this report and represents the target which needs to be offset with efficiencies, savings and cost reductions in moving towards a balanced position.

2023/24 Budget Position

- The 2023/24 budget position is currently as follows:

| | 23-24 Budget Position Reported in 5 Oct 22 (£m) | 23-24 Revised Budget Position (£m) |
|---------------------------------------|--|---|
| | | |
| TOTAL FUNDING | -339.30 | -363.19 |
| | | |
| BUDGET REQUIREMENT | | |
| Baseline | 330.58 | 330.58 |
| Removal of one-off items from 21/22: | -2.81 | -2.81 |
| Baseline Restated | 327.77 | 327.77 |
| | | |
| ADD KNOWN PRESSURES/ GROWTH | 60.54 | 67.72 |
| | | |
| INITIAL BUDGET GAP | 49.00 | 32.30 |
| | | |
| DEDUCT PROPOSED NET SAVINGS | 0 | -39.50 |
| | | |
| REVISED BUDGET GAP / (SURPLUS) | 49.00 | -7.20 |

A more detailed analysis of this table can be found in Appendix 1.

- 3.3 In November 2022, the Chancellor of the Exchequer make fiscal announcements in his Autumn Statement. The details of this and further information has been supplied in the Provisional Finance Settlement and the main points are summarised in Appendix 2.
- 3.4 At the Policy and Resources Committee on 5 October, it was noted that officers would work up a further package of savings proposals to meet the forecast budget shortfall at that time with Members engaged via the Group Leaders' Budget Development Working Group established by Policy and Resources Committee. Accordingly, a set of budget proposals for 2023/24 are included in Appendix 3.

Capital Programme

- 3.5 In view of the very large revenue savings needed to balance the 2023/24 revenue budget the Budget proposals do not envisage additional Capital Programming for financial year 2023/24 unless one of the following conditions are met:
- The item is to be funded from Government grants, Section 106 contributions or other contributions and funding external to the Council
 - The item is funded from capital receipts

3. The item forms part of a business case that demonstrates clearly that revenue savings will flow from the capital investment and that these savings will exceed the commitment to fund this from borrowing or revenue resources.

3.6 The underlying assumptions used to form the forecast budget shortfall have already taken into account the savings arising from ongoing slippage in the Capital Programme. In addition the review has also identified opportunities to reach for further savings from existing programming.

4.0 FINANCIAL IMPLICATIONS

4.1 This report is part of a programme of activity to ensure that a fully balanced, legal budget can be recommended by the Policy and Resources Committee to Full Council at its meeting of 27 February 2023.

4.2 The programme to develop a robust budget position, of which this report is a part, will support the Council in demonstrating compliance with CIPFA's Financial Management Code, specifically in relation to Section 4 of the FM Code which refers to the Annual Budget.

4.3 The FM Code requires the Council to demonstrate that the processes used satisfy the principles of good financial management, based on the following six principles:

- Organisational Leadership – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisation culture.
- Accountability – based on Medium-Term Financial Planning, which derives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
- Financial management - undertaken with transparency at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer actions and elected member decision making.
- Professional standards - Adherence to professional standards is promoted by the leadership team and is evidenced.
- Assurance - sources of assurance are recognised as an effective tool and are mainstreamed into financial management, including political scrutiny and the results of external audit, Internal Audit and inspection.
- Sustainability: issues around sustainability of local services are at the heart of all financial management processes and is evidenced by prudent use of public Resources.

4.4 Delivering financial sustainability is vitally important for the Council and the budget options presented have been drawn up with this in mind, consideration is given to areas of discretionary expenditure that could be curtailed along with demonstrating savings that can be delivered from statutory components of the Council.

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 and, therefore, of this Committee in preparing that budget.

- 5.2 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement in February, 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. In doing so, 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, proposals put forward as part of the budget process will have identified the realistic measures and mechanisms to produce the desired outcomes.
- 5.3 Once the Committee has agreed draft budget proposals, there is then a requirement under section 65 of the Local Government Finance Act 1992 to conduct specific consultation with persons or bodies appearing to it to be representative of non-domestic ratepayers about the authority's proposals for expenditure (including capital expenditure) in the forthcoming financial year. The information required to be shared as part of the consultation is set out in the Non Domestic Ratepayers (Consultation) Regulations 1992. This includes the authority's current estimates of the total of its revenue expenditure and the total of its expenditure for capital purposes for the forthcoming financial year (the draft budget proposals). It must be borne in mind that this is consultation on the budget proposals, not on the decision to take whatever decision is implied by the adoption of that budget.
- 5.4 The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully and, where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality and level of services which they consider should be provided, against the costs of providing such services.
- 5.5 There is a particular requirement to take into consideration the Council's fiduciary duty and the public sector equality duty in coming to a decision.
- 5.6 Members are also individually reminded that Section 106 of the Local Government Finance Act 1992 applies to the Council meeting on the budget and therefore arguably to the formulation of the Budget. Members who are two months or more in arrears with their Council Tax must declare this to the meeting and must not vote on budget recommendations, as to do otherwise can be a criminal offence.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The implications for staffing, ICT and Assets are complicit with individual savings proposals. Until decisions are taken in forming the final set of proposals to balance the 2023/24 Budget the overall impact is not able to be defined precisely.

7.0 RELEVANT RISKS

- 7.1 The Budget process designed for 2023/24 mitigates the risks of a Budget not being set lawfully. This is underpinned by a robust monitoring and review process both in 2022/23 and for 2023/24.
- 7.2 Failure to achieve a balanced budget would lead to the Section 151 Officer issuing a Section 114 notice and potential ministerial invention under Section 15 of the Local Government Act

1999.

- 7.3 Funding and demand assumptions can change as more information becomes available. As such, the Medium-Term Finance Plan (MTFP) is regularly reviewed and updated as part of routine financial management.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Initial consultation has taken place in respect of the priorities and views of the public in formulating the draft budget, as set out in this report. An update on the approach, methodology and current findings as of this date (given the consultation remains live) can be found in Appendix 4.
- 8.2 Statutory budget consultation will commence subject to agreement by the Committee. This will take place in January 2023 and feedback will be taken into consideration by the Policy and Resources Committee when recommending a budget to Full Council at its meeting of 15 February 2023.
- 8.3 The Council has engaged regularly with trade unions about the Council's financial position. This will continue throughout the budget setting process.

