



Cabinet

Date:	Monday, 27 March 2017
Time:	10.00 am
Venue:	Committee Room 1 - Wallasey Town Hall

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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

2. MINUTES

The minutes of the last meeting have been printed and published. Any matters called in will be reported at the meeting.

RECOMMENDATION: That the minutes be approved and adopted.

LEADER'S UPDATE

3. EXECUTIVE KEY DECISIONS TAKEN UNDER DELEGATED POWERS (Pages 1 - 8)

Key Decisions – taken under delegated powers. Period 17 January, 2017 to date.

- Leader of the Council
Collection Fund 2016/17
(Executive Member Decision Form attached)

Call-in expired on 24 January, 2017.

- Leader of the Council
Car Parking Charges Budget Savings Options – Traffic Regulation Orders
(Executive Member Decision Form attached)

Called-in on 27 February, 2017 and decision of Leader of the Council upheld by the Business Overview and Scrutiny Committee on 13 March, 2017.

- Leader of the Council
Request for Financial Assistance – Business Growth Grant Funding
(Executive Member Decision Form attached)

Call-in expired on 3 March, 2017

4. NOMINATION OF CIVIC MAYOR AND DEPUTY CIVIC MAYOR 2017/18

The Cabinet is requested to make nominations for the positions of Civic Mayor and Deputy Civic Mayor for the municipal year 2017/2018, which will be submitted to the Annual Meeting of the Council.

5. TOURISM TASK AND FINISH SCRUTINY REVIEW (Pages 9 - 34)

At its meeting on 24 January, 2017, the Business Overview and Scrutiny Committee referred the Scrutiny Review on Tourism to the Cabinet. A covering report, Overview and Scrutiny Committee minute and Scrutiny Review are attached.

6. TACKLING FUEL POVERTY (Pages 35 - 54)

CABINET MEMBER REPORTS

7. COMMUNITY PHARMACIES SCRUTINY REVIEW (Pages 55 - 90)

At its meeting on 1 February, 2017, the People Overview and Scrutiny Committee referred the Scrutiny Review on Community Pharmacies to the Cabinet. A covering report, Overview and Scrutiny Committee minute and the Scrutiny Review are attached.

8. MERSEY REGION ADOPTION AGENCY (Pages 91 - 102)

9. INTEGRATION OF HEALTH AND CARE TRANSFORMATION PROGRAMME (Pages 103 - 138)

10. 2017/18 RESIDENTIAL AND NURSING PROVIDER FEES (Pages 139 - 152)

11. LEISURE AND CULTURAL SERVICES - FUTURE PROVISION OF SERVICES (Pages 153 - 230)

**12. ACCESS WIRRAL: TRANSFORMING CUSTOMER SERVICES
(Pages 231 - 342)**

**13. WIRRAL PLAN PROGRESS UPDATE 2016/17 QUARTER 3 (Pages
343 - 348)**

**14. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR
(PART 1)**

To consider any other business that the Chair accepts as being urgent.

**15. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND
PUBLIC**

The following items contain exempt information.

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

**16. INTEGRATION OF HEALTH AND CARE TRANSFORMATION
PROGRAMME - EXEMPT APPENDICES (Pages 349 - 542)**

Appendices to agenda item 9.

Exempt by virtue of paragraph 3 as they contain commercially sensitive information.

**17. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR
(PART 2)**

To consider any other business that the Chair accepts as being urgent.

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EXECUTIVE MEMBER DECISION FORM

DECISION TO BE TAKEN BY	COUNCILLOR PHIL DAVIES LEADER OF THE COUNCIL
KEY DECISION	YES
PORTFOLIO AREA	FINANCE

PORTFOLIOS AFFECTED **FINANCE**

WARDS AFFECTED **ALL**

SUBJECT: COLLECTION FUND 2016/17

1 RECOMMENDATIONS

- 1 That the declaration of an estimated £4.62 million surplus balance position for the Council Tax proportion of the Collection Fund for the year ending 31 March 2017 be notified to the precepting bodies. Wirral's share is £3.9 million.
- 2 That the declaration of the 2016/17 National Non-Domestic Rates (Business Rates) surplus/deficit position and 2017/18 initial forecast be made by the Leader in conjunction with the Assistant Director: Finance (Section 151 Officer) on, or before, 31 January 2017. The latest forecast shows a £1.4 million surplus in 2016/17 of which Wirral's share would be £0.7 million.
- 3 That the Council share of the 'one-off' distribution from the Collection Fund, currently estimated as £4.6 million (or as amended per the final NNDR return of 31 January 2017), be added to the General Fund balances for use in supporting the General Fund budget.

2 REASONS FOR THE DECISION

- 2.1 In accordance with the Local Authority (Funds) (England) Regulations 1992, the Authority must annually estimate the likely surplus or deficit on its Collection Fund for the current financial year. The estimate should be made on, or as close to, the 15 January as possible but cover the period up to 31 March. The Authority must notify the precepting bodies of the Fund within 7 days of the 15 January and the estimated surplus or deficit can then be taken into account by the precepting bodies in setting their Budget and likely Precept requirements on the Collection Fund for the following year.

- 2.2 For National Non-Domestic Rates the Non-Domestic Rating (Rates Retention) Regulations 2013 require billing authorities to calculate the central share and each relevant receipting authority's share of its non-domestic rating income. This should be notified on or before 31 January and include a forecast surplus/deficit position for the current year and an initial forecast for the following financial year.
- 2.3 The release of 'one-off' Collection Fund resources is added to the General Fund Balances. This can then be available to support the General Fund Budget.

3 STATEMENT OF COMPLIANCE

The recommendations are made further to legal advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been completed. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

4 DECLARATION OF INTEREST

 <p>Councillor Phil Davies Executive Member 16 January 2017</p>	 <p>Tom Sault Assistant Director : Finance 16 January 2017</p>
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A list of background papers on this issue is held with:

Contact Officer Peter Molyneux
Report Collection Fund 2016/17

Date of Publication:

Date of Expiry of Call-In Period:

EXECUTIVE MEMBER DECISION FORM

DECISION TO BE TAKEN BY: CLLR PHIL DAVIES

KEY DECISION: YES

PORTFOLIO AREA: HIGHWAYS & INFRASTRUCTURE

PORTFOLIOS AFFECTED: HIGHWAYS & INFRASTRUCTURE

WARDS AFFECTED: ALL WARDS

**SUBJECT: CAR PARKING CHARGES BUDGET SAVINGS OPTIONS –
TRAFFIC REGULATION ORDERS**

1. RECOMMENDATIONS:

The Leader of the Council is recommended to:

- i. Note the report and the objections received to the published Traffic Regulation Order consultation.
- ii. Increase car parking tariffs at all council operated car parks, where charges already apply, by 20p
- iii. Introduce car parking charges in country parks with charges of 50p for 1 hour, £1 for 2 hours and £2 all day in Arrowe Country Park, Royden Country Park, Eastham Country Park and Thurstaston Country Park
- iv. Withdraw the published proposals to introduce parking charges at Birkenhead Park, New Brighton and other town/villages centre locations at West Kirby, Hoylake, Heswall, Liscard, Bromborough, Bebington, Irby, Upton and Moreton.
- v. Refer the revised proposals to Council for endorsement, including approval of the budget implications which result.

2. REASON/S FOR RECOMMENDATIONS:

A budget proposal to increase parking tariffs at existing sites and introduce car parking charges at various country park sites to increase income from car parking has been put forward to assist the Council to manage the pressures in a planned way not only to meet the legal requirements for a balanced Budget for 2017/18 but also contribute towards addressing the forecast funding gap

over the period of the Medium Term Financial Strategy 2018/19 – 2020/21, in order to continue to fund high quality transport services.

The Constitution makes provision for the consideration of objections to TROs through the Highways and Traffic Representation Panel, as appointed by the Business Overview and Scrutiny Committee. The latter Committee would then make a recommendation to the Cabinet Member for Highways and Infrastructure after consideration of the Panel's findings. In this circumstance, with a high number of objections and the need to resolve the budget implications without delay, the consideration of the objections to the TRO is being undertaken directly by the Leader of the Council.

3. STATEMENT OF COMPLIANCE

The recommendations are made further to legal advice from the Deputy Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been completed. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

4. DECLARATION OF INTEREST

There are no conflicts of interest.

Signed:  Executive Member: Cllr Phil Davies Date: 20/2/17. Also present:	Signed:  Chief Officer: Mark Smith Date: 20/2/17.
Date of Senior Policy Team Meeting(s):	

A list of background papers on this issue is held with:

Contact Officer: Rob Clifford
Date: 17 February 2017

Date of Publication:

Date of Expiry of Call-In Period:

Form Reference: Executive Member Decision Form May 2012 v 1.0

EXECUTIVE MEMBER DECISION FORM

DECISION TO BE TAKEN BY: Leader of the Council

KEY DECISION: Yes

PORTFOLIO AREA: Economic Development, Finance and Devolution

PORTFOLIOS AFFECTED: ECONOMIC DEVELOPMENT, FINANCE AND DEVOLUTION

WARDS AFFECTED: All

SUBJECT: REQUEST FOR FINANCIAL ASSISTANCE THROUGH BUSINESS GROWTH GRANT FUNDING

1. RECOMMENDATION:

- 1.1 It is recommended that a grant, paid from the date of the signing of the legal agreement, be approved towards the 'business project' being undertaken by the company named within this report.
- 1.2 The Assistant Director: Law and Governance be authorised to draw up and sign a legal agreement between the Council and the business based upon the content of this report and subject to the detailed contracting process.

2. REASONS FOR THE DECISION

- 2.1. To enable the company *[named in this report]* to expand its current capacity and take on additional staff, in line with the objectives of the Wirral Business Growth Grant criteria. Additionally, the investment will secure the long-term future of the company in Wirral.

3. STATEMENT OF COMPLIANCE

- 3.1 The recommendations are made further to legal advice from the Deputy Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been completed. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

4. DECLARATION OF INTEREST

<p>Signed: <i>Phil Davies</i></p> <p>Executive Member: <i>CLLR. PHIL DAVIES</i></p> <p>Date: <i>22/2/17.</i></p> <p>Also present:</p>	<p>Signed: <i>David Armstrong</i></p> <p>Chief Officer: <i>Assistant Chief Executive</i></p> <p>Date: <i>22/2/17</i></p>
<p>Date of Senior Policy Team Meeting(s):</p>	

A list of background papers on this issue is held with:

Contact Officer: Sally Shah
Date: 20/02/2017

Date of Publication:

Date of Expiry of Call-In Period:



COUNCILLOR PHIL DAVIES

**LEADER & CABINET MEMBER
FOR STRATEGIC ECONOMIC
DEVELOPMENT, FINANCE &
DEVOLUTION**

CABINET

27 MARCH 2017

TOURISM SCRUTINY REVIEW

Councillor Phil Davies, Leader & Cabinet Member for Strategic Economic Development, Finance & Devolution said:

“Wirral is a fantastic place to live, and visit. Tourism is one of our fastest growing industries, with more people every year visiting Wirral and enjoying our unique coast, countryside and leisure attractions.

“We have got to build on this momentum. We have a pledge to increase the value of our tourism economy to £450 million by 2020 – creating hundreds of jobs in the process – and we are well on track to achieving our goal.

“I am grateful to the Members of all parties who took part in this scrutiny review and I believe the insight they have provided will prove extremely valuable as we continue our work.”

REPORT SUMMARY

This report sets out the findings of the review, as conducted by the Task & Finish Scrutiny Review Panel, following the tourism sector update report presented by Officers to the former Regeneration & Environment Policy & Performance Committee. The purpose of the review was to look at how the Council promotes & markets the Borough’s tourism offer and to identify gaps in its offer that can be exploited.

The review specifically links to the Wirral Plan for 2020 tourism pledge, which highlights the ambitious target;

- *To increase jobs & revenue and achieve a total value of £450 million for the borough's tourism sector by 2020.*

The report acknowledges that Wirral already has the fastest growing visitor economy in the city region valued at over £385million in 2016, and sets out a series of recommendations put forward by the Panel to help enhance service delivery, however consideration has also been given to the limitation on the Council's existing operational budgets to promote Wirral's tourism assets.

This report informs & supports the development of the new Wirral Visitor Economy Strategy, and affects all wards within the borough, but is not a key decision.

RECOMMENDATION/S

Cabinet endorses the findings of the report and approves all recommendations arising from this review.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 For Cabinet to endorse the findings of this review so that implementation of the recommendations can commence.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options have been considered.

3.0 BACKGROUND INFORMATION

- 3.1 The full scrutiny report appended to this cover report sets out the findings and recommendations arising from a Scrutiny Review completed in December 2016. The final report was considered by the Business Overview & Scrutiny Committee on 24th January 2017, where it was agreed that it should be referred to Cabinet for consideration of the findings and recommendations.
- 3.2 The review was conducted, following the report by Officers to the former Regeneration & Environment Committee, highlighting the Council's support to Wirral's tourism businesses in 2015.

4.0 FINANCIAL IMPLICATIONS

- 4.1 All recommendations are based on implementation through existing resources, and delivered in conjunction with relevant organisations, particularly those partners supporting the delivery of the Wirral Plan for 2020.

5.0 LEGAL IMPLICATIONS

- 5.1 There are none arising from this report.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 All recommendations are based on implementation through existing resources and delivered in conjunction with relevant partners.

7.0 RELEVANT RISKS

- 7.1 There are none arising from this report.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultation with the relevant service team and related external organisations has been undertaken as part of this review.

9.0 EQUALITY IMPLICATIONS

- 9.1 This has been considered and there is no impact on equality.

REPORT AUTHOR: Alan Evans
Strategic Commissioner - Growth
Email: alanevans@wirral.gov.uk

APPENDICES
REFERENCE MATERIAL
SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Performance – Regeneration & Environment Committee: Supporting Wirral’s Tourism Businesses in 2015-16 and beyond	14 th July 2015

MINUTE EXTRACT

BUSINESS OVERVIEW AND SCRUTINY COMMITTEE

24 JANUARY 2017

53 TOURISM TASK AND FINISH SCRUTINY REVIEW

The Chair asked Councillor Jerry Williams to introduce the report on the findings and recommendations of the Tourism Scrutiny Review completed in November 2016, which he had chaired. The Review was commissioned as part of the former Regeneration and Environment Policy & Performance Committee's 2015/16 work programme and had been undertaken by four members of that former Committee, Councillors Chris Spriggs, Jean Stapleton and Adam Sykes.

The review was conducted over a number of question and answer evidence sessions with Council officers and external stakeholders. The Panel had evaluated Wirral's marketing activity and how it worked with the Liverpool City Region Local Enterprise Partnership for support in marketing Wirral's offer and a number of recommendations had been made as a result of the review.

Councillor Spriggs referred to the significant increase in visitor numbers and overnight stays in New Brighton which had also meant a large increase in the visitor economy, now the fastest growing visitor economy in the Liverpool city region. She asked that these statistics and supporting information be included in the Scrutiny Review document. The Chair agreed that the amended Scrutiny Review document be circulated to the Committee prior to its consideration by the Cabinet.

Members also expressed concerns regarding the excellent facility, the Floral Pavilion and the need for it to generate more income. Councillor Jerry Williams commented that one of the recommendations within the Scrutiny Review referred to 'the importance of Wirral's cultural offer' and he fully supported the idea that more promotion was needed for the Floral Pavilion. Members expressed support for the tourism team, which with just a small number of employees and through working closely with the private sector, generated a lot of income for the Wirral.

Resolved –

- (1) That the findings and recommendations of the review, be endorsed with the addition of the wording regarding New Brighton being incorporated into the report.**
- (2) That the report and recommendations be referred to Cabinet for its endorsement.**
- (3) That the thanks of this Committee be accorded to the Council's Visitor Economy Team for the fantastic work they did for Wirral.**

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Tourism Scrutiny Review

**A report produced by a Scrutiny Panel for the
Business Overview & Scrutiny Committee**

January 2017

FINAL REPORT

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1. INTRODUCTION

As part of the former Regeneration & Environment Policy & Performance Committee's Work Programme, a Task & Finish Scrutiny Review of Tourism was agreed to be carried out and a Review Panel comprising four Members of the Committee was established. The purpose of the review was to look at how the Council promotes and markets its tourism offer and to identify any gaps in its offer that can be exploited.

2. ORIGINAL SCOPE AND METHODOLOGY

2.1 Scope

A scoping meeting was convened with the Senior Manager for Visitor Economy and the agreed scoping document is included as Appendix 1.

2.2 Methodology

The scrutiny review was informed by a number of question and answer evidence sessions with Council officers and external stakeholders. These included the:

- Visitor Economy Senior Manager, Wirral Council
- Strategic Commissioner for Growth
- Head of Visitor Economy Development, Local Enterprise Partnership
- Heritage Officer for Wirral Council

To support Members of the Review Panel, the evidence sessions were supported with a number of briefing papers and presentations. These included:

- A summary of tourism marketing activity carried out by the Council
- An overview of Wirral's heritage assets
- A presentation covering the roles and responsibilities of the Local Enterprise Partnership for marketing tourism across the Liverpool City Region.

3 EXECUTIVE SUMMARY & RECOMMENDATIONS

The Review Panel identified that Wirral has the fastest growing visitor economy in the City Region (Valued at £386 million in 2016). This is also remarkable considering the operational budget available to promote Wirral's tourism assets.

Members were interested in understanding what marketing activity was carried out to promote tourism in Wirral, with consideration also given to the demographics targeted. Key marketing activity included short break and day visitor campaigns, press visits, website promotion and a more focussed approach to using social media. Wirral also has service level agreements in place with both Marketing Liverpool and Marketing Cheshire to promote Wirral's tourism offer, with a focus on tourism literature distribution and promotion through their respective websites.

A perception from some Members leading up to the review was that the Local Enterprise Partnership was heavily focussed on tourism for Liverpool and this was one of the initial triggers for the review. However, Members acknowledged the more strategic focus that has developed across the Liverpool City Region and this is positive for Wirral in moving forward in marketing its tourism offer.

Although there has been more emphasis on marketing to the over 55s and families, this is consistent with research carried out in 2011 which highlighted Wirral's visitor demographics. Early indication from new research carried out in 2016 highlighted new market segments that could be attracted to Wirral's offer. The research will be used to help develop the new Tourism strategy going forward in 2017, which will be developed with relevant partners as part of the Wirral Plan for 2020.

Wirral's heritage offer was explored and the Review Panel praised the success of Wirral's Heritage Open Days which are scheduled every year and attract a high number of visitors to buildings which are normally closed to the public or provide free access to those that charge. The review identified the importance of volunteers as most heritage activity is delivered by them. The Review Panel recognised a need to understand what support can be provided to volunteers to help ensure volunteer activity can be maintained and potentially increased. There is also potential to advise volunteers on promoting events through Wirral Council media and other media platforms and further develop their knowledge on Wirral's Tourism heritage assets through Welcome Host sessions delivered by Wirral Met College.

Recommendation 1

Wirral Council should engage with relevant stakeholders to develop and deliver workshop sessions for the benefit of Wirral's volunteer groups. The objectives of these sessions should include:

- *Understanding the role of volunteers and how they could be supported more, where feasible;*
- *Providing advice and guidance on using social media and the opportunities available through Wirral Council media and other marketing opportunities to promote events; and*
- *Delivering 'Welcome Host' training through Wirral Met College.*

Although the Review Panel believes that the Council has not fully explored and developed its cultural offer in relation to tourism, Members are assured that the integration of culture with

tourism, leisure and growth through the relevant strategies will address this moving forward. Additionally, the Review Panel consider that the return of the Giants to Liverpool in 2018 is an opportunity to raise the profile of Wirral through developing a complementary programme of activities.

Recommendation 2

The Review Panel recognises the importance of Wirral's cultural offer as part of developing the Tourism Strategy. The Review Panel therefore fully supports the drive to integrate culture with tourism, leisure and growth through the relevant partnership-led strategies and that this commitment is maintained going forward to enable a more developed tourism offer.

Recommendation 3

A strategy should be developed to enable Wirral to take advantage of the return of the Giants in 2018 and deliver a programme of activity that will raise the profile of Wirral. This should align to the Cultural Steering Group and emerging Tourism Strategy.

There is potential for Birkenhead Market to be a key feature for developing its tourism offer as part of the regeneration of Birkenhead. The review highlighted that the Council should take a leadership role in ensuring that the market plays a key role in the developments within the core Town Centre if it wants Birkenhead to be a market town

Recommendation 4

It is recommended that Birkenhead Market should be a key feature in the regeneration of Birkenhead and linked to the emerging strategic framework for Birkenhead.

The Review Panel considered Wirral's transport links to its key attractions. There are known issues as Wirral's offer is spread across the whole of the borough and that Wirral could benefit from travel cards / smart cards for visitors to get value from travelling around Wirral and the introduction of better routes to key attractions but this is a Liverpool City Region issue.

Recommendation 5

Wirral Council should ensure strategic conversations are held with Merseytravel to consider all issues relating to improving transport across Wirral. These should be linked to the emerging Integrated Transport Strategy for Birkenhead and wider Wirral which should address some of these issues.

4 MEMBERS OF THE SCRUTINY REVIEW PANEL

Councillor Jerry Williams (Chair)



“I wish to thank my fellow Council colleagues for their help and support in undertaking this review. Although the Review Panel looked at how Wirral’s tourism offer, including heritage, is marketed, the review was initiated due to concerns raised by a number of people around the lack of support Wirral has received from the Local Enterprise Partnership for tourism in Wirral. In addition, there were also specific concerns around heritage tourism assets not being promoted in an inclusive manner. The Review Panel recognised the importance of culture to tourism and the development of a Culture Strategy is very positive.

The recommendations made as a result of this review should help the Council move forward in a more cohesive way. Regardless, Wirral can be very proud of its tourism and heritage and the work that is going on for the benefit of our visitors.”

Councillor Adam Sykes



Councillor Christine Spriggs



Councillor Jean Stapleton



5 KEY FINDINGS

5.1 Background to Wirral's Visitor Economy

Wirral's visitor economy is driven by the Tourism Pledge detailed within the Wirral Plan for 2020:

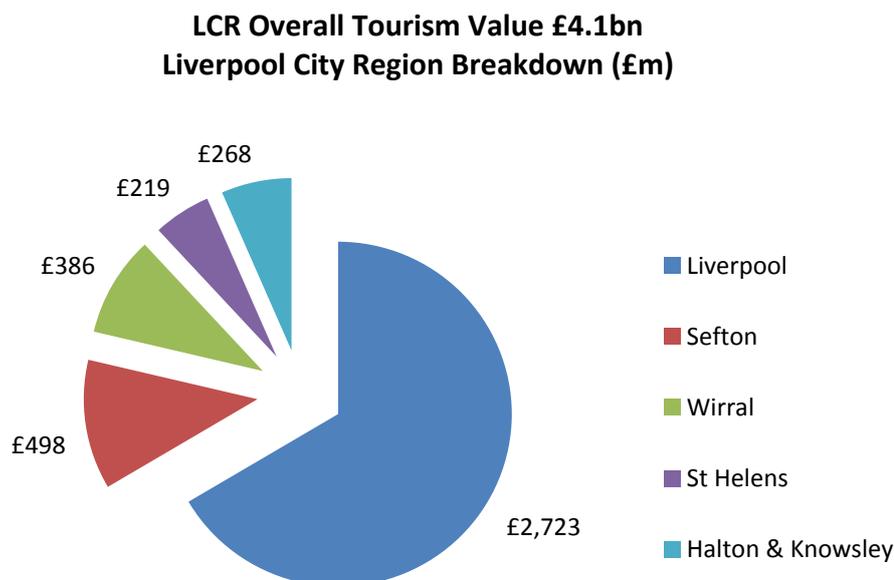
"To increase jobs & revenue and achieve a total value of £450 million for Wirral's tourism sector by 2020."

It is also driven by the Wirral Visitor Economy Network (WVEN) vision:

"To increase Wirral's visitor economy to £550 million by 2025 by encouraging more visitors to come and discover our hidden peninsula, full of award winning surprises."

The WVEN is a sector led network established by the Council to help drive Wirral's visitor economy. It consists of six partnerships (Accommodation, Attractions, Coast, Food & Drink, Golf, and History & Heritage) and is open to all tourism businesses in Wirral and beyond through annual membership fees. Led by partners from these sub-groups and senior council officers, it provides members with a number of benefits including promotional and marketing activity to attract more visitors, related spend as well as providing networking opportunities and support with grant aid.

The Review Panel was informed that in 2014, the Liverpool City Region Enterprise Partnership (LCR LEP) highlighted Wirral as having the fastest growing visitor economy in the City Region and valued at over £355 million. North West Research, which is a full-service research agency operated by the LCR LEP, reported in July 2016 that Wirral's tourism was valued at £386 million.



5.2 Wirral's Tourism Marketing Activities

The Review Panel was informed of the key marketing activities for 2016/17 to help deliver the Wirral Plan tourism pledge and the WVEN vision. The Review Panel also acknowledged that these activities would be delivered by Wirral's Visitor Economy Team with a reduced operational budget of £65K. However, this budget is also supported by approximately £26K in income from WVEN membership fees (£22K) plus advertising and sponsorship (£4K) for the same period giving a total budget of £91K. This budget also includes staffing costs.

A summary of the key marketing activities for 2016/17 is detailed below and these were further explored by the Review Panel as part of a question and answer session.

'Discover Wirral' Short Break Campaign

The 'Discover Wirral' campaign was carried out in the summer of 2016 to market Wirral as a destination for short break holidays with an outcome of contributing to a 5% increase in short break visitors to Wirral. This was delivered through the VisitWirral website, national magazines, national press supplements and radio features. The target demographic for this campaign was predominantly the 55 years and over age group and those within a 2 hour drive of Wirral.

'Wonders of Wirral' Day Visitor Campaign

The 'Wonders of Wirral' day visitor campaign aims to promote the best Wirral has to offer and to build on increasing visitor numbers and encourage repeat visits by focussing on the wide range of attractions. These include parks and gardens, culture and heritage, shopping and entertainment targeted at families and the more affluent. The campaign involved:

- A promotion on the VisitWirral website
- Promotion within the 2016 Visit Liverpool Guide (spring/summer)
- Promotion within the 2016 Chester & Cheshire Guide
- Promotion through regional magazines
- Radio features
- Gateway poster sites (e.g. Chester and Liverpool)
- Cruise Liverpool website advertising (i.e. day visitor packages).
- A 'Wonders of Wirral' for 2016/17 brochure, developed and distributed throughout the North West of England.

Both campaigns incorporate a number of competitions for the public to enter and these are delivered through various mechanisms, including social media. The number of competition entries received for each campaign is used as a measure of their success. As of November 2016, there were 15,700 competition entrants for the 'Discover Wirral' campaign and 7,800 for the 'Wonders of Wirral' campaign. Although these represent an 11% and 3% decrease respectively against entrants from 2015, it was explained that this was as a result of a reduced marketing budget but these figures are still very positive.

2017/18 Wirral Group Travel Guide

The Wirral Group Travel Guide is a new guide targeted at those across the North West of England and beyond who are looking to visit a "hidden gem" in Wirral. The guide will be used to market Wirral's tourism offer at Group Travel Trade events with a target demographic of age 55 years and over in a 2 our and beyond drive-time of Wirral.

'Celebrate in Wirral' – Wedding and Celebration Guide

Celebrate in Wirral is a new guide which aims to market weddings or other celebrations to encourage people to visit a particular Wirral area or venue. It also targets people across the North West of England and beyond looking to marry or celebrate at a "hidden gem" in Wirral. As this is a new venture, the Review Panel was assured that the success of this will be measured by officers. At the Liverpool Wedding Show held in September 2016, the Celebrate in Wirral stand attracted 80 enquiries with provisional bookings received by WVEN members and although a new venture, this is seen as promising.

Press Visits

A number of press visits are carried out each year, specifically targeted at the regional and national press, and these are seen as a cost-effective way of marketing Wirral's offer. Although the expenditure to carry these out is £3K, the Senior Manager for Visitor Economy explained to the Review Panel that the return on its investment is received through the publication of articles online or through national magazines and through radio which generates good PR for Wirral's tourism assets and offer. The Review Panel was informed that the value of press visits in 2015 was approximately £200k based on the equivalent advertising and readership. Based on this outcome, the continuation of press visits is supported by the Review Panel for the positive impact and contribution they have to promote Wirral's tourism offer.

Website and Social Media

Web Statistics (July 2015 to June 2016 compared to July 2014 to June 2015)



The Review Panel recognised the growing importance of social media as a marketing tool. Members were informed that a 'Visit Wirral' Facebook page was deactivated in December 2014 but reinstated in May 2016 following a request from WVEN members and saw its reach increase significantly. More content is now being promoted through the platform going forward. Wirral also has an equivalent Twitter account and, as at August 2016, had 11k followers. Both social media tools are increasing its reach in number of followers.

Wirral's Visitor Economy Team administers and manages the 'Visit Wirral' website (www.visitwirral.com) which was originally created in 2006 in preparation for the The Open Championship held at the Royal Liverpool Golf Club. The website extensively promotes Wirral's key attractions, activities, festivals and its coast and countryside assets. The website also features Wirral's accommodation offer and bookings can be made online.

The VisitWirral website currently gets around one million hits per year and this is a 44% increase on the previous year (July 2014 to June 2015). 500K of these visits are unique which represents an 8% decrease on the previous year, but this has been attributed to the visit of the Three Queens in May 2015 which resulted in a higher pull to the website. Although the Review Panel initially queried whether visitors were actively using the site, i.e. to book accommodation or events, it was accepted that many people simply prefer to make bookings

directly with the provider. There has been a small increase in bookings made through the website but Wirral does not take any fee for these. This is covered through WVEN membership fees paid in each year.

The Review Panel heard anecdotally from the Senior Manager for Visitor Economy that positive feedback has been received from WVEN members who have commented that the website is working for them as a marketing tool. The Head of Visitor Economy Development for the LEP also added that a survey was carried out by the LEP as part of its research and this included surveying stakeholders in the Wirral Visitor Economy Network. The Review Panel was informed that the responses reported back indicated a general sense of satisfaction that the website is working well for the WVEN members alongside all other member benefits. The Review Panel was also assured that all booking activity through the website is monitored. However, it was the opinion of the Review Panel that WVEN members should have some responsibility for tracking website activity themselves.

The Review Panel's initial observation around the general marketing activity was that the key demographics targeted are the age 55 and over and families. Although Members recognised their importance as a target market, the marketing for the younger demographic and individuals were identified as segments which could be explored further as part of Wirral's marketing activity. However, Members were informed that its current target demographics were identified from the Wirral Visitor Research Study carried out in 2011 which was commissioned by Wirral to measure efficiency, effectiveness and gaps in the market. The research study highlighted:

- 57% of visitors are 55+ plus with 58% being women and 42% men
- 65% are ABC1s (i.e. more affluent) compared with 51% of the national population.

New research is in the process of being completed by the LEP which will inform the new Tourism Strategy as part of the delivery of the Wirral Plan Tourism Pledge. This research includes looking at existing visitor numbers, potential visitors, stakeholder feedback and the effectiveness of Wirral's marketing collateral (website, literature etc.). The Review Panel learnt that as part of the research, a segmentation model is also being developed with early indications of other market segments that could be attracted to Wirral's offer, including the younger demographic. The Review Panel was assured that these will be considered as part of the new Tourism Strategy.

The Review Panel was also interested in reviewing what other smaller cities are doing to market tourism when close to a large city. The Review Panel was informed that, as part of the new Wirral Visitor Research Study, this benchmarking activity will be carried out and the agreed that it would not be duplicated for the purpose of the review.

5.3 Partnership Arrangements

Marketing Liverpool / Marketing Cheshire

To further promote Wirral's Tourism offer, Service Level Agreements are in place for both Marketing Liverpool and Marketing Cheshire. Marketing Cheshire is the agency for promoting Cheshire and Warrington nationally and internationally to visitors and businesses. Wirral's tourism offer is included in Marketing Cheshire's tourism distribution on its website, highlighted at high footfall locations and included in press visits. Measurement of its success includes press visits featuring Wirral, media coverage including Wirral and banner advertising on e-

newsletters featuring Wirral. It was reported that an effective working relationship has developed between Wirral and Marketing Cheshire, developed through regular meetings.

Promotion of Wirral's tourism offer through Marketing Liverpool is mainly digital with Wirral's products being included on the Visit Liverpool website. Additionally, WVEN members have their own dedicated page on the site. The Review Panel was informed that Wirral is currently evaluating the hits on the website to measure the impact the site is having for WVEN members. Wirral's offer is also being included on Visit Liverpool's social media (Facebook and Twitter) and the success of this will be measured when an appropriate benchmark is identified.

New Brighton Coastal Community Team

The New Brighton Coastal Community Team (CCT) was formed in New Brighton and is a partnership between local businesses, local community and voluntary organisations and Wirral Council. The economic plan for New Brighton contains a series of short, medium and long term projects to help achieve the collective vision for New Brighton:

“The collective vision for New Brighton is that it builds upon its strengths to become a year round premier destination, attracting increased day trippers and overnight stays and increasing employment, whilst supporting and responding to the needs of the local community.”

The Review Panel was informed of the key developments in securing funding. These include:

- £6,160 secured from Government through the Coastal Revival Fund to re-illuminate Perch Rock Lighthouse (Completed April 2016).
- £10,935 secured through a private grant from the Burbo Bank Community Extension Fund to create a Mermaid Trail Art Installation (Launching May 2017).

Although the Review Panel did not examine the Economic Plan, it was reported that the CCT is progressing with the projects outlined within the plan and has hosted a number of large events which in turn has attracted interest from large scale event organisers. It is understood that interest has also been generated from potential investors which is being explored.

The publication of 'Building on New Brighton's Successes: Economic Plan' in January 2017 highlights New Brighton's growth. Key figures show an increase of 65% between 2009 and 2014 in the number of tourists staying for at least one night (31,000 visitors to 52,000). The additional 21,000 visitors are reported to be injecting an additional £5 million into the New Brighton economy. It is also estimated that New Brighton now attracts over 470,000 day visitors annually (excluding those living in other parts of Wirral). This figure has grown by 60,000 (14%) between 2009 and 2014 and it was reported that this represents an additional £4.73m to the New Brighton economy each year. It is noted that New Brighton has ambitions to attract national and international visitors to the resort in the long term year-on-year alongside its other cultural institutions, including the Floral Pavilion and events such as the Love New Brighton Parade.

Liverpool City Region Local Enterprise Partnership

Wirral pays an annual membership fee of £7K to the Liverpool City Region Local Enterprise Partnership (LCR LEP) for research, strategic input and grant support. The role of the LCR LEP in relation to visitor economy across the City Region was explained to the Review Panel by the Head of Visitor Economy Development (Liverpool LEP). Previously, the LEP used to be The Merseyside Partnership but this changed from 2010 from being a broader investment agency with significant resources to how it operates now but with a reduced budget and staff

resource. The key focus is on sector development and this includes visitor economy. The LEP works with other local authorities across the city region where they have particular interests in those sectors. It also provides support across the city region with grant funding opportunities, advice and guidance as well as taking a lead in policy and strategy. It is largely funded through membership with some funding from central government.

The Review Panel was informed that under a new operating model, a new way of working was developed. Instead of working in isolation, the LEP now operates in collaboration with the respective tourist departments from all local authorities within the Liverpool City Region. The Liverpool City Region Visitor Economy Board helps to shape and develop the vision and strategy within the visitor economy and also acts as the strategic advisory and decision making body for visitor economy across the region. The board includes the respective Chair of each local authority's visitor economy network or board in the City Region. However, the agenda was predominantly focussed on activity in Liverpool as Liverpool did not have its own visitor economy board. As Liverpool has now created a separate Liverpool Board and with the introduction of membership fees, there is now a more strategic focus across the City Region.

The LEP Visitor Economy Team operates as the official Liverpool City Region Tourist Board under Visit Liverpool. It was explained that the reason for its name is that people associate the City Region with Liverpool but this allows a better understanding of how the various authorities work alongside Liverpool, particularly overseas. Marketing Liverpool was commissioned to deliver the destination marketing activity for the tourist board ensuring that Wirral's core products are represented within domestic and overseas marketing and that Wirral has visibility on the website (www.VisitLiverpool.com). Wirral is well represented with all key attractions detailed including the U-Boat Story, Spaceport, Lady Lever Art gallery, New Brighton, Wirral Sailing Centre and the borough's golf clubs. Information on location, public transport links, contact information, prices, and nearby attractions to draw in longer stays are also detailed.

The LEP's responsibility also includes managing the LCR Visitor Economy Board, carrying out research and intelligence and grant support. A key piece of research undertaken is applying the STEAM (Scarborough Tourism Economic Activity Monitor) economic impact modelling process to measure the value of Wirral's tourism economy every year. The LEP's role is to collect data such as hotel occupancy and attractions data which will be put into the STEAM model to get a breakdown of visitor numbers, visitor spend, day visitors, etc. It was explained that this process is fundamental to how Wirral visitor economy is measured.

