



Sustainable Communities Overview and Scrutiny Committee

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| Date: | Tuesday, 6 November 2012 |
| Time: | 6.00 pm |
| Venue: | Council Chamber, Birkenhead Town Hall |

Contact Officer: Andrew Mossop
Tel: 0151 691 8501
e-mail: andrewmossop@wirral.gov.uk
Website: <http://www.wirral.gov.uk>

AGENDA

1. MEMBERS CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members are asked to consider whether they have any disclosable pecuniary or non pecuniary interests in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

Members are reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they are subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

2. CONSIDERATION OF FINDINGS: WHAT REALLY MATTERS CONSULTATION (Pages 1 - 14)

The report to be considered by Cabinet on 8 November is attached.

3. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR

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WIRRAL COUNCIL

CABINET

8TH NOVEMBER 2012

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|--|---|
| SUBJECT: | WHAT REALLY MATTERS: CONSULTATION FINDINGS |
| WARD/S AFFECTED: | ALL |
| REPORT OF: | CHIEF EXECUTIVE |
| RESPONSIBLE PORTFOLIO HOLDER: | LEADER OF THE COUNCIL |
| KEY DECISION | YES |

1.0 EXECUTIVE SUMMARY

- 1.1 Cabinet on July 10th 2012 instructed officers to implement a comprehensive programme of consultation and engagement in order to inform the development of the Council's Corporate and Financial Plan for 2013-2016 and further to guide the development of significant budget savings.
- 1.2 This report presents to Cabinet the results of the first stage of this consultation process for consideration. The consultation results contained within this report are intended to provide a good understanding of residents, partners and employees views on the Council's future priorities and appropriate methods in which savings should be delivered.
- 1.3 The results presented in this report present a summary and analysis of the findings. All of the comments provided through the consultation have been analysed and summarised within this report, and all comments will be published on the Council website during November 2012.
- 1.4 Subject to Cabinet approval, this report will be followed by a second stage of consultation which will begin in November 2012. This second stage will involve consultation with residents, employees and other stakeholders to gather views on a range of detailed options for achieving the necessary budget savings for 2013/14.
- 1.5 The consultation involved a programme of over 150 events, and speaking to over 13,000 residents. Over 37,500 paper questionnaires were distributed, and 6921 responses were received – giving a return rate of around 18%. This is a higher response to any previous Wirral Council consultation and, according to published data, higher than any comparable exercise anywhere in the UK.
- 1.6 The summarised results analysis contained within this report demonstrate support for each of the principles contained within the consultation, with a number of caveats to be considered as detailed budget options are developed.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 What Really Matters is the largest consultation exercise ever undertaken by Wirral Council, both in terms of reach and scope. This project was designed to engage the

residents, workforce and stakeholders of Wirral Council in the development of a 3-year Corporate Plan and Financial Plan, as well as helping the Council to develop options for savings of approximately £100 million over a three year period. The project works to one overall objective:

- 2.2 “To devise and implement a comprehensive, flexible and genuine consultation process; ensuring that options are developed in an open, transparent and robust manner and that every community, business and stakeholder in our borough has the opportunity to contribute.”

3.0 THE CONSULTATION PROCESS

- 3.1 The What Really Matters project is a two-stage consultation process; engaging the community firstly in debating the principles the Council should explore to develop the budget options and then further debate around those options, which will be published in November. This approach ensures that the Council seeks public involvement and participation at every stage of the budget setting process – both in the development of options and making recommendations on those options, as well as having the opportunity to make further suggestions about Council plans, priorities and savings.
- 3.2 Stage one of the consultation project launched on September 10th 2012 and closed on October 19th 2012. The main research tool utilised in the consultation was a questionnaire, which asked stakeholders for their views on which services, outcomes and areas they saw as the main priorities for future Council spending. In addition to the questionnaire, detailed information relating to every service area was made available through a series of ‘Service Status’ reports, which provided information relating to the services currently provided by the Council, what they cost, what they deliver and the financial and demographic pressures on them. The questionnaire also covered broad principles of policy relating to pursuing budget savings, including:
- Increasing Income; the raising and introduction of charges for services, as well as the issue of making services cost neutral where there is already a charge.
 - Alternative Delivery; which covered issues such as outsourcing to the private, voluntary and faith sectors as well as gathering views on whether staff should encouraged to take over the management of services. This also included gathering views on working with other Councils to provide shared services.
 - Shaping Community Services; the use of Council buildings and design of services within communities.
 - Stopping or reducing; debating which services stakeholders believe the Council should invest fewer resources in going forward.
- 3.3 Given the questionnaire was the primary research tool for this project, it was essential that the document was designed in a way to ensure robust, clear and actionable results. It was also vital to the success of the project to ensure that the questionnaire was produced in a fashion that was accessible, clear and neutral. To ensure that this was the case, Council officers took a number of steps to ensure the questionnaire was externally validated as an effective research and consultation tool.
- 3.4 A draft version of the questionnaire was analysed by an external agency through the Market Research Society. This resulted in a number of changes being made to the questionnaire, both in terms of the wording of the questions to ensure neutrality and to the method of data collection. The final draft of the questionnaire was then presented