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 The equality implications will be included within the individual savings proposals currently being developed and will be addressed when these are brought forward for approval.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The environment and climate implications will be considered within the individual savings proposals currently being developed and will be addressed when these are brought forward for approval.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The community wealth implications will be considered within the individual savings proposals currently being developed. The budget proposals under consideration will take account of related matters across headings such as:
- a. 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.
 - b. More local & community ownership of the economy – Supporting cooperatives and community businesses. Enabling greater opportunities for local businesses. Building on the experience of partnership working with voluntary, community and faith groups during recent years to further develop this sector.
 - c. Decent and Fair Employment Paying all employees a fair and reasonable wage.
 - d. Making wealth work for local places

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APPENDICES

Appendix 1 Forecast Budget Position 2023/24.

Appendix 2: Provisional Local Government Finance Settlement 2023/24.

Appendix 3: Budget Setting Options 2023/24.

Appendix 4: Budget Consultation Update 2023/24.

BACKGROUND PAPERS

CIPFA's Financial Management Code

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---------------------------------------|-------------------------|
| Policy and Resources Committee | 09 November 2022 |
| Policy and Resources Committee | 05 October 2022 |
| Policy and Resources Committee | 13 July 2022 |
| Policy and Resources Committee | 16 March 2022 |
| Full Council | 28 February 2022 |
| Policy and Resources Committee | 15 February 2022 |

Appendix 1 - Forecast Budget Position 2023/24.

| | 23-24 Budget Position Reported in 5 Oct 22 (£m) | 23-24 Revised Budget Position (£m) | Change (£m) | Note |
|---|--|---|------------------------|-------------|
| FUNDING | | | | |
| Council Tax | -168.43 | -168.63 | -0.20 | |
| Business Rates | -138.07 | -152.96 | -14.89 | |
| Other | -32.80 | -41.59 | -8.80 | |
| TOTAL FUNDING | -339.30 | -363.19 | -23.89 | a |
| | | | | |
| BUDGET REQUIREMENT | | | | |
| Baseline | 330.58 | 330.58 | 0.00 | |
| Removal of one-off items from 21/22: | -2.81 | -2.81 | 0.00 | |
| Baseline Restated | 327.77 | 327.77 | 0.00 | |
| | | | | |
| ADD KNOWN PRESSURES/ GROWTH | 60.54 | 67.72 | 7.18 | |
| | | | | |
| BUDGET GAP | 49.00 | 32.30 | -16.70 | |
| | | | | |
| DEDUCT PROPOSED SAVINGS | | | | |
| Increasing Business Efficiencies | 0 | -17.91 | -17.91 | |
| Increasing Income | 0 | -5.36 | -5.36 | |
| Changing how we fund or provide services | 0 | -8.97 | -8.97 | |
| Reducing or stopping services | 0 | -7.26 | -7.26 | |
| Total Savings Income and efficiencies: | 0 | -39.50 | -39.50 | b |
| | | | | |
| REVISED BUDGET GAP / (SURPLUS) | 49.00 | -7.20 | -56.20 | |

Notes

a: Funding Changes

| | £m | £m |
|--|-----------|----------------|
| Estimated funding assumptions 1 Oct 22 | | -339.30 |
| Revised estimated funding assumptions Nov 22 | -8.97 | |
| Impact of Council Tax base increase | -0.20 | |
| Additional funding - Provisional Local Government Finance Settlement | -14.72 | |
| | | -23.89 |
| Revised estimated funding assumptions Dec 22 | | -363.19 |

Impact of Provisional Local Government Finance Settlement

| | | |
|--|--------|---------------------|
| Adjustment to funding | -14.72 | |
| Related new pressures | 8.44 | |
| Net Impact of provisional Local Government Finance Settlement | | <u>-6.28</u> |

b: Proposed Savings

| Proposed savings by Tranche | 23-24 Budget Position Reported in 5 Oct 22 (£m) | 23-24 Revised Budget Position (£m) |
|---|--|---|
| Tranche 1 | 0 | -12.02 |
| Tranche 2 | 0 | -13.49 |
| Tranche 3 | 0 | -14.00 |
| Total Savings Income and efficiencies: | 0 | -39.50 |

| Proposed saving by Committee | 23-24 Budget Position Reported in 5 Oct 22 (£m) | 23-24 Revised Budget Position (£m) |
|---|--|---|
| Adult Social Care and Public Health | 0 | -5.94 |
| Children, Young People & Education | 0 | -5.47 |
| Economy Regeneration & Housing | 0 | -2.66 |
| Environment, Climate Emergency & Transport | 0 | -1.69 |
| Policy & Resources | 0 | -17.37 |
| Tourism, Communities, Culture and Leisure | 0 | -6.38 |
| Total Savings Income and efficiencies: | 0 | -39.50 |

Appendix 2

Local Government Finance Settlement 2023/24

1.0 EXECUTIVE SUMMARY

- 1.1 This briefing note outlines the government's announcement and subsequent publications on 19th December 2022 concerning the Local Government Finance Settlement 2023/24 and gives an analysis on the impact on Wirral Council's Medium-Term Financial Plan (MTFP), although as noted below all data is provisional at this stage.
- 1.2 The Local Government Finance Settlement gives a net betterment position of £6.28m compared to previous assumptions in the Medium-Term Financial Position (MTFP).
- 1.3 The £6.28m includes £12.30m more than previously assumed in Adult Social Care related ringfenced grants. However, this will bring additional cost pressures of £8.44m.
- 1.4 Despite additional funding in the settlement, additional savings will still be required in order to achieve a balanced budget position for 2023/24.

2.0 BACKGROUND

- 2.1 On 17th November 2022 the government announced The Autumn Statement, alongside the Office for Budget Responsibility's (OBR's) new set of Economic and Fiscal Outlook forecasts. The Autumn Statement responded to the OBR forecasts and set out the medium-term path for public finances and the Government's spending plans for each government department for the next two financial years, including local government.

Following this, on 19th December 2022 the Local Government Finance Settlement 2023/24 was announced, with impacts on Core Spending Power for 2023/24, Social Care Grant allocations as well as other grant details. The settlement was for a single year only based on Spending Review 2021 funding levels updated for the Autumn Statement 2022 announcements.