The Review Panel welcomed the more broadened strategic focus of the LEP as previous criticism from Members was that there was too much focus on Liverpool at the expense of Wirral and other local authorities in the City Region. The Strategic Commissioner for Growth acknowledged that the previous partnership working with the LEP was not as effective as Wirral did not engage as much as it could have. Wirral is now addressing this through its growth agenda which has much more of a wider partnership focus.

LEP Grant Support

As stated earlier in this report, one of the LEP's responsibilities is to identify grant funding opportunities for local authorities across the Liverpool City Region. The Review Panel was informed that a key funding opportunity accessed through the LEP is The Mersey Rural Leader Fund. This is an EU programme that aims to provide funding for businesses and organisations looking to begin or expand their operations in rural areas and is only open to areas in the Liverpool City Region that fall into a rural postcode. In the last round (2009 2014), a fund of £2.2 million was available of which Wirral secured over £1.25 million. This

contributed to 40% of the project costs with the remaining 60% put in by businesses. For Wirral, this resulted in support for 12 rural tourism businesses with 73 FTEs created and is a positive outcome.

Although Wirral Council has not undertaken any mapping exercise to identify grant funders for key projects, an exercise to map funders across the Liverpool City Region is being completed by the LEP and the results will be presented to Senior Officers in the Strategic Hub to support future delivery. It was explained by the Head of Visitor Economy Development for the LEP that the difficulty with carrying out a mapping exercise is that local authorities don't always have projects at the time when funding is available as there are tight deadlines for applications. It is understood that this is a problem that has been identified for all local authorities in the Liverpool City Region.

The Review Panel was made aware of funding opportunities, such as Coastal Communities, Heritage Lottery and Arts Council funding that could be available to Wirral. Assurance was provided by the Senior Manager for Visitor Economy that these are being explored by the Council for key projects moving forward and that the process should be helped with the development of the new operating model and the focus on partnership-led strategies and delivery.

5.4 Wirral's Heritage Assets and Volunteers

The Review Panel explored Wirral's Heritage assets and key sites as part of the Council's tourism offer. Members heard from the Council's Heritage Officer that heritage is an important tourism driver, particularly in the North West. It was the Heritage officer's opinion that given the wealth of assets and Wirral's strategic location, it is ideally placed to maximise tourism to the local economy and Wirral does have a good track record of doing this.

Members were informed that Wirral has over 1,000 listed buildings. 65 of Wirral's Grade 1 buildings (buildings which are of exceptional interest) are of national significance. 100 of Wirral's Grade 2 buildings (particularly important buildings of more than special interest) are of regional importance. There are also 9 ancient monuments of outstanding archaeological significance. One of these is Birkenhead Priory with another 3 being registered historic parks and gardens. There are 26 Conservation Areas which may include listed buildings but designated locally through planning legislation because of their architectural or historic interest. Wirral also has hundreds of other buildings or sites which attract or have the potential to attract visitors.

Wirral's significant heritage visitor assets include the Williamson Art Gallery, Lady Lever Art Gallery, Port Sunlight and Birkenhead Priory which has changed through work done by volunteers and the introduction of craft fares. Although there is a desire to attract more visitors to transition itself from being regarded as a local person venue, the Review Panel acknowledge that its location is a significant problem.

Wirral has eleven buildings on the National Heritage at Risk Register because of poor condition. However, in the last 4 years, three of its heritage sites have been taken off and this was viewed as very positive by the Review Panel. Birkenhead Priory is one that was removed due to capital investment being matched by Heritage Lottery Fund.

The Review Panel acknowledged that there are challenges to marketing heritage to visitors. The Heritage Officer commented that one of the difficulties Wirral has, apart from flagship

assets such as Port Sunlight, Lady Lever and potentially Birkenhead Priory, is that it doesn't have the National Trust properties. Wirral also does not have the standout sites and most of its heritage interests are relatively small, low key and spread out.

The Review Panel is very supportive of Wirral's Heritage Open Days. Heritage Open Days are key events for Wirral and take place over a nine day programme held in September each year. During this period, free access is granted to buildings which are normally closed to the public or charge an admission fee. Heritage Open Days have been running for ten years with the Heritage Officer commenting that they are more successful each year in terms of drawing in visitors and promoting Wirral's heritage assets. In 2015, there were approximately 7000 visitors over the 70 different buildings which were open to the public. Most of these were listed. Wirral has the second largest number of Heritage Open Days in the country but other areas are catching up. Members were made aware that there is a lack of business engagement at these events but this is now growing through recent engagement by WVEN members at the event held in 2016 and it is hoped this will be replicated for 2017. This is beneficial as it encourages visitor interest in Wirral's heritage as well as visitor spend for WVEN members' businesses.

Through discussions with the Heritage Officer, one of the key challenges is to give greater prominence to heritage in literature and campaigns. The Heritage Open Day brochure now includes information on which buildings are open to the public outside of the actual Heritage Open Days. The brochure is distributed to 80 different outlets (10,000 copies printed), including Chester and Liverpool tourist centres. It is also available online through the 'Visit Wirral' website and on other key national websites. However, it was explained that there is a need to identify other outlets for distribution. It is understood that the Senior Manager for Visitor Economy will be looking at the distribution networks, as for example, part of the Council's membership with Marketing Cheshire does include distribution so some brochures can be distributed through this means.

Panel Members highlighted views brought to their attention from a number of heritage groups that they are not being promoted as much considering the significant heritage connected with international events across the world. In relation to the Wonders of Wirral brochure, only sites that are paying members of the WVEN are included so Members were concerned that key non-commercial sites are not being promoted. However, The Review Panel also accepts that it is important for the Council to be able to generate more income and to increase membership. As a result of discussions in the evidence session, there is now a focussed free heritage page in the Wonders of Wirral brochure which also gives a link to the Wirral History and Heritage website. The Review Panel was also informed that work is ongoing with the history and heritage groups to help them promote their activities and events in the 'Whats on' section of the Wirral View publication and website.

Members heard from the Heritage Officer that there should be a closer working relationship with existing community partners and to fully support the invaluable contribution made by volunteers which underpins much of the heritage activity. This is a priority as it was explained that most of the heritage activity in Wirral is delivered by volunteers, including Birkenhead Priory, which is developing volunteer networks. There is also reliance on local history societies and local people who provide all input into programmes delivered by the Council. It was highlighted that a large number of volunteer groups have an ageing membership and are not as active. There is therefore a need to increase volunteer activity as there will be reliance on them in the future. The Review Panel was also made aware of concerns from some

heritage groups that they do not feel valued and appreciated by the Council with the work that they carry out.

The Review Panel agreed that Wirral could do more to understand the work of volunteers to enable the appropriate support to be identified and provided, where feasible. This includes taking advantage of social media and highlighting opportunities available through Wirral's own media to promote events, such as Wirral View. Members considered that this could be achieved through the delivery of workshop sessions led by officers and a representative from a heritage group for those volunteers involved in heritage. The Review Panel supported a suggestion made by the Strategic Commissioner for Growth that the Wirral Chamber of Commerce could be invited to help deliver social media training as well as assisting in the volunteering side of the session with a link to their volunteering strategy. The Review Panel also sees an opportunity to engage with Wirral Metropolitan College on delivering a Welcome Host session as part of a wider workshop session. Part of the Welcome Host training is about improving local knowledge of tourism which would better inform volunteers on Wirral's assets enabling them to advise visitors and promote Wirral when they are volunteering at events.

Recommendation 1

Wirral Council should engage with relevant stakeholders to develop and deliver workshop sessions for the benefit of Wirral's volunteer groups. The objectives of these sessions should include:

- *Understanding the role of volunteers and how they could be supported more, where feasible;*
- *Providing advice and guidance on using social media and the opportunities available through Wirral Council media and other marketing opportunities to promote events; and*
- *Delivering 'Welcome Host' training through Wirral Metropolitan College.*

5.5. Developing Wirral's Cultural Offer

The Review Panel acknowledged that the WVEN vision is to promote Wirral as a 'hidden gem' but also highlighted the importance of culture and creativity as part of Wirral's tourism offer. The research study carried out in 2011 highlighted that 78% of potential visitors considered culture to be an important factor. The Review Panel agreed that Wirral's cultural offer has never been fully explored and developed. A Panel Member's observations from working in this area was that other authorities, such as Liverpool and Nottingham have a more developed cultural offer but also have the benefit of being large cities with significant additional resources to enable strategic delivery on culture. Barrow-in-Furness-Council is also reported to have long committed to supporting a wide range of creative and cultural organisations, businesses and initiatives and developing strong relationship with the Arts Council to attract funding. Blackpool was also used as a positive example which, through undertaking major projects, recognised how culture and creativity can support economic growth, including the visitor economy.

The Review Panel and officers agreed that Wirral could learn from Liverpool being awarded Capital of Culture by embedding culture and creativity within its tourism offer which transformed many areas within Liverpool. The Review Panel believe that this is what Wirral should be aiming for as part of the Council's 2020 vision. The Strategic Commissioner for Growth and Members of the Review Panel agreed that tourism should not be looked at on its own but as part of an integrated offer.

The Review Panel is assured that the Council is now moving in the right direction with the drive to integrate the partnership-led Culture Strategy with tourism, leisure and growth. The Review Panel understands that the newly created Cultural Strategy Group will be steered by the Council but delivered externally by those who have a track record in delivering around a cultural agenda. A cultural partnership forum will also exist for smaller organisations and artists as a place to share within a network. If this is implemented successfully, it will help develop Wirral's cultural offer and may also attract more support from the Arts Council for funding which has not been as successful as other local authorities.

The Review Panel believes that supporting Wirral's creative entrepreneurs should be considered to help build on Wirral's cultural offer. However, the Strategic Commissioner for Growth identified a lack of an entrepreneurial community in Wirral. Despite having the assets and spaces, there is no clear strategy to develop this sector. The Strategic Commissioner for Growth identified the issue facing Wirral is that many of the Wirral based creative entrepreneurs are moving to Liverpool when the opportunities to enable them to develop their skills in Wirral should be made available in the borough. This is a complex area and as part of the Business Overview & Scrutiny Committee's work programme for the year, a separate Task & Finish review on supporting the creative sector was agreed.

Recommendation 2

The Review Panel recognises the importance of Wirral's cultural offer as part of developing the Tourism Strategy. The Review Panel therefore fully supports the drive to integrate culture with tourism, leisure and growth through the relevant partnership-led strategies and that this commitment is maintained going forward to enable a more developed tourism offer.

The Review Panel considered the success of the Giants which drew tens of thousands of people to Liverpool in 2014 as part of the display commemorating the centenary of the outbreak of World War One. This was part of the year-long programme of major cultural events. As the Giants are scheduled to return to the Liverpool City Region in 2018, Members see this as an opportunity to take advantage of Liverpool's programme of events and develop a complementary programme of activity that raises the profile of Wirral and its own cultural heritage. This could include showcasing Wirral's fantastic ship building history, such as developing a pop up museum through involvement with Cammell Laird, taking advantage of Wirral's waterfront and heritage assets and promoting Wirral's unique food offer and river views through pop up bars and restaurants. To help develop a programme of activities, the Review Panel consider that this is an opportunity for the LEP to be consulted to assist Wirral.

Recommendation 3

A strategy should be developed to enable Wirral to take advantage of the return of the Giants in 2018 and deliver a programme of activity that will raise the profile of Wirral. This should align to the Cultural Steering Group and emerging Tourism Strategy.

5.6 Birkenhead Market

During an evidence session, the Review Panel discussed the potential of Birkenhead Market as a key feature for developing its tourism offer. Although Members recognised that it does not have the same draw for visitors as St. John's Market in Liverpool, that there is now a potential opportunity to consider an alternative use for it with the regeneration of Birkenhead.

The Review Panel considered the Time Out Market in Lisbon as a particular example of how a market can improve its tourism offer. Lisbon's Time Out Market hosts small restaurants and artisan kiosks from chefs offering local specialities and international cuisine and has become a top tourist attraction. The Review Panel acknowledges that the negative perception of Birkenhead is an issue and this links to the Growth Plan workstream around the promotion of Birkenhead as an investment location. It was agreed by Members and the Strategic Commissioner for Growth that if Wirral Council wants Birkenhead to be a market town, the Council should take a leadership role in ensuring that the market plays a key role in the developments within the core Town Centre.

Recommendation 4

It is recommended that Birkenhead Market should be a key feature in the regeneration of Birkenhead and linked to the emerging strategic framework for Birkenhead.

5.7 Merseytravel and Transport Links

The Review Panel recognises that transportation is an integral part of the tourism industry and good transportation links tourists with various tourist attractions. The Review Panel acknowledge that Wirral needs to improve in this respect as the tourism offer is spread across the whole of Wirral. This should be helped in part by the Wirral Waters Streetcar project which would provide a light rail system connecting key attractions along the river front. The review Panel discussed the perception of Merseyrail as an unreliable diesel service where METRO or 'Underground' sounds much more reliable. However, there is a chance to address this with the new rolling stock replacement and the Council remaining engaged with Merseytravel. There is also a need for consideration to having routes to key tourist destinations and introducing travel cards / smartcards to enable visitors to get more value out of travelling around Wirral but this is an issue that needs to be addressed through the Liverpool City Region.

Recommendation 5

Wirral Council should ensure strategic conversations are held with Merseytravel to consider all issues relating to improving transport across Wirral. These should be linked to the emerging Integrated Transport Strategy for Birkenhead and wider Wirral which should address some of these issues.

Appendix 1 - Scoping Document

Review Title: Tourism

Date: March 2016

1. Contact Information:	
Panel Members: Councillors: Jerry Williams (Chair) Adam Sykes Jean Stapleton Christine Spriggs	Key Officers: Juggy Landay – (Senior Manager – Visitor Economy) juggylanday@wirral.gov.uk
2. Review Aims:	
Wirral Plan Pledge/s: Vibrant Tourism Economy	
Review Objectives The panel agreed that the objective of the scrutiny review would be:	
<ul style="list-style-type: none">• To review how Wirral’s tourism offer, including heritage, is marketed and to identify any gaps that can be exploited;• To understand the role of the local Enterprise Partnership and to ensure that all opportunities for marketing of tourism is taken.	
Scrutiny Outcomes:	
<ul style="list-style-type: none">• Assurance is provided that marketing and promotion of Wirral’s tourism/heritage assets is effective• That the Scrutiny work supports the Council in delivering the Council’s Tourism pledge as part of the Wirral Plan.	
3. Review Plan	
Review Approach: Workshop, Evidence Day, Task and Finish? Task & Finish	
Review Duration: It is proposed that a number of evidence sessions will be undertaken with key Council officers and external stakeholders. It is expected that the review will take 9 months.	
Scheduled Committee Report Date: Business Overview and Scrutiny Committee - 24 th January 2017	
Scheduled Cabinet Report Date: To be confirmed following report referral to Committee.	

4. Sources of Evidence:

Key Witnesses:

Strategic Commissioner – Growth

Head of Visitor Economy – Liverpool City Region Local Enterprise Partnership

Heritage Officer – Wirral Council

Supporting Papers / Documentation:

- Relevant Committee Reports
- Visitor Economy Team marketing activity – Background paper
- Benchmarking Information on other similar local authorities
- Overview of LCRCA Local Enterprise Partnership visitor economy

Involvement of service users / public:

Not applicable at this stage

5. Key Communications:

Cabinet Member:

The Scope document will be shared with the relevant portfolio holder at the start of the review.

Press Office:

- The Council's Press Office will be notified of the review
- The final report will be referred to the Council's press office for information

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COUNCILLOR PHIL DAVIES

LEADER OF THE COUNCIL

CABINET
27TH MARCH 2017

TACKLING FUEL POVERTY

Councillor Phil Davies, Leader of Wirral Council, said:

“Fuel poverty is a growing issue throughout the UK, with people finding it more and more difficult to properly heat their homes and afford the rising costs of gas and electricity. 1 in 10 people in Wirral are in this same situation.

We must do everything in our power to support our residents to live safe, healthy and fulfilling lives. This report proposes we create a new energy company, which would – at no cost to the tax payer – put us in a position to sell gas and electricity to residents at a much lower rate.

I am delighted we have been able to produce such an imaginative proposal to help every resident in our borough save money on their energy bills.”

REPORT SUMMARY

Across the Country, local authorities are taking action to improve energy security, lower energy bills and support community economies by seizing opportunities to get involved with energy supply. By doing so, they provide customers with an alternative to the “Big 6” utility companies.

As fuel poverty continues across the UK, consumers in the most need continue to be faced with a lack of choice from the energy industry. Local Authorities have been exploring various models to tackle this, from collective switching to energy efficiency measures.

A number of local authorities have already entered the energy market, mainly as either as a Fully Licensed Operator, a White Label Provider or as a License Lite operator.

The Council now wants to take action to reduce the number of people paying too much for gas and electricity. It is believed that the best way to achieve this is to establish a new local energy supply service offer, which can provide competitively priced energy supplies supported by a programme of smart meter installations.

Research recently published by the Citizens Advice Bureau showed that people who have to use prepayment meters pay on average an extra £226 a year on their energy bills compared with those paying the cheapest direct debit tariff.

Wirral Council is seeking to help address the issue of fuel poverty. Fuel poverty is an issue that affects a large number of Wirral residents (10.9%) and setting up an energy supply service will help alleviate this by enabling residents to obtain cheaper gas and electricity.

There are 3 main Energy market considerations, each with differing levels of risk:

- **Fully Licensed Operator (Example : Nottingham City Council)**
Local Authority applies to Ofgem for a license to become a gas and electricity energy supplier. LA to comply with a number of industry codes.
- **White Label Provider (Example : Liverpool City Council, Cheshire East)**
Local Authority doesn't hold a supply license itself, but partners with an already established licensed supplier to offer gas and electricity under its own brand (e.g. Wirral Energy). Partner will already possess an energy license together with the relevant statutory and compliance infrastructure.
- **License Lite (Example : Greater London Authority)**
Local Authority taking on the role of an electricity supplier with an existing senior energy supplier. LA applies to Ofgem for electricity only license and has to comply with all aspects of their electricity licence expect for compliance with industry codes.

This project will enable residents who are currently less able to switch energy providers to do so more easily as the option we are proposing doesn't require residents to pay a switching fee. There is a key piece of work to be done with landlords to encourage them to take advantage of the cheapest tariffs available.

The project will contribute economically by maximising household income for the most vulnerable and low income tenants and by supporting more households out of fuel poverty.

RECOMMENDATION/S

Cabinet is requested to:

1. Approve the setting up of an Energy Company as recommended.
2. Instruct Transformation Programme Office to explore the possibility of working in partnership with other local authorities in the set up of an Energy Company.
3. Authorise Transformation Programme Office to assemble a project team to progress work on the setting up of an Energy Company.
4. Set up a partnership agreement (if required) in respect of the energy supply service.
5. Instruct officers to carry out a procurement exercise in order to find a licensed supplier and :
6. Award the contract to the preferred supplier following the conclusion of the procurement exercise.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

Fuel poverty is an issue that affects a large number of Wirral residents (10.9%) and setting up an energy supply service will help to alleviate this by enabling residents to obtain cheaper gas and electricity.

2.0 OTHER OPTIONS CONSIDERED

Part of the strategic outline case involved a detailed options appraisal for the most appropriate market entry option for Wirral.

3.0 BACKGROUND INFORMATION

The aim of this project is to reduce gas and electric tariffs across the Wirral for all residents by directly competing in the marketplace and driving down wider market energy costs and ultimately reduce fuel poverty in the Wirral area.

- a. A fuel poor household is defined as one which needs to spend more than 10% of its income on all fuel use and to heat its home to an adequate standard of warmth. In England, this is defined as 21°C in the living room and 18°C in other occupied rooms.
- b. It is estimated that 10.9% of households in the Wirral are fuel poor.

County	Estimated number of households	Estimated number of Fuel Poor Households	Proportion of households fuel poor (%)
Wirral	142,993	15,568	10.9%*

*Source : Sub-regional fuel poverty, 2014 data

The proposals contained in this report provide a direct contribution to a number of the Pledges within the Wirral Plan, including:

- Older people live well
- Reduce child and family poverty

Commercial arrangements with Housing Associations, Registered Providers, Housing and Commercial Developers will need to be scoped and established to include new build, transition and void properties to maximise the number of switching customers.

The greatest risk is in the Council not doing anything, which would result in fuel poverty households potentially remaining in fuel poverty and not being able to benefit from this proposed Wirral Energy scheme.

As part of the 1st phase, the Energy Company will focus on energy supply to residents, a second phase of the project at a later date with encompass commercial Energy for businesses, council assets, schools and colleges.

There are three approaches Wirral council could take;

- Fully Licenced Operator
- White Label Provider
- License Lite

Details related to each of three approaches can be found in the attached appendix.

An initial high level options appraisal has been undertaken as set out in the Corporate Business Analysis Framework and the preferred Energy Market Entry for Wirral Council is to become a “White Label Provider”.

In the short term, it may be advantageous to enter the energy market through a White Label supplier arrangement with a longer term aspiration to development and establish a Liverpool City Region “Fully Licenced Operator” arrangement.

However, there are a number of further options available to Wirral under the recommendation of a ‘white label provider’;

- a) Undertake a sole procurement exercise for Wirral.
- b) Undertake a procurement process to include other LCR local authorities.
- c) Partnerships with City Region Authorities.

Recommended Option for further work

It is recommended work is undertaken quickly to engage with other local authorities in the Liverpool City Region to ascertain their aspirations in relation to Energy Market entry. An initial assumption is a regional based energy company could be established which in turn could bring economies of scale.

4.0 FINANCIAL IMPLICATIONS

It is expected that there will be no overall cost to the council. Any costs incurred in the set up and marketing of the Energy Company will be off-set by income achieved through customer switching arrangements.

5.0 LEGAL IMPLICATIONS

The legal and governance implications for these proposals will be considered as part of the project planning process.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

It is assumed that existing resources will be in place to support the Marketing, Contract Management, Project Management, Legal and Financial aspects of such a programme of work.

7.0 RELEVANT RISKS

All risks associated with this programme will be identified and managed as part of the project planning process.

8.0 ENGAGEMENT/CONSULTATION

There is no identified consultation requirements associated with the project.

9.0 EQUALITY IMPLICATIONS

Equality implications will be considered as part of the project planning process.

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APPENDICES

Strategic Outline Case : Energy Company Market Entry

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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STRATEGIC OUTLINE CASE

The purpose of the Strategic Outline Case (SOC) is to confirm the strategic context of the proposal (a potential programme or project) and provide an early indication of the preferred way forward, but not the preferred solution option. The SOC template briefly considers:

1. **Strategic** Direction of travel, strategic fit and case for change
2. **Economic** The range of options
3. **Commercial** The preferred procurement strategy
4. **Financial** Estimated costs/savings
5. **Management** Proposed management arrangements

Programme/Project Name:	Energy Company Market Entry		
Programme/Project Sponsor:	Joe Blott		
Programme/Project Manager:	Karen Boulger	Contact Details:	691 8332
Programme/Project Board:	Jeannette Royle – Senior Business User Stewart Halliday – Senior Supplier		
Financial Accountant:	TBA		
Management Accountant:	TBA		

Author:	Karen Boulger
Date Drafted:	23 January 2017
Date of consideration by Senior Leadership Team (SLT) on:	7 th February 2017
Record the GATE 1 Decision by SLT:	

TRANSFORMATION & IMPROVEMENT

1.0 EXECUTIVE SUMMARY

- 1.1. The purpose of this document is to provide Strategic Leadership Team with sufficient detail to make an informed decision on Wirral Council entering the Energy Market and selecting the most appropriate entry model.
- 1.2. Across the Country, local authorities are taking action to improve energy security, lower energy bills and support community economies by seizing opportunities to get involved with energy supply. By doing so, they provide customers with an alternative to the “Big 6” utility companies.
- 1.3. Wirral Council is seeking to help address the issue of fuel poverty. Fuel poverty is an issue that affects a large number of Wirral residents and setting up an energy supply service will help alleviate this by enabling residents to obtain cheaper gas and electricity.
- 1.4. The project will contribute economically by maximising household income for the most vulnerable and low income tenants and by supporting more households out of fuel poverty.
- 1.5. The Council wants to explore the context around establishing an energy company and the alternatives around that model and understand which options would be realistic for Wirral.
- 1.6. There are 3 main Energy market considerations, each with differing levels of risk:
 - **Fully Licensed Operator**
Local Authority applies to Ofgem for a license to become a gas and electricity energy supplier. LA to comply with a number of industry codes.
 - **White Label Provider**
Local Authority doesn't hold a supply license itself, but partners with an already established licensed supplier to offer gas and electricity under its own brand (e.g. Wirral Energy). Partner will already possess an energy license together with the relevant statutory and compliance infrastructure.
 - **License Lite**
Local Authority taking on the role of an electricity supplier with an existing senior energy supplier. LA applies to Ofgem for electricity only license and has to comply with all aspects of their electricity licence except for compliance with industry codes.

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- 1.7. A number of local authorities have already entered the energy market, mainly as either as a Fully Licensed Operator (Nottingham City Council : Robin Hood Energy), as a White Label Provider (Liverpool City Council : LECCy, Cheshire East : FairerPower for All) or as a License Lite operator (Greater London Authority).
- 1.8. As fuel poverty continues across the UK, consumers in the most need continue to be faced with a lack of choice from the energy industry. Local Authorities have been exploring various models to tackle this, from collective switching to energy efficiency measures, with varying degrees of success.
- 1.9. This project will enable residents who are currently less able to switch energy providers to do so more easily as the option we are proposing doesn't require residents to pay a switching fee. There is a key piece of work to be done with landlords to encourage them to take advantage of the cheapest tariffs available.
- 1.10. It is assumed that existing resources will be in place to support the Marketing, Contract Management, Legal and Financial aspects of such a programme of work.

2.0. STRATEGIC CASE

- 2.1. In 2015 Wirral set out 20 pledges in an ambitious plan to achieve outcomes relating to three key themes. Key priorities from the People theme of the Wirral plan include achievement of outcomes relating to older people and people with disabilities living independently and reducing child and family poverty.
- 2.2. The aim of this project is to reduce gas and electric tariffs across the Wirral for all residents by directly competing in the marketplace and driving down wider market energy costs and ultimately reduce fuel poverty in the Wirral area.
- 2.3. A fuel poor household is defined as one which needs to spend more than 10% of its income on all fuel use and to heat its home to an adequate standard of warmth. In England, this is defined as 21°C in the living room and 18°C in other occupied rooms.
- 2.4. It is estimated that 10.9% of households in the Wirral are fuel poor.

County	Estimated number of households	Estimated number of Fuel Poor Households	Proportion of households fuel poor (%)
Wirral	142,993	15,568	10.9%*

*Source : Sub-regional fuel poverty, 2014 data

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- 2.5. A new energy concession arrangement could be branded, promoted and endorsed by Wirral Council and would primarily seek to sell gas and electricity to residents at a lower cost than other suppliers by passing on savings achieved from operating on a not for profit basis and maintaining low overheads.
- 2.6. To seek to replace outdated, inflexible and inefficient pre-payment meters with the latest SMART pay-as-you-go alternatives. These new meters offer easy to understand information on energy consumption, giving householders more control and helping them to manage their energy use.
- 2.7. Smart meters can help residents manage and reduce their bills as well as help to reduce CO2 emissions and the impact on the environment, which is also a key objective for the Council.
- 2.8. A high quality customer service would be offered which would support fuel poor and vulnerable people and use more sensitive and appropriate debt recovery processes.
- 2.9. A priority will be to help residents to move away from pre-payment meters and onto direct debit tariffs, saving households hundreds of pounds per year on their fuel bills. Customer payment history would be assessed, rather than outside credit agency reports, and the switch to credit mode made remotely at no cost to the customer.
- 2.10. Research recently published by the Citizens Advice Bureau showed that people who have to use prepayment meters pay on average an extra £226 a year on their energy bills compared with those paying the cheapest direct debit tariff.
- 2.11. Commercial arrangements with Housing Associations, Registered Providers, Housing and Commercial Developers will need to be scoped and established to include new build, transition and void properties to maximise the number of switching customers.
- 2.12. Dependent on which Energy market entry option is taken, engagement with LCR partners will be required to ascertain the scope of the project in terms of scalability across the region to achieve maximum contract economies of scale.
- 2.13. The Council will be looking to recover £100k to direct towards key services but the significant financial benefits will be passed onto residents.

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3.0. Strategic Risks and Mitigations

- 3.1. Like any commercial undertaking, participation in the energy market as a supplier creates significant opportunities and some risks. However there is substantial experience available and lessons from other operational models can be used to develop effective commercial arrangements.
- 3.2. The size and extent of any risks will depend largely on what model is being used. However, by putting in place the right mitigation plans and operational models these can be managed such that the full benefits can be realised.
- 4.0. It is important to clearly define the objectives for considering market entry, associated timescales and the level of investment you are willing to risk as nothing is certain in today's energy market.

Risk	Mitigation
Lack of Knowledge and expertise in the energy industry.	Developing a better understanding of the industry by accessing appropriate knowledge and expertise.
Compliance with State Aid and procurement rules.	To be reviewed throughout the financial planning process and specialist legal support sought as required.
Damaging reputation: Competing against Neighbouring Authority.	Engagement with Chief Officers at LCR level.
Political consequence of being associated with a failed endeavour.	Run the business on a not for profit basis. Develop a comprehensive business case. Provide a reliable energy supply with well managed suppliers.

5.0. ECONOMIC CASE

- 5.1. There are 3 main Energy market considerations as a branded supplier each with differing levels of risk :
- Fully Licensed Operator
 - White Label Operator
 - License Lite (electricity only)

Fully Licensed Operator

What is Fully Licensed?

To become a fully licensed supplier, the Council must apply for an Electricity and/or Gas supply license from Ofgem. Although a supply license is relatively straightforward and cheap to obtain it carries with it the requirement to comply with a number of industry codes. These prescribe the actions a supplier must take in order to work effectively in the existing energy market structure. It is compliance with these requirements that we must consider carefully and manage effectively, should we wish to proceed.

The big advantage of local authorities becoming a fully-licensed supplier is the level of independence and control it brings over setting costs, tariff prices and the strategic objectives of the supply business. However, although a supply license may be cheap to obtain, the systems and staff requirements to comply with industry codes are relatively expensive and time-consuming to establish.

Advantages and Disadvantages

- Investment costs : £800k - £3.5m
- Required Infrastructure : resource intensive
- Credit lines and Parent Company Guarantee requirements
- Required Customer volumes to pay back investment £130k-150k dual fuel
- Costs to acquire customers
- Trading risk – volatile wholesale energy market
- Time to market : 12 – 18 months
- Profit margins 1-4% some suppliers reporting significant losses
- Creating a USP – not competing on price and customer service alone

Example of a fully-licensed Supplier: Nottingham City Council 1st LA to set up this type of Energy Company called Robin Hood Energy. They currently employ approximately 70 FTE.

White Label Supplier

What is a White Label Supplier?

A white label provider is an organisation that does not hold a supply license itself, but instead partners with an established licensed supplier (e.g. Robin Hood Energy) to offer gas and electricity using its own brand.

The advantage of this option is that the partner will therefore already possess an energy license together with the relevant statutory and compliance infrastructure required. The local authority then offers energy to consumers through this third party, using its own brand, e.g. Liverpool is “LECCy”, Cheshire East is “Fairer Power for all”.

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White Label arrangements are often used by local authorities who wish to address issues of fuel poverty amongst residents by improving competitiveness and the encouragement of supplier switching.

A common characteristic is that the unlicensed white-label supplier will have little or no control over costs and prices. However, the white label (e.g. Local Authority) would have the opportunity to negotiate its own tariff with the licensed supplier, shaped to its customer's specific needs.

If Wirral were to choose this energy market option, they would receive a small commission payment for each customer it acquires (approximately £7 per customer, based on Liverpool CC Contract).

Advantages and Disadvantages

- Low investment costs £0k - £150k
- Nominal/No infrastructure costs
- No credit lodge requirements
- Time to Market 3-6 months
- Income paid usually via monthly/annual commission and tariff mark-up

Example of a white label energy supplier : Liverpool City Council (LECCy) , Cheshire East (Fairerpower for all) both through Robin Hood Energy. Liverpool City Council have not increased their staffing establishment as a result and envisage the contract to be monitored and marketed utilising existing staffing resource.

License Lite Supplier

What is License Lite?

License Lite supply involves a local authority taking on the role of the License Light supplier with an already established "senior" energy supplier.

In this model the authority would be required to comply with all aspects of their electricity supply license, except for the condition that requires compliance with industry codes such as balancing and settlement, as these obligations would be met by the senior fully licensed supplier on the local authority's behalf.

This license option was set up in 2009 as a way of making it easier for small suppliers to enter the energy market and avoid the expenses associated with code compliance. The big advantage of license lite is that it makes market entry quicker and cheaper. By outsourcing many industry operations to a third party, not only do you avoid infrastructure costs but also their associated operational risks. On the downside, working with a third party means letting go of some autonomy and control over costs.

Advantages and Disadvantages

- Electricity option only
- Low investment costs £150k - £500k

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- Time to market can be very slow > 1 year
- Partner with existing supplier to manage SLC11.2 (industry compliance)
- Supplier remains responsible for all other regulation
- Enables market entry where your company does not have the capacity to interact with the technicalities of the energy system
- Allows a direct relationship with your customers

Example of local council-run License Lite supplier: Greater London Authority.

5.2. Economic Risks and Mitigations

Risk	Mitigation
Fluctuation in energy prices	Work with partners to share risk
New skills will be required to become a fully licensed operator	Procure specialist support as and when required

CASE STUDIES

Robin Hood Energy

Established by Nottingham Council and launched in September 2015, Robin Hood Energy is a not for profit, independent energy supplier. Robin Hood Energy aims to provide customers throughout the UK with gas and electricity at the lowest possible price.

Robin Hood Energy works in the same way as a typical energy firm. They buy in bulk on the open market, off the National Grid, and then sell it on to its customers. The difference between Robin Hood Energy and other larger energy suppliers is that there are no private shareholders and no director bonuses. Income generated from supplying energy is used to cover overheads and any excess cash is pumped back into the system to try and improve savings.

Robin Hood Energy has been subject to rigorous and complex industry accreditation procedures that will guarantee the company is compliant with energy market regulations.

Nottingham City Council has created an arms-length organisation bringing together a team of energy industry experts and service providers who have experience in creating and running energy companies.

Liverpool City Council

In November 2016, Liverpool City Council undertook a procurement exercise awarded a concession contract for the Licensed Energy Supplier for Liverpool Energy Community Company (LECCy) to Robin Hood Energy Ltd.

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Their objective is to offer lower cost energy to householders, improve home energy efficiency across the city and enable the Council to develop further innovative energy services for the benefit of residents in the future. A key priority for them, being to help residents move away from pre-payment meters and onto direct debit tariffs, saving households hundreds of pounds per year on their fuel bills.

Greater London Authority

In 2016, Greater London Authority (GLA) entered into the energy market by obtaining a junior electricity supply licence (License Lite) whereby, with the support of a fully licensed electricity supplier, GLA procures electricity from low and zero electricity generators and supplies it to selected public sector and commercial consumers in London.

The GLA in effect acts as a facilitator, securing the best market for the electricity at the best available price, in return for taking a margin on the income received to cover its costs and retain a surplus.

Under the Licence Lite model and regulatory system, the GLA as licensee is relieved of its obligation as a licensed electricity supplier to be a party to the principal industry market codes and avoids the cost risks and complexities of being a party, in return for reaching an agreement with a licensed supplier who is a party to the codes and provides the necessary market interface services.

The model is low cost and risk compared with current mainstream electricity supply activities and offers to small scale low and zero carbon electricity generators a better route to market with the prospect of enhancing their revenues.

6.0. Preferred Energy Market Entry Option

- 6.1. The choice of energy supply model will be unique for each local authority.
- 6.2. For Wirral, we need to establish the purpose and aims of the supply venture. For example, if the primary purpose for Wirral Council is to offer low cost energy to Wirral (and beyond) residents suffering from fuel poverty, then the most appropriate supply model would be a “Fully Licenced Operator”, where you have full control of the tariffs. However, this option can be both expensive and time-consuming to set up, with bigger risks, however there are potential greater benefits. These facts may make the option inviable to the Council and it may chose an alternative, such as a “White Label Provider”, which will provide a low cost energy offer to residents, however with minimal income generation.
- 6.3. An initial high level options appraisal has been undertaken as set out in the Corporate Business Analysis Framework and the preferred Energy Market Entry for Wirral Council is to become a “White Label Provider”.