to the Children in Care Council among other stakeholders, who approved its contents as being clear, accessible and presented in plain English.

- 3.5 Further work was also done to ensure accessibility including publishing an interactive Easy Read version, and for the first time the Council developed a video, which involved members of staff explaining the process, providing further context to each question, and giving instructions as to how to complete the document.

4.0 COMMUNICATION AND ENGAGEMENT

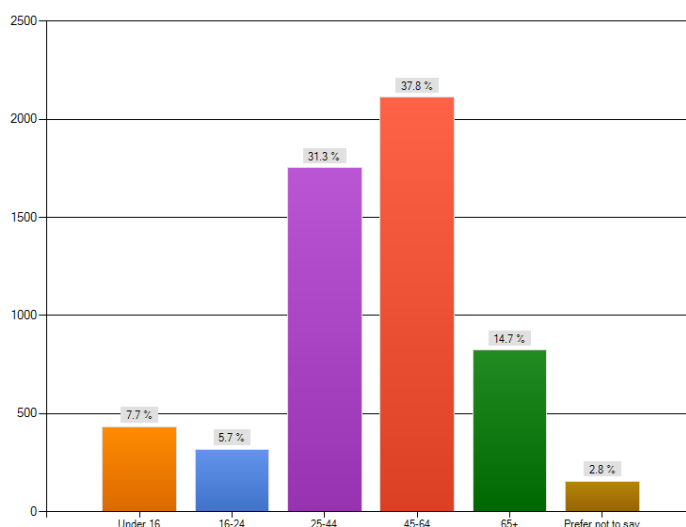
- 4.1 An extensive communications and engagement plan was implemented to ensure this consultation reached the widest possible audience. All promotional and engagement activity was completed via existing Council staff and resources, primarily through the communications and community engagement division and policy unit, but with support from all other departments.
- 4.2 The Council is able to access a number of one way communication channels for free or limited cost, which were utilised to send messages promoting the consultation and questionnaire. These include distributing posters around businesses, the network of Council buildings and partner buildings. The consultation was further promoted through the use of the network of LCD screens in Libraries and One Stop Shops. The Council website was also used to promote the consultation. We will further utilise the Council website and partner websites to extensively promote the consultation as it progresses through the next stages to keep residents and everyone who contributed informed of progress.
- 4.3 A number of key stakeholder groups were engaged with extensively throughout the project. An important group of stakeholders was clearly Council employees. Regular emails, existing internal communication channels and a range of site visits by the Chief Executive were implemented to ensure staff had the opportunity to take part. This led to 1,133 members of staff taking part in the consultation, which is higher than any comparable exercise the organisation has ever completed.
- 4.4 The local and regional media were fully engaged in the process, with regular coverage from the launch of the project through to the conclusion. The launch event in particular achieved significant coverage across a range of local and regional media, including front page articles in local print media, extensive coverage in regional media as well as TV and Radio coverage. The consultation was also featured on more than 15 Wirral-based community operated websites.
- 4.5 Extra focus was placed on engaging with working adults and families through communications with businesses and employers in the borough. This included information being distributed through Invest Wirral to over 4000 local businesses, as well as approaching the larger employers in the borough to talk directly to their staff. Detailed workshops were also held with key partners from the voluntary, community and faith sectors.
- 4.6 Extensive communication was also delivered through public sector partner agencies, including Police, Fire and Health services. These agencies distributed their messages to their staff and customers through a variety of channels and events. External

contractors such as Biffa were also approached and assisted with the consultation by distributing messages to their staff.