At the same time, a consultation related to the settlement proposals was launched, which runs for 4 weeks and concludes on 16th January 2023.

3.0 LOCAL GOVERNMENT HEADLINES

3.1 Core Spending Power

Core Spending Power is a measure of the resources available to local authorities to fund service delivery. It sets out the money that has been made available to local authorities (assuming the maximum permitted Council Tax increase is implemented) through the Local Government Finance Settlement.

The headline announcement was that an additional £5 billion of funding would be "made available" to councils, representing a 9.2% cash terms increase, with a minimum increase being guaranteed at 3%.

Despite a 9.2% cash terms increase, the increase in funding does not meet inflation pressures faced by Councils, and therefore represents a real term drop in core spending power.

The main sources of the funding are summarised in the following table:

| ENGLAND Funding Source | 2022-23* | Provisional 2023-24 | Change 23-24 | Change 23-24 |
|---|------------------|------------------------|-----------------|-----------------|
| | <i>£ million</i> | £ million | £ million | % |
| Settlement Funding Assessment | 14,882.2 | 15,671.1 | 788.9 | 5.3% |
| Compensation for the business rates multiplier | 1,275.1 | 2,204.6 | 929.5 | 72.9% |
| Council Tax Requirement | 31,922.5 | 33,838.4 | 1,915.9 | 6.0% |
| Improved Better Care Fund | 2,139.8 | 2,139.8 | 0 | 0 |
| New Homes Bonus | 556.0 | 290.6 | -265.4 | -47.7% |
| Rural Services Delivery Grant | 85.0 | 85.0 | 0 | 0 |
| Social Care Grant | 2,346.4 | 3,852.0 | 1,505.6 | 64.2% |
| Services Grant | 822.0 | 464.2 | -357.8 | -45.5% |
| Market sustainability and FCC (and improvement) | 162.0 | 562.0 | 400 | 246.9% |
| ASC Discharge Funding | 0 | 300.0 | 300 | 100% |
| Lower Tier Services Grant | 111.0 | 0 | -111 | -100% |
| Rolled in grants | 238.6 | 0 | -238.6 | -100% |
| Minimum Funding Guarantee | 0 | 136.0 | 136 | 100% |
| Core Spending Power | 54,540.5 | 59,543.8 | 5,003.2 | 9.2% |

3.2 Council Tax

The Council Tax proposals set out in the Autumn Statement in November were confirmed as part of the settlement. The proposal for core Council Tax in 2023/24 is a referendum cap of up to 3% (previously 2%).

There is also the flexibility to add up to a further 2% adult social care precept for authorities providing adult social care services.

3.3 Improved Better Care Fund

Improved Better Care fund is unchanged in cash terms for all upper tier councils, with distribution also unchanged.

3.4 Social Care Grant

Social Care Grant will increase by £2,044.6m in 2023/24, with the additional amounts allocated as follows:

- £1,505.6m of additional grant funding.
- However, £161m of that is the rolling in of the Independent Living Fund.
- £400m for additional Improvement funding added to Market Sustainability grant.
- £300m for ringfenced Adult Social Care Discharge funding.

Allocations are related to the Adult Social Care needs formula with recognition of Social Care Council Tax precept and to previous market sustainability funding allocations. More detail will follow on additional reporting requirements, and the better care fund and discharge funding must be pooled with local health boards.

3.5 **Lower Tier Services Grant**

Introduced in 2021/22, the Lower Tier Services Grant will cease and therefore not be distributed to Local Authorities in 2023/24. The funding for this grant will instead be used to support the guaranteed 3% increase in Core Spending Power.

3.6 **New Homes Bonus**

The government has decided to maintain the current approach to the NHB payments in 2022/23. There will be no legacy (i.e., second) payment of New Homes Bonus, with the value previously representing legacy payments instead being used to support the 3% CSP increase referred to in paragraph 3.1.

This results in a £265m (48%) reduction in the overall grant for 2023/24.

3.7 **Services Grant**

The overall value of this grant, first introduced in 2022/23, has reduced from £822m to £464m partly due to the removal of the National Insurance Levy which this grant previously included support for. The reduced amount will instead be used to enhance the Supporting Families Grant and to partially fund a contingency provision.

3.8 **Public Health Grant**

Information on the Public Health grant is not yet available and is expected in the new year.

3.9 **Market Sustainability and Improvement Fund**

This new grant totalling £562m includes £162m from the former Market Sustainability and Fair Cost of Care Fund, with the additional £400m intended to support Local Authorities in making tangible improvements to adult social care and in particular to address discharge delays, social care waiting times, low fee rates, workforce pressures, and to promote technological innovation in the sector.

3.10 **ASC Discharge Fund**

This is a new £300m grant for 2023/24 and is intended to form part of Better Care Fund plans. It is aimed at reducing delayed transfers of care and has been allocated based on the improved Better Care Fund shares in used in 2023/24.

3.11 **Minimum Funding Guarantee**

A new funding stream will be distributed in 2023/24 to replace Lower Tier Services grant and is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% before Council Tax decisions. The total funding for this grant is £136m.

3.12 **Funding Reform**

Government has confirmed that reforms to local government funding through the Relative Review of Needs and Resources, as well as the reset of accumulated business rates growth have both been paused for the remainder of this Spending Review period, but they are “committed to improving the local government finance landscape in the next Parliament”.

4.0 WIRRAL COUNCIL IMPACT

4.1 Council Tax

Previous assumptions have been that a 2% Core increase and a 1% Social Care Precept would be applied. The confirmation of the 3% core referendum principal means a potential increase in Council Tax income of approximately £1.65m.

Similarly, an additional 1% Council Tax precept for Adult Social Care would generate an additional £1.65m. Both these figures are subject to confirmation of the Council Tax Base figure for 2023/24, which is due to be reported to Policy and Resources in January 2023.

Should these increases not be fully implemented, alternative savings of £3.3m will need to be found.

4.2 Social Care Grant

Provisional allocations of the ringfenced Social Care Grant indicate that Wirral will receive £32.14m in 2023/24, which is an increase of £5.38m (including the Independent Living Fund) compared with previous 2023/24 assumptions included in the £38.4m budget gap.

However, as the Independent Living Fund has been rolled into the Social Care Grant there is a corresponding £1.52m pressure due to the removal of the grant from the revenue budget.