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- 6.4. In the short term, it may be advantageous to enter the energy market through a White Label supplier arrangement with a longer term aspiration to development and establish a Liverpool City Region “Fully Licenced Operator” arrangement.
- 6.5. Both Sefton Council and Knowsley Council have expressed an interest in entering the energy market. Further partnership working will be required.
- 6.6. However, there are a number of further options available to Wirral under this recommendation.
- a) Undertake a sole procurement exercise for Wirral.
 - b) Undertake a procurement process to include other LCR local authorities.
 - c) Partner with Liverpool City Council, offer “LECCy” to all Wirral residents either under the brand “LECCy” or a sub brand specific to Wirral.

7.0. Potential Partnership Arrangements

- 7.1. If Wirral Council choose to become a “White Label Supplier” there are a number of partnership options available:
- Procure a joint partnership arrangement with other Local Authorities within Liverpool City Region (LCR).
- 7.2. A joint procurement exercise with other Local Authorities within LCR has a number of advantages including reduced tendering costs and a shared customer base; the size of which will make the contract more attractive to licensed suppliers, which should in turn enable better terms to be negotiated.
- Partner with Liverpool City Council on an existing contract arrangement.
- 7.3. In conjunction with Liverpool City Council (LECCy) partner and expand their white label arrangement with Robin Hood Energy, which is already established and scheduled to be launched end of March 2017.
- 7.4. Therefore, it is recommended that the most appropriate energy market option for Wirral Council at present is the White Label Operator model and to explore the possibility of procuring a LCR wide contract with our neighbouring LA’s.**

8.0. COMMERCIAL CASE

- 8.1. All procurement, financial and legal negotiations will be handled in line with corporate guidelines.
- 8.2. It is envisaged that an Energy Partnership Working group will be established to deliver this project, of which membership will be determined based on the Energy Market entry option chosen.

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8.3. At this stage there has been no assessment of market interest, this will be progressed on approval of this Strategic Outline Case.

9.0. FINANCIAL CASE

9.1. Any incremental costs incurred on this project should be minimal as most of the resources expended will relate to staff time and marketing through existing channels (Wirral View and the Council's website for example).

9.2. Each customer acquired by the 'white label' supply partner has a value to them, and it is expected that the partnership will be eligible to receive a payment for every new customer. Part of these payments will be retained in order to pay for marketing costs and to assist in financing future energy efficiency projects, and part (expected to be half) will be used to discount the price that the customer pays.

9.3. There is a financial risk in that if insufficient customers take up the supply the monies received from the supply partner would be insufficient to meet the costs that have been incurred (for marketing, for example) but this is not considered material.

9.4. The costs associated with managing this project have not yet been assessed, but specialist advice (legal, procurement and financial expertise) will need to be secured. Project management and project support resources will also need to be provided by the Transformation Programme.

9.5. There are a number of dependencies which need to be carefully managed to ensure that this project remains affordable: These are:

- The availability of sufficient and appropriate resources
- Robust contract management resources
- Fluctuating market energy prices

9.6. Financial Risks and Mitigations

Risk	Mitigation
Failure to generate anticipated revenue	To produce a robust Business Plan to include marketing strategy.
Supplier market position could change (within framework period) impacting on Customers	
Significant changes in consumption could result in impact on pricing	

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10.0. MANAGEMENT CASE

- 10.1. The proposal will see the creation of an Energy supply service that will help tackle fuel poverty by enabling Wirral residents to obtain cheaper gas and electricity.
- 10.2. An objective of the project will be for Wirral Council to offer the cheapest available energy tariffs to Wirral residents in order to achieve the aim of reducing fuel poverty within the borough.
- 10.3. The greatest risk is in the Council not doing anything, which would result in fuel poverty households potentially remaining in fuel poverty and not being able to benefit from this proposed Wirral Energy scheme.
- 10.4. As part of the 1st phase, the Energy Company will focus on energy supply to residents, a second phase of the project at a later date will encompass commercial Energy for businesses, council assets, schools and colleges.
- 10.5. The project is currently in the initial phase and therefore no initial communication requirements have been identified. Engagement with Liverpool City Council has taken place to help ascertain Wirral Council energy market entry options and LCR aspirations. A high level communication plan will be developed on approval of this strategic outline case.
- 10.6. Project management, business analysis, procurement, legal, marketing and financial resources will be required to take the proposals to the next stage.
- 10.7. Estimate of resources
- 10.8. Whilst extremely ambitious, this project can be delivered provided relations with partners and politicians can be effectively managed and sufficient resources committed.
- 10.9. Work will be progressed to understand how this work will be managed on an ongoing basis as BAU.

10.10. Key risks to delivery and mitigation

Risk	Mitigation
Lack of knowledge and experience in this area	Learn from other Local Authorities experiences
The scheme is not successful	Robin Hood Energy is an established and experienced organisation

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Energy Company Market Entry Strategic Outline Case						
Option	Political Risk R = High Risk	Difficulty of Implementation R = Complex	Difficulty of Management/ Delivery R = Complex	Cashable Benefits Available R = Low	Policy Fit - meets Pledges R = Few Pledges	Total Min = 5 Max = 15
Fully Licensed Operator						
• Sole	Red	Red	Red	Amber	Green	8
• LCR	Red	Red	Red	Green	Green	9
White Label Operator						
• Undertake a sole procurement exercise for Wirral.	Green	Amber	Green	Red	Green	12
• Undertake a procurement process to include other LCR local authorities.	Green	Amber	Amber	Green	Green	13
• Partner with Liverpool City Council: Use "LECCy" brand	Red	Amber	Amber	Amber	Green	10
• Partner with Liverpool City Council: Sub brand specific to Wirral.	Red	Red	Amber	Amber	Green	9
License Lite						
• Sole	Red	Red	Red	Amber	Green	8
• LCR	Red	Red	Red	Amber	Green	8

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**COUNCILLOR
JANETTE WILLIAMSON**

**CABINET MEMBER FOR
PUBLIC HEALTH**

CABINET

Monday, 27 March 2017

COMMUNITY PHARMACIES SCRUTINY

REVIEW

Councillor Janette Williamson, said:

“It is important Wirral Council does everything possible to understand, scrutinise and assess the impact of contractual and funding changes on residents.

Members of all parties have delivered a detailed review of the implications, bringing a wealth of experience and expertise to a very important subject for Cabinet to consider.”

REPORT SUMMARY

The Government set out initial proposals for community pharmacy in 2016/17 and beyond in an open letter to the Pharmaceutical Services Negotiating Committee (PSNC) and other stakeholders on 17th December 2015. The proposals included revised contractual and funding arrangements. A period of formal consultation ended on 24th May 2016, although confidential discussions continued beyond that date.

Following a Notice of Motion to Council in July 2016, this issue was referred to the People Overview & Scrutiny Committee for further consideration. On the advice of NHS England, it was not practical to commence a detailed scrutiny review immediately as the Government had not, at that time, made a formal response to the consultation nor provided detailed proposals regarding the future contractual and financial arrangements for community pharmacies.

Once the Government's final proposals were made public in October 2016, a task & finish group met in November to consider the potential impact of the changes to Wirral. The attached report documents the findings of the members and the conclusions which have been drawn. On 1st February 2017, the report was approved by the People Overview & Scrutiny Committee and was referred to Cabinet for further consideration.

This matter affects all Wards within the Borough.

This is not a key decision.

RECOMMENDATION/S

Cabinet is requested to note the report and endorse the recommendations of the Community Pharmacy scrutiny review.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

The subject of the Scrutiny Review report has a potential impact on the health and wellbeing of residents in the borough.

2.0 OTHER OPTIONS CONSIDERED

Not applicable

3.0 BACKGROUND INFORMATION

3.1 New contractual and funding arrangements for community pharmacies were published by the Department of Health on 21st October 2016. In order to consider the potential impact of the changes on Wirral, an Evidence Day was held on 16th November 2016, including representatives from NHS England, Wirral Clinical Commissioning Group (CCG), Community Pharmacy Cheshire & Wirral Local Pharmacy Committee and Public Health (Wirral Borough Council). The members of the task & finish group were Councillors Moira McLaughlin (Chair), Tom Anderson, Angela Davies, Phil Gilchrist, Treena Johnson, Chris Meaden, Tony Norbury and Tom Usher.

Members agreed that the objectives of the review were:

- To understand the rationale behind the current provision of community pharmacies in Wirral.
- To review the implications for Wirral of the Government proposals for changes to the contractual framework and funding of community pharmacies.
- To ascertain whether action or intervention by the various partners will be necessary to mitigate the impact on services

The attached report documents the conclusions and recommendations which the members have formed, as well as a summary of the evidence base on which those recommendations are based. Members of the People Overview & Scrutiny Committee have, on 1st February 2017, approved the report and requested that it be referred to both the Cabinet of Wirral Borough Council and to Wirral Health & Wellbeing Board for noting and any comment. The appropriate minute from the People Overview & Scrutiny Committee is attached as an appendix to this report.

4.0 FINANCIAL IMPLICATIONS

There are no financial issues arising directly from this report

5.0 LEGAL

There are no legal issues arising directly from this report

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

There are no resource issues arising directly from this report

7.0 RELEVANT RISKS

Not applicable

8.0 ENGAGEMENT / CONSULTATION

Members met with NHS England, Wirral CCG and representatives of Community Pharmacy Cheshire & Wirral Local Pharmacy Committee as part of the scrutiny review.

9.0 EQUALITY IMPLICATIONS

There are no equality issues arising directly from this report.

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APPENDICES

Appendix 1: Minute from the People Overview & Scrutiny Committee, 1st February 2017

Appendix 2: Community Pharmacy scrutiny report

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

MINUTE EXTRACT

PEOPLE OVERVIEW AND SCRUTINY COMMITTEE 1 FEBRUARY 2017

43 COMMUNITY PHARMACY SCRUTINY REVIEW

The Chair of the People Overview and Scrutiny Committee introduced the report of the Scrutiny Review Panel that set out the findings and recommendations arising from a Scrutiny Review of Community Pharmacies. She informed that this particular review, arising from a Notice of Motion to Council (11 July 2016) from Councillor Phil Gilchrist, had been undertaken in a slightly different way i.e. through the holding of an 'evidence day', and had been completed in a timely fashion. Consideration would be made to using this method in future reviews.

The report informed that the People Overview & Scrutiny Committee agreed to form a task and finish group to undertake a review, but on the advice of NHS England, it was not practical to commence the review immediately as the Government had not, at that time, made a formal response to the consultation nor provided detailed proposals regarding the future contractual and financial arrangements for community pharmacies. Following a period of negotiation with the Pharmaceutical Services Negotiating Committee (PSNC), the Government imposed a settlement. New arrangements were published by the Department of Health on 21 October 2016. As a result, an Evidence Day was held on 16 November 2016, including representatives from NHS England, Wirral Clinical Commissioning Group (CCG), Community Pharmacy Cheshire & Wirral Local Pharmacy Committee and Public Health (Wirral Borough Council).

The Chair expressed thanks to Councillors Angela Davies, Treena Johnson, Chris Meaden, Tony Norbury, Tom Usher, Tom Anderson and Phil Gilchrist for their contributions to the review, evidence gathering and preparation of the summary report.

The Committee noted the content and endorsed the recommendations within the Community Pharmacy Scrutiny Review, namely that:

Recommendation 1 – Monitoring the future impact of the new contractual and funding arrangements

It is recognised that the impact of the Government's contractual and funding arrangements for community pharmacies is causing concern among the providers. As no local impact assessments of the new arrangements have taken place, the consequences of the policy change are currently unclear. Therefore, Wirral's Health & Wellbeing Board is requested to keep an on-going brief over future developments in the local pharmacy market. Further data will be required to establish:

- The number of pharmacies directly affected (by closure or merger);

- The impact of changes in the market on any specific communities, particularly in light of the criteria for eligibility to the new Pharmacy Access Scheme not including any indicator of community deprivation;
- The potential impact on other service providers, such as GPs.

Recommendation 2 – Integration of pharmacies within the NHS

As members welcome proposals to further integrate community pharmacies and pharmacists more closely within the NHS, Wirral CCG and NHS England are encouraged to further develop the principle of co-location between GP practices and pharmacies (or employment of a clinical patient-facing pharmacist).

Recommendation 3 – Diversification of pharmacy services

As the GP Five Year Forward View gives a direct incentive to promote the use of pharmacies for specialised services such as the treatment of diabetes or deep vein thrombosis, Wirral CCG is encouraged to consider the feasibility of such schemes at the earliest opportunity.

Recommendation 4 – Public health commissioning of services via pharmacies

The Director for Health & Wellbeing (DPH) is requested to ensure that public health services such as smoking cessation and Emergency Hormonal Contraception (EHC) continue to be services that are easily available through outlets such as community pharmacies. Public health services will continue to be commissioned with a view to providing the best value for money and outcomes for patient care and public health. For the future commissioning and re-commissioning of services, opportunities for pharmacy consortia to tender should be made clear.

Recommendation 5 – The relationship between pharmacies and care homes

The Director for Health & Care is requested to consider whether closer links can be established between pharmacists and care homes in order to take on roles such as medication reviews for patients. The Local Authority's commissioning of care homes could be developed to include consideration of the home's relationship with a pharmacist as part of the specification of the service.

Recommendation 6 – Repeat prescription pilot scheme

Members note the pilot scheme implemented by Wirral CCG aimed at reducing medicine waste by stopping pharmacies being able to order repeat prescriptions for people. It is proposed that the People Overview & Scrutiny Committee receive a report from Wirral CCG regarding the outcomes of the pilot scheme with particular reference to the patient experience of this pilot.

Recommendation 7 – Future review by the People Overview & Scrutiny Committee

The People Overview & Scrutiny Committee is recommended to undertake a further investigation of the impact of the new contractual and funding arrangements for community pharmacies in approximately one year's time. An update on the other recommendations from this review will be incorporated.

The Chair expressed her thanks to Alan Veitch, Scrutiny Officer for his dedicated support in progressing the review and the preparation of the summary report.

Resolved - That

- 1) RECOMMENDATION TO CABINET - that the Community Pharmacies Scrutiny Review and recommendations contained within be endorsed; and**
- 2) an update report regarding the implementation and impact of the recommendations be presented to the next appropriate meetings of the Health & Wellbeing Board and Cabinet.**

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**COMMUNITY PHARMACIES
SCRUTINY REVIEW**

A report produced by
THE PEOPLE OVERVIEW & SCRUTINY COMMITTEE

January 2017
FINAL REPORT

WIRRAL BOROUGH COUNCIL
COMMUNITY PHARMACIES
SCRUTINY REVIEW
FINAL REPORT

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1. INTRODUCTION AND ORIGINAL BRIEF

The Government set out initial proposals for community pharmacy in 2016/17 and beyond in an open letter to the Pharmaceutical Services Negotiating Committee (PSNC) and other stakeholders on 17th December 2015. The proposals included revised contractual and funding arrangements. A period of formal consultation ended on 24th May 2016, although confidential discussions continued beyond that date.

The following Notice of Motion was moved at Council on 11th July 2016:

SECURING LOCAL PHARMACY SERVICES

Proposed by Councillor Phil Gilchrist

Seconded by Councillor Dave Mitchell

“Council notes that the Department of Health undertook a consultation on the future of Community Pharmacies which concluded in May 2016.

Council recognises that this has created uncertainty about the range of accessible pharmacy services, with the delivery of a petition to 10 Downing Street bearing 1.8 million signatures raising concerns.

Council is concerned that the potential changes in the funding of pharmacy services may have an adverse impact on the availability of local services, with an impact on GP workload and pressures on hospital services. This would have an adverse impact on the Wirral Plan and undermine the objectives of Healthy Wirral.

Council therefore requests that the Cabinet:

- 1. ensure that this Council and its partners work with health providers so as to ensure that there is no reduction in the provision of services to Wirral’s residents;*
- 2. ensure that the Health and Wellbeing Board is kept informed of the emerging arrangements so that the impact of any efficiency savings can be monitored and assessed”.*

A subsequent amendment was also moved and approved:

Proposed by Councillor Janette Williamson

Seconded by Councillor Moira McLaughlin

Add the following:

“Council notes that there are potential changes to the funding of pharmacy services following on from the completion of the consultation currently underway by the Department of Health and is uncertain how this will impact on the objectives of Healthy Wirral. We therefore request that this matter be referred to the People Overview and Scrutiny Committee for further scrutiny to ensure better informed decision making”.

In response, the People Overview & Scrutiny Committee agreed to form a task and finish group to undertake a review. On the advice of NHS England, it was not practical to commence the review immediately as the Government had not, at that time, made a formal response to the consultation nor provided detailed proposals regarding the future contractual and financial arrangements for community pharmacies. Following a period of negotiation with the PSNC, the Government imposed a settlement. New arrangements were published by the Department of Health on 21st October 2016. As a result, an Evidence Day was held on 16th November 2016, including representatives from NHS England, Wirral Clinical Commissioning Group (CCG), Community Pharmacy Cheshire & Wirral Local Pharmacy Committee and Public Health (Wirral Borough Council). The scope for the review, agreed by the members of the task & finish group is attached as Appendix 1 to this report. The objectives of the review were:

- To understand the rationale behind the current provision of community pharmacies in Wirral.
- To review the implications for Wirral of the Government proposals for changes to the contractual framework and funding of community pharmacies.

- To ascertain whether action or intervention by the various partners will be necessary to mitigate the impact on services

The methodology for the review, including the contributors to the Evidence Day is shown as Appendix 2.

An Executive Summary of the findings follows, together with the recommendations arising from this Review. The Report then sets out contextual information relating to the pharmacy sector, both nationally and locally. This is followed by a description of the Government's revised contractual and funding arrangements for community pharmacies followed by the key findings of the Review along with the evidence gathered in support of the recommendations proposed by the Scrutiny Panel Members.

2. EXECUTIVE SUMMARY AND RECOMMENDATIONS

From April 2013, local Health & Wellbeing Boards became responsible for the publication and update of the local Pharmaceutical Needs Assessment (PNA), which provides a detailed review of existing pharmacy provision, including current service provision and opening hours as well as an assessment of population needs including areas of deprivation. Updated every three years, Wirral's current PNA was produced in 2015 and concluded that the borough is well served in terms of spread of pharmacies. There was one pharmacy for every 3,402 residents, which compared extremely favourably to the national average of one pharmacy for every 5,000 resident population. With a rate of 29 per 100,000 population, Wirral also had a higher ratio of pharmacies than its geographical neighbours including West Cheshire (at 24 per 100,000), Warrington (at 22 per 100,000) and Knowsley (at 25 per 100,000). Wirral's current provision is 94 pharmacies across the borough. The provision includes nine which operate '100 hour contracts' plus one operator of a distance selling contract. The distribution of pharmacies in the borough, as at October 2016, is shown on the map in section 4.4 of this report (page 11).

The Department of Health issued reforms to the contractual and funding arrangements for community pharmacies in October 2016. As agreement could not be found with the PSNC after detailed negotiation, the Government announced that the proposed reforms will be implemented. The Pharmacy Funding Settlement will result in national spending of £2.687 billion (a 4% reduction) in 2016/17 and £2.592 billion (a further 3.4% reduction in 2017/18). The funding changes will result in a simplification of the fees structure, including consolidation of fees into a single activity fee and phasing out of establishment fees. At the same time, the Pharmacy Access Scheme (PhAS) will be introduced to support access where pharmacies are sparsely spread and patients depend on them the most. However, key among the criteria for eligibility to the new access scheme is that a pharmacy must be more than one mile from the next nearest pharmacy. Initial indications are that, at a national level, 1356 pharmacies will receive funding from the PhAS on the basis of these criteria. However, only four of these are in Wirral.

Although a national impact assessment has been undertaken by the Department of Health, Members were informed that, at this stage, no local impact assessments have taken place nor have any been requested. All contributors at the Evidence Day agreed that, at this stage, it is not possible to give an indication as to whether the funding changes will lead to a reduction in the number of pharmacies in Wirral. Although it is recognised that the funding changes are causing considerable concern to local pharmacy providers, it is particularly difficult to estimate the financial impact of the funding changes on businesses (and the market as a whole) as the services provided by pharmacies are not all related to the NHS; this particularly being the case where a pharmacy is co-located as part of a larger store. The impact on individual pharmacies will vary depending on their business model. Members are also very much aware of the role of pharmacy in the community as a much needed social and economic asset. This was demonstrated in the Local Government Association response to the Government consultation in early 2016 and also a report produced on behalf of the Pharmaceutical Services Negotiating committee (PSNC) by Price Waterhouse Cooper.

The Panel members have, therefore, concluded that the most appropriate action is to request Wirral's Health & Wellbeing Board to keep an on-going brief over future developments in the local pharmacy market. It is suggested that, if pharmacy closures (or mergers) do take place, the impact on the respective communities and on other health service providers, such as GPs are taken into account. The People Overview & Scrutiny Committee is also recommended to undertake a further investigation of the impact of the new contractual and funding arrangements for community pharmacies in approximately one year's time.

Alongside the new financial arrangements, the Department of Health also issued other significant changes to the contractual arrangements for community pharmacies. The Pharmacy Quality Payments Scheme will be introduced in 2017, with up to £75 million being paid to community pharmacies for meeting a number of quality criteria. At the same time, the Pharmacy Integration Fund (PHIF) is being introduced during 2016/17 and beyond. The aim of the PHIF is to support the development of clinical pharmacy practice in a wider range of primary care settings, resulting in more integrated and effective NHS primary care patient pathways. This should lead to greater co-location of pharmacies with other health service providers, such as GPs; a proposal developed further in the GP Five Year Forward View. Joint working with stakeholders, led by NHS England and Wirral CCG is taking place to support take-up of the innovation proposals. In general, members welcome these other contractual changes seeing opportunities for the greater integration of pharmacies within the NHS and also for developing greater use of pharmacies in the delivery of more specialised services and public health services.

In considering the evidence found during the Review, the Panel Members have formulated the recommendations shown on page 7.

Community Pharmacies Scrutiny Review – Recommendations

Recommendation 1 – Monitoring the future impact of the new contractual and funding arrangements

It is recognised that the impact of the Government's contractual and funding arrangements for community pharmacies is causing concern among the providers. As no local impact assessments of the new arrangements have taken place, the consequences of the policy change are currently unclear. Therefore, Wirral's Health & Wellbeing Board is requested to keep an on-going brief over future developments in the local pharmacy market. Further data will be required to establish:

- The number of pharmacies directly affected (by closure or merger);
- The impact of changes in the market on any specific communities, particularly in light of the criteria for eligibility to the new Pharmacy Access Scheme not including any indicator of community deprivation;
- The potential impact on other service providers, such as GPs.

Recommendation 2 – Integration of pharmacies within the NHS

As members welcome proposals to further integrate community pharmacies and pharmacists more closely within the NHS, Wirral CCG and NHS England are encouraged to further develop the principle of co-location between GP practices and pharmacies (or employment of a clinical patient-facing pharmacist).

Recommendation 3 – Diversification of pharmacy services

As the GP Five Year Forward View gives a direct incentive to promote the use of pharmacies for specialised services such as the treatment of diabetes or deep vein thrombosis, Wirral CCG is encouraged to consider the feasibility of such schemes at the earliest opportunity.

Recommendation 4 – Public health commissioning of services via pharmacies

The Director for Health & Wellbeing (DPH) is requested to ensure that public health services such as smoking cessation and Emergency Hormonal Contraception (EHC) continue to be services that are easily available through outlets such as community pharmacies. Public health services will continue to be commissioned with a view to providing the best value for money and outcomes for patient care and public health. For the future commissioning and re-commissioning of services, opportunities for pharmacy consortia to tender should be made clear.

Recommendation 5 – The relationship between pharmacies and care homes

The Director for Health & Care is requested to consider whether closer links can be established between pharmacists and care homes in order to take on roles such as medication reviews for patients. The Local Authority's commissioning of care homes could be developed to include consideration of the home's relationship with a pharmacist as part of the specification of the service.

Recommendation 6 – Repeat prescription pilot scheme

Members note the pilot scheme implemented by Wirral CCG aimed at reducing medicine waste by stopping pharmacies being able to order repeat prescriptions for people. It is proposed that the People Overview & Scrutiny Committee receive a report from Wirral CCG regarding the outcomes of the pilot scheme with particular reference to the patient experience of this pilot.

Recommendation 7 – Future review by the People Overview & Scrutiny Committee

The People Overview & Scrutiny Committee is recommended to undertake a further investigation of the impact of the new contractual and funding arrangements for community pharmacies in approximately one year's time. An update on the other recommendations from this review will be incorporated.

3. MEMBERS OF THE SCRUTINY PANEL

Councillor Moira McLaughlin (Chair)



The public are very well aware that the NHS is under acute strain at this time and this is particularly strongly felt in the provision of acute hospital services and GP practices. As efforts are made to try to reduce this strain other services are being introduced or enhanced to direct people with less serious conditions away from hospital and GP attendance to alternative forms of help. A very important part of that effort is developing and making people aware of how pharmacists can help through advice and carrying out some of the procedures such as blood glucose and blood pressure checks and administering of flu vaccinations.

The consultation initiated by the Government towards the end of 2015, leading to the formal announcement of revised funding and contractual arrangements for pharmacy services in October 2016 have been greeted with concern by pharmacists themselves who feel that they will result in closures and a diminished service for people.

Wirral is currently adequately served by pharmacy services, but the impact of these changes locally have not been assessed, though they have been at a national level and the local impact is, therefore, unknown. This report was undertaken following concerns raised at Full Council and though it has been a useful exercise in understanding the role of pharmacies and how they can be further developed to improve health for Wirral residents, it has left us no clearer, at the end of it, as to what the local impact will be. For that reason our overriding recommendation is that the Health and Wellbeing Board and the People Overview and Scrutiny Committee should monitor pharmacy closure closely and the impact they have on local communities.

Other Panel members:

<p><i>Councillor Tom Anderson</i></p> A portrait of Councillor Tom Anderson, a man with short dark hair, wearing a grey suit and blue tie.	<p><i>Councillor Angela Davies</i></p> A portrait of Councillor Angela Davies, a woman with long dark hair, wearing a black top.	<p><i>Councillor Phil Gilchrist</i></p> A portrait of Councillor Phil Gilchrist, a man with a beard and balding head, wearing a grey suit and blue tie.	<p><i>Councillor Treena Johnson</i></p> A portrait of Councillor Treena Johnson, a woman with blonde hair, wearing a white sleeveless top.
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<p><i>Councillor Chris Meaden</i></p> A portrait of Councillor Chris Meaden, a woman with long blonde hair and glasses, wearing a grey top.	<p><i>Councillor Tony Norbury</i></p> A portrait of Councillor Tony Norbury, a man with a bald head, wearing a dark suit and striped tie.	<p><i>Councillor Tom Usher</i></p> A portrait of Councillor Tom Usher, a man with short dark hair, wearing a grey suit and blue tie.	<p><i>This Scrutiny Panel was supported by:</i> Alan Veitch Scrutiny Officer 0151 691 8564 alanveitch@wirral.gov.uk</p>
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4. CONTEXTUAL INFORMATION

4.1 Current arrangements for commissioning pharmacy services

Since April 2013, when Primary Care Trusts (PCTs) ceased to exist, a number of commissioners have had a role in commissioning services from community pharmacies. From that time, NHS England became responsible for the management of pharmacy lists. As well providing an assurance role, local NHS England teams commission all services in the NHS Community Pharmacy Contractual Framework (CPCF), that is, Essential, Advanced and Enhanced Services:

- Essential services: All pharmacies are required to provide essential services, which include dispensing, prescription-linked healthy lifestyle advice, and support for self-care within a clinical governance framework.
- Advanced services: Pharmacies can choose to, and the majority do, provide advanced services if accredited, which include medicine use reviews (MURs) and the new medicines service (NMS).
- Enhanced services: Pharmacies also provide enhanced services, as commissioned locally by NHS England area teams to meet local needs, such as a minor ailment service.

In addition to services specified in CPCF, Local authorities and Clinical Commissioning Groups (CCGs) can also commission services directly from pharmacies, and, across the country, many public health services are commissioned this way, for example, stop smoking services. The following public health services provided by community pharmacies in some areas would be commissioned by local authorities:

- Supervised consumption;
- Needle and syringe programme;
- NHS Health Check;
- Emergency Hormonal Contraception (EHC) and other contraceptive services;
- Sexual health screening services;
- Stop smoking;
- Chlamydia testing and treatment;
- Weight management; and
- Alcohol screening and brief interventions.

Although the CCG is not responsible for commissioning of the core contract for pharmacy services, CCGs may wish to commission services from community pharmacies in response to specific needs of the local population such as minor ailments services, palliative care schemes, MUR+ and other medicines optimisation services.

4.2 National Context: Community Impact

The following statistics give an indication of the role which community pharmacies play within local communities¹ at a national level:

- there were 11,674 community pharmacies in England in March 2015;
- It is estimated that 1.6 million people visit a pharmacy each day; 1.2 million of those for health related reasons (433 million in 1 year);
- 79 per cent of people have visited a pharmacy at least once in the last 12 months, 37 per cent visit at least once a month;
- over 75 per cent of adults use the same pharmacy all the time;
- pharmacies in England dispensed nearly one billion (978.3 million) prescription items in 2014/2015 - nearly 2.7 million items per day;

¹ Source: 'The community pharmacy offer for improving the public's health: A briefing for local government and Health and Wellbeing Boards', Local Government Association, March 2015

- 95 per cent of people are able to get to a pharmacy within a 20 minute walk and access is greatest in the most deprived areas;
- over 9,000 pharmacies in England supported Smoke Free January in 2015;
- nearly 10,000 pharmacies supported Stoptober 2015;
- over 90 per cent of pharmacies now have a private consultation room and many have already taken on a wider public health role, for example running weekly clinics to help people lose weight, stop smoking or to monitor blood pressure or cholesterol;
- over 8,000 (nearly 70 per cent) of pharmacy contractors had signed up to deliver the seasonal flu vaccination in 2015, with almost half a million vaccinations having been delivered by 20th November.

4.3 Wirral's Pharmaceutical Needs Assessment (PNA) - 2015

From April 2013, local Health & Wellbeing Boards became responsible for the publication and update of the local Pharmaceutical Needs Assessment (PNA). The Health & Wellbeing Board will be held to account for the quality of the PNA (and potentially the cost of defending it at an appeal). Since 2012, control of the entry of new pharmacies has been determined by a Market Entry Test. Applications are considered with reference to the PNA. The PNA provides a detailed review of:

- The existing pharmacies
- Current services provided and the opening hours
- The needs of the population including the areas of deprivation

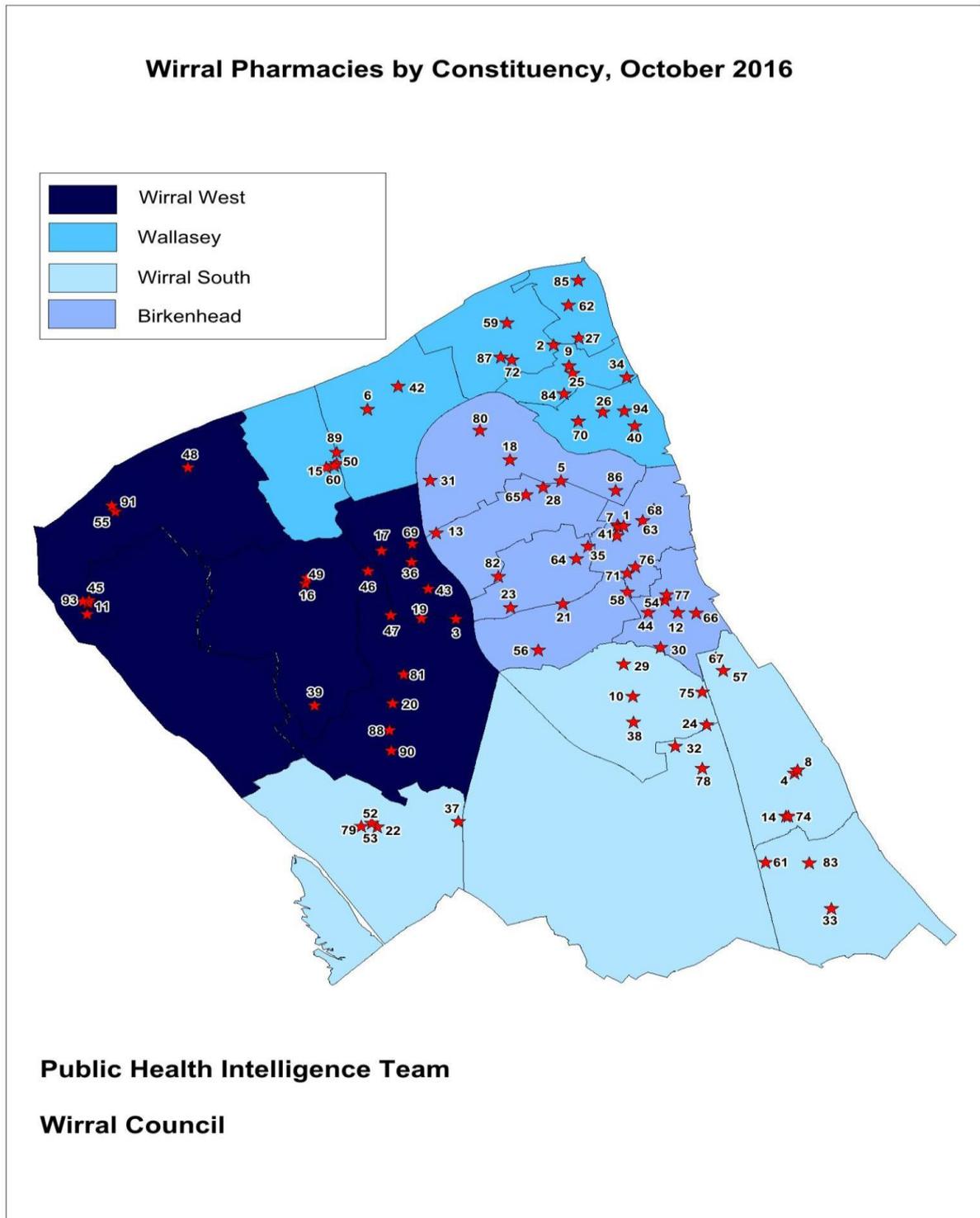
The PNA must be updated at least every 3 years and the current version for Wirral commenced in 2015 and lasts until 2018. A draft plan is in place to complete the next version of the PNA by March 2018, which includes a period of public consultation. In terms of the timetable for the review of the PNA, the consequences of the pharmacy contractual changes are unknown. It is possible that the timetable for the PNA renewal could be brought forward if the pharmacy market were to radically change (that is, there were a number of closures / mergers).

At the time it was produced, the key findings in the 2015 PNA for Wirral included:

- Wirral was generally very well served by community pharmacies. There was one pharmacy for every 3,402 residents, which compared extremely favourably to the national average of one pharmacy for every 5,000 resident population. With a rate of 29 per 100,000 population, Wirral also had a higher ratio of pharmacies than its geographical neighbours including West Cheshire (at 24 per 100,000), Warrington (at 22 per 100,000) and Knowsley (at 25 per 100,000).
- Wirral residents had adequate access to 'out of hours' pharmacy services through the provision of '100 hour contracts' and there is good weekend coverage for residents of all four constituencies. There are currently nine pharmacies in Wirral operating '100 hour contracts'. (These are listed among the information in Appendix 3). Wallasey had the least pharmacies delivering 100 hour contracts, but had good weekend coverage.
- 'Locally Commissioned Services' were delivered equitably throughout the borough with over two thirds of all community pharmacies providing alcohol and smoking misuse services (for example, the Nicotine Replacement Therapy scheme).
- Geographical mapping of locally commissioned services show that more services were delivered in the most densely populated areas of the borough. It is intended that services continue to be delivered in line with population growth and also deprivation.
- In Wirral there was an increasing number of pharmacies now co-located with GP surgeries (12) making the transition and relationships between GP and pharmacy staff more seamless.
- The PNA did not identify any specific gaps in local service provision at that time.

4.4 Current location of pharmacies in Wirral

Wirral's current provision is 94 pharmacies across the borough. The PNA (2015) concluded that the borough is well served in terms of spread of pharmacies. The provision includes nine which operate '100 hour contracts' plus one operator of a distance selling contract. The distribution of pharmacies in the borough, as at October 2016, is shown on the map below. The legend to the map, showing the location of each of the 94 pharmacies is attached as Appendix 3 to this report.