- 4.7 Over 150 events were held at over 100 locations across the borough throughout the six-week consultation programme. During these events Council officers spoke to over 13,000 residents about the consultation project. Consultation events were in a variety of formats, including presentations to community organisations, workshops in schools, coffee mornings, children's centres, library events and retail type settings such as shopping centres, supermarkets, cinemas, bingo halls and markets. The programme of direct engagement events was published on the Council website and constantly updated, as well as being circulated to the local and regional media on a weekly basis.
- 4.8 Additional work was also done to ensure older people, younger people, people with disabilities, LGBT communities and BME communities were actively encouraged to take part through targeted communications and events.

5.0 RESPONSE TO THE CONSULTATION

- 5.1 The Council has received 6921 responses to this stage of the consultation to date, which is the highest level of response ever received by Wirral Council for a consultation. According to published data, this represents a higher response level than any comparable exercise anywhere in the UK.
- 5.2 Promotional and engagement activity was evenly spread across the borough, with additional events taking place in main shopping areas. This work contributed to a level of response which is representative of the borough on a geographical basis. In terms of parliamentary constituencies, West Wirral is slightly over represented in the response, Wallasey slightly under represented and Birkenhead and South Wirral represented almost exactly.
- 5.3 The consultation engagement plan was designed in a way to ensure people sharing protected characteristics were particularly encouraged to take part in this process. The final data shows that the consultation response is slightly over represented in favour of women, and that 10.1% of respondents identify themselves as having a disability and 9.9% of respondents describing their ethnicity as something other than White – English, both of which demonstrate that the consultation results are representative of the population of Wirral in broad terms.
- 5.4 A wide range of age groups were also encouraged to take part in the consultation, with specific activity taking place within schools, youth centres, cinemas, bingo halls and through events with partners such as the Older People's Parliament. The chart below demonstrates the age breakdown of the respondents to the consultation.



5.5 The consultation further asked respondents to identify their relationship to Wirral Council, and the results demonstrate that 1133 members of staff, 183 local businesses and 194 voluntary or community organisations took part in the consultation, which again is a higher rate of engagement across all groups than any previous Council consultation.

6.0 OVERVIEW AND SCRUTINY COMMITTEE WORKSHOPS

- 6.1 Throughout September and October Members of the Council's Overview and Scrutiny Committees met to discuss the budget challenges in their areas in detail. These workshops broadly followed the principles of the questionnaire, in terms of raising income, re-shaping services, alternative delivery and stopping or reducing services.
- 6.2 Scrutiny Chairs further invited external experts and stakeholders in their scrutiny areas to take part in the discussions and offer suggestions. Attendees at the meetings had a detailed service status report available, which was also made available to the public through the Council website. The meetings also consisted of a presentation from the Leader of the Council, the Director of the Finance, who outlined the budgetary challenges facing the Council, and the appropriate chief officer from each service area who put the budget challenges into context within their department.
- 6.3 Members and external experts then discussed each service within their area of scrutiny in the context of the principles of the consultation, and made suggestions over whether there was scope to increase income, re-shape the service, deliver in a different way or stop or reduce the service.
- 6.4 The notes and detailed minutes from these workshops have been included as part of the consultation results and will further be published on the Council website in the coming days.

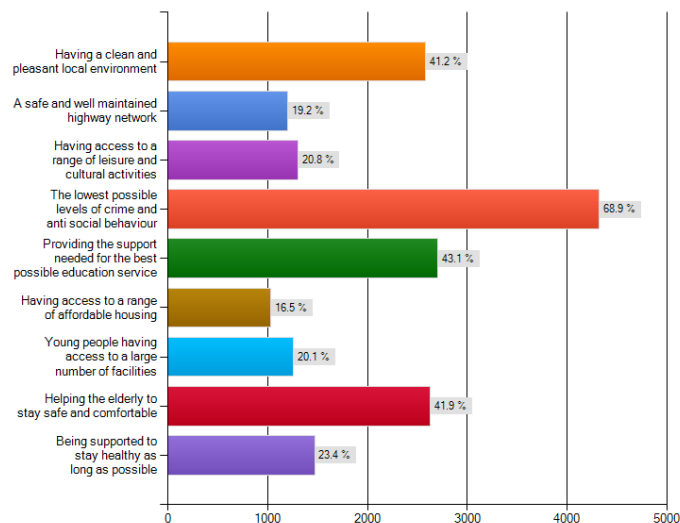
7.0 ANALYSIS OF RESULTS

- 7.1 The questionnaire proposed that the top three priorities for the Council should be; protecting vulnerable adults and children, tackling poverty and inequalities in health,