The net impact is therefore a £3.86m improvement on the MTFP.

4.3 Lower Tier Services Grant

With confirmation being received that this grant will cease after 2022/23, this constitutes a £0.52m reduction in funding for Wirral from 2022/23 budget and previous 2023/24 assumptions.

4.4 New Homes Bonus

It had previously been unsure if New Homes Bonus would continue after 2022/23, or if it would be distributed with the same methodology, and a reduction from the 2022/23 budget had therefore been assumed.

However, confirmation that the current New Homes Bonus approach would continue, and provisional allocations indicate Wirral will received £0.44m in 2023/24, an increase of £0.14m against previous assumptions.

4.5 Services Grant

Previous forecasts had assumed a reduction of Services grant due to the removal of the National Insurance Levy. However, provisional allocations indicate Wirral will receive £3.16m for this grant, which is £0.75m less than anticipated.

4.6 Market Sustainability and Improvement Fund

Provisional allocations allocate £4.22m of this fund to Wirral for 2023/24, which wasn't included in previous assumptions. However, although detailed conditions for this grant are not expected until early in 2023, at this stage it is assumed that this grant will be ringfenced and met with subsequent cost pressures and is therefore not an improvement to the overall budget position.

4.7 **ASC Discharge Grant**

This new grant will form part of Better Care Fund plans and Wirral has been allocated £2.7m for 2023/24. This will be met by corresponding cost pressures and therefore does not impact the budget position.

4.8 **Business Rates 100% Retention Pilot**

The settlement confirmed that the 100% Business Rates Retention pilot that Wirral participates in alongside Liverpool City Region authorities will continue in 2023/24 and will therefore continue to benefit from the resulting increased level of Business Rates receipts for another year. This was already budgeted for in the MTFP. This is positive news as Wirral benefits by approximately £7m per year as a result of participating in the pilot.

Government will review the role of such arrangements as a source of income for areas and its impact on local economic growth, and as part of deeper devolution commitments as set out in the Levelling Up White Paper.

4.9 **Business Rates Top-up**

The latest assumptions were that the Business Rates Top-up would increase by 5% to £55.69m. Settlement confirms Wirral's 2023/24 allocation as £59.24m which is a 9.1% increase from 2022/23. This is an improvement of £3.55m and constitutes the following:

- 10.1% increase based on September 2022 CPI.
- An adjustment for the impact on Business Rates of the Revaluation 2023.

4.10 MTFP Assumptions Comparison

In total, the provisional impact of the Local Government Finance Settlement on Wirral's MTFP is an improvement of £6.28m, not including the potential further Council Tax increases referenced in paragraph 4.1. The following table summarises the impact of the provisional Local Government Finance Settlement on Wirral Council's MTFP:

| | 2022/23 Budget £m | 2023/24 | | |
|--|-------------------------|---|---------------------------------|----------------------|
| | | MTFP assumption (£38.4m gap) £m | Provisional settlement £m | MTFP Impact £m |
| Business Rates Top-Up | (54.29) | (55.69) | (59.24) | (3.55) |
| New Homes Bonus | (0.44) | (0.30) | (0.44) | (0.14) |
| Social Care Grant | (19.77) | (26.77) | (32.15) | (5.38)* |
| Lower Tier Funding | (0.52) | (0.52) | 0.00 | 0.52 |
| 2022/23 Services Grant | (5.62) | (3.91) | (3.16) | 0.75 |
| Market Sustainability & Improvement Fund | 0.00 | 0.00 | (4.22) | (4.22)* |
| ASC Discharge Fund | 0.00 | 0.00 | (2.70) | (2.70)* |
| Funding impact of LGFS measures | | | | (14.72) |
| Corresponding pressures: | | | | |
| Independent Living Fund removal | | | 1.52 | |
| Market Sustainability & Improvement Fund | | | 4.22 | |
| Discharge Fund | | | 2.70 | |
| Additional cost pressures | | | | 8.44 |
| Total provisional 2023/24 MTFP impact | | | | (6.28) |
| * Additional Adult Social Care related ringfenced grants | | | | (12.30) |

5.0 CONCLUSION

- 5.1 While the settlement brings an improvement to Wirral's MTFP position, the data outlined in this briefing note should be treated with caution as it is subject to change.
- 5.2 Firstly the settlement is provisional at this stage and is open to consultation until the 16th January 2023. Following the closure of the consultation period the settlement is subject to Parliament approval, and as such the data outlined above is subject to change.
- 5.3 The impact of the Business Rates Revaluation 2023 on Business Rates income is at this stage unclear. The estimated income generated from Business Rates for 2023/24, as well as the related Section 31 Grants for qualifying reliefs, will be analysed in detail in conjunction with the guidance when available. Such estimates have a deadline for completion and submission to Department for Levelling Up, Housing and Communities (DLUHC) of 31st January 2023, and as such the impact of Business Rates income on the MTFP is not yet clear.

- 5.4 Similarly, the estimate of the Collection Fund position will impact the 2022/23 budget. This is a statutory process and is based on the latest data available on 15th January 2022 and therefore this will not be confirmed until late January.
- 5.6 It is important to remember that the government have only impacted a single -year settlement and the additional resources for 2023/24 only provide limited and short-term certainty while creating uncertainty for longer term financial planning.

Appendix 3 - List of Savings

Budget Saving Proposals can be placed into the following categories:

- Increasing Business Efficiencies
 - This approach will identify efficiency measures that will result in more effective ways in which services are currently provided and may include cost reduction.
- Increasing Income
 - The Council will look to identify areas where it can raise income through fees and charges.
- Changing how we fund or provide services
 - We aim to ensure that the right service reaches the right resident when and where they need it, for the best cost. This may mean changing how we fund or provide services so that we are able to reduce costs and maintain services by becoming more efficient and by doing things differently.
- Reducing or stopping services
 - Although all efforts will be made to keep service reduction to a minimum, the scale of the financial challenge means that not all reduction proposals can be avoided.