5. THE GOVERNMENT PROPOSALS FOR FUNDING AND CONTRACTUAL ARRANGEMENTS

The Department of Health issued reforms to the contractual and funding arrangements for community pharmacies in October 2016. As agreement could not be found with the PSNC after detailed negotiation, the Government announced that the proposed reforms will be implemented. Members were informed that the aims of the contractual changes, from the Government perspective, are to:

- Integrate community pharmacy and pharmacists more closely within the NHS, in line with the GP Forward View;
- Modernise the system for patients and the public, capitalising and learning from innovation and digital implementation;
- Ensure the system is efficient and delivers value for money for the taxpayer;
- Maintain good public access to pharmacies and pharmacists in England.

Key changes to the contractual and funding arrangements are detailed below.

5.1 Funding Settlement

The Pharmacy Funding Settlement will result in national spending of £2.687 billion (a 4% reduction) in 2016/17 and £2.592 billion (a further 3.4% reduction in 2017/18). Decisions relating to community pharmacy remuneration for 2018/19 and beyond will be subject to future consultation.

The funding changes will result in:

- **Simplification of the Fees structure**, including consolidation of fees into a single activity fee and phasing out of establishment fees. The single activity fee will subsume a range of dispensing-related fees into one, simplified payment. The establishment fee, which is currently paid on a banding dictated by prescription volume, will be phased out in totality by 2019/20. Prior to the changes, the fee started at £23,278 for over 2,500 or more dispensed items per month, increasing to £25,100 for over 3,150 or more dispensed items per month. Compared to 2015/2016 levels, as at 1st December 2016 the fee was reduced by 20% (the top payment reducing from £2,092 per month to £1,673). As at 1st April 2017, the fee will be reduced by 40% (top payment reduced to £1,255 per month).
- **The Pharmacy Access Scheme (PhAS)** will be introduced to support access where pharmacies are sparsely spread and patients depend on them the most. Criteria for inclusion include:
 - Pharmacy is more than 1 mile from next nearest pharmacy
 - Pharmacy is included in pharmaceutical list from 1st September 2016
 - Pharmacy is not in top quartile by dispensing volume

The new fee incorporates efficiency saving of 1% in 2016/17 and 3% in 2017/18 (compared with 4.6% and 8.3% for non-PhAS pharmacies). Initial indications are that, at a national level, 1356 pharmacies will receive funding from the PhAS on the basis of these criteria. On average, the payment received will equate to approximately £11,600 for the 4 remaining months in 2016/17 and £17,600 in 2017/18. The scheme will operate from 1st December 2016 to 31st March 2018. A review mechanism is in place to enable pharmacies to appeal for addition to the scheme if they feel that their circumstances merit consideration.

5.2 Other contractual arrangements

Alongside, the new financial arrangements, the Department of Health also issued other significant changes to the contractual arrangements for community pharmacies:

- **The Pharmacy Quality Payments Scheme** will be introduced in 2017. The scheme will reward community pharmacies for delivering quality criteria in all three of the quality dimensions: clinical effectiveness, patient safety and patient experience. Up to £75

million will be paid to community pharmacies for meeting a number of quality criteria. The payment will depend on how many of the quality criteria the pharmacy achieves.

For a pharmacy to become eligible for any payment under the Quality Payments Scheme it must first meet all four gateway criteria. The gateway criteria are:

- the contractor must be offering at least one specified advanced service at the pharmacy, such as, Medicines Use Review (MUR) or New Medicine Service (NMS); or must be registered for NHS Urgent Medicine Supply Advanced Service Pilot; and
- the NHS Choices entry for the pharmacy must be up to date; and
- pharmacy staff at the pharmacy must be able to send and receive NHS mail and
- the pharmacy contractor must be able to demonstrate ongoing utilisation of the Electronic Prescription Service at the pharmacy premises.

Pharmacies passing the gateway will receive a payment if they meet one or more of a further list of the criteria. These criteria have been weighted based on an assessment of the challenge of achievement and the benefit to patients from doing so, with each criterion designated a number of 'points'.

- **The Pharmacy Integration Fund (PHIF)** is aimed at transforming the way pharmacy and community pharmacy services are commissioned from 2016/17 and beyond. It seeks to not solely look at traditional community pharmacy services but pharmacy in the broader professional sense. The aim of the PHIF is to support the development of clinical pharmacy practice in a wider range of primary care settings, resulting in a more integrated and effective NHS primary care patient pathway. In particular, the PHIF will drive the greater use of community pharmacy, pharmacists and pharmacy technicians in new, integrated local care models. With £20 million available in 2016/17 and rising to £100 million by 2020/21, investments already identified within PHIF with resources allocated include:
 - 2016/17 Integration of pharmacy in to urgent care pathways
 - National urgent supply pilot as a referral from NHS 111. This will speed up access for those needing urgent repeat prescriptions because they will no longer need a GP out-of-hours appointment.
 - Improved access to minor illness service via NHS 111. The intention is to make the referral of people with minor ailments from NHS 111 to community pharmacy much more robust.
 - 2017/18 Further developments include:
 - Workforce Development for Pharmacists and Pharmacy Technicians working in a range of settings to better integrate pharmacy in to NHS Primary Care settings.
 - Training and development for pharmacists working in care homes, integrated urgent care clinical hubs including NHS 111 and GP out of hours.

A programme of first wave pilot schemes is underway in 2016 to support GP practices working within a geographical locality to employ a clinical patient facing pharmacist to support the skill mix of the clinical team. This is part of the GP Five Year Forward View strategy. Although there are 6 pilot sites across Cheshire and Merseyside in wave 1, none are in Wirral.

- **Market Entry Changes** are proposed which will allow pharmacies to consolidate (merge or close a branch) without this creating an artificial gap in provision.

6. KEY FINDINGS

6.1 Impact of the proposed funding changes on the pharmacy market

The Department of Health has undertaken a national impact assessment of the proposed contractual and funding changes. The assessment explains that "The current mechanism for funding community pharmacy is complex, and there is a constant need to ensure that NHS resources are being directed in an optimal manner, as well as community pharmacy needing to make its contribution to the efficiency savings the NHS needs to deliver. This includes seeking to ensure that good patient access to pharmaceutical services is maintained whilst ensuring the most efficient use is made of public funds. Government intervention is needed to improve the mechanism for funding community pharmacies, to ensure NHS resources are allocated efficiently". However, the assessment further explains that "There is no reliable way of estimating the number of pharmacies that may close as a result of this policy, and the potential impacts in this Impact Assessment are assessed on the basis that there is a scenario where no pharmacy closes".

During the Evidence day, members were informed that, at this stage, it is not possible for NHS England to give an indication as to whether there will be a reduction in the number of pharmacies in Wirral. It was confirmed that no local impact assessment has been undertaken nor had there been a requirement for NHS England local offices to do so. Wirral CCG confirmed that no assessment of the impact of the funding changes on Wirral had taken place and it is not yet known whether the policy will lead to a significant change in the number of pharmacies from the current cohort of 94. It is particularly difficult to estimate the financial impact of the funding changes on individual businesses (and the market as a whole) as the services provided by pharmacies are not all related to the NHS. Some pharmacies will have significant on-line sales or have other parts of their business.

It was pointed out that NHS funding is only a small part of pharmacy income. Some pharmacies, for example, those located as part of larger stores may operate as loss leaders. In other localities, because of the population composition, a pharmacy could exist purely on dispensing. It was noted that the pharmacy marketplace has undergone significant changes during the last decade. Under market-entry rules introduced by the Government in 2005, Members were informed that a pharmacy had an automatic right to be established on the assumption that it would be open for 100 hours per week or more per week or would operate as an internet and mail-order pharmacies. In the period from 2005 to 2014, approximately 3000 additional pharmacies opened across the country. There are currently 9 providers in Wirral delivering 100 hour contracts. This market change has led to the effective disbanding of the pharmacy rota which was formerly used to ensure that a local pharmacy was open during evening and weekend hours.

The establishment of the distance selling pharmacy (or internet sales) is also changing the marketplace. Although one distance selling operator is based in Wirral, clearly the precise location of such service providers is less important as sales are via the internet. As an example, one large distance selling pharmacy, not based in Wirral, is estimated to issue between 50,000 and 60,000 prescriptions per month nationwide. Looking to the future, it is also important that the opportunities arising from the emerging seven day GP service developments include community pharmacy. It is feasible that those developments could provide further opportunities for co-location.

Representatives from the Community Pharmacy Cheshire & Wirral Local Pharmacy Committee also confirmed to Members that, at this stage, it is not known how many pharmacies on Wirral will close. However, based on a previous Government Minister's prediction that 3000 pharmacies could close nationwide, the Local Pharmacy Committee argued that it is possible, locally, one-in-four pharmacies could close.

A pharmacy contractor provided a statement for members, which probably best describes the potential community impact of the changes. The statement included:

"The local community have relied on us for all their medicinal needs and we have not failed them yet. We have been available to this community 6 days a week, opening on bank holidays and even xmas day. The community relies on us to dispense prescriptions, over-the counter advice, signposting, a go-between with the local surgeries who we have excellent relationships with, MURs, help with new medicines, home deliveries (Sundays, evenings, you name it we do it), blister packs to help vulnerable patients and any other needs patients' have.

These other acts cannot be measured, but we are here for the community and are for some the only source of contact they have for days or weeks at a time. We are a constant in these people's lives and all we want to do is keep them well, and to stop them from feeling isolated in their illness or social circumstances. We are on their doorstep and we would like to stay there too.

We want to stay accessible for the local community. It is 1.2 miles for them to walk, drive or public transport to the next pharmacy (who let's not forget, are also in danger of closing) and to some people this is just not achievable. The feeling of isolation they will feel would be devastating. We've helped these people maintain their independence, we have kept them from the unnecessary GP appointments, A&Es and walk in centre's doors, and we have contributed to the massive NHS saving that the PSNC report clearly shows".

Members were informed that the phasing out of the Establishment Fee is the main contributor to the headline 4% and 3.4% budget reductions for 2016/17 and 2017/18. It is this change to the funding arrangements which will have the most significant impact on individual pharmacy contractors. The introduction of the single activity fee will further reduce income for those businesses. The impact on individual pharmacies will vary depending on the business model employed.

A key proposal within the Government's new funding and contractual arrangements package is the establishment of the Pharmacy Access Scheme. As the Establishment Fee will be phased out by 2019 / 2020, the introduction of the Pharmacy Access Scheme will be used to ensure that those pharmacies deemed to be most important to their communities will receive additional government funding (although even those pharmacies will see a real funding reduction compared to pre-December 2016 levels). Members were informed of the key criteria for eligibility to the Pharmacy Access Scheme, key among which is a minimum distance of 1 mile from the next nearest pharmacy. As a result of this, only four pharmacies in Wirral have been named among the 1356 pharmacies deemed to be eligible for inclusion in the scheme by the Department of Health. The four Wirral pharmacies currently on the Pharmacy Access Scheme list are:

- Heswall Hills Pharmacy, 119 Brimstage Road, Heswall
- Irby Pharmacy, 39 Thingwall Road, Irby
- Well Hoylake, 40 Market Street, Hoylake
- Manor Pharmacy, 13 Station Approach, Meols

Members were informed that pharmacies can request a review for eligibility to the Pharmacies Access Scheme if they deem the process to be incorrect, for example, if the calculated distances are not correct. It is understood that some pharmacies in Wirral have taken this course of action although the outcome of the review process is not known at this stage. It is a major concern for Panel Members that the criteria for the Pharmacy Access Scheme are focused primarily on distance and do not take account of other factors such as disadvantaged communities. It was pointed out that in some deprived communities there may be a number of pharmacies in close proximity. However, the demand for pharmacy services is also high in those communities. Members were informed that, during the Department of Health negotiations with the PSNC, an index of deprivation plus distances between established pharmacies had been key criteria to the Access Scheme. However, due to the perceived complexities of the system, the criteria were amended to remove deprivation from the final proposal. As a result, Members were informed by a witness that:
“The proposed Access Scheme will provide support against isolation or rurality; but not against deprivation”.

A key unknown is the impact that any pharmacy closures or mergers may have on other NHS services, such as GP services, A&E and walk in centres. Clearly, if closures do occur it will be important for any impact on attendance levels at those services to be monitored. As a result, the Panel Members propose that the Health & Wellbeing Board keep a watching brief over developments across the pharmacy sector over the coming months.

Recommendation 1 – Monitoring the future impact of the new contractual and funding arrangements

It is recognised that the impact of the Government’s contractual and funding arrangements for community pharmacies is causing concern among the providers. As no local impact assessments of the new arrangements have taken place, the consequences of the policy change are currently unclear. Therefore, Wirral’s Health & Wellbeing Board is requested to keep an on-going brief over future developments in the local pharmacy market. Further data will be required to establish:

- The number of pharmacies directly affected (by closure or merger);
- The impact of changes in the market on any specific communities, particularly in light of the criteria for eligibility to the new Pharmacy Access Scheme not including any indicator of community deprivation;
- The potential impact on other service providers, such as GPs.

6.2 Integration of pharmacies within the NHS

While Members have concerns over the implications of the national funding reductions for community pharmacies, they welcome some of the other contractual changes, such as the proposed Pharmacy Quality Payments Scheme and the Pharmacy Integration Fund (PHIF). As described above (section 5.2), the Department of Health is creating the Pharmacy Integration Fund (PHIF), the intention of which is to create a greater role for the pharmacy profession within a more integrated NHS. The Pharmacy Integration Fund, with £20 million in 2016/17 is aimed at further transforming how pharmacists, their teams and community pharmacy work as part of wider NHS services in their area. Furthermore, the Department of Health is, in particular, proposing closer links between pharmacies and GP practices, care homes and urgent care.

The GP Forward View is committed to current investment of £31 million to pilot 470 clinical pharmacists in over 700 practices to be supplemented by new central investment of £112 million to extend the programme, leading to a further 1,500 pharmacists in general practice by 2020. Indications from the pilot scheme suggest that clinical pharmacists may have a role in streamlining practice prescription processes, medicines optimisation, minor ailments and long term conditions management. Although 6 pilot schemes are in place across Cheshire and Merseyside to enable GP practices to employ a clinical patient facing pharmacist, none of these first wave pilots are in Wirral.

At the same time, the Healthy Wirral Programme includes a review of the options for the current 53 GP practices in Wirral to enable them, if appropriate, to operate at greater scale. For some practices, this may mean moving into larger centres with other services wrapped around them. It is intended that the resulting services will complement one another and that pharmacies will continue to be a key component of the health service mix. Although it is recognised that there are difficulties for some pharmacy providers in responding to some contractual changes, such as using the NHS email account, the Panel Members, in general, welcome the emerging Quality Payments Scheme and the Pharmacy Integration Fund.

Recommendation 2 – Integration of pharmacies within the NHS

As members welcome proposals to further integrate community pharmacies and pharmacists more closely within the NHS, Wirral CCG and NHS England are encouraged to further develop the principle of co-location between GP practices and pharmacies (or employment of a clinical patient-facing pharmacist).

6.3 Extended service provision

As described earlier (Section 4.1), CCGs (as well as Local Authorities) can commission additional services from community pharmacies in response to specific needs of the local population. Such services include the Think Pharmacy service which has been developed by Wirral CCG. Think Pharmacy is a scheme intended to reduce the demand on Primary and Secondary Care and improve better access for patients with minor ailments and conditions.

Members were informed that, since the introduction of Think Pharmacy, the level 1 service enabled patients to receive advice on many minor conditions, for example, head lice which resulted in patients receiving over-the-counter treatments. The level 2 service related to items on prescription only. Following a recent public consultation, the Level 1 service ceased, as of 14th November 2016. Members were informed that a consequence of the removal of the Level 1 service is that those people who normally get their prescriptions free will no longer be able to receive them free over the counter (for those former Level 1 services) and as a result will have to visit the GP for a free prescription.

The Level 2 service remains, with patients with conditions being targeted who would otherwise be most likely to visit a GP. This service includes a diagnostic role for pharmacists. The conditions treatable within the minor ailments specified in Think Pharmacy are:

- Acute Bacterial Conjunctivitis
- Cystitis
- Impetigo
- Migraine
- Oral candidiasis in infants <12 months
- Thrush in Breastfeeding Mothers

The Think Pharmacy scheme is currently focused on trying to divert patients away from primary care. However, the GP Five Year Forward View gives a direct incentive for CCGs to promote the use of pharmacies for helping patients with self care and common ailments, such as diabetes or deep vein thrombosis (DVT). At present, though, there are no schemes ready to roll out in Wirral. It is also estimated that, across Cheshire and Merseyside, there are 40,000 undiagnosed hypertensions. The provision of blood pressure tests by community pharmacies could offer a feasible approach to increasing take-up of the test and improving identification rates. In order to promote increased diversion of patients away from other NHS services, the Panel Members encourage the identification of further conditions which could be offered via alternative providers, such as community pharmacies.

Recommendation 3 – Diversification of pharmacy services

As the GP Five Year Forward View gives a direct incentive to promote the use of pharmacies for specialised services such as the treatment of diabetes or deep vein thrombosis, Wirral CCG is encouraged to consider the feasibility of such schemes at the earliest opportunity.

Section 4.1 of this report identifies the types of public health services which could potentially be available through providers such as community pharmacies. Members were informed that, in Wirral, Public Health no longer commission smoking cessation directly from pharmacies. However, Public Health commissions the provider, ABL Wirral, to provide this service which they sub-contract to a number of pharmacies. Likewise, Public Health funding commissions a provider, CGL, to sub contract with pharmacies for the provision Alcohol Identification & Brief Advice (IBA's), supervised consumption and syringe exchange.

Members were also informed that a report prepared on behalf of the PSNC by Price Waterhouse Cooper had identified that 95% of emergency hormonal contraception was provided by pharmacies. In Wirral, pharmacies are commissioned directly from Public Health to provide Emergency Hormonal Contraception (EHC) services. Members have also noted recent research (reported by the Guardian newspaper) by the Advisory Group on Contraception showing that 1.5million women of reproductive age live in parts of England where councils have restricted contraception services or are considering doing so. Of the 140 local authorities which responded to a Freedom of Information request, 20 confirmed that at least one site had closed in 2015/16 or would do this year, and a further 18 said that clinics could be closed during 2016/17. As a result, members would like to ensure that, in Wirral, EHC continues to be a service that is easily available through appropriate providers, including pharmacies.

Recommendation 4 – Public health commissioning of services via pharmacies

The Director for Health & Wellbeing (DPH) is requested to ensure that public health services such as smoking cessation and Emergency Hormonal Contraception (EHC) continue to be services that are easily available through outlets such as community pharmacies. Public health services will continue to be commissioned with a view to providing the best value for money and outcomes for patient care and public health. For the future commissioning and re-commissioning of services, opportunities for pharmacy consortia to tender should be made clear.

The Pharmacy Integration Fund makes specific reference to developing closer links between pharmacies and care homes. In September 2016, NHS England published *'The Framework for Enhanced Health in Care Homes'*. This describes an enhanced health in care homes (EHCH) care model that has been developed from six EHCH vanguards in England. It is based on a range of evidence-based interventions which are designed to be delivered within and around a care home in a coordinated manner in order to make the biggest difference to its residents.

The following areas have been identified for national development:

- Mapping the range of services provided by community pharmacies to care homes and how they are commissioned.
- Deployment of pharmacy professionals into care homes and evaluation of the models of integrated clinical pharmacy that achieve the best outcomes for patients.

Members suggest that further investigation could take place in Wirral to consider whether closer links can be established between pharmacists and care homes. It is suggested that consideration could be given to whether Medicine Use Reviews (MURs) could be provided in care homes.

Recommendation 5 – The relationship between pharmacies and care homes

The Director for Health & Care is requested to consider whether closer links can be established between pharmacists and care homes in order to take on roles such as medication reviews for patients. The Local Authority's commissioning of care homes could be developed to include consideration of the home's relationship with a pharmacist as part of the specification of the service.

6.4 Future considerations

Members were informed that a Wirral CCG pilot scheme is looking at how prescriptions are re-newed, for example, for inhalers. It is understood that the pilot scheme is aimed at reducing medicine waste by limiting the number of repeat prescriptions which can be provided by community pharmacies. As a result, it is proposed that, on completion of the pilot scheme, Wirral CCG be requested to provide a report regarding the outcomes of the pilot scheme giving particular focus to patient experience.

Recommendation 6 – Repeat prescription pilot scheme

Members note the pilot scheme implemented by Wirral CCG aimed at reducing medicine waste by stopping pharmacies being able to order repeat prescriptions for people. It is proposed that the People Overview & Scrutiny Committee receive a report from Wirral CCG regarding the outcomes of the pilot scheme with particular reference to the patient experience of this pilot.

As identified earlier in the report, the impact of the new contractual and funding arrangements are currently unclear as, to date, it is not known how the pharmacy market (that is, the providers) will respond to the new financial environment. Therefore, the Panel members propose that a follow-up scrutiny review takes place in approximately one year's time in order to explore the longer-term consequences.

Recommendation 7 – Future review by the People Overview & Scrutiny Committee

The People Overview & Scrutiny Committee is recommended to undertake a further investigation of the impact of the new contractual and funding arrangements for community pharmacies in approximately one year's time. An update on the other recommendations from this review will be incorporated.

Appendix 1: Scope Document for the Community Pharmacies Scrutiny Review (Final version)

1. Contact Information:	
<p>Panel Members: Councillors: Moira McLaughlin Angela Davies Tom Anderson Phil Gilchrist Treena Johnson Chris Meaden Tom Usher</p>	<p>Key Officers: Alan Veitch – Scrutiny officer 0151 691 8564 alanveitch@wirral.gov.uk</p> <p>Other Contacts:</p>
2. Review Aims:	
<p>Wirral Plan Pledge/s: Older People Live Well This issue also falls within the Committee’s statutory duty to undertake health scrutiny</p> <p>Review Objectives:</p> <ul style="list-style-type: none"> • To understand the rationale behind the current provision of community pharmacies in Wirral. • To review the implications for Wirral of the Government proposals for changes to the contractual framework and funding of community pharmacies. • To ascertain whether action or intervention by the various partners will be necessary to mitigate the impact on services <p>The issue was referred from Council, following a Notice of Motion, on 14th July 2016. The Notice of Motion is attached to this document.</p> <p>Scrutiny Outcomes:</p> <ul style="list-style-type: none"> • Partner agencies are held to account • Members are assured about the effectiveness of service provision 	
3. Review Plan	
<p>Review Approach: Workshop, Evidence Day, Task and Finish? Evidence Day</p> <p>Review Duration: The majority of the evidence gathering will take place at an evidence day scheduled for 16th November 2016. The review will be complete by the end of December 2016.</p> <p>Scheduled Committee Report Date: People OSC, 16th January 2017</p> <p>Scheduled Cabinet Report Date: Cabinet, 27th February 2017</p>	

4. Sources of Evidence:

Key Witnesses:

- Tom Knight, Head of Primary Care – Direct Commissioning, NHS England – Merseyside & Cheshire
- Pam Soo Pharmacy Lead, NHS England – Merseyside & Cheshire
- Iain Stewart, Head of Direct Commissioning, Wirral CCG
- Barbara Dunton, Commissioning Support Manager – Direct Commissioning, Wirral CCG
- Melanie Carroll, Cheshire & Wirral Community Pharmacies
- Bev Murray, Senior Manager, Public Health, Wirral Borough Council

Supporting Papers / Documentation:

Documents will include:

- [Community Pharmacy in 2016/17 and beyond: Final package, Department of Health \(20th October 2016\)](#)
- [Community Pharmacy in 2016/17 and beyond: Impact Assessment, Department of Health \(20th October 2016\)](#)
- [Community Pharmacy in 2016/17 and beyond: The pharmacy access scheme, Department of Health \(20th October 2016\)](#)
- [Community Pharmacy in 2016/17 and beyond: List of pharmacies eligible for payment, Department of Health \(20th October 2016\)](#)
- [Statement from the Minister for Health, David Mowat MP \(20th October 2016\)](#)
- [The community pharmacy offer for improving the public's health - A briefing for local government and health, LGA briefing, March 2016](#)
- Map of community pharmacies in Wirral, October 2016
- Executive summary of current PNA (Pharmaceutical Needs Assessment)
- Link to full PNA

Involvement of service users / public:

- James Kay, Patient Champion at Wirral CCG, has been invited to attend the Evidence Day.

5. Key Communications:

Cabinet Member:

- The scope document will be shared with the relevant portfolio holder at the start of the review (Portfolio holder for Public Health, Cllr Janette Williamson).
- The draft report will also be discussed in advance of being finalised by the task & finish group, before being presented to the People Overview & Scrutiny Committee for approval.

Press Office:

- The scope document will be sent to the press office on approval.
- The final report will be referred to the press office for information.

APPENDIX TO THE SCOPE DOCUMENT:

Notice of Motion to Council, 14th July 2016

SECURING LOCAL PHARMACY SERVICES

Proposed by Councillor Phil Gilchrist

Seconded by Councillor Dave Mitchell

Council notes that the Department of Health undertook a consultation on the future of Community Pharmacies which concluded in May 2016.

Council recognises that this has created uncertainty about the range of accessible pharmacy services, with the delivery of a petition to 10 Downing Street bearing 1.8 million signatures raising concerns.

Council is concerned that the potential changes in the funding of pharmacy services may have an adverse impact on the availability of local services, with an impact on GP workload and pressures on hospital services. This would have an adverse impact on the Wirral Plan and undermine the objectives of Healthy Wirral.

Council therefore requests that the Cabinet:

1. ensure that this Council and its partners work with health providers so as to ensure that there is no reduction in the provision of services to Wirral's residents;
2. ensure that the Health and Wellbeing Board is kept informed of the emerging arrangements so that the impact of any efficiency savings can be monitored and assessed.

Amendment

Proposed by Councillor Janette Williamson

Seconded by Councillor Moira McLaughlin

Add the following:

Council notes that there are potential changes to the funding of pharmacy services following on from the completion of the consultation currently underway by the Department of Health and is uncertain how this will impact on the objectives of Healthy Wirral. We therefore request that this matter be referred to the People Overview and Scrutiny Committee for further scrutiny to ensure better informed decision making.

APPENDIX 2 – METHODOLOGY FOR THE REVIEW

The Panel has employed the following methods to gather evidence:

5.1 Evidence Day

Sessions were held during an Evidence day with the following contributors:

NHS England

Tom Knight (Head of Primary Care – Direct Commissioning, NHS England – Cheshire and Merseyside) Pam Soo (Pharmacy lead, NHS England – Cheshire and Merseyside)

Wirral Clinical Commissioning Group

Iain Stewart (Head of Direct Commissioning, Wirral CCG)
Barbara Dunton (Commissioning Support Manager - Direct Commissioning, Wirral CCG)

Representatives of Cheshire & Wirral Local Pharmacy Committee

Melanie Carrol (Community Pharmacy Cheshire & Wirral Local Pharmacy Committee)
Ian Cubbin (A local pharmacy contractor in Seacombe, New Brighton and Heswall plus a Regional representative for the Pharmaceutical Services Negotiating Committee)
Stuart Dudley (A local pharmacy contractor in Eastham)

Wirral Pharmaceutical Needs Assessment

Bev Murray (Senior Manager, Public Health, Wirral Borough Council)

5.2 Written Evidence

The Review was also informed by written evidence including committee reports, Government documents and briefing papers from officers.

Appendix 3: Legend to the map 'Wirral Pharmacies by Constituency, October 2016'

Legend Number	Trading Name	Address	Address	Town	Postcode	Telephone No.	Type of contract - 40hrs, 100hrs, distance selling, retail & appliance
1	Asda Pharmacy	Asda Stores Ltd	22 Grange Road	Birkenhead	CH41 6EB	0151 5521110	100 hours
2	Asda Pharmacy	Asda Superstore	Seaview Road	Liscard,	CH45 4NZ	0151 6389491	40 hours
3	Asda Pharmacy	Woodchurch Road	Upton	Wirral	CH49 5PD	0151 5227710	100 hours
4	Asda Pharmacy	Welton Road	Croft Business Park	Bromborough	CH62 3QP	0151 3462510	100 hours
5	Birkenhead Pharmacy	31 Laird Street	Birkenhead	Wirral	CH41 8DB	0151 6537720	40 hours
6	Blackheath Pharmacy	113 Reeds Lane	Leasowe	Wirral	CH46 1QT	0151 6041600	40 hours
7	Boots Pharmacy	215 Grange Road	Birkenhead	Wirral	CH41 2PH	0151 6477255	40 hours
8	Boots Pharmacy	Bromborough Retail Park	Welton Road	Bromborough	CH62 3PN	0151 3430276	40 hours
9	Boots Pharmacy	Manor Health Centre	Liscard Village	Wallasey	CH45 4JG	0151 6385617	40 hours
10	Boots Pharmacy	118 Teehey Lane	Higher Bebington	Wirral	CH63 8QT	0151 6082523	40 hours
11	Boots Pharmacy	11-13 The Crescent	West Kirby	Wirral	CH48 4HL	0151 6258586	40 hours
12	Boots Pharmacy	206 Bedford Road	Rock Ferry	Birkenhead	CH42 2AT	0151 6454272	40 hours
13	Boots Pharmacy	395 Upton Road	Prenton	Birkenhead	CH43 9SE	0151 6775353	40 hours
14	Boots Pharmacy	3-5 The Precinct	Bromborough	Wirral	CH62 7AD	0151 3344406	40 hours
15	Boots Pharmacy	254 Hoylake Road		Moreton	CH46 6AF	0151 6775182	40 hours
16	Boots Pharmacy	148 Greasby Road	Greasby	Wirral	CH49 3NQ	0151 6775501	40 hours
17	Boots Pharmacy	23 Arrowe Park Road	Upton	Wirral	CH49 0UB	0151 6772241	40 hours
18	Boots Pharmacy	30 Hoylake Road	Bidston	Birkenhead	CH41 7BX	0151 6537871	40 hours
19	Boots Pharmacy	Commonfield Road Surgery	156 Commonfield Road	Wirral	CH49 7LP	0151 6775058	40 hours
20	Boots Pharmacy	509 Pensby Road	Thingwall	Wirral	CH61 7UQ	0151 6481351	40 hours
21	Boots Pharmacy	379 Woodchurch Road	Prenton	Birkenhead	CH42 8PE	0151 6082609	40 hours
22	Boots Pharmacy	218-220 Telegraph Road	Heswall	Wirral	CH60 0AL	0151 3422663	40 hours
23	Boots Pharmacy	8-10 Holmlands Drive	Prenton	Birkenhead	CH43 0TX	0151 6085093	40 hours
24	Boots Pharmacy	21 Church Road	Lower Bebington	Wirral	CH63 7PG	0151 6453925	40 hours

Legend Number	Trading Name	Address 1	Address 2	Town	Postcode	Telephone No.	Type of contract - 40hrs, 100hrs, distance selling, retail & appliance
25	Boots Pharmacy	36 Liscard Way	Wallasey	Wirral	CH44 5TP	0151 6382477	40 hours
26	Campbells Chemist	175 Poulton Road	Wallasey	Wirral	CH44 9DG	0151 6385730	40 hours
27	Carringtons Pharmacy	128 Rake Lane	Wallasey	Wirral	CH45 5DL	0151 6393531	40 hours
28	Claughton Pharmacy	161 Park Road North	Claughton	Birkenhead	CH41 0DD	0151 6537543	100 hours
29	Cohens Chemist	4 Broadway	Higher Bebington	Wirral	CH63 5NH	0151 6084480	40 hours
30	Dale Pharmacy	218 Bebington Road	Rock ferry	Wirral	CH42 4QF	0151 6441912	40 hours
31	Day Lewis Pharmacy	41 Fender Way	Beechwood	Birkenhead	CH43 7ZJ	0151 6772353	40 hours
32	Day Lewis Pharmacy	14-16 Cross Lane	Bebington	Cheshire	CH63 3AL	0151 3341040	40 hours
33	Dudleys Chemist	1194 New Chester Road	Eastham	Wirral	CH62 9AE	0151 3271586	40 hours
34	Egremont Pharmacy	9a King Street	Wallasey	Wirral	CH44 8AT	0151 6395016	40 hours
35	Haven Pharmacy	40 Balls Road	Birkenhead	Prenton	CH43 5RE	0151 6528282	40 hours
36	Heatherlands Pharmacy	396 New Hey Road	Upton	Wirral	CH49 9DA	0151 6785427	100 hours
37	Heswall Hills Pharmacy	119 Brimstage Road	Heswall	Wirral	CH60 1XF	0151 3424385	40 hours
38	Higher Bebington Pharmacy	The Medical Centre	Brackenwood Road	Bebington	CH63 2LR	0151 6082206	40 hours
39	Irby Pharmacy	39 Thingwall Road	Irby	Wirral	CH61 3UE	0151 6481498	40 hours
40	Jackson's Pharmacy	118 St Pauls Road	Wallasey	Wirral	CH44 7AW	0151 6384555	40 hours
41	Jamiesons Pharmacy	44 Whetstone Lane	Birkenhead	Wirral	CH41 2TF	0151 6474449	40 hours
42	Leasowe Pharmacy	Leasowe Primary Care Centre	Hudson Road	Leasowe,	CH46 2QQ	0151 6383810	40 hours
43	Lee's Pharmacy	98 Hoole Road	Woodchurch	Birkenhead	CH49 8EG	0151 6774932	40 hours
44	Lloyds Pharmacy	Victoria Park Health Centre	Bedford Avenue	Rock Ferry	CH42 4QJ	0151 6451201	40 hours
45	Lloyds Pharmacy	35 Grange Road	West Kirby	Wirral	CH48 4DZ	0151 6251034	40 hours
46	Lloyds Pharmacy	Upton-By-Pass	Upton	Wirral	CH49 6QG	0151 6041211	100 hours
47	Lloyds Pharmacy	Arrowe Park Hospital	Arrowe Park Road	Upton, Wirral	CH49 5PE	0151 6776449	40 hours
48	Manor Pharmacy	13 Station Approach	Meols	Wirral	CH47 8XA	0151 6320070	40 hours
49	McKeever's Chemist	Greasby Health Centre	424 Frankby Road	Greasby	CH49 3PH	0151 6783350	40 hours
50	Moreton Pharmacy	205-207 Hoylake Road	Moreton	Wirral	CH46 0SJ	0151 6772344	40 hours
51	Morrisons Pharmacy	Dee Lane	West Kirby	Wirral	CH48 0QA	0151 6258094	40 hours
52	Oakley Pharmacy	270 Telegraph Road	Heswall	Wirral	CH60 7SG	0151 3426892	40 hours

Legend Number	Trading Name	Address 1	Address 2	Town	Postcode	Telephone No.	Type of contract - 40hrs, 100hrs, distance selling, retail & appliance
53	Oakley Pharmacy	270 Telegraph Road	Heswall	Wirral	CH60 7SG	0151 750 2355	40 hours
54	Old Chester Pharmacy	296 Old Chester Road	Rock Ferry	Wirral	CH42 3XD	0151 6453055	40 hours
55	Pharmersey	Unit 6	Carr Lane Business Park	Hoylake	CH47 4AX	0151 632 2569	Distance Selling
56	Prenton Dell Pharmacy	Villa Medical Centre	Roman Road, Prenton	Wirral	CH43 3DB	0151 6083507	40 hours
57	Rowlands Pharmacy	20 Bebington Road	New Ferry	Wirral	CH62 5BQ	0151 6453295	40 hours
58	Rowlands Pharmacy	Greenway Road Surgery	62 Greenway Road	Birkenhead	CH42 7LX	0151 6525941	40 hours
59	Rowlands Pharmacy	62 Grove Road	Wallasey	Wirral	CH45 3HW	0151 6392352	40 hours
60	Rowlands Pharmacy	2a Chadwick Street	Moreton	Wirral	CH46 7TE	0151 6773814	40 hours
61	Rowlands Pharmacy	154 Allport Road	Bromborough	Wirral	CH62 6BB	0151 3342254	40 hours
62	Rowlands Pharmacy	Field Road Health Centre	Field Road	Wallasey	CH45 5BG	0151 6393729	40 hours
63	Rowlands Pharmacy	9 Princes Pavement	Birkenhead	Wirral	CH41 2XY	0151 6476858	40 hours
64	Rowlands Pharmacy	53 Christchurch Road	Oxton Village	Birkenhead	CH43 5SF	0151 6525678	40 hours
65	Rowlands Pharmacy	2 Upton Road	Claughton	Wirral	CH41 0DF	0151 6521902	40 hours
66	Rowlands Pharmacy	Riverside Health Centre	525 New Chester Road	Rock Ferry	CH42 2AG	0151 6453131	40 hours
67	Rowlands Pharmacy	Parkfield Medical Centre	Sefton Road	New Ferry	CH62 5HS	0151 6453985	40 hours
68	Rowlands Pharmacy	73 Market Street	Birkenhead	Wirral	CH41 6AN	0151 6478017	40 hours
69	Rowlands Pharmacy	Upton Group Practice	32 Ford Road, Upton	Wirral	CH49 0TF	0151 6775948	40 hours
70	Somerville Pharmacy	Somerville Medical Centre	71 Gorsey Lane	Wallasey	CH44 4SP	0151 6382772	40 hours
71	St Catherine's Pharmacy	St. Catherine's Hospital	Church Road, Tranmere	Birkenhead	CH42 0LQ	0151 6013132	100 hours
72	St Hilary's Pharmacy	St Hilary Brow Group MP	Broadway	Wallasey	CH45 3NA	0151 6383048	40 hours
73	Superdrug Pharmacy	203-205 Grange Road	Birkenhead	Wirral	CH41 2PF	0151 6477387	40 hours
74	Swettenham Chemist	18 Allport Lane	Bromborough	Wirral	CH62 7HP	0151 3342020	40 hours
75	Swettenhams Chemist	176 Bebington Road	Bebington	Wirral	CH63 7PD	0151 6451013	40 hours
76	Swettenhams Chemist	4 Tranmere Court	Tranmere	Birkenhead	CH42 5AB	0151 6478645	40 hours
77	Swettenhams Chemist	249 Old Chester Road	Birkenhead	Wirral	CH42 3TD	0151 6451851	40 hours
78	Temple Pharmacy	3 Lancelyn Court Precinct	Spital	Bebington	CH63 9JP	0151 3345486	40 hours
79	Tesco Pharmacy	Telegraph Road	Heswall	Wirral	CH60 7SL	0151 6760447	40 hours
80	Tesco Pharmacy	Bidston Moss Extra	Bidston Link Road	Birkenhead	CH43 7AA	0151 268 6447	100 hours

Legend Number	Trading Name	Address 1	Address 2	Town	Postcode	Telephone No.	Type of contract - 40hrs, 100hrs, distance selling, retail & appliance
81	Thingwall Pharmacy	The Warrens Medical Centre	Arrowe Park Rd	Thingwall	CH49 5PL	0151 6013101	100 hours
82	Townfield Pharmacy	Townfield Health Centre	Townfield Close	Birkenhead	CH43 9JW	0151 6537707	40 hours
83	Tree Tops Pharmacy	TreeTops Primary Care Centre	49 Bridle Rd, Bromborough	Wirral	CH62 6EE	0151 3274554	40 hours
84	Victoria Central Pharmacy	Victoria Central PCC	Mill Lane	Wallasey	CH44 5UF	0151 6390732	40 hours
85	Victoria Pharmacy	100 Victoria Road	New Brighton	Wallasey	CH45 2JF	0151 6394361	40 hours
86	Vittoria Pharmacy	134 St.Anne Street	Birkenhead	Wirral	CH41 3SJ	0151 6478679	40 hours
87	Wallasey Village Pharmacy	95 Wallasey Village	Wallasey	Wirral	CH45 3LE	0151 6382392	40 hours
88	Weinronk's Chemist	413 Pensby Road	Pensby	Wirral	CH61 9PF	0151 6481936	40 hours
89	Well Pharmacy	Pasture Road Health Centre	Pasture Road	Moreton	CH46 8SA	0151 6774100	40 hours
90	Well Pharmacy	309 Pensby Road	Pensby	Wirral	CH61 9ND	0151 6481606	40 hours
91	Well Pharmacy	40 Market Street	Hoylake	Wirral	CH47 2AF	0151 6324015	40 hours
92	Welsh's Pharmacy Ltd	90 Banks Road	West Kirby	Wirral	CH48 0RE	0151 6252544	40 hours
93	Wilson's Chemist	17 The Crescent	West Kirby	Wirral	CH48 4HW	0151 6256115	40 hours
94	Wyn Ellis & Son Pharmacy	32 Poulton Road	Wallasey	Wirral	CH44 9DQ	0151 6386609	40 hours

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COUNCILLOR TONY SMITH

**CABINET MEMBER FOR
CHILDREN AND FAMILY
SERVICES**

CABINET

Monday, 27 March 2017

MERSEY REGION ADOPTION AGENCY

Councillor Tony Smith, Cabinet Member - Children and Family Services, said:

“Finding the right, most appropriate and loving adoptive parents for a child is incredibly important. Wirral is lucky to have hundreds of foster carers and prospective adopters across the borough, all doing a fantastic job in supporting vulnerable children.