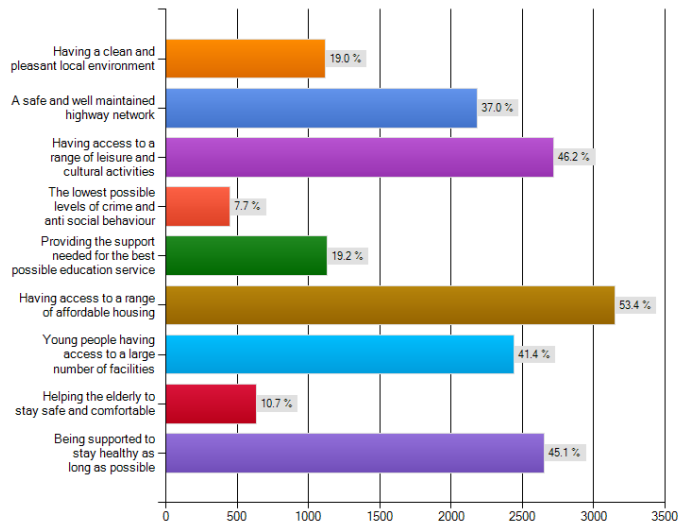
and creating jobs and attracting investment. The results of the questionnaire demonstrate that stakeholders both agree with the three proposed top priorities and further that they should be ranked in order of importance as shown in the table below.

| Answer Options | 1 | 2 | 3 | Rating Average |
|---|------|------|------|----------------|
| Protecting our vulnerable adults and children | 3026 | 2127 | 1070 | 1.69 |
| Tackling poverty and inequalities in health | 835 | 2533 | 2856 | 2.32 |
| Creating jobs and attracting investment | 2363 | 1568 | 2297 | 1.99 |

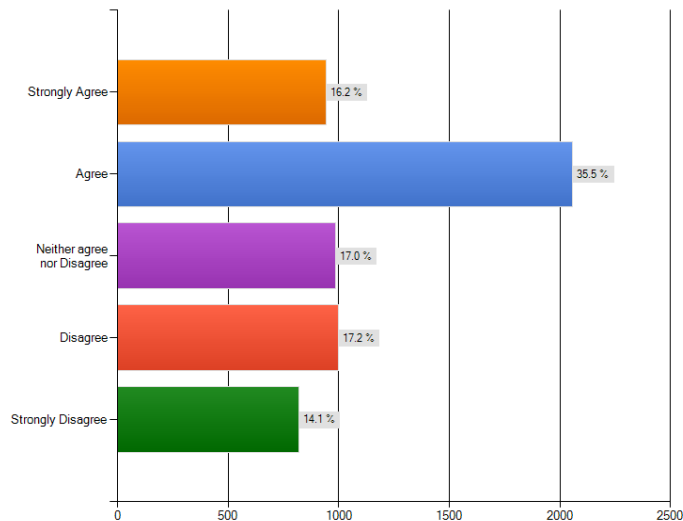
7.2 The final question in terms of future Council priorities provided a list of outcomes, or areas of investment, and invited people to select their highest and lowest priority services for Council spending. The results of this question show that residents believe that reducing crime and anti social behaviour should be the Council's highest priority service (outside of the three top priorities already defined), and that further high priorities for Council spending are the local environment, education and providing care for the elderly.