| ENVIRONMENT, CLIMATE EMERGENCY & TRANSPORT | | | |
|--|---|---|----------|
| THEME | OPTION | DESCRIPTION | SAVING |
| Increasing Income | Introduction of Electric Vehicle charging scheme | Following a pilot, the Council is planning to introduce an electric vehicle charging policy and strategy that will introduce new charging points for electric vehicles generating a small income to the authority for re-investment. | £10,000 |
| | Increase costs for Dropped Kerb service | The proposal would seek to increase the fees the Council applies to provide dropped kerbs outside people's houses to enable residents to access their drives. This will ensure full cost recovery to support the service. | £15,000 |
| | Introduction of large format digital screen advertising opportunities | The Council plans to introduce large format, digital advertising screens in key gateway locations and small format free standing units in shopping areas to be used for commercial advertising to generate an income to the Council. | £20,000 |
| | Review of Cemeteries and Crematoria service income | A review of income within Cemeteries and Crematoriums will look to increase income targets sustainable for future years. | £100,000 |
| | Review of Pest Control service income | This option will increase the income target within the pest control team of Environmental Services in line with the recent demand for the service. | £10,000 |
| | Review of bulky waste (ERIC) collections | The Bulky Waste collection service (ERIC service) currently collects up to 6 items for £32 per slot, with 120 slots available per week. The proposal is to reduce the number of items to 4 for £32 and increase the number of bookable slots by 5 per day - 145 per week. | £10,000 |

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|---|--|--|----------|
| | | | |
| Increasing Income | Sale of Parks vehicles | A capital bid has been accepted for the procurement of new, efficient 'green' machinery. This saving would be achieved through the sale of the existing fleet, of which there are a number of vehicles that are high value. | £100,000 |
| | Introduction of catering facilities at football playing fields | This option would see income generated through placement of outdoor catering pods at Arrowe Park Playing Fields and Levers Playing Fields to serve high footfall football traffic. A capital investment would be required. | £20,000 |
| | Expansion of the camping offer at Wirral Country Park | This option would look to generate income through expanding the councils camping offer at Wirral Country Park. | £10,000 |
| | Introduction of Pet Memorial Garden | This option would see an income generated through the development of a pet memorial garden for Wirral residents to commemorate their domestic pets. | £10,000 |
| | Reintroduction of Christmas Markets at Birkenhead Park | This option would seek to restart Christmas Markets at Birkenhead Park. This model would see units / pitches being offered to traders who would pay a fee. | £10,000 |
| | Introduction of an environmental enforcement scheme | This option proposes a move back to enforcement action against increasing levels of environmental crime including littering, dog fouling and fly tipping. The enforcement action will be undertaken by a 3rd party through an enforcement contract and would generate an income. | £150,000 |
| Increasing Business Efficiencies | Capitalise Staff costs on infrastructure projects | A number of staff can be charged against the Council's capital programme budget leading to corresponding savings in the Council's revenue budget. | £60,000 |
| | Review of Tree Management service | A redesign of the tree management service that will generate efficiency through the reduction of a vacant post and the generation of new income. | £50,000 |
| | Restructure of the transport fleet | This option will deliver efficiencies through transport fleet and equipment remodelling and the introduction of replacement, alternative fuelled vehicles, and equipment. | £30,000 |
| Changing how we fund or provide services | Environmental Health Service Review | A redesign of the Environmental Health Service to reduce the level of non-statutory provision and a reduction in staff by 1.5 FTE fixed term roles and 1 FTE permanent role. | £40,000 |
| | Reduction in recycling promotional budget | This reflects a permanent, partial reduction of the Waste Team's recycling promotional budget from 2023/24. | £20,000 |
| | Reduction in Waste & Environment Services budget | This option will make saving through partial reductions to elements of the Waste and Environmental Services budget. | £24,000 |

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|-------------------------------|--|--|----------|
| Reducing or stopping services | Reduction of non-statutory parks and countryside maintenance | The Parks and Countryside budget is approximately £4m. £3m of this is for statutory provision. Options have been brought forward to reduce the non-statutory element of the service by 50%. | £500,000 |
| | Reduction in street cleansing | This option proposes the reduction in regular service street cleansing provision across the borough in residential areas, with a move to a reactive cleansing model. Cleansing would be undertaken in response to service requests and known hot spot/high demand locations. The service could still respond to fly tipping instances and service litter bins. | £500,000 |

| TOURISM COMMUNITIES CULTURE & LEISURE | | | |
|--|---|--|------------|
| THEME | OPTION | DESCRIPTION | SAVING |
| Increasing Income | Development of the events programme at Williamson Art Gallery | This option would look to generate income by developing the events programme at Williamson Art Gallery (weddings, formal dinners, birthday etc.). The option also includes savings from potential community asset transfer of the Transport Museum. | £70,000 |
| | Review of current Neighbourhood Directorate assets/ buildings | This option would generate savings through a review of Neighbourhood Directorate assets, to identify properties/ buildings that could be considered for community asset transfer. There are currently no capital resources available from the Council in order to process CAT transfers. | £50,000 |
| Increasing Business Efficiencies | Review of Neighbourhoods Staffing Structure | A re-structure in the Neighbourhoods Directorate that reflects a longer-term transformation plan to ensure the most efficient and cost-effective model of delivery. | £425,000 |
| | Consolidation of under committed budgets across Neighbourhoods | This option will generate savings through a one-off collation of underspent budget lines across the service. | £60,000 |
| | Leisure Centre service review | This saving option focuses on transformation of the service over 5-year period. The headline saving of £500k is for the first year's savings. This will focus on several key themes: energy efficiency measures, service restructures, contracts and commissioning arrangements and sales & marketing. | £500,000 |
| Changing how we fund or provide services | Leisure Centre service review and closure of a council leisure centre | This saving option incorporates the transformation of the service saving of £500k along with the closure of one of the Council's leisure centres. | £1,000,000 |
| | Reduce library service to 5 key sites | Wirral currently has 15 library sites. Footfall at all libraries has reduced and has not recovered from pre-pandemic levels. This option proposes a reduction in the service down to 5 sites. | £759,000 |