The proposals in this report help us go even further, and create a regional adoption agency – allowing access to a bigger pool of adopters, quicker and more efficient processes and, crucially, a much better chance of matching a child with the perfect adoptive family.”

REPORT SUMMARY

The purpose of this report is to provide Cabinet with background information to the national drive towards the regionalisation of adoption services across England and describe the progress of the proposal to develop a Regional Adoption Agency across the four Merseyside local authority areas of Wirral, Sefton, Liverpool and Knowsley in line with Government expectations.

CONCLUSION

It is the expectation of central government that there will be a RAA in Merseyside and across England by 2020. This report proposes a model for the Merseyside RAA and sets out the benefits this will bring to children, adopters and to the local authorities involved.

RECOMMENDATION/S

Members of the Cabinet are recommended to:

1. Approve the continued development of the proposed model for the Knowsley, Wirral, Sefton and Liverpool Regional Adoption Agency (RAA) including the recommendation that local authority staff members are to be seconded into the RAA.
2. Note the intention for the new model to move into shadow arrangements during the second quarter of 2017, with the new model becoming operative in January 2018.
3. Approve the proposal to use the name AIM (Adoption in Merseyside) as the brand name for the RAA going forward
4. Receive a further report containing a detailed business case including financial, human resources and the results of formal consultation with staff and unions, governance and customer implications for final approval before the Regional Adoption Agency is implemented.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 Government expect there will be regional adoption agencies progressing across the country in 2017, with authorities unable to establish a RAA, being directed to join an existing collaboration. This report shows the proposed benefits and positive outcomes for Wirral and the other local authorities, children and adopters in the creation of a regional adoption agency. The Merseyside RAA is progressing in line with other neighbouring RAA's for example, Warrington, Wigan, St Helen's and Cheshire West & Chester Council's coming together as WWISH. The report also details both the vision for the service and the progress to date of the Merseyside RAA.

There are still some decisions for the development of the Merseyside RAA which require agreement across all four local authority areas which will be prioritised at the strategic board. At this point it is envisaged that the new model will move into shadow arrangements during the second quarter of 2017, with the new model becoming fully operational in January 2018.

1.2 The key aim of a RAA is to:

- Match children who have adoption as their plan with an adoptive family which meets their needs in a timely manner.
- Ensure all those affected by adoption receive the information, support and advice they need to understand the adoption journey.
- Ensure families are well prepared, enabled and supported to care for children with plans for adoption.

The Merseyside RAA will focus on improving the child's journey through the adoption process and look to deliver high standards of practice across all four local authority areas, leading to better outcomes for the children and adopters. Wirral's children and adoptive families will benefit from having a focused service which does not have to manage the competing needs of other services to children and families within the local authority. These aims will be achieved through:

- The development of early placement finding processes which enable consistent planning and identification of children across the four local authorities, which currently can only be done on an individual local authority basis.
- The recruitment of sufficient numbers of well prepared and resilient potential adopters by offering improved support and training through sharing and pooling resources.
- The further development and increased use of early permanence options such as concurrency and Fostering to Adopt. This is a particular area which will be supported by Wirral being part of the RAA.
- The development of a regional approach to the commissioning of the right levels and type of support for adopters and children from the beginning to build a thriving family environment.

- The development of a national infrastructure for recruitment and matching which will complement the working practices of the RAA.
- An increase in the potential for efficiencies and increased focus on the needs of children by sharing business processes, optimising the use of existing staffing resource and minimising the duplication of tasks.
- The development of a powerful regional voice for adopters and children to enable their full engagement in the coproduction of emerging and improved services within the RAA.
- The RAA will hold a weekly Adoption Panel enabling more timely decision making regarding the suitability of potential adopters and the matching of children. Wirral's adoption panel currently meets every three weeks due to the demand, but can result in a delay in matching for some children.

1.3 Key objectives:

- To be an effective, innovative and high performing service.
- To be efficient in management and operational structures.
- To commission strategically to support the work of the RAA.

2.0 OTHER OPTIONS CONSIDERED

2.1 The option of joining this Regional Adoption Agency rather than other authorities in Merseyside was due to the ability to build on existing shared services and staff relationships. There was also consideration of the geographical area to enable a large enough adoption footprint, without the distance travelled being too far for adopters and staff to access services and support.

3.0 BACKGROUND INFORMATION

3.1 In June 2015 the Department for Education (DfE) published a white paper which stated local authorities should be working towards the creation of Regional Agencies by 2020 (Regionalising Adoption - June 2015). The paper outlined an expectation that local authorities would begin to form firm proposals, alongside their voluntary partners, to shape and effectively align their Regional Adoption Agency (RAA). Their continuing commitment to this approach was demonstrated by the Education and Adoption Act 2016 which has also given power to the government to direct a local authority to enter into a RAA if it has not done so by 2017.

3.2 The Government vision behind the regionalisation of adoption services is to accelerate the pace of change to ensure those children, for whom adoption is the right path, are given the best chance of finding a loving family as quickly as possible. The DfE is providing start-up project funding to support local authorities to take forward their proposals.

- 3.3 The White Paper also described a number of areas of weakness where it felt that regionalisation of adoption services would improve outcomes for children and adopters.
- 3.4 The paper described a fragmented and confusing adoption landscape with around 180 agencies (local authority and voluntary agencies) recruiting and matching adopters for 5000 children per year. In the first three quarters of 2014-15, 20 local authorities/groups of local authorities recruited fewer than ten adopters and 58 recruited fewer than 20. Similarly, six voluntary adoption agencies recruited fewer than ten adopters and ten recruited fewer than 20.
- 3.5 Regionalising adoption services will reduce duplication of effort across neighbouring local authority areas and focus staffing and resources across a wider footprint leading to a more effective and efficient service where costs can be reviewed and potential efficiencies achieved. A system which is fragmented also reduces the scope for strategic planning across the wider permanence agenda, regional commissioning of adoption support services as well as specialisation, innovation and investment according to need.
- 3.6 Large numbers of small agencies working in isolation from each other render the system less able to make the most effective use of the national supply of actual and potential adopters and more vulnerable to peaks and troughs in the flow of children and to utilise the staffing levels effectively.
- 3.7 The national average of time taken between placement order and match in 2014-15 was eight months. This is longer than the national target and in an increase from seven months in 2013-14.
- 3.8 The national data also shows the system could be improved. Statistics show in September 2014, there were 3,470 children with a placement order waiting to be matched. 54% of these children had been waiting longer than 18 months. The above data shows the system is still not working well enough for these vulnerable children.
- 3.9 Sequential decision making and delays in matching are not only damaging to Children but also costly, requiring longer periods of support. It is vital children are given the best and earliest possible chance of finding a family, irrespective of authority boundaries. We know successful matching relies on being able to access a wide range of potential adopters from the beginning. Operating at a greater scale would allow social workers to do this thus reducing delay in the system.
- 3.10 There is also opportunity for practice innovation created by moving to a new regional up scaled delivery model which has real potential to improve matching and design best practice into the new agency.
- 3.11 Nationally, there are too few adopters willing and able to adopt harder to place children, including sibling groups, children with disabilities or additional needs, as well as older children.

Local authorities continue to recruit and assess adopters for children in their local authority in line with their statutory duties.

However, despite the rigorous selection processes, authorities are left with adopters who, for whatever reason, cannot be matched with many of the children waiting. Recruitment from a wider geographical base than an individual local authority that uses specialist techniques for recruiting adopters for hard to place children, would potentially lead to fewer children waiting.

- 3.12 In May 2015, the Adoption Support Fund was introduced to make therapeutic support easily accessible, timely and of high quality for families when they need it the most. Case studies and the recent report commissioned by central government written since the national rollout have shown the benefit of the fund both for families who have been in crisis but also families who have needed a bit of extra support at an earlier stage of their adoption journey. In 2016-17 it is likely that the service will draw down grant of £100,000 to support potential adoptive families
- 3.13 Currently adoption support services are largely commissioned and provided on a spot purchase basis and provided by a mix of in house local authority provision, the NHS and independent providers (voluntary adoption agencies, adoption support agencies, and small private providers). The latest letter from central government (January 2017) has identified a risk that the current financial envelope of the fund is insufficient to keep up with the growing demand year on year. It has therefore introduced a financial cap for individual cases and asked local authorities to consider match funding in the most complex of cases. It is also evident that the public and independent sectors are not able to grow sufficiently to meet increased demand for adoption support and provide parental choice between a range of providers. There are regional gaps in both the types and quality of services on offer and little evidence of spare capacity in the system.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The DfE have not been prescriptive about how the ongoing funding of the RAA's should be determined, other than that they need to be affordable and sustainable. It is intended that in Year One the Merseyside RAA will be cost neutral in terms of staffing and that in Years two and three the agency will look for areas where efficiencies can be created due to streamlining and innovation of services and reduction of duplication of effort across the four LA areas. These details and the future funding model however are yet to be agreed.
- 4.2 The Finance work stream, which Liverpool City Council is taking the lead, is reviewing the current staffing and admin structures and the resources which will be available to support the first year of the Merseyside RAA. In 2016-17 Wirral's Adoption Service has a budget for staffing of £614,400 (15 FTE) and other overheads / support costs of £265,800.
- 4.3 The strategic board is also is considering what additional short term, financial resources can be made available to support the transfer of staff into another building and to fund additional corporate and infrastructure costs for the agency as it moves into a regional service.
- 4.4 The RAA work is supported by a DfE grant of £500,000 to ensure the project is delivered within agreed timescales.

4.5 The Board have agreed that adoption allowances will be retained within the budgets of the local authority areas. Wirral currently pays adoption allowances in respect of 187 children with an indicative cost of £1.4million per annum.

5.0 LEGAL

5.1 The governance framework of the programme has been agreed by the RAA strategic board. The board is the overarching group where all key decisions are agreed and issues, risks, updates from work streams and possible delays are discussed. The board consists of senior representatives from all relevant local authority areas, Voluntary agencies and the DfE. There is also an Operational Programme board consisting of key operational staff.

5.2 Eight separate work streams have been identified and a work stream lead has been nominated for each group. The work streams have a representative from each local authority area and meet monthly. The work streams and their local authority lead are as follows:

Information Technology-Knowsley
Human Resources-Wirral
Commissioning and Performance-Knowsley
Finance-Liverpool
Estates-Liverpool
Communications-Liverpool
Legal-Liverpool
Operational Delivery-Knowsley
Learning and Development-Sefton

The outcome of this work is a proposal that the RAA is hosted by Liverpool City Council and that the governance, commissioning and performance management of the RAA is by Knowsley Council.

There has been full engagement at a senior officer level from each of the four local authorities during the development stage and from the commissioned voluntary adoption agencies. There is a consensus view that the above model is the best fit for the Merseyside RAA and this view is supported by the DfE.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 Staff from each local authority area adoption service will be seconded into the Merseyside RAA. Each local authority has reviewed their team structure and indicated which staff members may transfer to the RAA. All staff will second into the RAA on their current terms and conditions and will continue to be paid by their home authority. All front line staff members have attended a number of stakeholder events and have had the opportunity to air their concerns and questions with their own senior managers, RAA managers and their union representative. Formal consultation by the HR work stream representatives will begin with staff in April 2017. The HR work stream is also working on the secondment agreement.

6.2 The operational development work stream has produced a draft staffing structure of the Merseyside RAA which has been shared with all staff and senior managers within

the local authority areas. In the first year of the Merseyside RAA the staffing structure reflects the current staffing levels and roles that currently exist within the four local authority teams. It is expected, however, that in the first year of the Merseyside RAA there will be further consultation with staff and partners to look at reviewing the model of service based on an increased understanding of activity and need as a regional service which will be evaluated regularly by the Head of Service for the RAA who will be appointed in consultation with all four authorities, and the Strategic Board which will include Wirral's Deputy Director of Children's Social Care.

- 6.3 Agreement has been made as to the scope of the functions that will be delivered by the regional service. The service will be delivered as a Hub and Spoke model with a regional hub based in, New Hutte, Halewood. New Hutte is a community interest company, with a children's centre on site. It has been chosen as it meets the desired criteria as set by the strategic board. It is proposed that the "spokes" will exist to provide a flexible continued local presence in each of the four local authority areas to enable staff for example, to continue to work effectively with the other social work staff focused on work with the child.

Currently prospective adopters from Wirral either attend 3 day pre-approval training within Wirral or travel from Wirral to Sefton. It is proposed that going forward this training will be held centrally at the Hub in Halewood for all applicants' from each of the four local authorities and expenses will be paid as appropriate. It is not envisaged that this will disadvantage or deter applicants from Wirral, although this will be monitored through the strategic board.

- 6.4 The main functions that will be delivered by staff in the Merseyside RAA from the Hub base will be:

- Recruitment of adopters and central access point
- Marketing
- Adoption panel and administration of the panel. This will mean a reduction of current costs for room hire for Wirral Council
- Training and development of staff, Wirral staff will also be able to access training provided locally through the Council
- Pre and Post approval training (adopters), Wirral already share this training with Sefton Council and find this beneficial, also a reduction in room hire costs
- Management and supervision of staff
- Collection of data and management of performance, whilst feeding back to each of the individual authorities
- Tracking, linking and matching of children
- Adoption support (arranged centrally but delivered locally)
- Special Guardian support for Liverpool and Wirral (not financial support)

Activity continuing in the local authority areas:

- Continued relationships with social care teams
- Adoption support delivery
- Links with Voluntary Adoption Agencies (VAA) commissioned services
- Early identification and tracking
- Selection/ matching

- Family finding activity

Inter country Adoptions will continue to be a commissioned specialist service and step parent adoptions will remain within the local authority.

An Interim Merseyside RAA Head of Service was recruited in September 2016 and is currently working alongside the current Merseyside RAA Programme Manager and Project Support assistant.

7.0 POTENTIAL NAME FOR THE MERSEY REGIONAL ADOPTION AGENCY

- 7.1 Across the country regional adoption agencies are starting to name themselves to give them a sense of regional and organisational identity. Names have been kept simple and all include adoption as part of their name. At a staff stakeholder event in January 2017 a suggestion was made to senior managers that the new entity should be called AIM - Adoption in Merseyside. This suggestion was taken to the strategic board in February and is now being recommended to Members.

8.0 I.T ISSUES

- 8.1 There are a number of key issues that the IT work stream for the Programme is managing and which are ongoing. They are:

- Ensuring that the hub base is sufficiently networked and enabled to meet the demands of the Merseyside RAA.
- Ensuring that staff have access to new IT equipment that allows them to work agilely from a variety of settings and to ensure they have secure access to the network from sites outside of local authority buildings.
- To work with Liquid Logic to develop an integrated IT system that allows the RAA to be able to track and manage the regional adoption processes as well as ensure that they retain sufficient access to the systems they require in their local authority areas.
- To ensure that staff have sufficient training and support in the new IT system and equipment to enable them to work effectively once they move into the Merseyside RAA

9.0 PHYSICAL ASSETS

- 9.1 Each local authority team currently houses its own adoption team. The Estates work stream has identified the following criteria to support the selection of the hub site.

- A location that is accessible by car and public transport for staff, adopters and partners that takes into account the need for some staff who may be travelling a further distance than their own LA base.
- Space to house 35+ staff plus on a hot desking basis.
- Meeting room space and room to hold training and events for adopters.
- A customer facing area/ reception and a building that is able to be opened outside of usual working hours.
- Access to some parking on site.
- A building that houses other services/ partners that will complement and enhance the work of the Merseyside RAA.

9.2 A number of site options were under consideration and a decision on the site has been reached by the Strategic Board. Negotiations with the landlord of the building are underway to agree terms and final costs around accommodation.

10.0 RELEVANT RISKS

10.1 There are still some key decisions for the Merseyside RAA that are still be made across the four local authority councils. Most notably, finalisation of what financial and Human Resources will be going into the agency in Year 1. A central risk log has been developed for the programme and will be updated regularly and reported upon at the strategic board. The DfE are providing national seminars to support RAA's to work through the complexities of bringing together adoption teams and managing the transition from local to regional working.

10.2 The bringing together four separate adoption services into a single entity is complex and not without risk.

Much progress has been made but there are still some key decisions for the respective councils and the Merseyside RAA to make. They are:

- To agree terms and costs for the hub base.
- The finalisation of what financial and Human Resources will be put into the agency by each local authority area in Year 1.
- The nature of the secondment arrangements.
- The appointment of a permanent Head of Service.

10.3 To ensure that these risks are managed a central risk log has been developed for the board. The DfE are also providing national seminars and a Consultant acting as a coach to support RAA's to work through the complexities of bringing together adoption teams and managing the transition from local to regional working.

The Commissioning and Performance work stream will be focusing on developing a detailed service specification for the Merseyside RAA and a performance framework which will be crucial to be able to evaluate and hold to account the developing RAA in its first year and beyond.

11.0 ENGAGEMENT / CONSULTATION

11.1 The proposal for the Merseyside RAA was approved by the DfE in 2016. Planning meetings began with the creation of a Strategic Board for the project chaired by the Executive Director of Children's services for Knowsley Council and also included senior representatives from the four local authority areas and the commissioned Adoption voluntary agencies. Agreement was made at an early stage that Liverpool City Council should act as the host authority for the Merseyside RAA.

11.2 The board also agreed that consultants should be engaged to complete a scoping exercise of adoption services and performance, mapping of existing provision and carry out engagement activity across adopters and front line staff.

11.3 Price Waterhouse Cooper were engaged in September 2016 and completed a lengthy report in November which was presented to the board on the 10th November 2016 with

its baseline assessment of current services and activity and recommendations for a future operating model. The report has since been shared with all key stakeholders connected with the Merseyside Regional Adoption Agency. There has been significant progress since the report was produced, which now renders it to be out-dated and superseded by other considerations.

11.4 The operating model that Price Waterhouse Cooper had proposed, would have resulted in an increase in management structure and a decrease in frontline social work staff and did not reflect existing staffing structures within each local authority. This proposed operating model has been discounted by the strategic board and through consultation with the DfE Mentor, in favour for a model closer to existing staffing structures.

11.5 Trade unions are being consulted within the four authorities.

12.0 EQUALITY IMPLICATIONS

12.1 The proposed model will provide greater opportunities for children with diverse needs to be matched with adopters more promptly due there being access to wider resources.

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APPENDICES

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date



COUNCILLOR CHRIS JONES

**CABINET MEMBER FOR
ADULT SOCIAL CARE**

CABINET

27 MARCH 2017

**INTEGRATION OF HEALTH AND CARE
TRANSFORMATION PROGRAMME**

Councillor Christine Jones said:

“The people of Wirral told us that they want improved and more fully integrated services in relation to health and care.

They want to tell their story once; they want one number to call and to receive a properly coordinated response to their care and support needs.

To this end we are bringing together community nurses, community matrons, social workers and therapists in 4 areas clustered around GP practices to work as one service to support people in their local communities.

The aim is to deliver the right care, in the right place, at the right time, in order to ensure that our residents are able to be as independent as possible but get access to important health and care services when they need them.”

REPORT SUMMARY

This report follows the earlier Cabinet report of 16 January 2017; it covers two elements of health and care integration. The two elements are; the direct delivery of social care statutory assessment and support functions, secondly the planning, funding and commissioning arrangements for health and care.

Cabinet approval is sought for the commissioning of specific delegated functions through the formation of an integrated health and social care assessment and support planning service for older people and adults. In addition, in relation to commissioning, permission is sought for progressing the development of a single

commissioning organisation with the CCG. It is also sought for the commission of a due diligence exercise to fully understand the potential benefits and risks of pooling resources with the NHS.

Social care services play an important role in enabling vulnerable people to maintain independence and keep well in Wirral. The cost of adult social care is, however, significant and it does not operate in isolation. The inter-dependency between health and care systems has become increasingly clear over recent years. Nationally, Councils are faced with increasing demand on social care services which presents as a challenge to meet within the available resources. Local Authorities and NHS providers are increasingly working to integrate social care and health services locally to provide both sustainability and a better experience for people who use those services.

This key proposal is to integrate the statutory frontline assessment and support planning processes in order to contribute to meeting the challenges of growth and demand, and provide an improved service for local residents. The integrated front line service will deliver the assessment and support planning function for older people and adults on behalf of the Council under a contractual arrangement. The proposal is that this service will be provided by the NHS Wirral Community Foundation Trust (WCFT) who provide community health services in Wirral. This will involve the transfer of social care staff to the NHS in order to provide joined up seamless health and social care delivery services for older people and adults. A separate proposal for an all age disability, and all age mental health integrated service is planned for 2018.

In addition, the further proposal is to create an integrated commissioner for health and care on Wirral. This will enable services to be commissioned through a single organisation fulfilling the statutory health and care functions of the Council and the Clinical Commissioning Group (CCG). It will also enable strategic outcomes to be effectively delivered through a single planning framework and structure. This single commissioner initiative will enable the health and care system to use Wirral's resources together to jointly create a sustainable health and care system. Commissioning will provide system leadership and a focus on outcomes for people alongside the accountable care delivery arrangements that are emerging for Wirral.

This report sets out key aspects of the integration programme which is focussed on improving outcomes for residents with the aim of delivering the right care in the right place at the right time.

Key Strategic Outcomes to be delivered through this initiative are as follows:

Wirral Plan Pledge 1: Older People Live well

The integrated teams will provide timely local responses and personalised care, supporting people to live as independently as possible, avoiding unnecessary admissions to hospital or to care homes.

Services will be commissioned across health and care to get the best outcomes for people within available resources.

Wirral Plan Pledge 6: People with disabilities live independently.

The majority of people with disabilities will be supported by the Integrated Care Coordination Teams, with a later project to develop an Integrated All Age Disability and All Age mental Health Service.

Wirral Plan Pledge 16: Wirral Residents live healthier lives.

Services will be commissioned on a whole system basis ensuring that there is a clear link between the 2020 partnership pledges and the Healthy Wirral Programme. The Integrated Care Coordination Teams will continue to develop pathways and working arrangements in line with the key strategic objectives of the above programmes.

This report contains **exempt** information at Appendices 1, 3, 5 & 7 as defined in Schedule 12A of the Local Government Act 1972. It is in the public interest to exclude the press and public under **Paragraph 3** *'Information relating to the financial or business affairs of any particular person (including the authority holding the information)*. The information contained in the appendices is commercially sensitive.

RECOMMENDATION/S

Integrated Care Teams

- It is recommended that Cabinet approve the delegation of relevant assessment and support planning functions to WCFT under contract.
- It is recommended that Cabinet approve the full transfer of the relevant staff to the employment of WCFT, under TUPE arrangements with a transfer date of 1st June 2017.
- It is recommended that Cabinet approve the associated s75 agreement, and contract value.
- It is recommended that Cabinet approve the arrangements for pensions.
- It is recommended that Cabinet approve the arrangements for corporate and back office support as detailed within the contract and specification.
- It is recommended that the Cabinet Member for Adult Social Care, supported as necessary by the Director of Health and Care, the Head of Legal Services and the Head of Financial Services, is authorised to agree any final outstanding contractual matters.

Single Integrated Commissioner for Wirral.

- It is recommended that Cabinet support the further development of a single integrated health and care commissioning organisation for Wirral to undertake statutory health and care commissioning functions of the CCG and the Local Authority.
- It is recommended that a due diligence exercise is undertaken to explore in more detail the relative benefits and risks of fully pooling LA social care and CCG healthcare funding.
- A further report in relation to pooled funds (post due diligence) will be brought back to cabinet in September.

SUPPORTING INFORMATION

REASON/S FOR RECOMMENDATION/S

The integration of Health and Care commissioning and service provision aims to ensure that the Council and NHS partners use resources in an effective and sustainable manner to meet the needs of Wirral's residents through using resources well across the whole system. The following key features of integration are essential to success;

- Pooling resources, intelligence and planning capacity;
- Delivering the Right Care in the Right Place at the Right Time;
- Managing demand and reducing the cost of care;
- Clear accountability and governance arrangements;
- Resilience and flexibility to emerging issues in service delivery.

1 OTHER OPTIONS CONSIDERED

- 1.1 Commission the market to deliver the service/outcome through an alternative outsourcing commercial model. This option was excluded as the market is underdeveloped and there is no evidence that this would be cost effective. It would not build on synergies that exist between commissioners and between nurses and social workers.
- 1.2 Continue to provide in-house by continuing to directly provide Social Work Delivery and for commissioners to continue to work separately on health and care commissioning activity. This option was excluded as it would not provide the outcomes of integrated planning and delivery of services to a single set of outcomes, nor would it improve the ability to manage future demand. This option is also considered to be less sustainable.

2 BACKGROUND INFORMATION

- 2.1 In March 2016, Cabinet approved the establishment of a Transformation Programme to enable the Council to become much more commercially focussed, harnessing the spirit and practices of commerce to secure outcomes for residents. It was agreed that the Programme would be managed through comprehensive methodologies ensuring all transformation activities support the delivery of the 20 pledges.
- 2.2 Prior to the establishment of the overarching Programme, Cabinet had provided approval for the formation of a formal Management Agreement between the CCG and the Council, setting out how the Council would fulfil its adult social care statutory duties through working across both organisations to drive more effective commissioning outcomes. Recognising there would be a need for further discussion on corporate support services, Cabinet approved the move towards the development of integrated teams.
- 2.3 An Outline Business Case (OBC, appendix 1) for Integrated Care Coordination Teams was scrutinised by the People Overview and Scrutiny

Committee (appendix 2). It was envisaged that such a model would enable social workers and nurses to work together on behalf of the people of Wirral much more effectively delivering the 'right care in the right place at the right time'. The OBC appraised alternative delivery models and demonstrated that this option would achieve the outcomes required as it would transfer social care staff to the organisation that is commissioned to provide community nursing and therapy. An OBC for Integrated Commissioning appraised the options for commissioning budgets and proposes an integrated commissioning hub with a pooling of health and social care budgets. The hub will be created to deliver Healthy Wirral objectives, however the full pooling of CCG and care budgets will now be subject to a due diligence exercise due to significantly increased pressures across the system.

- 2.4 An Integrated Programme Board and the Transformation Office have overseen the detailed work plan towards an integrated service alternative delivery model.
- 2.5 Staff engagement has been held throughout the programme.
- 2.6 In January 2017 Cabinet approved the progression of plans for an integrated service including the commencement of staff consultation.
- 2.7 A Full Business Case (FBC, appendix 3) was provided to the Transformation Portfolio Board in March 2017 and is appended to this document.

3 DESIRED OUTCOMES AND BENEFITS OF INTEGRATED HEALTH AND SOCIAL CARE TEAMS

- 3.1 Delivering the Right Care in the Right Place at the Right Time: Services can be developed more effectively to meet the needs of local residents. With social care and health staff working within one organisation it is possible to streamline assessment processes, reduce duplication of multiple professional involvements, and develop a single point of access and single social care and health support planning. This first tranche of fully integrated provision covers non specialist aspects of social care provision delivered within community teams primarily for older vulnerable people.
- 3.2 Managing demand and reducing the cost of care: An integrated delivery service can ensure that both social care and health staff work to common outcomes and the use of preventative and independence building approaches can be maximised by professionals across the health and care system. Increased use of technological solutions and effective use of risk stratification tools will enable early identification of people who are likely to develop needs for health and care services, and will enable the promotion of self-management and independence with the effect of delaying the need for health and care services.
- 3.3 Clear accountability and governance arrangements: A Partnership Governance Board approach to governance and quality standards would hold the integrated delivery service to account for working in a consistent way

across the health and care sector and working within the principles of independence, personalisation and self-management. Such an approach will ensure statutory compliance and quality standards in delivery (Appendix 4). The Partnership Governance Board will be chaired by the Cabinet member for adult social care. The board will be accountable to the Health and Wellbeing Board, and will be a requirement under the section 75 agreement (appendix 5) and specification. A contract management arrangement will ensure accountability and monitor performance against key expected outcomes of the contract.

- 3.4 Resilience and flexibility to emerging issues in service delivery: A fully integrated service will be able to adapt and react more effectively to emerging local needs. A single social care and health delivery provider will have the scale and ability to focus its staff resources more effectively where most needed.

4. CONSULTATION AND ENGAGEMENT

- 4.1 Local people and staff have been consulted widely as part of the various work streams through the “Healthy Wirral” programme and work over recent years with AQUA as part of an integrated health and care community approach. The service design reflects the views of residents who expect to receive timely and joined up services that do not differentiate unnecessarily between health and care provision.
- 4.2 Formal staff consultation with staff who are in scope for transfer to the WCFT is almost complete, staff are very positive about the changes.

- 4.3 Engagement with Trade Unions has been held throughout the programme.

5. COMMISSIONING INTEGRATION KEY FEATURES AND BENEFITS

- 5.1 Bringing together all of the commissioning resources across health and care will ensure the coordination and delivery of 2020 Health and Care outcomes for the people of Wirral that need support. These will be delivered through the Healthy Wirral programme which is a single joined up commissioning plan. We can develop more timely joined up services that can respond more effectively to changing demand through using resources from right across the health and care economy of circa £850M.
- 5.2 Creating a single integrated commissioning organisation offers the opportunity to deliver a single comprehensive commissioning plan, and to make commissioning decisions that are in the interests of the whole system. It should be noted, however, that the resource overall is currently under significant pressure which could increase potential financial risk. This does merit further exploration.
- 5.3 The Council aims to achieve the following from the integrated commissioning service;
- A focus on better health outcomes for the people of Wirral

- A greater ability to manage demand and secure efficiencies in service delivery;
 - Undertake Care Market shaping and oversight;
 - Commission a range of provision of high quality, appropriate services offering choice and control to residents;
 - Ensure continuity of care and prevent market failure;
 - Deliver integrated health and care to benefit people that require support;
 - Provide information to the public for making good decisions regarding care;
 - Promote local access and ownership and drive partnership working;
 - Promote social inclusion and wellbeing;
 - Deliver an integrated whole systems approach to supporting communities.
- 5.4 The aim is to provide a single commissioning organisation and governance structure to ensure that Health and Care services are effectively joined up into a single system that is sustainable, through using resources to best effect and to deliver improved outcomes for the people of Wirral.
- 5.5 In the first instance our commissioning and quality assurance staff will be aligned to a single set of Healthy Wirral outcomes. At a later stage the Local Authority adult social care budget and NHS Wirral Clinical Commissioning Group would pool all available resources, building on the existing Better Care Fund model, to use the collective resources efficiently and to maximum effect. The proposal is that pooled budgets will be apportioned so that integrated delivery providers have a fixed allocated care budget available for them to draw down against to meet the needs of local people who need services. Close monitoring of draw down against the pooled budget will ensure that commissioners have control and can work with providers to mitigate pressures where they arise.
- 5.6 In governance terms it is anticipated that a commissioning board led by the cabinet member for adult social care and the Chair of Wirral CCG will make formally delegated health and care commissioning decisions on behalf of the Local Authority and CCG under a section 75 agreement. The commissioning board will be directly accountable to the Health and Wellbeing Board, Cabinet and CCG Board. In the interim these arrangements will be developed in shadow form to be followed by a further more detailed proposal in relation to statutory governance arrangements. This will be brought back to cabinet in summer 2017.
- 5.7 The system is seeing significantly increased demand in 2017. Social care is facing an overspend of £3.5M with the CCG expecting an overspend of £12M. The potential shift to pooled resources will enable a more effective joined up system, but the potential risks may not be fully understood either by the Council or the CCG. To this end it is recommended that a Due Diligence exercise is undertaken over the next three months in order to explore the potential benefits and risks of the suggested model in more detail. This will be brought back with a full report in summer 2017

5.8 Agreements have been reached in relation to key commissioning priorities; these are reflected through the “Healthy Wirral” plan that shows health and care priorities under the Wirral 2020 Plan. Commissioning roles and organisational shape is being developed within current organisational frameworks at present with recognition that a move to a single organisation will create the opportunity for further change.

6 INTEGRATED CARE TEAMS KEY FEATURES AND BENEFITS

6.1 The integration of Health and Care services will see the transfer of the key assessment and support planning functions for older people and adults of adult social care to WCFT. This will formally enable social workers and nurses to work together on behalf of the people of Wirral much more effectively in a single organisational model delivering the following improvements for the public:

- Single point of access into multi-disciplinary teams shaped around the person, drawn from health and social care, and other areas when needed;
- Single referral, screening, assessment and care planning processes;
- Shared systems that will support information sharing good personalised planning and documentation ensuring that people are supported effectively;
- Single vision to provide the best quality of support and care to people at a time and place of their choosing using Council and NHS resources effectively;
- Clear set of standards and working practices based on responsive personalised support aiming to enable people to be as independent as possible;
- Increased use of assistive technology, risk stratification and reablement approaches;
- Responsive services based on clear timescales, management of workloads and access to health and care resources;
- More joined up packages of care;
- Adult Social Care statutory duties remain with the Council and a Partnership Governance Board and a contract management arrangement will ensure compliance with statutory requirements;
- Financial assessment for care charges, income collection and debt recovery functions remain within the Council. The Partnership Governance Board will monitor compliance with procedures undertaken by integrated service providers;
- WCFT is the sole NHS partner and provider in the administrative boundaries able to deliver on the integration for the client group because it is commissioned to provide community health services.

