

Department for Levelling Up, Housing & Communities

Mike Cunningham CBE QPM Joanna Killian Neil Gibson Deborah McLaughlin Stephen Hughes *By email* Simon Hoare MP Minister for Local Government

Department for Levelling Up, Housing and Communities 2 Marsham Street London SW1P 4DF

www.gov.uk/dluhc

December 2023

Thank you for your report dated 6 October, our meeting of Monday this week, and for the continued work that you have been undertaking at Liverpool City Council.

The Secretary of State has considered carefully the findings and evidence presented in your report. I welcome the council's progress and your confidence in the new leadership team that you highlighted in your report. It is clear the council have made significant changes, including a successful transition into a new governance model with the election of a new Leader and Cabinet; and many new permanent appointments. It is good to hear the Leadership team have shown the focus, energy and commitment needed. Your report also outlines areas which need significant improvement, including the requirement to fundamentally reform the property function, which was a concern in the original Best Value inspection, risk management, procurement, and culture change. I have noted your view that the scale of the challenge remaining at Liverpool is still significant and therefore you are likely in your next report to recommend the intervention should continue in some form after June 2024.

I note your reasonable desire for the council to have stability and the improvement trajectory to be well-set before the intervention concludes and your view that more time is required to observe this. Over the next phase of the intervention, it is imperative that the Council maintains a positive trajectory and ensure that they fill vacancies in important areas, such as property management. Also, to prioritise children's social care services improvements and ensure that the right resources and corporate support is in place for improvements to be made at pace.

Having considered carefully your report, the Secretary of State is minded to change the scope of the intervention. First, we propose to reduce the scope of the intervention by returning certain Commissioner functions to the Council by March 2024, as part of a phased transition (in highways, strategic finance and appointments of non statutory officers). The Secretary of State is also minded-to issue further Directions to the Council to support this proposed return of functions and to address issues raised in your report, including property and certain corporate functions such as risk management, culture change; lastly, he is proposing to revise outstanding Directions and revoke the 2021 and 2022 Directions, consolidating all active and outstanding Directions into a single set.

I invite representations on your report and the Secretary of State's proposed changes to the intervention by Tuesday 2 January.

Thank you again for the work you are doing to restore the confidence of local democracy in Liverpool.

I am copying this letter to Liverpool City Council's Leader, Chief Executive, S151 Officer and Monitoring Officer.

SIMON HOARE MP

MINISTER FOR LOCAL GOVERMENT