| | | | |
|--|--|---|------------|
| Changing how we fund or provide services | Relocation of Birkenhead & Wallasey Central libraries | This option proposes the relocation of Wirral's 2 Central libraries in Birkenhead and Wallasey from the two, current, high-cost sites into Birkenhead Town Hall and the Floral Pavilion respectively to reduce overall library service building running costs. | £280,000 |
| | Reduce library service to 5 key sites & relocate central libraries | Wirral currently has 15 library sites. Footfall at all libraries has reduced and has not recovered from pre-pandemic levels. This option proposes a reduction in the service down to 5 sites as well as relocating Birkenhead and Wallasey sites into Birkenhead Town Hall and the Floral Pavilion. | £874,000 |
| Reducing or stopping services | Temporary standing down of two council swimming pools | This proposal would involve standing down two of the Council's swimming pools to achieve savings in heating and running costs. | £850,000 |
| | Closure of all non-statutory leisure services and activities | This option would involve stopping all Council leisure provision on the basis that it is a non-statutory, discretionary service that requires significant financial support from core Council budget which is forecast to increase further in 2023/24. | £4,900,000 |

| CHILDREN, FAMILIES AND EDUCATION | | | |
|----------------------------------|---|--|------------|
| THEME | OPTION | DESCRIPTION | SAVING |
| Increasing Business Efficiencies | Reduction in Wirral's Looked After Children numbers | This saving reflects a reduction in Wirral's Looked After Children numbers as historic high levels align more with other authorities following practice improvements since 2019. | £410,000 |
| | Reduction in Teacher's pension liabilities to the council | This saving reflects a reduction in Teacher's pension liabilities for the Council. | £190,000 |
| | Review of Supporting Families funding and Early Help budgets | The proposal will involve investing the supporting families funding and Early help budgets effectively to reduce CIN and CP demand. The outlook is of increasing demand on frontline services as things return to normal post covid. | £1,121,000 |
| | Review of contracts within Children's Services | A review will be undertaken to look at all contracts that are in place across Children's Services to explore where there are any efficiencies which can be achieved. | £250,000 |
| | Review of council's contribution towards European Funded Send Inclusion Programme | This saving reflects the end of the Council's contribution towards a European Funded programme that will end at the end of 2022/23. | £220,000 |
| | Reduction in financial support to Kingsway High School | Kingsway High School is being re-purposed for other educational uses and as such the occupier will pay the proportionate liability associated with the PFI deal, which will reduce costs and generate a financial saving. | £134,000 |
| Changing how we | Reduction in contributions to the Regional Adoption | This saving reflects a reduction in contributions to the Regional Adoption Agency in line with the | £100,000 |

| | | | |
|-------------------------------|--|--|------------|
| | Agency in line with the average number of referrals | average number of referrals reducing in recent years. | |
| | Increase the number of <i>children looked after</i> placed in family settings as opposed to higher cost residential settings | This proposal involves increasing the proportion of children placed in family settings and less in other settings such as residential and semi-independent settings. As family-based settings are lower cost than residential settings there is a cost reduction for the Council. | £1,100,000 |
| | Remodelling of social care and early help | The proposal will involve the redesign and restructure of the Assessment and Intervention Service in Children and Families and the Family Matters service to provide one single service. | £655,000 |
| Reducing or stopping services | Removal of budget supporting Play Services schemes | Wirral currently has 3 of out of hours and weekend play schemes. This service, which employs 9 staff, supports child development and education through play and is non-statutory. Play services currently operate at: Leasowe Adventure Playground, Gautby Play Scheme, Beechwood Play scheme as they are targeted in areas of greatest need. The option would remove this service altogether. | £284,000 |
| | Reduction of Youth services offer to minimum statutory service | This service, which employs 68 staff, includes a youth club provision in each of the 9 neighbourhoods, detached youth workers covering the borough, and an annual contribution to the Hive Youth Zone. A number of options have been brought forward to reduce the service. This option would see the service being reduced to a statutory minimum provision. | £666,000 |
| | Removal of budget supporting Creative Youth offer | Creative Youth Development employs 10 staff and delivers targeted packages of support to young people in crisis or with special educational needs and disabilities using a range of creative arts as therapeutic tools. The service is non-statutory, and options have been brought forward to reduce the service. This option would involve the service stopping altogether. | £343,000 |

| THEME | OPTION | DESCRIPTION | SAVING |
|--|--|---|------------|
| Changing how we fund or provide services | Review of all-age disability transition planning | This programme will focus on transition planning to better prepare young people with care and health needs for adulthood through tailored and more creative approaches to meeting care and support needs. A review of practice and approaches to transition planning will see needs identified earlier, with planned care and support leading to the delivery of the efficiency target. | £1,000,000 |
| | Review of services to support Independent Living | A range of Demand Management initiatives will deliver the required efficiency savings. These are related to technology enabled care provision, increasing take up of Direct Payments as a cost-effective way to meet people's needs, utilising an increased range of extra care and supported housing options, and continuing to embed The Three Conversations approach to requests for care and support. | £4,935,000 |

| ECONOMY REGENERATION AND HOUSING | | | |
|----------------------------------|--|--|----------|
| THEME | OPTION | DESCRIPTION | SAVING |
| Increasing Income | One off rental income for partial leasing of Cheshire Lines office space | The NHS CCG will be occupying some of the space in Cheshire Lines Building and paying a contribution towards the lease and running of costs. As the lease on Cheshire Lines is due to end in April 2024, this is a one year only income for 23-24. | £146,000 |
| | Lease income from rental of floors 4 & 5 at Marris House | The Council had leased the 4th and 5th Floors of Marris House, with the break clause having been implemented and the lease terminated in July 22. Any make good work on the return of the lease have been met from the 22/23-part year saving on the lease costs. Full savings will be achievable for 23-24. | £136,000 |
| | Increase eligible rechargeable costs for Building Control services | This option would generate income through increasing the eligible rechargeable costs in the areas of building control and housing services and is based on the assumptions on what can be recharged to fee income in the areas of building control, street names and numbering and land charges. | £80,000 |
| Increasing Business Efficiencies | Review of Merseytravel levy budget | The Merseytravel levy is set by the Combined Authority, which includes any changes identified in the City Region population levels and demographics. This option will realise a saving through the financial difference between the budget set for the levy and the actual levy cost. | £122,000 |
| | Capitalisation of salaries (Re-direction of qualifying salaries away from the council's central budget | This proposal will include a change to re-direct qualifying salaries away from the council's central budget. This will apply to staff within Assets division work on the school's capital programme, which enhances and creates schools' assets and is funded via grant. | £85,000 |
| Increasing Business Efficiency | Stand down and disposal of a number of council owned buildings | This option is a continuation of a project that was commissioned in 2019 to review the accommodation strategy of the Council. Savings will be made on the | £672,000 |