6.2 The integration project has been designed to ensure that the new delivery model ensures that people receive the Right Care in the Right Place at the Right Time. It aims to reduce the growth burden to the Council’s net revenue funding based on more joined up working, managing demand and reducing the cost of care. The Council will retain robust accountability and governance arrangements through a formal contractual relationship with WCFT.

Performance will be closely monitored to ensure contract compliance and delivery of outcomes.

7 DUE DILIGENCE (INTEGRATED DELIVERY TEAMS)

7.1 A due diligence exercise has been undertaken by an external company, KPMG. The exercise focused on:

- Model of delivery/workforce;
- Finance and Contracting;
- Legal/statutory compliance;
- Corporate Support Services commonly referred to as Back Office Function.

8 CONTRACTUAL ARRANGEMENTS

8.1 Council and WCFT officers have worked in partnership to develop the proposed operating model (Appendix 6), delivered by an integrated staff group.

8.2 The Council propose to enter into a S75 agreement to deliver the Council's statutory adult social care duties as a fully integrated service. The s75 agreement addresses a) staff transfer and b) the supply of the services. The staff resource required to provide the service is addressed by a payment from the Council to WCFT equivalent to the cost of the front line staff that are being transferred. In addition the Council is allocating funding for mid office support functions that WCFT will require to provide the service.

8.3 A Specification (Appendix 7) details the contractual responsibilities, quality standards and service outcomes.

8.4 Arrangements for draw down of support services and support package costs by WCFT to meet assessed social care needs, against the allocated care budget are contained in the S75 agreement. The Council will remain the budget holder.

8.5 Appendix 5 contains a summary of the draft S75

8.6 Regular contract monitoring will be undertaken by commissioners, with oversight of performance, service delivery, quality and cost. Quarterly contract review meetings will be held to review the service delivery as against the contractual requirements and to review service and budget costs.

9. FINANCIAL IMPLICATIONS

9.1 The estimated annual value of the contract with WCFT is £9.3m pa (including support costs). The contract will result in the transfer of approximately 210 Full Time Equivalent (FTE) staff.

Description	£'000	FTE
Transfer of Staff – Front Line Service Delivery	7,019	177
Transfer of Staff – Support	1,121	33
Support Costs (buyback)	1,108	-
IT Implementation (1 year only)	31	-
Total	9,279	210

9.2 In 2017-18 with a contract start date of 1st June the contract value is estimated to be £7,733,000.

9.3 The transfer of staff and integrated service for Older People does not achieve any additional budget savings directly. Some reductions have already been applied to this area - £500k in 2016-17. In addition there is an outstanding balance of savings of £700k which is anticipated in 2017-18

9.4 The main financial benefit is that the transfer-anticipates the integrated service will contribute towards managing demand/reducing costs in the Council's Community Care budget. The proportionate reductions to overall pressures previously identified, over a 5 year period are estimated to be £11.5m. The savings required are made up of demographic growth of £4.3m, inflation (at 2%) £4.8m and existing pressures of £2.4m as shown below

Table 2 Demand Pressures

Pressures	17/18	18/19	19/20	20/21	21/22	Total
	£'000					
Existing Demand	2,400	-	-	-	-	2,400
Demographic Growth	789	819	849	881	915	4,253
Inflation	891	925	960	996	1,033	4,805
Total	4,080	1,744	1,809	1,877	1,948	11,458

9.5 These are challenging targets that all LA's are finding difficult. Some will be offset in 2017-18 and later years by the Social Care Precept, the Social Care Grant and the improved Better Care Fund. However significant demand pressures will remain over the period. WFCT acknowledge this and are keen to respond, develop practice and new ways of working.

9.6 The transfer of staff to WCFT has pension implications. Staff will remain with the Local Government Pension Scheme (LGPS) and WCFT will join the LGPS as an admitted body. The transfer would be fully funded with existing deficits

9.7 on pension contributions up until the point of transfer of £2.6m remaining with the Council. This deficit would need to be factored into and recovered alongside the arrangements for the remaining deficit for all Council staff. The scheme would be closed to new employees (who would join a pension scheme through the NHS).

- 9.8 The actuary calculates that the employer's rate would increase from 13.6% to 18.8%. This has an additional cost of circa £284k pa which will be shared 50:50 by both organisations. Wirral's increased cost has been factored into the contract price in 9.1 above and will be met from within the overall Adult Social Care Budget.
- 9.9 The additional cost of any future pension rate increases will be dealt with as part of the annual contract review. The Council will indemnify the Trust from any future termination deficit arising from the performance of the fund, the award of any agreed pay increases and any ill-health retirements. This would leave the Trust managing any costs associated with early retirement or redundancy.
- 9.10 VAT implications, particularly those arising from the provision of support services to the Trust will be dealt with through a Section 75 agreement. The Trust are being advised and will seek confirmation from HMRC. This will then inform the Council's position.
- 9.11 Responsibility for financial assessments for care charges, income collection and debt recovery functions remain within the Council. The Partnership governance Board will monitor compliance with procedures undertaken by integrated service providers.

10 LEGAL IMPLICATIONS

- 10.1 The statutory duties placed on the Council will continue to rest with the Director for Health and Care, whilst the delivery of the specific functions related to assessment and support planning will be delegated to WCFT under a Section 75 contract arrangement.
- 10.2 It is considered that as WCFT are the NHS provider within the Council administrative boundaries providing community services for the grouping of service users on this integration programme there is no requirement to undertake a competitive tender process as there is no other operator that can deliver the integration required.
- 10.3 A series of Service Level Agreements (SLAs, appendix 8) describe roles, responsibilities and arrangements where there are interdependencies between the council and WCFT in the delivery of the services.

11 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 11.1 Together with the Pension costs described above, there are a number of other financial considerations;
- 11.2 Pay awards

Staff transferring will do so with provision made for the 2017-18 pay awards, which has a budget cost of £80,000. Future pay award costs will be discussed as part of the overall service costs during annual contract reviews.

11.3 Support Services

There is agreement for corporate support services within the contract totalling £372k. There are also additional, one-off IT implementation costs of £25k in FY1. The offer is a combination of Service Level Agreement (SLA) buyback for one or more years, cash and TUPE / post transfers. At this stage the implications from this are broadly neutral, although this could change if the value of SLA's change in future. (A list of SLAs is available at Appendix 4).

11.4 Risk of the integrated services over spending against the care budget.

Staff transferring to the WCFT will continue to undertake assessments and arrange packages of care for people on behalf of the Council and the health system. The allocated Community Care budget (totalling circa £47m) will form part of the integrated commissioning arrangements. Work is underway to have a Section 75 agreement in place by 1 June 2017, this will enable the drawdown of the adults social care budget allocation, by staff in WCFT. The S.75 agreement will detail arrangements for monitoring draw down against the fixed budget allocation, intervention that may be required by commissioners and arrangements for reviewing the budget allocation annually in line with Council and CCG budget setting cycles.

11.5 It is intended that one of the cost control mechanisms in place to ensure services provide the right level of care and demonstrate value for money will be a regular contract monitoring function which would amongst other things would include tracking the rate of draw down against the available budget. The budget allocation to the Trust would be fixed. Commissioners will work with WCFT to mitigate any projected risk of overspend. The financial risk of an over spend would ultimately rest with commissioners, in the event of an overspend WCFT would enter discussions with health and care commissioners.

12 **QUALITY**

12.1 A Quality and Governance framework will oversee the quality of the service. This will be in the form of a Partnership Governance Board which will include the Council's Principal Social Worker for professional standards. This will maintain a focus on the quality of outcomes for residents and ensure that services meet the statutory duties of the council. This will be chaired by the Cabinet member for Adult Social Care.

12.2 Continual professional development of staff transferring, professional standards and oversight of the quality of staff interventions will be provided by the Council under a service level agreement.

12.3 The Council will retain oversight of complaints and enquiries that are received and responded to directly by WCFT in relation to their social care service provision.

- 12.4 The Council will retain a complaints management and other functions necessary in order to respond to Freedom of Information, Local Government Ombudsman, Subject Access Requests and political enquiries.

13 ASSETS

- 13.1 A number of hardware assets will be transferred to WCFT as part of the integration process 218 x Laptops & 143 Mobile Phones. The licencing position remains the responsibility of WCFT and as such no Microsoft Licences will transfer. The financial implications of this have still to be resolved.

- 13.2 Social Care staff will be based alongside community health staff, mainly within WCFT buildings. As staff are currently co-located, it is not anticipated that this transfer will release capital assets.

13.2 ICT

Information Sharing and data protection requirements are detailed within the contract. Data sharing protocols exist under the Healthy Wirral Partnership. An Information Sharing Agreement is required, with appropriate safeguards in place, which will be formalised prior to transfer.

14 RELEVANT RISKS

- 14.1 Financial risk and risk of failure to provide services to an adequate standard whilst delivering the Council's statutory duties will be mitigated by effective contract management and governance arrangements.

15 ENGAGEMENT/CONSULTATION

- 15.1 Stakeholder, public and staff engagement has been undertaken over a number of years through Healthy Wirral, Vision 2018 and Vanguard events, together with recent staff engagement sessions. If Cabinet approve the proposal then formal staff consultation will commence, leading communication with Wirral residents.

- 15.2 Staff consultation is underway.

16 EQUALITY IMPLICATIONS

(b) No because there is no relevance to equality

People and service users will receive a more streamlined service with less duplication and more effective support planning and access to services.

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APPENDICES

- Appendix 1 Overview Business Case (EXEMPT)
- Appendix 2 Overview & Scrutiny Report
- Appendix 3 Full Business Case (EXEMPT)
- Appendix 4 Partnership Governance Chart
- Appendix 5 DRAFT S75 Agreement (EXEMPT)
- Appendix 6 Operating Model
- Appendix 7 DRAFT Service Specification (EXEMPT)
- Appendix 8 List of Service Level Agreements

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	16 January 2017

People Overview and Scrutiny Committee

REPORT TITLE:	Transforming Wirral - DASS Business cases
REPORT OF:	The Chair of the Committee

REPORT SUMMARY

At the previous meeting of this Committee (14th July 2016), the Senior Manager for Transformation & Improvement presented a report relating to the involvement of scrutiny in reviewing new service models as they are developed. Committee agreed to the general proposals in that report and gave delegated authority to the Chair, Vice Chair and Spokespersons to agree arrangements for the scrutiny of specific transformation projects, as appropriate.

Two business cases, both relevant to the remit of this Committee, are at a stage where review by scrutiny members is appropriate. The business cases relate to:

- Creating a commissioning hub to jointly commission services with Wirral Clinical Commissioning Group (CCG)
- Creating integrated community care teams with Wirral Community NHS Trust to deliver services to older people

As a result, a workshop was held on 10th August 2016 at which the approach to the two outline business cases were explained and examined in further detail. The outcomes from the workshop are detailed in this report.

RECOMMENDATION/S

It is recommended that:

- 1) Committee notes the report;
- 2) Committee refers the report to a future meeting of Cabinet.
- 3) The operating model and contractual arrangements are developed to ensure that the key points made by Elected Members, detailed in the report, are addressed.
- 4) Further consideration be given to the optimal timing for the involvement of scrutiny in the development of future business cases.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

To ensure that the views of scrutiny members on the two business cases are reflected to Cabinet, prior to further relevant decisions being taken.

2.0 OTHER OPTIONS CONSIDERED

Pre-decision scrutiny is regarded as good practice and is aimed at strengthening the decision-making process.

3.0 BACKGROUND INFORMATION

3.1 Scrutiny workshop – 10th August 2016

A workshop was held on 10th August 2016 to review two outline business cases which form part of Wirral Council's Strategic Transformation Programme. The business cases relate to:

- Creating a commissioning hub to jointly commission services with Wirral Clinical Commissioning Group (CCG);
- Creating integrated community care teams with Wirral Community NHS Trust to deliver services to older people.

All members of the People Overview & Scrutiny Committee were invited to attend. Nine Committee members attended the session: Councillors Moira McLaughlin(Chair), Angela Davies (Vice Chair), Bruce Berry, Alan Brighthouse, Wendy Clements, Chris Meaden, Tony Norbury, Denise Roberts and Warren Ward. Apologies were received from Councillors Treena Johnson and Tom Usher. The Director of Adult Social Services presented details of the business cases following which a question and answer session was held and members had the opportunity to comment on the proposals.

It is intended that the comments provided by members at the session will be made available to Cabinet prior to further decisions being made regarding the future of these two business cases.

3.2 Integrated Commissioning Hub: Context

It is proposed to establish an Integrated Commissioning Hub to work on behalf of Wirral Council and Wirral CCG. This project will enable both organisations to pool resources to meet growing demand and to develop a sustainable health and social care economy. Bringing together commissioning resources will help to achieve better outcomes for residents in Wirral by developing more joined-up services and un-locking resources across the health and care economy of circa £850 million.

Closer integration of health and social care has been a central policy driver to help meet growing demand for health and care services. Locally, the Healthy Wirral programme was established to provide a health and social care sector response to the significant system wide pressures in Wirral. It is intended to create an Accountable Care System working with a single set of resources by 2020. The creation of an integrated commissioning hub will be a significant step towards that goal.

3.3 Integrated Care Co-ordination Teams: Context

It is proposed to transfer social care delivery to Wirral Community NHS Foundation Trust and to commission this service from them. The integration of the key assessment and support planning functions of adult social care will enable social workers and nurses to work together much more effectively delivering the “Right Care in the Right Place at the Right Time.”

Social workers and nurses provide front line support to the people of Wirral. They assess for and organise a whole range of inputs that are essential in keeping people healthy or in supporting them to remain independent including diagnosis, treatment, care and support planning, rehabilitation and health promotion and so on. It is proposed that, in Wirral, the Integrated Care Co-ordination Teams will be the method of delivering health and social care directly to older people that need support. It is intended that integration will be a means to improve access to services, client satisfaction and efficiency.

The integration of the key assessment and support planning functions of adult social care with the community NHS support functions of the Wirral Community Trust will enable social workers and nurses to work together much more effectively in a single organisational model.

3.4 Elected member comments

During the session the following comments were raised by members:

Staffing:

A member raised concerns regarding the impact of the proposals on existing staff with particular reference to job security and the potential impact on roles. Members were informed that, in general, staff support the principle of creating an integrated health and care model. No redundancies were envisaged, although the changes may eventually lead to some changes in roles at a future point. The impact on terms and conditions is also a key element for staff. Joint engagement sessions with health and social care staff have been held and monthly meetings with the Trade Unions are being held. Best practice from other Local Authorities shows that, in order to achieve a positive outcome, staff need to be fully engaged in the process.

It is envisaged that the commissioning hub will be primarily based in Old Market House; whereas the care delivery teams will continue to be based in the relevant localities across the borough, albeit in Wirral Community Trust accommodation.

Increasing demand for services and the need to reduce resources:

A member questioned whether the major driver for change was the need to pool reducing resources or the ability to commission new services. A major driver for change is the necessity to manage demand across the health and care system. In the past, commissioning of services has taken place in silos. An aim for the future is to work towards commissioning for outcomes. Joint commissioning will provide greater scope to increase the role of technology in creating greater independence for people in their own homes. The commissioning process will also need to enable different services to be commissioned on different footprints where appropriate.

Back-office staff:

Members were reassured that the role of back-office staff, including administrative staff, will be carefully considered during the transition process. However, the impact on the potential use of re-chargable services, such as HR, Finance and Legal needs to be considered further. As staff transfer to alternative providers, the demand for these re-chargeable services, continuing to be provided by the Council, will reduce.

Improved focus on the needs of clients:

A member queried the likely impact of the proposals on the people who receive care. Members were informed that clients expect services to be integrated. Currently, clients may well have to tell their story more than once. As an example, a client may currently have separate assessments for a health, care or Continuing Healthcare need. From a client's perspective, there are benefits to be gained from an integrated system rather than being passed from one provider to another or by falling through the net.

The role of primary care is also critical to the delivery of an integrated service. Part of a national programme, the inclusion of Wallasey practices in a Health Education North West trial demonstrated the value of professionals working together effectively. During the trial social workers were placed within the GP practice.

Risk management:

The due diligence process is helping to identify the major areas of risk and ensuring that effective actions can be put in place to mitigate against them. Key areas include:

- As the statutory duty to deliver the implementation of the Care Act lies with the Council, clarification is required regarding the delegation of the function of care to Wirral Community Trust. Appropriate quality assurance will be required.
- There will be a reduced requirement for the services currently provided by the Council's corporate support functions. Assessment of the long-term impact on those service areas is required.
- The Council needs to ensure that all statutory duties are being met.

Finance:

In response to a question whether the combined health and care budget of £850 million is ring-fenced, members were informed that although some elements, for example, adaptations are ring-fenced the majority of the budget is not defined for specific services. The challenge will be to keep within the resource of the combined health and care budget.

It was noted that, at a national level, there is no indication of major additional funding being made available for health and social care. It is essential that the current resource is used more effectively, for example, in reducing duplication such as by acute hospitals working together to reduce back office requirements.

It was also noted that there is an intention for the provision of acute hospital services to move from the previous tariff-based system to a cash-limited system or capitated budget. In the longer-term, the big shift in resources is intended to see a reduction in spend on high-cost acute care and an increase in community care.

It is intended that the Population Health Model, supported by Cerner, will be carried forward from the Vanguard programme. This model will help the health and care system to better understand individuals' health needs.

Transfer of skills:

A member noted that social workers and community nurses have different roles and asked whether hybrid roles were envisaged. Members were informed that, although social workers and community nurses have different roles, they are often dealing with the same clients and their roles do overlap. Identical roles are not envisaged in the future, but it is likely that it will be possible to reduce the number of visits by improving coordination. This will also lead to an improved experience for clients.

It was noted by a Member that as roles of staff change, there will be a need to upskill staff. Members were reassured that workforce development is a key priority.

Performance management:

Performance measures are currently being identified. It is envisaged that the measures will incorporate both qualitative and quantitative data although further work is required to identify appropriate indicators. Best practice from other Local Authorities will form a basis for this work.

It was noted that complaints made to commissioned providers are not necessarily recorded in the DASS complaints system. As more services are commissioned, Members are concerned that the complaints system is able to provide a complete picture.

The scrutiny process:

A member noted that as, for each of the two business cases only one active option was provided and those options were likely to be approved, the scope for real pre-decision in this case has been limited. For future business cases, it is suggested that the optimal timing for the involvement of scrutiny ought to be considered.

4.0 FINANCIAL IMPLICATIONS

Although there are financial implications arising from the business cases, there are no financial implications arising from this scrutiny process.

5.0 LEGAL IMPLICATIONS

There are no legal implications arising from this report

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

Although there are resource implications arising from the business cases, there are no resource implications arising from this scrutiny process.

7.0 RELEVANT RISKS

Not Applicable

8.0 ENGAGEMENT/CONSULTATION

Not Applicable

9.0 EQUALITY IMPLICATIONS

There are no direct equality implications of this report.

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APPENDICES

REFERENCE MATERIAL

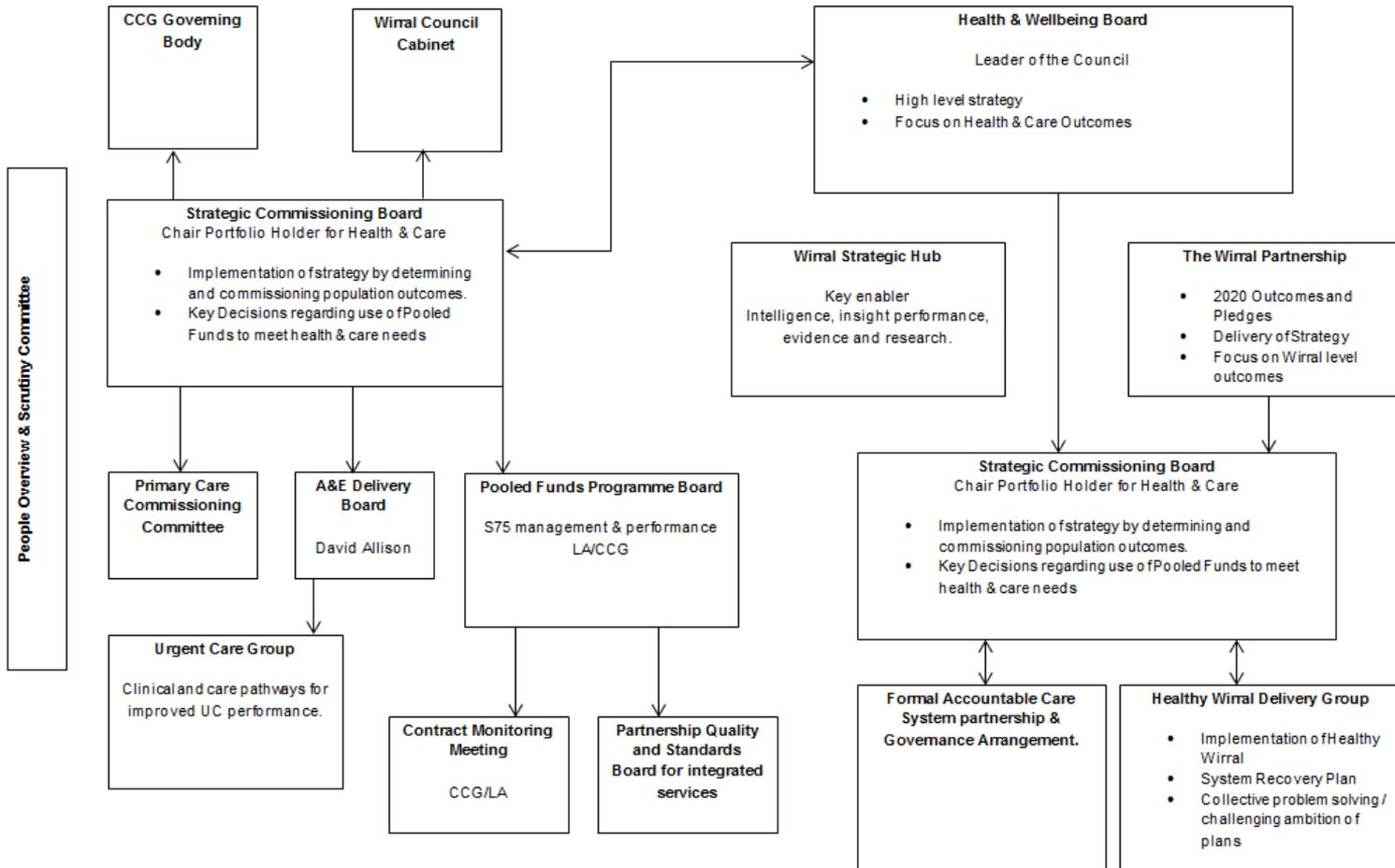
SUBJECT HISTORY (last 3 years)

Council Meeting	Date
People Overview & Scrutiny Committee 'Transforming Wirral'	14 th July 2016

Governance Arrangements for Integrated Commissioning (Draft)

INTEGRATED COMMISSIONING & HEALTHY WIRRAL

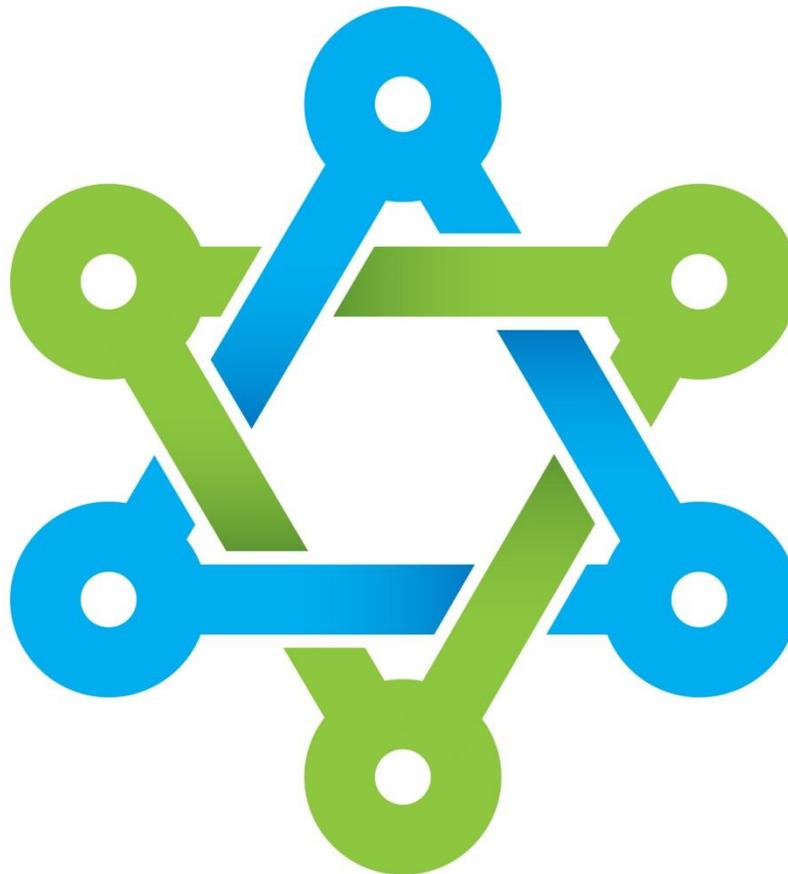
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Operating model for Delivery of Social Care as part of Integrated Community Services

Draft 4



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5 Information and IT	7
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1 Introduction

The operating model defines how Wirral Community Foundation Trust (WCFT) will deliver Integrated Health and Social Care through the Transfer of Adult Social care from Wirral Council (WC). An operating model covers six elements making up the acronym POLISM:

- **P**rocesses and activities – the work that needs to be done
- **O**rganization and people – the people doing the work and how they are organized
- **L**ocations, buildings and other assets – the places where the work is done and the equipment in those places needed to support the work
- **I**nformation and other links – the IT (and other links) needed to support the work
- **S**ourcing and partners – those outside the organization supporting the work
- **M**anagement system – the commissioning, contracting and governance of the work

Desired Outcomes and Benefits of Integrated Health and Social Care Teams

- **Delivering the Right Care in the Right Place at the Right Time:** Services can be developed more effectively to meet the needs of local residents. With social care and health staff working within one organisation it is possible to streamline assessment processes, reduce duplication of multiple professional involvements, and develop a single point of access and single Social Care and health support planning.
- **Managing demand and reducing the cost of care:** An integrated delivery service can ensure that both social care and health staff work to common outcomes and the use of preventative and independence building approaches can be maximised by professionals across the health and care system. Increased use of technological solutions and effective use of risk stratification tools will enable early identification of people who are likely to develop needs for health and care services and will enable the promotion of self-management and independence with the effect of delaying the need for health and care services.
- **Clear accountability and governance arrangements:** A Partnership Governance Board approach to governance and quality standards would hold an integrated delivery service to account for working in a consistent way across the health and care sector and working within the principles of independence, personalisation and self-management. Such an approach will ensure statutory compliance and quality standards in delivery.
- **Resilience and flexibility to emerging issues in service delivery:** A fully integrated service will be able to adapt and react more effectively to emerging local needs. A single social care and health delivery provider will have the scale and ability to focus its staff resources more effectively where most needed.

2 Processes and Activities

Policies and procedures

The suites of Wirral Council (WC) DASS policies and procedures have been reviewed to ensure Care Act compliance. These policies and procedures are to be fully adopted by Wirral Community Foundation Trust (WCFT)

Future review of policies and procedures relating to the adult social care function should be undertaken jointly between Wirral Community Foundation Trust (WCFT) and Wirral Council (WC) commissioners.

Wirral Council (WC) retains the statutory duty for adult services and therefore will consult with Wirral Community Foundation Trust (WCFT) to ensure that it has compliant policies and procedures in place.

Responsibility for case management

Care co-ordination involves continual communication with people, their carers, and the various professionals and services they come into contact with. Fundamental to care co-ordination is the presence of an individual (the lead professional) who works within the ICCH to organise and deliver a person's care. So, while the individual or team does not necessarily provide all aspects of the person's care, the lead professional will take responsibility for overseeing and co-ordinating that care and helping them to navigate the system. This navigational role is important, because most individuals selected for case management need services or input from one or more providers.

The lead professional will help patients, people who use services and carers navigate the different services and processes that might otherwise prove too complicated. The lead professional will also provide people with information about the services they are being referred to and/or discuss choices about their care options. Wirral Community Foundation Trust (WCFT) will develop future single assessment and single support planning processes

Wirral Community Foundation Trust (WCFT) will provide the full range of case management services and will be responsible for liaison with other organisations involved e.g. CWP/Housing/any other nominated body to provide a person centred response.

Timescales of response

The contract will specify expected response timescales for elements of service. Waiting lists for assessment are expected, Wirral Community Foundation Trust (WCFT) will ensure close management and prioritisation of any waiting lists for assessment or review. Reviews of all funded care packages will be undertaken by Wirral Community Foundation Trust (WCFT) on a minimum 12 monthly basis in line with policies.

Setting up care packages

Assessing staff will identify the level and type of support package required, complete support plans on Liquid Logic, and will arrange support via care arranger staff that will liaise with providers and set up packages within contract frameworks.

Care arranger staff will ensure that payments are set up in the Liquid Logic/Controcc system. Funded services will be drawn down from the pooled budget held by Wirral Council (WC) via Liquid Logic/Controcc.

The current Wirral Council (WC) scheme of Delegation will apply in relation to authorisation levels.

The Integrated Commissioning Hub will be responsible for commissioning a range of providers to meet local need and will carry out the statutory duty in relation to market management.

Eligibility

Wirral Community Foundation Trust (WCFT) will apply the national eligibility framework, in accordance with Care Act duties, to any assessment of care and support and subsequent funded support package, including review.

Only assessed eligible needs can be met by Wirral Community Foundation Trust (WCFT) with funded support services.

Some services will be universally available e.g. reablement.

Personal Budgets and Direct Payments

Any funded service delivered to meet an assessed need, other than a long term care home placement, can be provided as a Direct Payment.

Where a Wirral Community Foundation Trust (WCFT) assessor arranges a package of support to be provided by Direct Payment, the administration, set up, and auditing of Direct Payment accounts will be undertaken by Wirral Council (WC).

Direct payment support services will be arranged on a buy back basis with a Service Level Agreement (SLA)

DFG

Current Occupational Therapy staff seconded to Housing to support the DFG application process will transfer to Wirral Community Foundation Trust (WCFT) but will continue to be seconded to Wirral Council (WC) Housing by Wirral Community Foundation Trust (WCFT) for this purpose.

The DFG application and administration process will remain with Wirral Council (WC) Housing.

Financial assessment and debt

Wirral Community Foundation Trust (WCFT) will provide information to service users on the financial implications of receiving funded support, and will refer for financial assessment and maintain systems via Liquid Logic.

The financial assessment function itself will remain with the Wirral Council (WC) and will be provided via a Service Level Agreement (SLA).

The Wirral Council (WC) will retain the management of debt through unpaid care charges and Wirral Community Foundation Trust (WCFT) will support the process of avoiding debt accrual and debt collection.

Safeguarding

- The full safeguarding function will be delegated to Wirral Community Foundation Trust (WCFT) for Adult, Older People and Community service users other than Complex Disability and Secondary Mental Health service users. This will be done within agreed policy and procedural framework.
- The function will be delegated to WCFT for receiving and processing safeguarding alerts, applying safeguarding thresholds, applying the multi-agency safeguarding hub process and referring safeguarding investigations on to the relevant team or service (which may be to the Complex Disability and Secondary Mental Health service).
- Wirral Community Foundation Trust (WCFT) will ensure representation at the Local/Regional Adults Safeguarding Board.
- WCFT will work in partnership to comply with initiatives and procedures relating to reducing domestic abuse, exploitation, and crimes against vulnerable adults.
- Work on a multi-agency basis to comply with MAPPA, MARAC and other frameworks.

DOLS

- WCFT will work in partnership with WC to deliver its statutory functions in relation to DoLS
- The statutory Supervisory Body duty will remain with Wirral Council.
- WCFT will provide a BIA assessment and DoLS authorisation service, including referrals to the Court of Protection where necessary.
- The Council will ensure funding is available for Doctors reports, and external sessional BIAs (where approved).
- The Council will retain a Mental Health Act and Mental Capacity Act coordinator function, and will provide support in this regard to the Wirral Community Foundation Trust (WCFT).
- WCFT will have access to training resources to ensure an appropriately skilled workforce to carry out this function.

Out of Hours

- The EDT function will not transfer to Wirral Community Foundation Trust (WCFT,) this will be supplied via Wirral Council as an interim measure until the All Age Mental Health and Disability Services is implemented, which will provide this function with an SLA arrangement in place in future years.
- The Wirral Community Foundation Trust (WCFT) will provide a Senior Manager on-call arrangement for the service area transferring.

Complaints and Political enquiries

- Complaints received by the Wirral Community Foundation Trust (WCFT) related to all aspects of contracted service delivery by Wirral Community Foundation Trust (WCFT) will be investigated and responded to by Wirral Community Foundation Trust (WCFT) who will inform Wirral Council (WC) of outcomes.
- Complaints received by the Wirral Council (WC) related to all aspects of contracted service delivery by Wirral Community Foundation Trust (WCFT) will be investigated by Wirral Community Foundation Trust (WCFT) who will inform the Wirral Council (WC) of the outcomes and prepare responses to be agreed and sent by the Wirral Council (WC).
- Political enquiries received by Wirral Community Foundation Trust (WCFT) relating to all aspects of contracted service delivery by Wirral Community Foundation Trust (WCFT) will be responded to by Wirral Community Foundation Trust (WCFT) who will inform the Wirral Council (WC) of outcomes.
- Political enquiries received by the Wirral Council (WC) relating to all aspects of contracted service delivery by Wirral Community Foundation Trust (WCFT) will be investigated by Wirral Community Foundation Trust (WCFT) who will inform the Wirral Council (WC) of outcomes and prepare draft responses to be agreed and sent by the Wirral Council (WC)
- FOIs received by Wirral Community Foundation Trust (WCFT) related to all aspects of contracted service delivery by Wirral Community Foundation Trust (WCFT) will be investigated and responded to by Wirral Community Foundation Trust (WCFT).

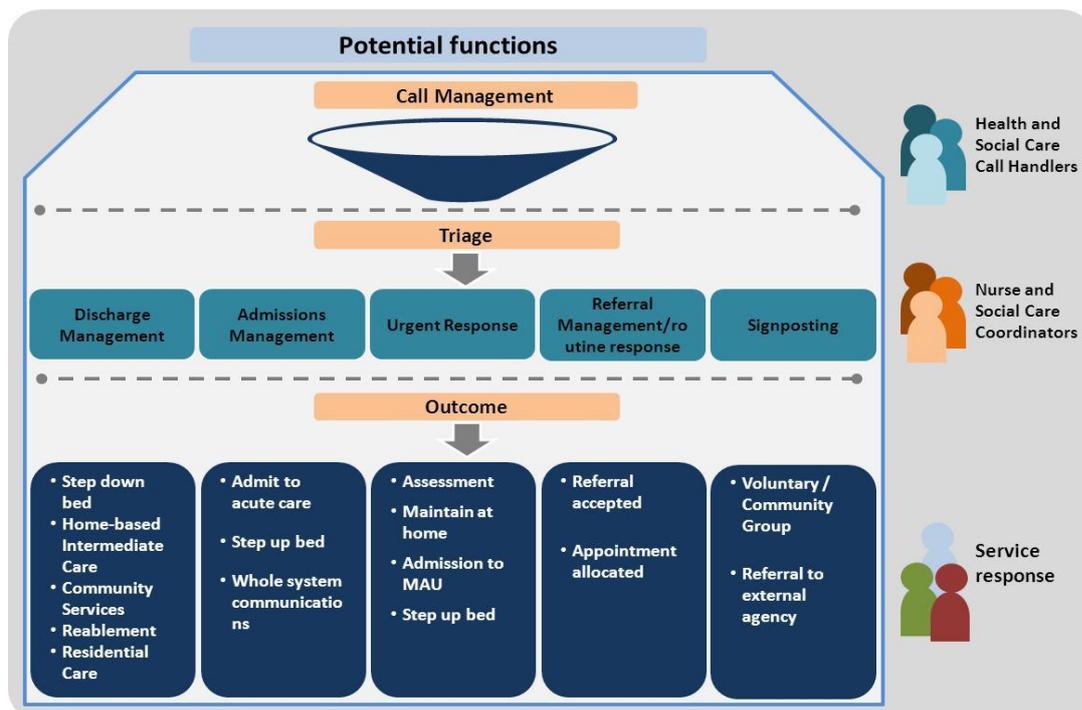
- FOIs received by the Wirral Council (WC) related to all aspects of contracted service delivery by Wirral Community Foundation Trust (WCFT) will be responded to by the Wirral Council (WC) with information supplied by Wirral Community Foundation Trust (WCFT).
- Wirral Community Foundation Trust (WCFT) will liaise with other organisations where there are aspects of the complaint beyond their direct responsibility, but are part of the health and social care system e.g. housing/adaptations, financial assessment, joint funded packages of care, etc.
- Wirral Council (WC) will retain the role of liaison with the Local Government Ombudsman (LGO), and Wirral Community Foundation Trust (WCFT) will investigate and provide responses for Wirral Council (WC) to supply to the LGO.
- The Wirral Council (WC) will arrange external complaint investigators where required.
- Complaints activity will be reported on by Wirral Community Foundation Trust (WCFT) to Wirral Council (WC) contract managers.