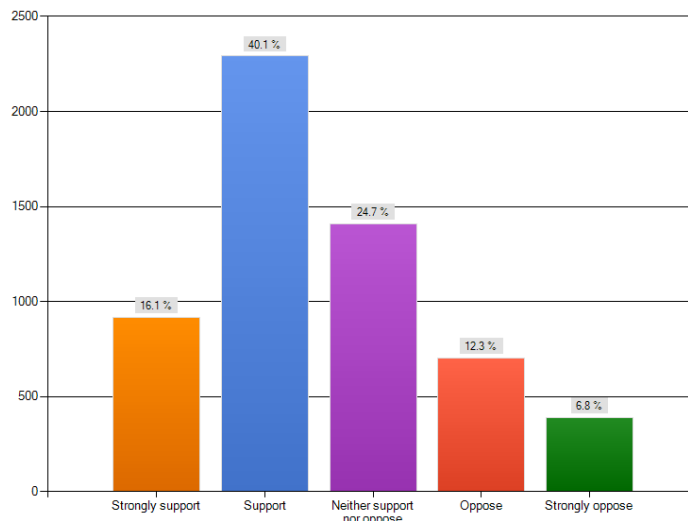
7.3 Conversely, the results of the consultation show that low priorities for Council investment should be providing access to affordable housing, encouraging people to stay healthy, facilities for children and young people and leisure and cultural services.



7.4 The next series of questions in the consultation focussed on savings, and the first two focussed on fees and charges, and whether the Council should either raise or introduce charges for certain services, while ensuring that people could still afford to pay. The first question read: **“Do you believe the Council should increase charges for some services, for those who can afford to pay, in order to use the income to protect other services?”** The results of this question were as follows:



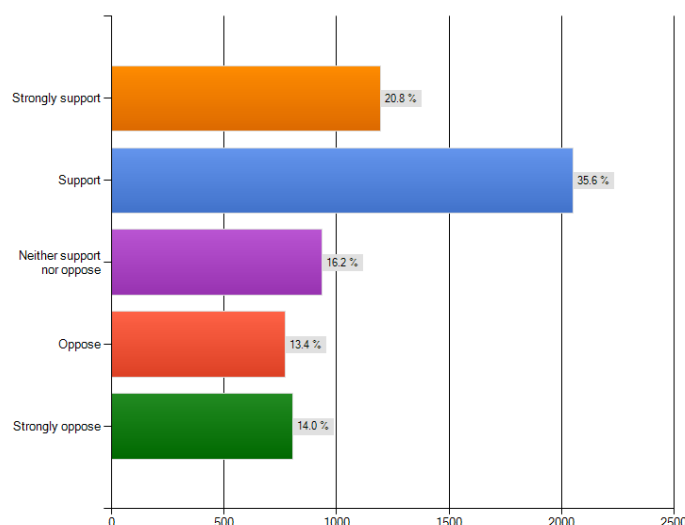
7.5 The second question was similar, and read: **“The Council provides a number of services either for free, or for a fee which is less than the service actually costs. The Council could charge enough to cover costs in these areas. To what extent do you support or oppose this option?”** The results of this question were as follows:



7.6 The results of these questions demonstrate that Wirral residents broadly agree that the Council should investigate raising or introducing charges for certain services, in order to use the income to protect other services. Both questions provided the opportunity for further comments from respondents which highlighted one main caveat:

- **Mitigating the Impact:** Ensuring that raising charges did not result in vulnerable people and low income families becoming disadvantaged or suffering hardship was important, and it was suggested that the Council should take every step to ensure any negative impacts of raising charges were mitigated.

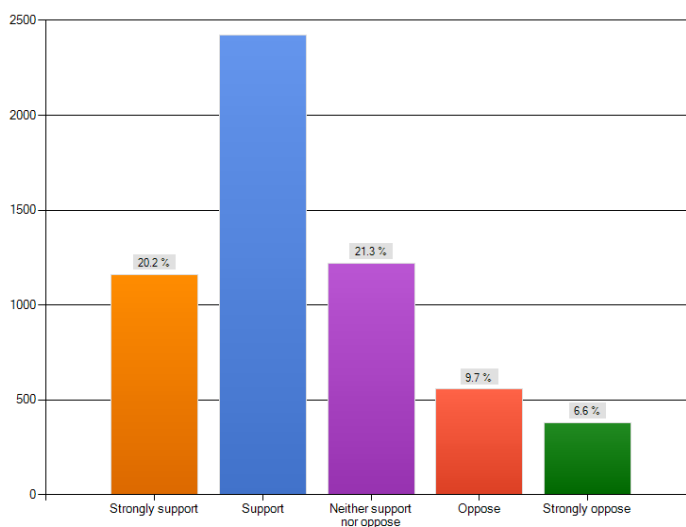
7.7 Delivering services through a different, less costly method was a further key principle within the consultation. The first question in this theme was related to outsourcing services, which read: **“Wirral Council could look into whether the private sector, or a community or voluntary organisation, could provide a cheaper, more efficient service for some Council functions. To what extent do you support or oppose this option?”** The results of this question were as follows:



