## Intervention at Liverpool City Council expanded to deliver value for money for taxpayers

Levelling Up Secretary Michael Gove has today (8 November 2022) expanded the government's intervention into Liverpool City Council to get the city's finances back on a stable footing and deliver value for money for the taxpayer.

Stephen Hughes has been appointed as Finance Commissioner to oversee Liverpool City Council's financial management and help lead the Council to a brighter future.

New powers for Commissioners over governance, financial decision-making and recruitment have also been announced, to improve the running of the Council.

The move comes after the report on the council's progress revealed serious shortcomings, particularly around financial management and senior leadership. It also criticised the slow progress made in driving improvement measures.

## Levelling Up Secretary Michael Gove said:

I am committed to helping Liverpool City Council come out of this intervention as a stronger organisation and that is why I am taking further steps to put the Council on a firmer footing.

Liverpool is a city of fantastic potential and under the guidance of the new Finance Commissioner I am confident they will be able to rebuild trust with those they serve and deliver for the taxpayer.

## Liverpool City Council Lead Commissioner, Mike Cunningham, said:

Our last report, written in June, identified significant areas of failure at Liverpool City Council. We welcome the Secretary of State's decision to expand the intervention, and warmly welcome Stephen Hughes' appointment as Finance Commissioner, who joins the team at a critical point in the intervention.

We have been encouraged by the progress the Council has made under the leadership of the interim Chief Executive and interim Director of Finance in recent months. However, the Council faces substantial challenges in the next year, not least in agreeing a balanced budget, holding all out elections, and delivering a transformative improvement programme. We will continue to work closely with the Mayor and Council leadership to address these challenges in the year ahead. Stephen Hughes is an experienced finance officer who has recently worked as a finance and management consultant and previously worked as interim chief executive at Bristol Council. The role is entirely new and created to assist the Council.

The new Finance Commissioner will use his expertise to ensure that the Council sets a balanced budget and uses its money wisely. This includes strengthening financial resilience, management and accountability across the council, ultimately rebuilding trust between the people of Liverpool and their council and helping level up the area further.

The Commissioners alongside the Liverpool Strategic Futures Panel will help Liverpool to level up and recognise its full potential.

- Further information on the Liverpool Strategic Futures Panel will be announced in due course.
- On 10 June 2021, the government <u>intervened in Liverpool City Council</u>, appointing 4 commissioners to oversee the councils' highways, property and regeneration functions of the council at the request of the former Secretary of State.
- Following the report, in addition to setting up the new Strategic Futures Panel, the former Secretary of State Greg Clark announced that he was minded to appoint a commissioner to oversee the authority's financial management and to transfer functions associated with governance and financial decision-making to the commissioners together with powers regarding recruitment to improve the running of the organisation.