Integrated Gateway

A fully integrated single front door to all Health and Social Care Services on the Wirral. It will provide access to each Integrated Community Care Hub and offer advice and guidance on accessing voluntary, community, Health or Social Care services to improve quality of user pathways.

The system design will encompass:

- Receipt of contacts 24hrs a day and responses within agreed timescales
- Diversion to Out Of Hours services as appropriate;
- Single Point of Access to both community health and social care through one telephone number;
- Incorporation of '111' pathways and responses;
- Access to advice and information, early intervention and universal services.
- Interoperable Information, Communication and Technology solutions;
- Development of a common assessment framework and locally agreed pathways;
- To promote and support the online self-assessment function;
- Receive and process all safeguarding contact within the agreed timescales;
- Manage demand



Gateway Urgency of Response

All health and social care referrals will be received through the Integrated Gateway which will comprise health and social care professionals working with call center operatives using the single referral form and screening tool. The Integrated Gateway will have a single phone/fax/email contact and will triage referrals as urgent or timely:

Urgent Response

A coordinated response within 4 hours as per individual need for care and support such as:

- Referred person at risk of a hospital admission or care bed within next 4 hours
- Referred person about to be discharged from hospital
- Safeguarding issue
- Carer breakdown which requires urgent response
- NWS referred persons – within 2 hours with agreed clinical handover protocol
- Acutely ill referred persons who can safely be managed at home
- Terminally ill referred persons who require care at home

Timely Response

Co-ordinated response within 48 hours as per individual need for care and support such as:

- Referred person has been identified by risk stratification
- referred person discharge from hospital within next two days
- Referred persons in need of an intervention that requires integrated health and social care
- Referred persons in need of therapeutic intervention to treat an illness or improve health
- Referred person requesting social care assessment for support at home
- Referred Carer assessment.

3 Organisation and People

Council services in scope for transfer

All operational service areas currently delivered by Wirral Council (WC) Department of Adult Social Services providing assessment, support planning and case management function, *except* those that provide a complex disability service or secondary mental health service.

This includes -:

Frontline delivery teams

- Birkenhead Integrated Care-Coordination Team
- Wallasey Integrated Care-Coordination Team
- South Wirral Integrated Care-Coordination Team
- West Wirral Integrated Care-Coordination Team
- Integrated Discharge Team
- Visual Impairment Team
- Care Arrangement Team
- First Contact Team
- Central Advice and Duty Team
- Occupational Therapists
- Rapid Community Response
- STAR – Short Term Assessment Reablement
- POPIN Team

Back office corporate support functions

- Arrangements for the provision/delivery of corporate support functions are detailed in the service specification to ensure service continuity and effective access and support.
- These cover areas such as: Legal and Democratic services, HR Employee Services, Employee Relations, Recruitment, Organisational Development, Payroll, Training, Finance/Accountancy, Personal Finance Unit, Estates, IT, Communications/Press Office.
- Service Level Agreements to cover service offer will be included in the contract and specification.

4 Locations, Buildings and other Assets

Co-located Staff

- Teams will be co-located wherever possible as this is central to the development and deepening of informal and formal learning and networking across professions.
- The development of more flexible and mobile ways of working will contribute to the ability to share information about patients in real time and support the goal of coordinated and integrated care and support that meets patient needs
- Desk space will generally be allocated on a 7:10 ratio as flexible working is expected.

The proposed sites for integrated services are as follows with options continuing to be explored that will optimise Integrated Health and Social Care delivery.

- Birkenhead ICCH - St Catherine's Hospital and Stein Centre
- Wallasey ICCH - Water Street and Victoria Central Health Centre
- West Wirral ICCH - The Warrens and Bebington Civic Centre
- South Wirral ICCH - Eastham Clinic
- Rapid Community Response Service –St Catherine's Health Centre
- Integrated Occupational Therapy Service - Pennant House and Highfield.
- Integrated Discharge Team – Wirral University Teaching Hospital
- STAR Reablement (inc VIT and POPIN) - Conway Building
- Single Integrated Gateway (inc First Contact and CADT) - St Catherine's Health Centre

5 Information and IT

Integrated IT

Partners will work toward an integrated IT system which will enable agencies to contribute to and share information about individuals. Wirral Community Foundation Trust (WCFT) will continue to use System One, and Liquid Logic will be used for all social care assessment and support planning purposes, including all delegated social care functions e.g. safeguarding.

WCFT will promote digital access and the uptake and completion of online assessments.

The overall IT Roadmap includes the development of the Wirral Care Record which is currently being implemented through a third party CERNA.



IT Support

- Liquid Logic is a case management system, and the financial system is Controcc, both are commissioned and hosted by Wirral Council (WC)
- Wirral Council (WC) will transfer laptops and desktops with the staff transferring, replacement costs will fall to the Wirral Community Foundation Trust (WCFT).
- Wirral Council (WC) will provide licences and training to Wirral Community Foundation Trust (WCFT) staff that require Liquid Logic system access.
- Wirral Council (WC) will provide a Liquid Logic helpdesk function that will be supported via a Service Level Agreement (SLA).
- Mobile telephones – will transfer with the staff transferring, the contact novated across to the Wirral Community Foundation Trust (WCFT) and replacement costs will fall to Wirral Community Foundation Trust (WCFT)
- Wirral Community Foundation Trust (WCFT) will supply laptops/mobile telephones to newly appointed staff.
- Wirral Council (WC) staff transferring to Wirral Community Foundation Trust (WCFT) will adopt NHS email addresses and will utilise Wirral Community Foundation Trust (WCFT) NHS systems such as file servers, Intranet etc.
- Budgets for related items are being identified as part of the corporate services review

6 Sourcing and Partners

- Wirral Community Foundation Trust (WCFT) will work with a range of partnership organisations and individuals in the delivery of an integrated service.
- This will include a range of statutory services and voluntary, faith, community and third sector organisations.
- Wirral Community Foundation Trust (WCFT) will continue to work with commissioners and other providers in order to develop a health and social care system that is sustainable and which provides improved outcomes for local people.

7 Management System – Commissioning, Contracting and Governance

Commissioning of the Service

The services will be commissioned from Wirral Community Foundation Trust (WCFT) by Wirral Council (WC) through the Integrated Commissioning Hub which is a key development for strategic commissioning. It will be a key change for NHS providers as well as for Adult Social Care. All performance indicators and delivery targets will be formally specified as part of the contract for delivery. It is expected that full integration with the NHS would offer opportunities for improved performance and efficiency.

- Whilst the delivery of statutory duties of Wirral Council (WC) related to Adult Social Care are delegated to Wirral Community Foundation Trust (WCFT) the statutory duty remains with Wirral Council (WC).
- The model of integration is a TUPE transfer of staff from Wirral Council (WC) to Wirral Community Foundation Trust (WCFT).

Contracting

The service will be a contracted service, commissioned under a S75 Agreement between Wirral Council (WC) and Wirral Community Foundation Trust (WCFT,) with a detailed contractual service specification outlining the outcomes required.

- Wirral Council (WC) will transfer a number of staff to Wirral Community Foundation Trust (WCFT), inclusive of a range of Service Level Agreements and buy back agreements as part of the S75 agreement.
- The Integrated Commissioning Hub (Wirral Council and Wirral CCG) will manage the contract and budget spends via Contract Managers.
- The contract duration is 5 years – subject to early termination.

Contractual Framework and Contract Monitoring

The contract will be held by the Assistant Director for Health and Care within the Councils (WC) strategic hub who will ensure that the service is accountable for meeting statutory outcomes, quality and performance standards including specifically;

- Accountability for assessing local needs and ensuring availability and delivery of a full range of adult social services
- Preventing reducing and delaying care needs escalating
- Promoting wellbeing, a new assessment duty

- Identifying assessing and supporting Carers
- Professional leadership, including workforce planning
- Managing demand
- Safeguarding statutory delivery duties

Governance Framework

A Partnership Governance Board is to be set up to oversee the quality standards and to ensure that the service provided meets the expected outcomes.

Quality Assurance and professional Standards

- Quality Assurance, market management and oversight of care providers will remain a function provided by Wirral Council.
- The role of Principal Social Worker will remain with Wirral Council (WC) and the Principal Social Worker will support managers in Wirral Community Foundation Trust (WCFT) with practice standards and professional development.
- The standards and quality of the service provided by Wirral Community Foundation Trust (WCFT) will be monitored by contract managers, drawing on business information, activity, complaints information, and compliance with statutory duties.
- Whilst the delivery of statutory duties of Wirral Council (WC) related to Adult Social Care is delegated to Wirral Community Foundation Trust (WCFT), the statutory duty remains with Wirral Council (WC.)
- A training budget is allocated as part of the contract agreement, and which will enable Wirral Community Foundation Trust (WCFT) to support the continued professional development of staff transferring.

Budget arrangements –

- Staffing costs will be included in the contract value for transfer of staff. The contract will specify arrangements for the contract value in future years.
- The care budget will be held by Wirral Council (WC) and Wirral CCG, an allocation will be made from which Wirral Community Foundation Trust (WCFT) will draw down against.
- Expected efficiencies relate to demand management and any other initiatives to manage demand within specified available budget.

Service Level Agreements

WCFT	Strategic Hub	WBC	Other Nominated Provider
CADT / Integrated Gateway		SLA 2017 - 2018	SLA 2018 forward
Care Arranging Team staff / service		SLA 2017 - 2018	SLA 2018 forward
DoLS		SLA 2017 - 2018	SLA 2018 forward
MASH		SLA 2017 - 2018	SLA 2018 forward
Civil Contingencies		SLA	Civil Contingencies 2018 forward
Occupational Therapy		SLA 2017 - 2018	SLA 2018 forward
Integrated Discharge Team		SLA 2017 - 2018	SLA 2018 forward
SLA	Professional Standards		SLA 2018 forward
SLA	MCA / MHA Lead		SLA 2018 forward
SLA	Complaints		SLA 2018 forward
SLA	Business Intelligence		SLA 2018 forward
SLA	LL Helpdesk		SLA 2018 forward
SLA	Direct Payments		SLA 2018 forward
SLA	Care Arranging Team management		
SLA 2017 - 2018		EDT	
SLA 2018 forward			EDT 2018 forward
SLA 2017 - 2018		MHA assessments	
SLA 2018 forward			MHA assessments 2018 forward
SLA		PFU	
SLA		HR	
SLA		IT	
SLA		OD / Training	
SLA		Payroll	

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**COUNCILLOR
CHRISTINE JONES**

**CABINET MEMBER FOR
ADULT SOCIAL CARE**

**CABINET
27 MARCH 2017**

**2017-18 RESIDENTIAL & NURSING PROVIDER
FEES**

Councillor Chris Jones said:

“This report is proposing investment into making sure residents can access nursing and residential care of the highest quality.

Following extensive consultation with care providers, an investment of £2.9 million is being proposed, helping to ensure a responsive and sustainable market of care providers is available in Wirral to support our vulnerable residents.]”

REPORT SUMMARY

- To report the outcome of consultation with care providers with regard the 2017-18 fee rates for services provided for Adults in Wirral Council.
- To summarise local requirements to deliver a responsive and sustainable care market, with a quality of care that reflects our local expectations.
- Proposals have been made in the context of significant financial pressures in relation to care costs for both providers and the council, whilst giving due regard and consideration to local market pressures.
- The consultation has covered services provided on behalf of Wirral ASC and Wirral CCG as part of its joint commissioning arrangements for service provision Wirral wide in all wards.
- Cabinet is being asked to invest £2.9m into social care provision.

- The report covers all sectors: Residential and Nursing (including Intermediate Care and specialist services.), Domiciliary Care (including Extra Care housing support) and Supported living.
- The following pledges are linked to and supported by the recommended increases:
 - Older People Live Well
 - People with disabilities live independently
 - Young People are ready for work and adulthood
 - Wirral is a place where employers want to invest and businesses thrive
 - Greater job opportunities in Wirral council
 - Thriving small businesses
 - Workforce skills meet business needs
- The report includes a set of numbered appendices providing the detail for each sector.

RECOMMENDATIONS

- Cabinet approve the rates and fees recommended within the report.
- Agree the increased cost of £2.9m (note the DASS precept raise of £3.7m)
- Cabinet approve to uplift fees to providers from 1st April 2017
- Approve the forward work plan to work in collaboration with the Liverpool City Region (LCR) and the Supported Living Sector to pilot test and phase in a sustainable new model of care.
- Approve the forward work plan to work with partner organisations and the independent sector to develop a new model of step up and step down bed base provision.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council is required to maintain and support a local market to deliver care and support. The work undertaken by officers has taken into account legal requirements and core standards of care and has provided a clear evidence base for the proposed fee increase.
- 1.2 The Council has a duty to commission a range of high quality, appropriate services, offering people choices. There is a duty to ensure the market is responsive and sustainable; looking after the care market as a whole and ensuring continuity of care.
- 1.3 The proposed fee rates take account of the recent volatility in a dynamic domiciliary care market and the recent and growing challenges identifying sufficient capacity in sectors such as residential EMI. A further potential difficulty is that 3rd party top up arrangements are now an established feature of the market place.
- 1.4 A range of provider engagement options were made available during the consultation period; including 1:1 or group sessions, dedicated email correspondence and open book accounting offer.
- 1.5 Benchmarking exercises have been undertaken across the Northwest finance group. Consideration has been given to the benchmarking data gathered to inform fee proposal rates, a copy of which is attached in Appendix 2.
- 1.6 Provider views have been thoroughly considered in relation to their full range of costs and legislative and national requirements. The proposed fee rates take account of their views.
- 1.7 A full list of provider feedback and explanation of the consideration the department has given to these, is attached in appendix 1.

2.0 OTHER OPTIONS CONSIDERED **Not Applicable**

3.0 BACKGROUND INFORMATION

- 3.1 The Council's strategy remains as having a focus on setting fees that stimulate a responsive and flexible market place maintain capacity and ensure that a range of provision is available, including suitable provision for people with dementia.

This includes effective joint commissioning with the CCG for provision such as Intermediate care, supporting the whole system economy. Responsive and timely provision is required to support individuals appropriately in their Community, avoiding and minimising the need for acute services, maximising outcomes for individuals. The Council is investing in the development of viable

alternatives such as Extra Care housing and a range of step up and step down services to reduce and delay the need for long term care.

- 3.2 The rates and fees paid by the Council need to reflect both the requirements for providers to be able to meet quality and safety standards, enable the Council to maintain a stable market which can offer quality provision, whilst ensuring best value and consideration of local factors.
- 3.3 There has been significant change in the domiciliary care market in Wirral over recent months, which has had a destabilising effect and lead to some people having to wait for appropriate support at home. Additionally, there are growing challenges identifying sufficient capacity in sectors such as residential EMI. 3rd party top up arrangements are now an established feature of the market place.
- 3.4 The Council, as reflected in its' pledges for Vision 2020 is committed to improving the outcomes for older people and people with disabilities in Wirral, and minimising future demand within a sustainable budget.
- 3.5 Council officers have been working with the LCR and local providers to consider and develop alternate delivery models. It is proposed with Supported living providers to pilot a new model of care during Spring/Summer 17/18, with a view to evaluation and wider roll out to establish a sustainable model going forward.
- 3.6 CCG and Council officers are working with key health providers and independent sector to consider and implement a step up/ step down service, building upon national best practice evidence. Review of IMC services is underway and future options based upon a 'discharge to assess' and 'home first' approach will be considered. The preferred model and approach will be recommended which will take account of an appropriate fee structure. Reablement services are fundamental to this future approach and ensuring a robust, responsive service has been considered as part of the fee proposal.

4.0 FINANCIAL IMPLICATIONS

4.1 Financial breakdown table

2017/18	Current	Proposed	Increase	Est. Pressure/yr	% Increase	FNC	Proposed (inc. FNC)
Supported Living - Day Hours	£13.02	£13.55	£0.53	£782,000	4.1%		£13.55
Supported Living - Night Hours	£72.51	£73.92	£1.41	£54,000	1.9%		£73.92
Res	£416.00	£434.00	£18.00	£473,000	4.3%		£434.00
Res EMI	£458.00	£488.00	£30.00	£391,000	6.6%		£488.00
Nurs	£457.00	£477.00	£20.00	£266,000	4.4%	£156.25	£633.25
Nurs EMI	£479.00	£499.00	£20.00	£220,000	4.2%	£156.25	£655.25
Dom Care	£12.92	£13.80	£0.88	£621,000	6.8%		£13.80
Extra Care	£11.50	£12.00	£0.50	£100,000	4.3%		£12.00
Total Increase				£2,907,000			

BCF-Funded Care

Intermediate Care	£643.00	£700.00	£57.00	8.9%	£700.00
Reablement	£14.20	£15.70	£1.50	10.6%	£15.70
Mobile Nights	£47.25	£50.00	£2.75	5.8%	£50.00

4.2 In respect of residential services, a greater % increase has been applied to EMI residential and nursing rates to incentivise the market to meet demand in this area.

4.3 The cost of implementing the revised fees from 1 April 2017 is £2.9 million for the full year 2017/18. This can be accommodated from within the Adult Social Care Budget. The Adult Social Care Precept increase for 2017/18 has raised £3.6 million.

5.0 LEGAL IMPLICATIONS

5.1 Under the Care Act 2014 local authorities (“LA’s”) have a duty to promote diversity (choice) and quality in the care and support provider market. The purpose is to produce a sustainable and diverse range of care and support providers to deliver better, innovative and cost-effective services and support to promote the well-being of every person with need of care and support. This requires LAs to identify those with care and support needs in their area, identify what needs require prioritising and then encourage provider competition, while monitoring the quality of the services provided. In addition LA’s have a duty to assure provision where care providers in their area that have failed to provide the required service at the appropriate level of quality.

5.2 In order to avoid challenge the council must be able to demonstrate that the approach adopted in relation to the decision is open, fair and transparent. Provided that the council has followed due process and given due regard to the actual costs of care, then the decision as to what fees it will pay to care home providers is a matter for the council and it may take into account its financial circumstances in coming to that decision.

5.3 When considering the actual cost of care, fees should not be set mechanistically but should have due regard to provider’s costs, efficiencies and planned outcomes for people using services. Fee setting must take into account the legitimate current and future costs as well as factors that may affect those costs (for example: National Minimum Wage) and not just the potential for improved performance and more cost effective ways of working..

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

6.1 Officers will continue to work with the sector to develop new care models for both IMC and Supported Living.

7.0 RELEVANT RISKS

7.1 The Council has shared the fee models with providers. It has responded to the issues raised during the consultation period reflecting on the proposed changes and stating the reasons for its decisions. Accordingly, the final proposal is reasonable and well considered.

7.2 The Council has maintained a considered balance between the cost of care, maximising the Wirral pound, whilst considering local factors, quality and meeting need.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Council has undertaken a period of consultation and engagement with providers during January and February 2017.

8.2 Consultation timetable:

Date	Actions/Details
Monday 9th January to 19th February 2017	Commencement of engagement re: fee proposal for 2017/2018. 6 week engagement period up to 5pm 19 th February 2017. Providers engagement options: <ul style="list-style-type: none">• Individual meetings with Officers to discuss any particular concerns or issues.• Open Book Accounting offer.• Group forums.
Friday 20th February to 27th February 2017	Consideration of all comments received by the 19 th February deadline. Opportunity for any required clarification with providers.
Friday 27 February to 2nd March 2017	The Council drafts its' final position and proposal for Cabinet.
27th March 2017	Cabinet considers' the proposal and confirms decision.
April 2017	New rates applied, subject to Cabinet decision.

9.0 EQUALITY IMPLICATIONS

Equality impact Assessments have been carried out.

<http://democracy.wirral.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13652>

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APPENDICES

Appendix 1 Consultation – Consideration of feedback from providers

Appendix 2 Wirral’s proposed rates, benchmarked against other Northwest Councils

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	13th March 2014
Cabinet	13th March 2015
Cabinet	6th June 2016

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Appendix 1
CONSULTATION

CONSIDERATION OF FEEDBACK FROM PROVIDERS

The following aspects of the market place have been consulted upon:

Residential and Nursing Care
Domiciliary Care
Supported Living
Intermediate Care

Feedback and comments were received from the following number of providers:

Residential and Nursing Care 15
Domiciliary Care 5
Supported Living 17
Intermediate Care 2

In total 39 providers responded to the consultation.

Some providers sent multiple comments; therefore the actual number of responses in the table overleaf does not agree to the above breakdown of providers who responded.

Comment	No. of responses	Response
<u>Residential and Nursing Care</u>		
Can you explain how the ROI was calculated and why the rate is different to last year's calculation?	1	The ROI has been calculated by applying a 7% return on capital, as suggested by Laing Buisson, with a further 6% for discretionary profit, representing the typical return on activity figure as per the CBRE's Marketview on UK Healthcare.
Fees suggested seem to be based on supply and demand of beds, not the costs	1	The fee model has been calculated consistently over the past five years and transparently demonstrates the consideration given to the actual cost of care.
When will be the implementation date?	1	The new fees will be effective from 01/04/17.
The Council's assumed rate of capital is inadequate. Why are the Council not using the nationally-recognised Laing-Buisson or Mazars model?	1	The return on capital is based on a Laing-Buisson recommendation of 7%, based on the level of return expected, were the care home to be leased by an operator from a freeholder. The Council believes this is a fair allowance.
We find it difficult to do a like-for-like comparison with the model, in particular regarding the 95% occupancy level. There is a minimum level of staffing required no matter what the occupancy level.	1	Average occupancy is still at 95% across most care homes within the borough. No changes have been made to our model.
Are the rates are open to negotiation?	1	The Council has undertaken this period of consultation in order to listen to feedback from providers and review its own models.
<u>Domiciliary Care</u>		
16p per hour allowance for travelling time is inadequate	2	The Council believes the travel time allowed in the model is adequate given local geographic factors.
Why aren't the Council following the UKHCA toolkit rate of £16.70 per hour?	1	The Council has given consideration to the UKHCA model when setting the proposed rate, and has considered its own local factors where elements differ significantly from the UKHCA recommendations.
(List of Local Authority Social Services which paid over £16 per hour provided.)	1	The Council has set its rate specific to its own local market conditions, which may be substantially different to those conditions in other areas of the country. The rate offered is comparable to nearby authorities.

Supported Living		
The £9.50 management rate may lead to the erosion of the first line manager differential, putting recruitment and retention of first line managers under significant pressure.	1	This has been considered in the fee model. The £9.50 was based on figures given by supported living providers in 2016, and is considered to be fair allowance.
Team meeting, supervision, training and appraisal costs are also higher than in the model.	2	In addition to the team meeting allowance, 50% of managers' time is assumed to be spent on non-care delivery, which also includes appraisal and supervision time. This is considered to be a fair allowance.
£7.50 is not an attractive or competitive offer	1	The Council's Supported Living Rate complies with the requirement to give consideration to providers' actual costs of care, and provides sufficiently to meet providers' statutory responsibility to pay the NLW.
No assumption of additional payments for bank holidays	2	The choice to make additional payments for bank holidays is a commercial decision, not a statutory obligation on the provider.
Where are training costs included in the model?	1	Training costs are included within the 14.1% management and general admin costs.
We pay all staff under 25 the same rate as for over 25s	2	This is a commercial decision on the part of each provider; the Council's fee model includes sufficient for each provider to fulfil its legal duty to pay the minimum wage for each respective age group.
Why is there a different rate for Waking Nights from the day time rate? the Waking Night rate has not increased since 2011	2	The waking nights are paid on an ad hoc, case-by-case basis and are therefore outside the scope of this exercise. The Council is undertaking a review of all its waking night commissions in 2017.
The proposed fee is insufficient to cover all our costs (pensions, apprenticeship levy, business rates increase, cost of CQC rates, insurance costs, petrol, and impact of BREXIT/sterling) and does not promote sustainability.	1	All the factors (with the exception of BREXIT/sterling, given the uncertainty and unknown impact) have been considered. The Council considers that the cost assumptions are reasonable and robust.
Training allowance is inadequate	1	UKGHA recommendation is between 1.5% and 3.0% for training, therefore 7 days is considered a fair allowance.
There is a 1% pension contribution allowance in line with UKHCA, however, the pension contribution to be paid by employers is set to rise to 2% in October 2017	1	Employer's minimum contribution doesn't rise to 2% until 06/04/18, as per: http://www.thepensionsregulator.gov.uk/employers/contributions-funding-tax.aspx#s9379

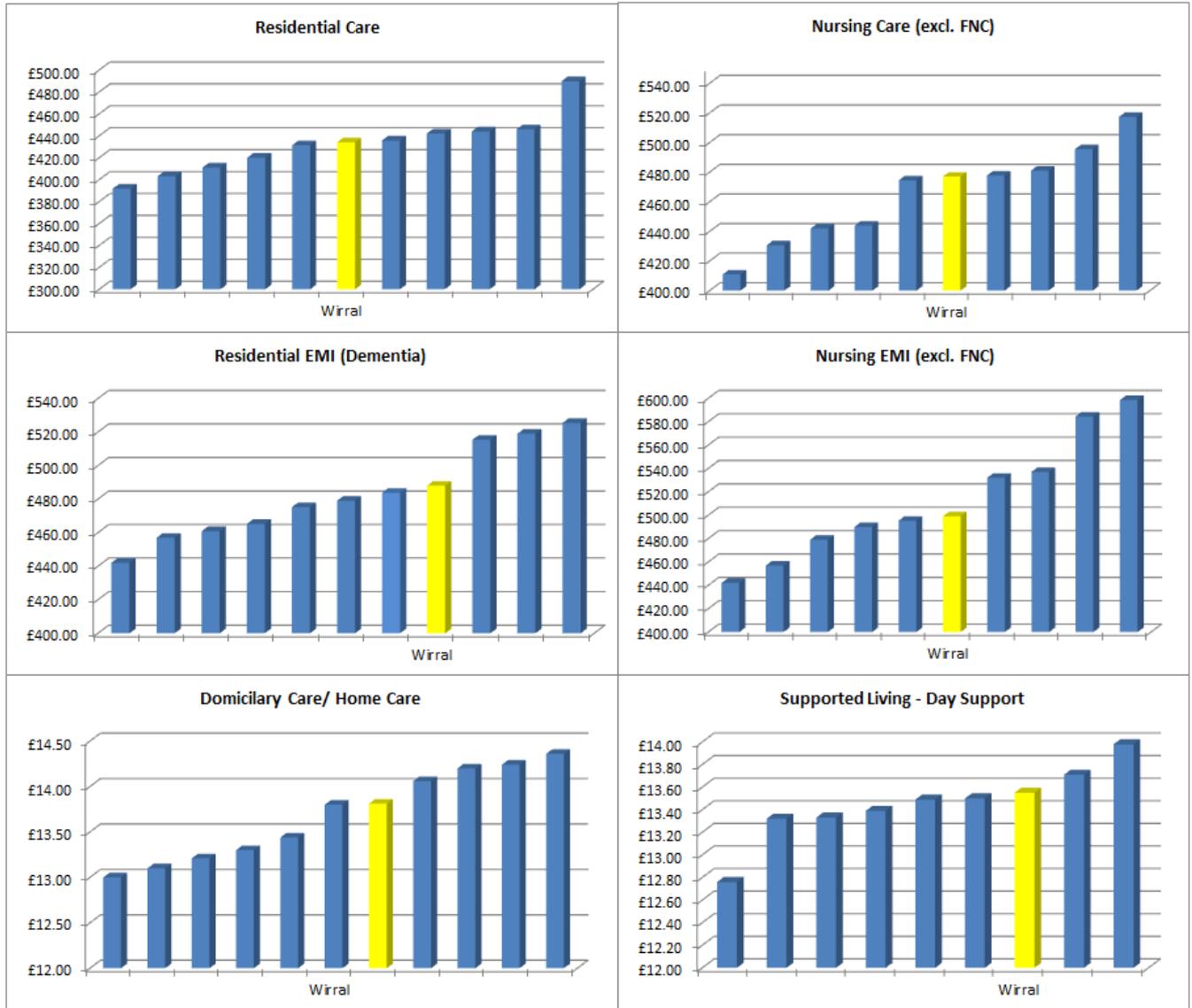
<u>Specialist Nursing</u>		
Why has the cost of care calculator been implemented?	1	The cost of care calculator has been implemented to enable the department to understand the actual cost of delivering specialist residential /nursing care for individual service users. It increases transparency between the provider and the Council and assists in future reviews of that package of care.
<u>Intermediate Care</u>		
What is the reasoning behind the reduction in payroll on-costs?	1	Employer's minimum pension contribution doesn't rise to 2% until 06/04/18, as per www.thepensionregulator.gov.uk
Have any further sources been used for return on activity percentage?	1	The Council has used the CBRE report Q1 2016 to inform its return on activity percentage.
Why only using 10 months data for inflation in 17/18 (12 months' data used in 16/17)?	1	This was the latest inflation figure available at the time. The latest inflation figures available (Jan '17) indicate that the inflationary increase is still accurate at 1.7%.

APPENDIX 2

WIRRAL'S PROPOSED RATES, BENCHMARKED AGAINST OTHER NORTH WEST COUNCILS

(SUBJECT TO APPROVAL)

(Please note some local authorities operate different models of care to Wirral, therefore an element of 'blending' has been necessary to achieve comparable figures).



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**COUNCILLOR ANN
MCLACHLAN**

**CABINET MEMBER FOR
TRANSFORMATION, LEISURE
AND CULTURE**

CABINET
27TH MARCH 2017

**LEISURE AND CULTURAL SERVICES – FUTURE
PROVISION OF SERVICES**

Councillor Ann McLachlan, Cabinet Member – Transformation, Leisure and Culture said:

“This work highlights the crucial role that our leisure and cultural services play in the day-to-day lives of the residents of Wirral and achieving the pledges in our Wirral 2020 Vision. Unfortunately due to pressures on funding we know that we cannot simply stand still and continue delivering services in the same way we have done in the past. This report provides an update on work undertaken to date and the next phase.

There is still a lot of work to do to fully develop a business case to determine the most appropriate delivery model, and I am committed to ensuring this moves on quickly. Ultimately we know that unless we radically reform services in ways such as this then we will be forced into damaging service cuts based on the funding we know we will have available.”

REPORT SUMMARY

The purpose of this report is to advise Members of the findings of a recent external review of specific services and to seek approval to develop a Full Business Case for a new service model.

The services within the scope of review, are set out in section three and play a fundamental role in the delivery of a number of Pledges and a whole range of key outcomes across the breadth of the Wirral Plan, but most notably in support of the 'Leisure and Cultural Opportunities for All' Pledge that "We will encourage more people to enjoy the wide range of leisure, cultural and sporting opportunities on offer across Wirral. We will listen to residents' ideas and requests, and by 2020, will have increased access to events and activities to all our residents, regardless of age or income".

This report affects all wards and has been included on the Council's Forward Plan.

RECOMMENDATION/S

Cabinet is requested to:

- (1) Note the findings of the 'Re-imagining Leisure and Cultural Services' report, and the services this relates to, prepared by Bates, Wells & Braithwaite (appendix 1);
- (2) Instruct Strategic Commissioner for Environment to ensure these findings are given due consideration as part of the options appraisal and development of the Full Business Case for the future provision of specified services, to be reported to a future meeting of Cabinet in June 2017.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Approval from Cabinet is sought at this stage to enable resources to be committed to the development of a Full Business Case, for an appropriate service model for the services set out in section three.
- 1.2 Any proposal to move to a new service model having a direct impact on services, staff and residents requires a comprehensive and robust Full Business Case.
- 1.3 Based on the preliminary work summarised within the report (appendix 1), the Full Business Case will focus on the following models:
 - In house provision
 - Charitable Trust
 - Community Interest Company

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The report setting out the findings of the Re-imagining Leisure and Cultural Services' review highlights that a wholly Council-owned company (Local Authority Trading Company or LATCO) would not have the flexibility to work in the commercial way that will be necessary for future success hence this option has been dismissed.
- 2.2 An essential ingredient of any future service model is the strong focus on social value as well as economic sustainability hence private sector outsourcing is not supported.

3.0 BACKGROUND AND PURPOSE OF THE REVIEW

- 3.1 The Council operates a diverse and extensive range of services. Four areas have been brought into a broad portfolio for review, and these services are set out below:
 - Culture and Arts – including the Floral Pavilion, the Williamson and Birkenhead Priory.
 - Leisure – including wet and dry centres, football pitches, tennis courts, golf.
 - Library service.
 - Parks and Countryside including parks, crematoria and public spaces.

It is recognised these services play an important part and have the potential to play an even greater role in achieving many of the Pledges and associated outcomes set out in the Wirral Plan. These services currently cost in excess of £17m p.a. operated by the Council and employ a significant number of staff - approximately 950 (475 Full Time Equivalents).

- 3.2 The financial challenge facing the Council is well documented and the Medium Term Financial Plan recently approved at its meeting in March highlighted the need to make £132m in savings over the next four years including £45M for the coming year 2017/18 alone. In this context it is understood that the revenue costs for these largely non-statutory services will need to significantly reduce over the coming years.
- 3.3 The 'Re-imagining Leisure and Cultural Services' Review was therefore commissioned last October, with the key purpose of:
- Co-design sustainable services which may encompass changes in structure, ownership or operation, and to sufficiently develop the concept in order for the council to be assured there is value in proceeding (phase 1);
 - Build a detailed operating model based on deeper research, and a wider engagement with stakeholders, and develop a transition plan from the "as is" to the "to be" (phase 2).
- 3.4 In accordance with the Council's contract procedure rules, Bates Wells Braithwaite (BWB) were awarded this work based on their strong company ethos and track record of working with local authorities across the country to achieve social value objectives. Their preliminary findings from their work are set out in **appendix 1** to this report.
- 3.5 This external analysis will now be drawn upon to develop a Full Business Case which will evidence:
- Strategic Case – a compelling case for the preferred option and how it aligns to the delivery of the Wirral Plan
 - The Economic Case – how the preferred option provides the best balance of costs and benefits
 - The Commercial Case – how the preferred option secure value for money
 - The Financial Case – any required funding, investment or savings associated with the preferred option
 - The Management Case – the robust systems and processes required to successfully deliver the preferred option

4.0 FINANCIAL IMPLICATIONS

- 4.1 To date, this work has incurred the following external costs:
- Phase 1 support from BWB including needs analysis, initial options appraisal and development of conceptual models - £148,105
 - Phase 2 support from BWB to support the development of the Full Business Case - £136,604

The Full Business Case will set out the financial implications of service models in detail.

5.0 LEGAL IMPLICATIONS

- 5.1 The Re-imagining Leisure and Cultural Services' Review prepared by Bates, Wells & Braithwaite provides key information to help inform the proposed Full Business Case. There are a number of legal duties and obligations associated with the services in question and the potential alternative service models which will need to be considered and addressed in detail in the Full Business Case.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 Development of a Full Business Case will require input from Delivery, Business Services and the Transformation Office.
- 6.2 The Full Business Case will set out any ICT, staffing and assets implications of service models in detail.

7.0 RELEVANT RISKS

- 7.1 As a key project within the Council's Transformation Programme, a robust approach to risk management is being adopted to ensure the delivery of the evidence based Full Business Case.
- 7.2 A key consideration in the development of a Full Business Case is to ensure that any future model adopted is sustainable and able to successfully achieve its business strategy and objectives and a rigorous risk/ opportunity analysis will be undertaken in this regard.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Engagement will continue with managers and staff via workshops and site visits to properly understand the nature of services and impact on residents and customers.
- 8.2 The needs analysis work undertaken by BWB has included initial discussions with lead commissioners from other areas such as community safety, public health and social care.
- 8.3 It is proposed that further detailed consultation and engagement with a wide range of residents, staff, elected members and other stakeholders is undertaken as well as formal pre-decision scrutiny by the Council's Environment Overview and Scrutiny Committee would take place as part of the process for developing a Full Business Case.
- 8.4 As part of the project management approach, initial engagement has taken place with Trade Union representatives to seek their views and this approach will continue.