7.8 It's important to note that Wirral residents were much more in favour of this option than Council staff. 59% of residents answered either 'Support' or 'Strongly Support' to this option, compared to 42% of staff selecting the same options. Comments provided in response to this question show that, while residents are in agreement that services should be outsourced if that will bring cost benefits a number of factors should also be considered, with the main caveat being:

- **Quality Control:** The vast majority of concerns relating to this question were focussed on quality and ensuring that the private, voluntary or community sectors are able to provide services at the same standards and quality. Suggestions were made that related to ensuring that Wirral Council held on to overall responsibility for the quality of the service provided.

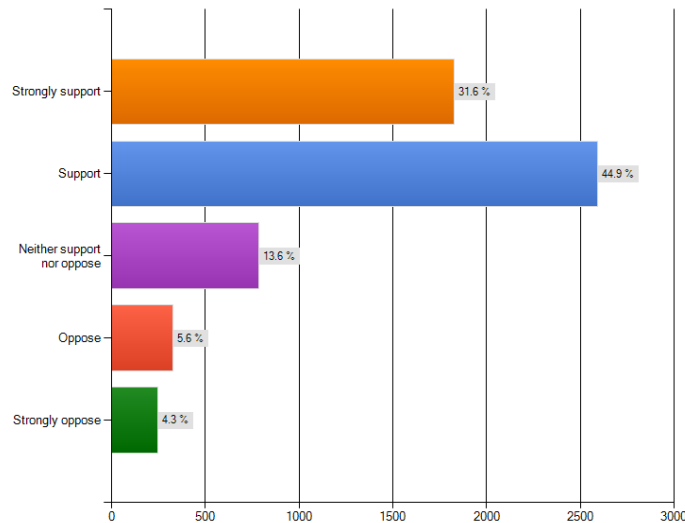
7.9 Another question followed a similar line, in terms of other organisations rather than the Council managing the delivery of services. This question read: **“If a community organisation or group of staff are interested in taking over the running of a Council service, the Council could help them to create a co-operative or mutual organisation to run the service. To what extent do you support or oppose this option?”** The results of this question were as follows:



7.10 It's important to note that Wirral residents were much more in favour of this option than Council staff. 64% of residents answered either 'Support' or 'Strongly Support' to this option, compared to 52% of staff selecting the same options. This question once again shows a clear approval from Wirral residents to this option, but again with some caveats and conditions which were highlighted numerous times in the comments from respondents. These comments centred on similar issues to the previous question in terms of safeguarding the quality of the service, but also highlighted support and guidance. Residents feel that if groups of staff or other organisations wish to take over the running of a service, they should be provided with extensive support from the Council to ensure they can run it effectively long term.

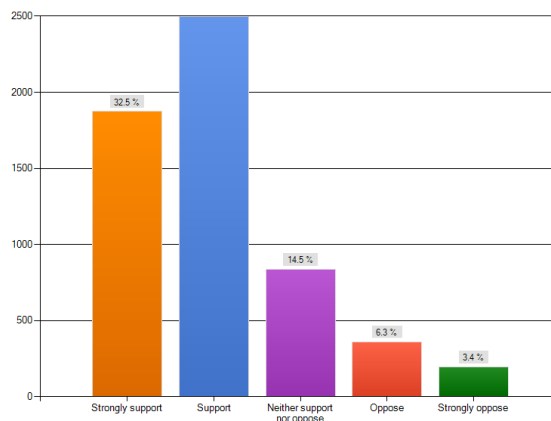
7.11 The issue of shared services was also explored as part of this consultation, and specifically the issue of whether Wirral should investigate this area to attempt to achieve savings. The question read: **“A number of Councils work together to**

provide joint services, which bring major cost savings. Wirral could work with Councils across Merseyside and Cheshire to provide certain services this way. To what extent do you support or oppose this option?” The results of this question were as follows:



7.12 The results of this question clearly demonstrate strong support for this option from Wirral residents and stakeholders. It’s important to note that Wirral residents were slightly more in favour of this option than Council staff. 78% of residents answered either ‘Support’ or ‘Strongly Support’ to this option, compared to 68% of staff selecting the same options. Comments in this area focussed on ensuring that quality was not compromised and particularly that sharing services over a larger geographical area did not compromise the focus of the service on Wirral communities.