| | | | |
|--|---|--|----------|
| | | assumption that the buildings will all be empty, and functions “stood down” completed by 31 st March 2021 and disposed of no later than 31 st March 2023. | |
| | Decommissioning of the Solar Campus site and relocation of teams currently working from the facility. | This option will see a partial in-year saving through decommissioning of the Solar Campus and relocation of teams currently working from the facility. Full stand down savings will be realised in 24/25. | £5,000 |
| | Standing down of Wallasey Town Hall for a 12-month period | In 2023/24, the North and South Annexes are being demolished and this will effectively put the Town Hall between two demolition sites for most of the year. This will have practical implications on the use of, and access to the building. Savings will therefore be realised through the standing down of Wallasey Town Hall for 2023/24. | £400,000 |
| | redesign and review of contract commissioning for Economic Growth | This option will see savings made through the redesign of the specification for services completed prior to commissioning and the subsequent competitive price achieved through tendering. | £65,000 |
| | Recharging of staff costs where eligible grant funding is in place for Economic Growth projects | This option will see a one-off saving of staff cost recovery from grant funding. This relates to eligible work across several regeneration programmes where a proportion of permanent staffing costs can be recharged for staffing time including European Regional Development Fund, European Social Fund and Town Deal. | £71,500 |
| | Recharging of staff costs where eligible grant funding is in place for Homes for Ukraine Resettlement Programme | This option will see a one-off saving of staff cost recovery from grant funding. This relates to eligible work undertaken for the Resettlement Programme associated with responding to the Homes for Ukraine. | £593,110 |
| | Recharging of costs where eligible grant and fee income is rechargeable within Supported Housing services | This option would realise savings where grant and fee income are rechargeable. This includes eligible costs associated with Private Rented Sector Housing Licensing, the Healthy Homes service and works linked to the Disabled Facilities Grant. | £59,600 |
| Changing how we fund or provide services | Re-provision of homeless accommodation and review of community alarm grant | This option is a follow on from savings implemented in 22/23 that can again be realised in 23/24 – this being re-provision of homeless accommodation and review of grant to current eligible customers for the community alarm/response services charges. | £137,000 |
| | Review of Housing Support service and Fuel Poverty contract | This proposal will realise efficiencies by moving to a single low level floating housing support service, as well as a review of the Fuel Poverty contract. | £87,500 |

POLICY AND RESOURCES

| THEME | OPTION | DESCRIPTION | SAVING |
|-------|--------|-------------|--------|
|-------|--------|-------------|--------|

| | | | |
|---|---|--|------------|
| Increasing Business Efficiencies | Review of digital systems within the Revenue and Benefits service | This option will generate efficiencies through increased use of automation within Revenues & Benefits reducing the need for double keying and manual intervention from staff. | £100,000 |
| | Review of council funded trade union representatives | The Council currently funds salaries for four full time trade union reps for UNISON. Funding was in place initially for three reps, but this was increased to a fourth, on a temporary basis, during the pandemic and been absorbed into the core budget. This option will realise a saving by returning to financially supporting just three full reps. | £35,000 |
| | Review of current payroll functions | This option will realise saving through a review of the council's current payroll functions in order to reduce duplication and increase efficiencies. | £60,000 |
| | Review of enabling (back office) services across the council | This option will bring forward a review of all enabling (back office) services across the whole organisation to identify economies of scale and opportunities for greater centralisation of these services. | £2,300,000 |
| | Review of senior management structure | This option brings forward a package of senior management savings across the whole organisation to be achieved primarily through vacancy management. | £800,000 |
| Reducing or stopping services | Corporate Office Restructure | This option will generate efficiencies and reduction in budget through a re-structure of the PA hub, which takes account of the changes in duties arising within this cohort since the move to remote and hybrid working. The review is inextricably linked with the review of the Chief Officer structure. | £70,000 |
| Increasing Business Efficiencies | Use of NNDR reserve - one off | Use of the residual sum of £3m to balance budget shortfall. | £3,000,000 |
| | Insurance reserve - one off | Following a review of Insurance Reserves, a figure of £1m can be release on one off basis. | £1,000,000 |
| | Reprice pay budgets at mid-point | To this point council pay budgets have been costed at highest spinal point. This adjustment re-costs pay budget at mid-point which is normal for the sector and appropriate of pay commitments of this council. | £2,800,000 |
| | Apply vacancy factor to pay budgets | A vacancy factor has been calculated in detail for each directorate of the council. | £2,300,000 |
| | Council wide budget adjustment | Adjust operational budgets applying a factor of tenth of 1% | £440,000 |

| | | | |
|--------------------------|---|--|------------|
| Increasing Income | DSG contribution to statutory functions | This was a correction of the previous base estimate. | £1,200,000 |
| | Increase Council Tax / ASC Levy by 2% to a total of 4.99% | Council Tax increase beyond base assumption | £3,260,000 |

1.0 Wirral ‘Have Your Say’ Consultation

1.1 The approach to the initial consultation was twofold; firstly, in terms of service impact consultation (where a budget option has a direct impact on reducing the level of provision of a specific service) and secondly, to gauge the opinions and priorities of our residents as to what council services matter most to them, and where they believe the council should be focusing its efforts to help develop the budget plan – this was presented via an online budget simulator.

1.2 Both were delivered through the council’s ‘Have Your Say’ platform in the form of a ‘Hub’. This approach provided users with one single location through which to engage in the service consultations and participate in the budget simulator exercise. <https://haveyoursay.wirral.gov.uk/hub-page/budget-2023-24>

Projects within the Hub include:

1. Street Cleansing Budget Option
2. Library Services Budget Option
3. Leisure Services Budget Option
4. Parks & Countryside Budget Option
5. Youth Services Budget Option
6. Budget Simulator

1.3 To ensure the consultations were as accessible as possible, a social and digital sub campaign was also carried out, which included regular messaging, targeted demographical and geographical communications, resident e-newsletters, and regular theme specific stories, linking with the narrative, and urging residents and stakeholders to take part in the consultation. communication channels included (but not limited to):

1. Social media messaging across a variety of platforms
2. Dedicated email address (for comments, ideas, request for paper copies etc)
3. Paper copies in libraries and leisure centres
4. WirralView news channel – article and links
5. Links and details in weekly Resident E-Newsletter
6. Digital and social links to the ‘Have Your Say’ Hub
7. Online redirection through local news platforms
8. Council website notices
9. Internal / Staff communications
10. Local media briefing/ media management
11. Member briefing
12. Sharing of links and paper copy locations with CVF sector

***The following data and findings are true as of 5.1.22. Consultation remains live at this date.**

1.4 Parks and Countryside <https://haveyoursay.wirral.gov.uk/budget-2023-24-parks>

At present, the online consultation has engaged 484 respondents*. Users were asked their opinion on:

1. A 50% reduction in the maintenance budget (effecting non-statutory works at a selection of parks across the parks and countryside services estate).