7.13 The question in relation to shaping community services discussed the use of buildings, and specifically whether the Council should look into reducing the number of its buildings to save money. The question read: **“The Council and its partners own a large number of buildings across Wirral. Wirral Council could review the use of these buildings to provide services from a smaller, more cost effective number of locations. To what extent do you support or oppose this option?”** The results of this question were as follows:



- 7.14 The results of this question show that an overwhelming majority of Wirral residents believe that this option should be investigated. The main theme to come out of the comments associated with this question was that residents were concerned that closing buildings and consolidating services into fewer locations should not isolate communities, and therefore make services harder to access.
- 7.15 The final consultation question was around stopping or reducing services, and asking residents and stakeholders to make suggestions for which services, functions or other areas where the Council spends money could be either reduced or stopped. The question read: **“We have attempted to show you how we could make savings by delivering services differently; either by paying someone else to do them or working with others. Because we have such a large amount of savings which need to be made, it may be necessary to stop delivering some services altogether. Can you suggest any services which you believe the Council should either stop or reduce, to make the savings needed?”** A wide range of responses were received to this question, covering hundreds of areas and services. All of these responses will continue to be analysed by Council officers. The main themes which emerged include:
- Back Office Costs and Administration: A large number of residents believe that the Council should drastically reduce its operating costs as well as reducing its staff costs through reducing the layers of management within the Council. Issues such as procurement processes, car allowances and mobile phone contracts were mentioned specifically numerous times.
 - Reducing services: Non-universal, optional services such as libraries and leisure centres and under utilised One Stop Shops were mentioned frequently as being appropriate services to reduce. Street lighting was also mentioned frequently as an area where savings could be explored.
 - Better Co Ordination: It was also a common theme in the responses that services should be better co-ordinated to try and save money, particularly focussing on issues such as road repairs and street lighting.

8.0 CONCLUSIONS FROM CONSULTATION

- 8.1 This section of the report draws conclusions from the consultation as to how Council Officers should progress with developing budget options for 2012/13. These conclusions consider feedback from the consultation questionnaire, workshops with the voluntary sector and the responses from Members of the Council’s Overview and Scrutiny Committees.
- 8.2 The consultation is recommending that Wirral Council should look to raise income through introducing or raising charges for some services, with the following caveats:
- Raising charges should not disadvantage or marginalise vulnerable groups by making services unaffordable. Every step should be taken to mitigate the impact of raising charges on vulnerable groups.
 - The services selected for increased charges should be chosen carefully, with the above principle in mind. Any negative “domino” effects of introducing charges for services should also be considered.

8.3 The consultation is also recommending that Wirral Council should look to achieve savings through changing the way services are delivered. This should be done through investigating outsourcing to the private, voluntary or community sectors; investigating shared services with other public sector partners and encouraging groups of staff or other organisations to take over the running of services. These recommendations come with the following caveats:

- While stakeholders believe that Wirral Council should investigate outsourcing as a principle of making savings, it is also clear that Wirral Council should retain overall responsibility for safeguarding the quality of those services.
- Selecting the services involved should be done carefully, with detailed consideration given to issues such as quality, value for money and focus on the local area. Residents have expressed concerns that private sector organisations may be driven by a profit rather than service ethos and are seeking assurances that the Council will continue to ensure that service standards are appropriate.

8.4 The consultation is strongly recommending that the Council should look to save money through reviewing the use of its buildings, and try to provide services from a smaller, more cost effective range of locations. This recommendation comes with just one caveat:

- Closing buildings and centralising services should not isolate communities, by making it more difficult to access services. This principle should be of paramount importance while this issue is investigated.

8.5 The consultation is strongly recommending that the Council should reduce its back office and administration costs. The consultation also recommends that non-universal, optional services should be investigated and possibly be reduced or stopped.

9.0 RELEVANT RISKS

9.1 A project team was established and met weekly to develop and deliver a project plan, with robust risk assessment arrangements. The key risk for this project is that failure to deliver a successful consultation project will leave the Council unable to develop a corporate or financial plan and make the budget savings required in 2013/14.

10.0 OTHER OPTIONS CONSIDERED

10.1 This project was developed and delivered in response to the independent review of Corporate Governance arrangements, the priorities for improvement adopted by the Wirral Improvement Board and the Council decisions in relation to ensuring that lawful engagement and consultation are central to all Council budget and decision making processes. Therefore no further options have been considered.

11.0 CONSULTATION

11.1 The Council has agreed with the voluntary, community and faith sector to define and strengthen relationships between these sectors for the benefit of all Wirral communities. There is a commitment to extensive consultation with local communities. The legal responsibilities regarding consultation and engagement are set out below.

12.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

12.1 The Council with its statutory partner organisations has adopted an agreement with the voluntary, community and faith sector which is designed to define and strengthen relationships between these sectors for the benefit of all communities. The involvement of the voluntary, community and faith sector to inform this evidence base was crucial.

13.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

13.1 Existing staffing resources were used to develop and deliver this project, primarily through the Communications and Engagement division and Policy Unit, but with support and guidance from all departments.

14.0 LEGAL IMPLICATIONS

14.1 Recent case law has made it clear that any consultation undertaken must be meaningful, informed and reasonable. Failure to ensure this could lead to legal challenge and any decision taken which takes into account the consultation could be undermined and open to challenge by way of Judicial Review. The Local Government and Public Involvement in Health Act 2007 came into force in April 2009 and introduced a duty for local authorities to involve, inform and consult with their communities. The duty is wide-ranging and applies to the delivery of services, policy and decision making and means the Council must consult relevant individuals, groups, businesses, organisations and other stakeholders that the Authority considers likely to be affected by, or have an interest in, their actions and functions.

15.0 EQUALITIES IMPLICATIONS

15.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

Yes and impact review is attached –

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/chief-executives>

16.0 CARBON REDUCTION IMPLICATIONS

16.1 A number of potential budget options, including the changed use of buildings across the borough, could bring benefits in terms of carbon reductions.

17.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

17.1 Potential community safety implications based on budget options.

18.0 RECOMMENDATIONS

18.1 That Cabinet note the findings of the What Really Matters consultation and thank Wirral residents for taking the time to take part in this process.

18.2 That Cabinet note that officers will shortly be publishing detailed savings options, and instructs officers to consider the following principles highlighted in the consultation alongside those options:

- Ensure that local communities, partner organisations and the Council's workforce are fully engaged and consulted upon changes which will affect them.

- Ensure that every step is taken to prevent vulnerable people and low income families becoming disadvantaged through changes to services or increases in charges.
- Ensure that the Council retains overall responsibility for the quality of the services delivered to Wirral residents in the event of outsourcing.
- Ensure that communities do not become isolated through changes to services or closing of Council facilities.
- Ensure services provide value for money for local residents through reducing operational running costs and achieving full cost recovery for services that the Council charges for.
- Enable community organisations and groups of staff to create co-operative or mutual organisations to deliver services that the Council currently provides, subject to robust contract monitoring.
- Consider whether the private, community or voluntary sector could provide a more efficient service at a lower cost for services that the Council currently provides, subject to robust contract monitoring.
- Consider and minimise any negative implications that may arise from service changes to other functions that the Council provides.

18.3 That Cabinet instruct Council Officers to further consult on those detailed options to ensure Wirral residents have every opportunity to provide their views on how savings are made in 2013/14 and that residents are further able to influence every stage of the budget setting process, as outlined in the project objective.

18.4 That Cabinet instruct Council Officers to report back with the results of that consultation to further meetings of Overview and Scrutiny Committees and to Cabinet on February 7th 2013 in order that Cabinet and Council have a robust evidence base on which to set the budget for 2013/14.

19.0 REASON/S FOR RECOMMENDATION/S

19.1 The recommendations respond to the agreed objective for this project, which was: “To devise and implement a comprehensive, flexible and genuine consultation process; ensuring that options are developed in an open, transparent and robust manner and that every community, business and stakeholder in our borough has the opportunity to contribute.”

REPORT AUTHOR: **Emma Degg**
 Head of Communication and Community Engagement
 telephone: (0151) 691 8688
 email: emmadedgg@wirral.gov.uk

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|-----------------|----------------------------|
| Cabinet | June 21 st 2012 |
| Cabinet | July 10 th 2012 |