Current sentiment:

- a. 80% Strongly disagree/disagree
- b. 6% neutral
- c. 14% Strongly agree/agree

2. A 25% reduction in the maintenance budget (effecting non-statutory works at a smaller selection of parks across the parks and countryside services estate).

Current sentiment:

- a. 64% Strongly disagree/disagree
- b. 7% neutral
- c. 29% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.5 **Leisure Services** <https://haveyoursay.wirral.gov.uk/budget-2023-24-leisure-services>

At present, the online consultation has engaged 453 respondents*. Users were asked their opinion on:

1. A Discontinuation to provide Leisure Services across the borough.

Current sentiment:

- a. 86% Strongly disagree/disagree
- b. 3% neutral
- c. 11% Strongly agree/agree

2. The Possible closure of two swimming pools

Current sentiment:

- a. 56% Strongly disagree/disagree
- b. 7% neutral
- c. 37% Strongly agree/agree

3. A reduction in the number of leisure centre sites the council owns and manages.

Current sentiment:

- a. 53% Strongly disagree/disagree
- b. 9% neutral
- c. 38% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.6 **Library Services** <https://haveyoursay.wirral.gov.uk/budget-2023-24-leisure-services>

At present, the online consultation has engaged 459 respondents*. Users were asked their opinion on:

1. A relocation of the council's two biggest and most expensive library sites to operate, Birkenhead Central and Wallasey Central libraries.

Current sentiment:

- a. 46% Strongly disagree/disagree
- b. 7% neutral
- c. 47% Strongly agree/agree

2. Reducing the size of the library service to provide a small number of key, geographically located sites, supported by a wide-ranging online, digital and mobile library offer.

Current sentiment:

- a. 58% Strongly disagree/disagree
- b. 7% neutral
- c. 35% Strongly agree/agree

3. The moving of some library sites into other council buildings, reducing the overall number of library sites it currently provides. (Retaining an online and digital service and deploying a mobile library service).

Current sentiment:

- a. 40% Strongly disagree/disagree
- b. 8% neutral
- c. 52% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.7 **Street Cleansing** https://haveyoursay.wirral.gov.uk/budget-2023-24-street-cleansing/survey_tools/budget-2023-24-street-cleansing

At present, the online consultation has engaged 322 respondents*. Users were asked their opinion on:

1. Moving to a reactive model of street cleaning (cleansing undertaken in response to service requests and in known hot spot/ high demand locations).

Current sentiment:

- a. 54% Strongly disagree/disagree
- b. 10% neutral
- c. 36% Strongly agree/agree

2. A reduction in cleansing schedules would see a move from 4-weekly to 12-weekly cleansing schedules across the whole borough (retaining 4-weekly alleyway cleanse service.)

Current sentiment:

- a. 56% Strongly disagree/disagree
- b. 9% neutral
- c. 35% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.8 **Youth Services Street Cleansing** https://haveyoursay.wirral.gov.uk/budget-2023-24-youth-services/survey_tools/budget-2023-24-youth-services

In order to increase and ensure engagement for Wirral's under 18 residents, a Microsoft Forms version of the consultation was produced. Preliminary findings below will therefore reflect both versions.

At present, the online consultation has engaged 151 respondents through the 'Have Your Say'(HYS) hub, and 740 through the MS Forms (MSF) channel.* Users were asked their opinion on:

1. The closure of Pilgrim Street Arts Centre and re-provision of services to either an 'outreach' or 'pop-up' offer.

Current sentiment: (HYS)

- a. 67% Strongly disagree/disagree
- b. 10% neutral
- c. 23% Strongly agree/agree

Current sentiment: (MSF)

- a. 69% Strongly disagree/disagree
- b. 10% neutral
- c. 21% Strongly agree/agree

2. The removal of the Play Services budget.

Current sentiment: (HYS)

- a. 62% Strongly disagree/disagree
- b. 7% neutral
- c. 31% Strongly agree/agree

Current sentiment: (MSF)

- a. 78% Strongly disagree/disagree
- b. 4% neutral
- c. 18% Strongly agree/agree

3. The reduction of the council's Youth Services offer.

Current sentiment: (HYS)

- a. 72% Strongly disagree/disagree
- b. 6% neutral
- c. 22% Strongly agree/agree

Current sentiment: (MSF)

- a. 80% Strongly disagree/disagree
- b. 5% neutral
- c. 15% Strongly agree/agree

An open question is also included for respondents to register qualitative feedback.

1.9 **Budget Simulator** <https://haveyoursay.wirral.gov.uk/budget-2023-24-simulator>

The budget simulator is easy to use and allows residents to reduce spending across council services and see the consequences of their choices. There is also opportunity to provide comments, which will help us understand what is important when we come to set a legal budget.

At present, the online simulator has engaged 640 respondents*

The below chart indicates the average expenditure change for each slider reflecting resident priorities:

| | |
|---|---------|
| Adult Social Care & Health | |
| Adult Social Care commissioned services | -20.70% |
| Children, Families & Education | |
| Early Help & Prevention | -13.63% |
| Education & Special Educational Needs (SEN) Support | -12.11% |
| Children's Social Care & Safeguarding | -9.45% |
| Neighbourhood Services | |
| Community Safety | -18.09% |
| Highways and Infrastructure | -18.91% |
| Leisure, Libraries & Customer Engagement | -24.06% |
| Parks & Environment | -23.24% |
| Resources | |
| Revenues & Benefits | -25.35% |
| Regeneration | |
| Regeneration | -26.05% |
| Housing | -20.78% |
| Planning | -29.26% |
| Support Services | |
| Support Services | -28.40% |