9.0 EQUALITY IMPLICATIONS

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

(a) Yes and impact review is attached – refer hyperlink:

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010-0>

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APPENDICES

1. Re-imagining Leisure and Cultural Services – Phase 1 Report (Bates Wells Braithwaite)

REFERENCE MATERIAL

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet: 'Outline Transformation Approach'	21 st March 2016

Wirral BC - Reimagining Leisure and Cultural Services

Phase 1 Report to Cabinet

14th March 2017



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Bates Wells Braithwaite | Impact | Advisory



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Section 1

Executive Summary

The objective... is to re-imagine Leisure, Culture and the Arts, Parks and Countryside, and Libraries to deliver an integrated portfolio that better meets local needs whilst reducing Council subsidy.

- 1.1 The objective of this project is to re-imagine four areas of Council statutory and non-statutory services to deliver an integrated portfolio that better meets local needs whilst reducing Council subsidy. The four areas are: Leisure (including not just wet and dry leisure centres but also football pitches, tennis courts, golf courses and others); Culture and the Arts (the Floral Pavilion, the Williamson, and Birkenhead Priory); Parks and Countryside (including large and small parks, public spaces such as roadside verges, and the crematoria); and Libraries. The subsidy, based on 2016/17 actual figures, is currently standing at £17.8m a year, with more likely to be incurred to meet the costs associated with condition surveys on a number of the buildings. Total staff working in these services is 475 full time equivalent employees.
- 1.2 The Council needs to balance its budgets. These areas have already sustained cost cuts in previous years. Further cuts would be likely to result in closures of facilities and reduction of staff. Set against this are targets under the 2020 Pledges better to meet social needs, both generally and for specific groups, and to create, not reduce jobs. The choice, then is to follow this path of further cuts, probably at significant scale, or to reform the way these services operate to:
- Develop new income to support those services and enable Council financial support to be reduced, and
 - Use assets differently in delivering social and economic outcomes for the people of the Wirral.
- This project addresses how these Council services can deliver these two.
- 1.3 The project is structured in two phases:
- Phase 1 (to March 2017) Through a combination of reviewing financial and operational data on the services, and about needs in the area, supplemented with workshops, interviews, and other input from the Council, other agencies and the services themselves, and analysis, to develop a concept of how a re-imagined groups of services might look, with a view of likely savings to Council support.
- Phase 2 (to June 2017) That outline concept is developed further, and in more detail, to produce a full business case with financial projections, business plan, detailed governance model, and transition plan for any proposed changes.
- If changes are approved then further work will need to be done to implement these.



Section 1

Executive Summary

Social and community needs demand a model that is both universal and targeted.

- *It must ensure that: every Wirral resident has affordable access to:*

i. Sports and fitness facilities

ii. Information, books and ICT facilities

iii. Cultural facilities (theatres, galleries events)

iv. Safe Community space – outdoor and indoor

- *It maximises the opportunities to reach out to those in need*

1.4 **The analysis of needs** recognises, but also looks beyond, the pledges in the Wirral 2020 plan to encompass the views of other agencies such as Community Safety Partnerships and Health. It highlights:

- Multigenerational poverty and disengagement
- Low working age to retired ratio, with needs around ageing well, dementia care, and isolation and loneliness
- Inclusion and exclusion of some, socially and economically
- Higher than average numbers of looked-after children, and people with special or additional needs
- Areas of oversupply or underuse of assets, some unsuitable assets, and others needing reconfiguration to meet need and market demands
- Opportunities in support tourism, both for general and special interest groups such as dementia sufferers and their carers, or those with autism
- Opportunities to meet health and social needs with the Leisure and cultural assets

1.5 Those analyses of needs demand a model for delivery from Leisure, Culture and other services that is both universal and targeted. The model must ensure that:

- Every Wirral resident has affordable access to:
 - i. Sports and fitness facilities
 - ii. Information, books and ICT facilities
 - iii. Cultural facilities (theatres, galleries and events)
 - iv. Safe Community space – outdoor and indoor
- It maximises the opportunities to reach out to those in need.

1.6 Looking at the **operational and governance model** highlights some key areas where delivering these services in-house at the Council appears to be making them less economically and socially effective. Specific areas highlighted fall into three headings:

- **Financial aspects and access to finance**
 - i. A disadvantage in VAT treatment currently estimated at £1m p.a. looking forward
 - ii. Lack of access to grants from foundations and other sources that could support additional services in future
 - iii. Social and community investment being hard or impossible to engage for a Council service, meaning that capital investment only comes from Council resources
 - iv. Negotiation with other potential funders for services such as health or police commissioners, or private sector supporters, are very hard to develop when the funder looks at the total budget and remit of the Council, rather than just at the service under discussion



Section 1

Executive Summary

Delivering these services in-house appears to be making them less economically and socially effective

- **Decision-making and responsiveness** given the need to be flexible, responsive and competitive. In this area, decision-making is geared to the wider democratic purposes of a Local Authority and not the flexible and swift decision-making needed in a competitive, market-facing service. Good ideas from staff and management get lost, or fail to get approved for actioning in a timely fashion. Necessary steps such as website development cannot get beyond Council policies and into reality. Support facilities such as financial accounting, similarly structured to the needs of a Local Authority, are also not suitable to meeting the needs of a business operation containing leisure, theatre and parks.
- **Community involvement** is there in the volunteering in a few areas, but this is related to smaller localised programmes, and not a widespread co-development of delivery with leisure and other facilities. It is harder to achieve a widespread engagement when these services are seen as a part of the Council's obligation to provide, notwithstanding they are not, in the main, statutory provisions. Staff involvement is similarly hard to achieve, with Council systems and democracy not designed to embrace it, yet the business' development needs it.

1.7 Some other models which would otherwise be possible alternatives do not deliver the freedom and flexibility that the businesses need to deliver the economic results and social impact they can:

- A **Local Authority Trading Company (LATCo)** is a wholly-Local Authority owned company. It is a form generally used for incubating and aligning businesses prior to a spin-out, for pure LA-owned joint ventures (such as some of the emerging Regional Adoption Agencies), and for simple shared service companies. It is still subject to Council processes and systems, has limited or no community involvement, is ineligible for the other forms of finance mentioned above, is still likely to be seen as public sector, with the disadvantages that brings. It does not gain the VAT advantage that an independent social business would.
- A **private sector outsourcing** does not deliver the required benefits and profile required here either. It does not have a regulator-controlled focus on social delivery balanced with economic sustainability, but, even if socially-sensitive, this is driven by the profit incentive rather than a higher obligation to seek public benefit. With the Council likely to want to stipulate restrictions on the businesses' ability to dispose of assets, and over their future use in some cases, this is likely to make the contract less desirable to a profit-making entity. It is also harder to given the ongoing financial support from the Council for the parks and other facilities if they are being delivered by an entity which aims to deliver a financial return to private owners.

Section 1

Executive Summary

There is also likely to be more limited community and staff involvement.

- A **Co-operative or BenCom as a legal form for a staff mutual**. It requires an active ownership involvement by a large number of staff. In our experience, while staff tend to be keen on having a voice in governance they are often, but reluctant to embrace legal ownership. Co-operatives are often associated with a rigid form of democratic decision making of one person one vote that is hard to navigate for quick, market-facing decisions, and cuts against modern social investment profiles in which an outside investor wants rather more say. As legal forms they are not usually asset- or mission-locked, and they carry a real risk of demutualisation, as happened with the Building Societies, which would result in assets and value potentially being lost to public service. We do however contemplate staff involvement through other legal forms.

1.8 We are therefore **recommending an alternative delivery model and not continued in-house provision**. It would be in a social vehicle with the following key qualities:

- An independent vehicle
- Free of Council constraints
- ..but at the heart of the Community
- With Council involvement,
- Socially-focused and governed
- Which combines coordinated and market-responsive delivery, and
- Engaged and empowered staff
- To secure and ensure financial sustainability

Our vision is for a model:

- Which is both universal and targeted to those people who need specific things from it
- Which recognises that what the public want and need has changed and will continue to change
- Which is financially sustainable, albeit with some ongoing Council support at a reduced level against the current budget
- Which is locked into serving the community and in which the community and staff has an involvement and a clear voice.

Section 1

Executive Summary

The new operational model will embrace

- *Co-ordinated delivery across the four areas*
- *Market and customer development, whilst retaining accessibility for those of limited means*
- *Management and culture change to support this*

- 1.9 Further work is being undertaken during Phase 2 to confirm the detail of which of properties and equipment used in the delivery of the four operational areas will be transferred into the new vehicle. Associated staff will also transfer to it. The Council will provide ongoing financial support of aspects of the ongoing provision by the new vehicle.
- 1.10 In terms of **operational model**, there is much that is right with what is there now, but at the same time opportunities for more effectiveness and needs-focus in delivery are being missed, or are not able to be pursued in the current structure. Areas for opportunity fall into three headings:
- **Co-ordinated delivery** and joined-up working across the four areas, including coordinating front-facing and supporting services, getting the best out of specialist management, using space well, and eliminating in-house competition, then improving customer experience, adding new services and so generating additional income;
 - **Market and customer development**, with developing customer journey in single visits, in days out, and in longer stays, and pricing to market – not pricing out those that cannot easily afford it, but pricing to the universal market and allowing support for those of less means
 - **Management and culture change**: in terms of approach, with strategic management as a whole, having fit-for-purpose management and financial information; fast, effective communication rooted in and working with community engagement; and with an empowered, trained and engaged workforce.
- 1.11 Early indications are for **savings in Council support of £4m upwards**. So far there are areas of pricing changes and customer management approaches in some areas, VAT aspects and structural improvements that can be expected to deliver this. Further areas for improvement include the generation of additional income from other public commissioners, tourism, and new services: areas that require further research and quantification. These figures do not assume staff reductions, and continue with current terms and conditions.
- 1.12 The **legal form** of the new entity should be:
- Mission-locked: the public-benefit focus must be paramount and cannot be altered
 - Asset-locked: value cannot bleed out of it and must be retained and reinvested for community benefit.
- 1.13 Two **possible structures** look most likely to fit this profile:
- A charitable company limited by guarantee with a trading subsidiary, or
 - A Community Interest Company limited by shares



Section 1

Executive Summary

There are advantages and disadvantages one against the other, and the distinction will be further developed over the next three months.

1.14 In addition:

The Council will retain a significant influence...

- Windfall gains on property (if they arise) should be available to the Council for wider area development and support
- Community engagement and involvement, and staff voice, should be embedded in the constitution and operational policies of the new body.

1.15 **Maintaining a focus on social needs of the people of the Wirral**, and on supporting the development of the local economy for them must remain at the heart of the new organisation. This is achieved through three means:

- Through the organisation's **constitution**, which includes the mission lock and asset lock, has a strong foundation of public accountability, and adds the oversight of a regulator (the Charity Commission or the CIC Regulator as applicable);
- Through ongoing **Council influence**, which will remain clear and effective, whilst not compromising the organisation with being inside the Council as described above. In practice that influence will be through the terms of the original allocation of assets, through the governance of the organisation including a right to nominate (some) board members, and through the terms of the ongoing support funding agreement.
- Through **other key influences**:
 - i. Community involvement and voice
 - ii. Staff involvement and voice

These will be established to be active and effective, and will require the organisation to engage with both groups, as well as with third party agencies and providers.



Section 2

Context and Objectives

An ambition for enhanced and more focused services, whilst addressing the savings that are necessary...

- 2.1 The Council is a coming together of five separate Borough Councils. Each has its own history, and a full range of facilities focused on its traditional communities and demographics. This means that, in a relatively small geographical area of 60 square miles with just over 320,000 people, there is a wide range of public facilities, giving one of the largest areas of green belt in any area of the North West.
- 2.2 The Council has published a 2020 Vision and plan with its aim “simply to be the best Council in the country.” It demands that “...understanding of residents’ needs is embedded within... business planning” and that they will be able to be resilient and independent. Its ambition is for enhanced and more focused services, whilst addressing the savings that are necessary.
- 2.3 The 2020 plan sets objectives at people, business and environmental levels, and these should be at the core of the transition plans and restructuring proposed.
- 2.4 The Council’s objectives in pursuing the possibilities beyond cost savings and efficiencies from within are:
- To maintain existing facilities and services wherever possible
 - To reduce significantly, and ideally to eliminate over three to five years the current level of subsidy to leisure and cultural services
 - To reform services around leisure, culture and parks and gardens assets such that they are more widely used
 - To be creative and innovative but not to take unreasonable risks
 - To improve the responsiveness, resilience, flexibility and agility of services and the public assets in these portfolios
 - To maintain the highest standards of accountability and transparency throughout
 - Not to put public assets into the private sector if possible, although putting them into asset-locked bodies is possible
 - To deliver any changes with pace, but not so quickly that community engagement is lost, or accountability and proper risk management are compromised.
- 2.5 The outline being considered, then is:
- To what extent can these assets and the businesses within them be re-imagined to make them more effective in delivering against community and area needs and carry a lower cost burden for the council whilst maintaining their focus on public needs and outcomes?
 - Could more be achieved by moving the four portfolios into a different ownership or governance structure?



Section 3 Approach

...by focusing on area needs, and then looking at how the four areas can most effectively deliver those together, the necessary drive for savings can move beyond a cost-cutting debate and deliver more, not less

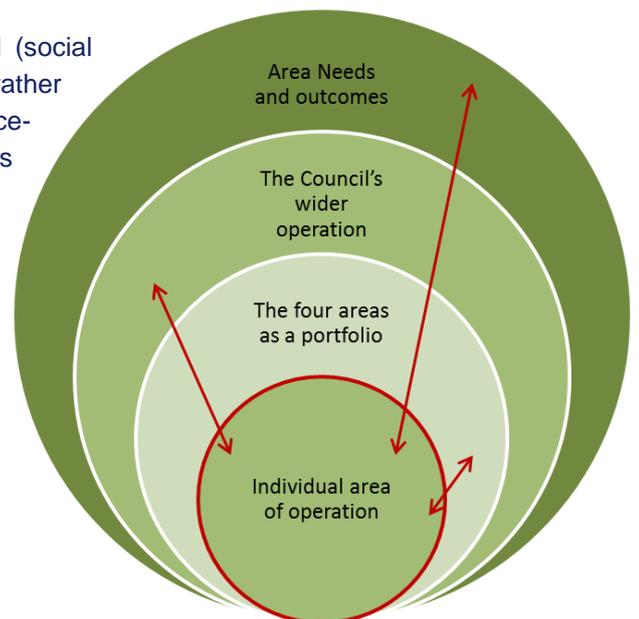
- 3.1 What the project aims to do is to consider how services can be re-imagined across four areas of operation of the Council:
 - Leisure
 - Culture and the Arts
 - Parks and gardens
 - Library services
- 3.2 By considering them as a portfolio, the four can be used holistically to deliver the Council’s vision, to engage and motivate communities (including harder to reach or harder to engage and benefit groups), and to achieve financial and operational sustainability more easily.
- 3.3 Each of these four areas will be looked-at separately, and set in the three contexts of:
 - The four areas as a portfolio
 - The council’s wider plans, financial and operational obligations, commitments and infrastructure
 - The wider area needs and targeted outcomes

This is shown in the green diagram, with the comparisons shown in red.

- 3.4 The four areas have been examined already for cost savings, and have responded to various changes in their markets. Inevitably this has been done to differing degrees and with differing degrees of success.
- 3.5 This project, aligned with similar approaches in other areas of public service, is focused upon reframing services to look at how
 - Co-ordination
 - Community engagement
 - Needs led approaches
 - Commercial approaches

can be used to deliver more effectively for less on both a targeted and universal basis.

- 3.6 This demands a needs-based (social or market needs) analysis, rather than a more traditional service-defined one. It also asks whether operation as a portfolio, co-ordinated, can deliver more, for more parts of the community, and duplicate less.





Section 3

Approach

3.7 Phase 1 work has been completed and comprised:

- Information gathering – including looking at previous reports
- Workshops
- Site visits
- Needs analysis
- Mapping
- Financial review and modelling
- Service Provision/Partner calls
- Meetings with other agencies (inside and outside Council)
- Meetings with Unions
- Market/Competitor Analysis
- Benchmarking

Section 4

If we continue as is...

- 4.1 The table below shows the income and expenditure accounts for the four service areas as currently operated, and is based on the 2016-17 budgets. The income is from a range of external sources, and relates to use of the facilities by the public, and by other organisations.

Original 2016/17 Budget Income and Expenditure

	Libraries	Leisure	Culture	Parks	Total
All figures in £'000s					
Income	175	7,013	2,559	3,708	13,456
Expenditure					
Staff Costs	2,423	6,755	1,292	6,101	16,572
Premises Costs	845	2,419	358	1,523	5,144
Transport	25	16	901	774	816
Office Expenses	478	625	1,740	447	3,290
Other	9	5	75	99	187
Recharges	356	1,376	219	(151)	1,801
Total Expenditure	4,136	11,196	3,685	8,793	27,810
Depreciation	367	1,819	465	823	3,475
Surplus / (Deficit)	(4,328)	(6,002)	(1,591)	(5,908)	(17,829)

- 4.2 The overall view is that these areas require financial support from the Council in the amount of £17.8m p.a. after depreciation: £14.3m before capital costs, major repairs and refurbishments (but after scheduled regular maintenance). These figures can also be analysed by individual sites. Within this is the payment of £1.26m a year of rates to the Council, so the effective net subsidy is £16.6m, or £13.1m before capital costs.



Section 4

If we continue as is...

4.3 There are three possible future scenarios to be considered:

1. **Keep going as it is, doing what you can to improve elements** The Council will be faced with supporting at £14.3m per annum, which will rise at least the rate of inflation. It will be vulnerable to competing provisions, so may increase as it loses income. In addition the Council will have to fund renovation to bring sites up to scratch and modernise (between £50k and £2m+ per site) and regular major repairs and renewals of sites and equipment of around £3.5m per annum.
2. **Make cuts** This will require reduced services, possibly to the point on site closures:
 - Of leisure facilities and libraries, probably on a substantial scale, given it is harder to stop maintaining parks in order to achieve cuts, so the parks bill of £5.9m p.a. will stand unless...
 - ...some of the parks are closed and sold for redevelopment, in such a way that maintenance costs (and personnel) can be reduced

It is probably possible to halve the support costs by cutting a number of sites, and attempting to focus on the remainder, but there is a real risk of reduction in service to the Wirral community as a result.
3. **Something else** The alternative is to look at how the income can be grown, the assets used for delivery of a wider range of services to meet local demand and needs, and operational efficiencies achieved which don't necessarily mean cuts, but do involve managing and working the portfolio as a whole. This is what this project is focussed-upon

Section 5

In house or not?

Alternative delivery model provides the fast and responsive decision making necessary in a changing environment, the lever to re-energise staff and the opportunity to draw income from other sources

- 5.1 In-house provision brings disadvantages when focusing on creating an operational model that is needs-focused, responsive, economically competitive, and which enables and empowers management and staff to meet local community needs. These disadvantages fall in three main areas:
- Direct financial aspects and access to finance
 - Decision-making, and
 - Community (including staff involvement).

Each is described further below, highlighting several areas of disadvantage within each.

5.2 **Direct financial aspects and access to finance**

Whilst there are financial positives in the other two areas, there are some factors that have a direct financial impact. Further evaluation of these is to follow in phase 2, but, as is shown below in sections 11 and 12, at this early stage there are clear points emerging. In particular four headings stand out:

- **VAT:** with services provided in the leisure and theatre fields being VAT exempt, even taking into account the loss of the recovery of VAT inputs related to these areas, there is a net gain achievable of just over £1m a year. A public authority does not have a similar right to VAT exemption. Further enquiry is ongoing about any difference in VAT treatment on capital works to renovate the premises.
- **Foundation and other non-public sector grants:** with a focus on generating additional income, these can be available to support additional social provisions such as youth outreach, services for the elderly, or these with additional needs. Whilst there are grants available to both social sector companies and public authorities (e.g. F.A. grants for 3G football pitches), those from charitable foundations are generally only available to charities and social enterprises.
- **Social Investment:** this is capital available for investment in assets and businesses with a social or community focus, and comes from foundations, socially focused funds, and private individuals and companies seeking to achieve something social. It is very rare indeed for this to be available to a local authority: in all practical senses it would not happen.
- **Co-commissioner and other income from social agencies:** whilst one commissioner (health, or community safety, for example) may commission services from another, in practice it is a very tough negotiation. Counters to this are that councils have assets and don't need cross-subsidy, whereas for a social vehicle there are no such distractions from the core discussion about the services to be provided and the value of them.



Section 5

In house or not?

5.3 Decision-making

For a Council, its decision-making is part of a democratic process designed for a whole area representational engagement far wider than the operation and management of selected market-facing assets. It takes time, has a multi-layered process, and is set in the wider framework of the totality of Council services and representation. In setting market-facing operations in that context, several consequences arise which compromise their being effective in delivery and responsive in action:

- **Decisions**, even when they need to be, **cannot be made quickly**, so responsiveness and commercial competitiveness are compromised;
- **Practical and useful ideas**, often from the staff and management seeking to be more effective, and meeting under community needs, **get lost** or fail to be progressed to actions;
- The democratic **framework for decisions is focused on the wider Council remit**, rather than evaluating decisions in a simple framework relating to meeting needs in the relevant business areas;
- **The need to be appealing and stimulate customer football** is not a prime focus, where it could and should be, so this competition can get lost;
- **Accounting and management information** is focused on proper Local Government approaches, and does not provide the information needed to manage these areas effectively. They must either prepare their own information, ignoring the Council's, or work without and be insufficiently sighted.

5.4 Community (including staff) involvement

The historical backdrop is one of Council provision, and a relationship with a community that expects this, with the Council deciding through its democratic processes what will be provided and where. The incentive for community to get involved, beyond some very helpful but localised volunteering (for example in parks the Williamson), is minimal, perhaps notably when they see this as something for which they have already paid through their taxes.

The consequence of this is disadvantageous in three senses:

- **Community effort and engagement**, and indeed **community investment** as part of a social investment programme if sought, are much harder to achieve than for an independent, community-focused social vehicle.
- Individuals who might come forward as **trustees, directors or community advocates** may be less inclined to get involved in a Local Authority.
- **Staff engagement, and voice** is harder to achieve.

5.5 Even if these areas are not operated as in-house provision, so that advantages can be gained economically, and in social delivery, the Council can still, and should, maintain a strong influence over service provision.



Section 5

In house or not?

Section 13 below, and section 1.15 in the Executive Summary explain how this is achieved.

5.6 Other models may be considered as alternatives to in-house provision. In the section below we explain why three most obvious alternatives are not appropriate solutions here, leaving transfer to a social vehicle for discussion in the rest of the report as our proposed solution.

5.7 A separate company, wholly Council owned (a LATCo, or local authority trading company)?

These are most frequently used for:

- Incubating Council services as businesses prior to a formal transfer to an independent vehicle
- Joint ventures between two or more Local Authorities
- Simple shared service provision between several Local Authorities

None of these fit to the current circumstances and the business' needs.

In addition, a LATCo. exhibits a number of the disadvantages outlined in sections 5.1 and 5.5 above for in-house provision. In particular:

- It is still subject to Council processes and systems and so is slow and uncompetitive
- There is limited or no direct community involvement
- It is ineligible for other forms of finance
- It is still likely to suffer, in terms of recruitment of board and engagement of the community more generally, from image as a Council organisation
- It is similarly hard to get the culture change and the freedom of ideas and creativity necessary for effectiveness and competitiveness
- It is still “part of the Council” for other income arguments

5.8 Private sector outsourcing?

The need is for solid and reliable socially-focused provision, with accountability, and Council influence, married with the optimum economic sustainability. With this outline, a traditional outsourcing to the private sector does not seem appropriate for five reasons in particular:

- It doesn't have a regulator-controlled focus on social delivery with economic sustainability
- The restrictions on asset transfer and operation the Council is likely to want make the model unlikely to be investible to a private sector provider

Section 5

In house or not?

- It is hard to balance Council funding (which is likely to be necessary in future, albeit at a lower level than currently) with paying yield to private sector owners
- It is hard to justify paying a return to a private sector owner when you could retain it and invest for the community
- There is no or limited community or staff involvement

5.9 ...or a BenCom or Coop as a legal form for a staff mutual?

Whilst staff mutuals are an interesting option in terms of staff involvement, the BenCom and Co-operative models for them, which have been raised as options in the review (see also 13.2.3 below) do not seem to deliver the objectives here. Four specific reasons are:

- Generally in our experience staff want voice, not co-ownership
- Rigid democratic structure leads to paralysis in decision making
- “one person one vote” blocks modern investment profiles with votes based on amount invested
- They are not mission locked or asset locked (of fundamental importance as explained in 13.1.2 and 3 below) and so face the danger of demutualisation like the building societies did.



Section 6

Vision of a new service

In response to changing public needs and wants we are recommending

- *An independent vehicle*
- *Free of Council constraint but*
- *At the heart of the Community,*
- *With Council involvement,*
- *Socially-focused and governed,*
- *Which combines co-ordinated and market-responsive delivery, and*
- *Engaged and empowered staff*
- *To ensure financial sustainability*

6.1 Having considered models that do not appear to work here, we turn to our vision of a model that can deliver both short- and long-term social impact and value, and improvements in economic sustainability. This has emerged with clarity from our work on community needs (section 7) and operational effectiveness (section 8). There are four key aspects to that vision, which are explained below.

6.2 “A model which is both universal and targeted”

The intended future model is one which operates at two levels to deliver universal and targeted provision. The model must ensure that:

- Every Wirral resident has affordable access to:
 - a. Sports and fitness facilities
 - b. Information, books and ICT facilities
 - c. Cultural facilities (theatres, galleries and events)
 - d. Safe community space – outdoor and indoor
- It is proactive in reaching out to those in need.

6.3 “A model which recognises that what the public want and need has changed and will continue to change”

Each of the services currently provides more than is assumed by outsiders. For example, the services libraries provide include space for community groups, information, ICT facilities, outreach to those suffering from social isolation as well as lending books. The future model must preserve what is effective about what is currently provided while also recognising that what the public want and need from this portfolio of services has changed. It must also adapt to future changes, the model must be both flexible and agile responding to both short term immediate issues and longer term factors.

6.4 “A model which is financially sustainable”

In the future model with a reduced level of Council support the portfolio of services will place greater reliance on self-generated income through;

- better, more attuned pricing which is also inclusive; and
- improving the “customer journey” – increasing revenue from customers by giving them more of what they want. The model also looks to other public service commissioners, delivering services where these are highly effective, and those agencies pay for them because it is also cost-effective for them.



Section 6

Vision of a new service

The model must be an integral part of the tourist development of the area, which offers both well-signposted and cohesive holiday experiences, with cultural options, and specialised holiday provision where there is market demand (for example dementia sufferers and their carers and other special needs groups).

In summary the model is creative and through that it is commercially viable.

6.5 “A model which is locked into serving the community and in which the community has a clear voice”

The legal form of the model must ensure that it is locked into a focus on public benefit, not private profit. Its governance must ensure the community has a clear and effective voice ensuring that the model continues to be effective at meeting the needs of local people as the context in which it operates changes over time.

Why keep all four areas together...?

As against the possibility of transferring some, and keeping others as in-house provision the emerging preference is to keep them together for the following reasons:

- Efficiency and avoiding duplication (of support)
- Flexibility with which assets to use to deliver which services against which needs
- Give all areas the benefit of independent, dedicated management and leadership, and enables it more easily to afford excellent quality in this
- Engage more widely with the local Community
- Allow reasonable cross-subsidy from high income generating areas to less independently sustainable ones
- Remove unhelpful competition
- Benefit to the maximum from central supply and management in frontline and back office
- Gives an overall size and resilience to the organisation that helps its sustainability



Section 7

Needs of the community

There are real opportunities to use assets more effectively, delivering both economic gain and social benefits...

- 7.1 There are two main analyses that underpin our development of this area:
- The needs and outcomes analysis, which looks area-wide at the population's needs, embracing the needs of visitors through work or tourism (relevant to enhancing economic growth), the drivers behind the 2020 pledges, and how they might be delivered
 - Geographical maps of access to facilities ward by ward, and a comparison to actual utilisation of the various facilities in their current configuration
- 7.2 These also feed into the suggested transformations in the operational and other sections. The vision (section 6) outlined the core services and facilities to which we suggest every Wirral resident should have access.
- 7.3 Key themes emerging from our needs analysis (which is further detailed in the Appendix) are as follows:
- **Multi-generational unemployment in some families;** low educational attainment; some with poorer behavioural norms which further isolate them socially and economically; lower health outcomes.
 - **Low working age to retired ratios;** which is further compounded as regards needs as it links to higher diabetes, dementia, and ageing well aspects, as well as isolation and lack of involvement leading to health and mental health concerns, which tends to be an issue for the more affluent families, perhaps more than for the less affluent. An appropriate response to this might be two-fold:
 - To encourage an influx of younger families with better facilities, more tailored and with better signposting and variety
 - To support older residents with more flexible, and tailored, community-based provision some very close by and some on an area basis.
 - **Higher than average levels of Looked-after children,** with particular focuses on LAC Transition, Learning and other disabilities, and special educational needs (including autism and ADHD specifically). This entails needs for support not just for the children and young people, but also for their carers, whose commitment may lead to social isolation, and health or mental health problems.
 - There is a **wealth of natural and historical assets and a fierce civic pride,** countered with a lack of investment, coordination and focus
 - Inclusion and exclusion of some people; economically and socially



Section 7

Needs of the community

- Possible areas of oversupply or poor reach suggested by low utilisation; other areas with assets that are not suitable or could be better configured to meet needs
- **Low engagement of community in social care**
- There are areas in which **tourism could be enhanced** and contribute significantly to economic benefits across the area, and for the Wirral population as a whole.

7.4 The needs analysis begs a range of solutions, which can be split between those conferring economic gains, and those conferring social gains (albeit many are interrelated). Key amongst those are as follows:

Economic

- Bring (more) people into the area and into the facilities
- Bring trade into the area
- Bring more effective service delivery (of existing services, and taking over alternative delivery of others' needs)
- Price services to market more effectively
- Create new jobs that sell services to visitors or other non-Wirral resident people and businesses

Social

- Economic gains can generate social benefit and vice versa
- Use of community as a resource
- Refocus services on need and enabling community-based care and effective socialisation : meaning new services, delivered differently, with a focus on developing community
- Co-commissioning of services with other agencies, including corporate commissioners for outcomes
- Tourism development using these assets: thinking about drawing people to the area, and about improving their customer journey whilst they are here (events, daily and weekly visits)

7.5 The overall response to these needs is a vision of a model that is embedded in the Community and universal and targeted, as outlined in what may be seen as a commitment to the Wirral, at 6.2 above.

Section 8

Operational model (1): coordinated delivery

...operating as a coordinated whole, breaking down silos, will give savings, and better access to additional income

8.1 From the review of operations, in the context of the needs analysis, there are opportunities for improved working that are evident. These fall into three headings: coordinated operation and joined up working (discussed on this page, and flagged as some of the reasons for keeping the portfolio together on page 8); market and customers, and management and culture, on pages 20 to 22, and 23 to 24 respectively.

8.2 Coordinated operation

There are some areas where operating the four areas as a unit should confer benefits, at least enabling more to be achieved than by applying these measures separately. Each is potentially income-generating or cost saving, and running them together makes specialist management cost effective, removes competition, and gives customers a better experience. They are:

- **Catering:** providing a better variety of food and drink, meeting the needs and preferences of a wider group of people, and encouraging them to stop and eat, or refuel between activities, and encouraging them to move and engage more widely with provision
- **Community engagement:** linking groups together, learning and replicating across the geographical area and across the different services
- **Grounds maintenance:** providing grounds maintenance services across the property portfolio
- **Signposting and marketing:** this includes a social media strategy and a clear, easy to use website (and a Wirral App which links to it) that encourages and enhances the use of facilities, services and amenities across the Wirral
- **Excess space management:** priced to market (not undersold as presently), and configured flexibly to allow for lets, with easy to navigate online booking; also actively managed block rental or shared use, to optimise use and income, whilst avoiding pointless competition
- **Events:** offering a range of cultural and sports events using the full range of facilities and available; delivering both to residents and visitors, encouraging extended stays. Expert management and co-ordination to avoid conflict give this a real prospect of success.
- **Customer journey:** underpinning all of these is the concept fundamental to all entertainment and leisure venues of customer journey. The customer should be encouraged to stay, and do and spend more. This applies within a single site visit (add food, or an extra experience, or buy tickets for next time), for a longer travel over the course of a day or part of one, or a stay over several days or a week

Section 8

Operational model (1): coordinated delivery

8.3 Joined-up working

This goes more into the practical side of operations, in which having a wider range of assets, of very different types, can enable services to be delivered more flexibly, and with less resource and duplication. It also stretches to an easier linking-up with other, third party facilities, such as schools' sports and leisure facilities, so, for example, two schools, a leisure facility and a park could offer much as a joined up package. Specific areas here are:

- Making new commissioner and other partnerships as a group (so not trying to compete pointlessly). Opportunities for improving these exists with Liverpool City and encouraging theatre and leisure tourism, and others;
- Operating together in designing "journeys" through a variety of facilities;
- Thinking creatively about how to house key community services, not just in libraries, but in sections of leisure or arts facilities if that makes for better use of space and ease of access;
- An holistic approach to tackling engagement with young people.



Section 9

Operational model (2): Market and customer development

...new services, revised pricing to align with the market, and new customers, individual and organisational, offer real opportunities... Managing customer journey is the first...

Market and customer development entails four elements:

1. Developing customer journeys
2. Pricing to market of existing services
3. Future specialist needs groups and other commissioners
4. Developing the service offering

9.1 Developing customer journeys

Increasingly visitors to a leisure facility, an area, or an event don't just want to visit that one thing and go. They want to, or are willing to, enhance that visit: with a drink and a snack, a meal, an add-on experience, a souvenir or related purchase, or an upgrade or enhancement of the one they originally intended. They are also at an optimal point for re-booking, when they have just enjoyed the last time: a point not lost on fitness instructors to name but one. The leisure, culture, or services provider needs to think how to manage these "customer journeys" to satisfy the customer and meet their needs, whilst optimising income for the provider. This operates at three levels, each of which offers specific opportunities:

Level	Opportunities
During a single visit – to a leisure centre, the Floral Pavilion, or a Park, for example	<p>In the Floral Centre, by enhancing the hospitality offering and structuring it so that people stay and enjoy it, allowing that they will buy souvenirs and tickets for other events, and by looking at customer journey in conjunction with Liverpool theatres .</p> <p>In the Leisure Centres by encouraging staying for a drink or food, or the adding of extra sport experiences in visit (paid). This can also come in the form of bringing a friend or a carer to participate in something whilst you are there, something that has worked well in Manchester and Glasgow, for example. Some of this may also apply in the Parks.</p>
During a day trip – in which the visitor may travel between several locations, events or experiences	<p>This is not just for the tourist, or leisure-seeker, but can also apply to those coming to the Wirral for work or shopping. This needs to be developed in conjunction with the Birkenhead plans amongst others.</p> <p>A less guided visit can be developed to enhance the original purpose itself (e.g. by developing the archive facilities to support history research trips), but also to introduce new opportunities and interests.</p>



Section 9

Operational model (2): Market and customer development

During a longer trip – as a part of the development of tourism, recognising that this demands development of a greater variety of accommodation (hotels and camping, for example)	Encouraging the development of tourism by designing possible “trails” (not just in the essence of walking or cycling) offering sequences of experiences. This mainly requires elements of experience design, and information, guidance and pre-booking possibilities. It would mean that more people come to the area, and that they visit more whilst they are there.
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9.2 Pricing to market existing services

Any considering of pricing in this arena must not preclude access to socially important facilities to those who have a limited ability to pay. That being said, the pricing approach being used is leading to losses through pricing below comparable services, and structuring the pricing in a way that offers incentives at the wrong points, or encourages the wrong behaviours. Detailed comparisons to market pricing have been provided to, and are being discussed with, Council officers on area management.

9.3 Future specialist needs groups and other commissioners

9.3.1 Public service commissioners elsewhere purchase programmes of services from leisure centres. These may be service-defined, or based on the delivery of outcomes and there is some indication of these services being provided in the Wirral. Examples include work to engage young people otherwise setting fire to wheelie bins (North Lanarkshire Leisure), Stroke Rehabilitation (North Lanarkshire Leisure), COPD (Manchester Sport & Leisure), young people with additional needs and their carers (Manchester, Fusion Leisure). In each case the commissioner buys because it is cheaper than in-house provision and more effective because of the social peer-group setting.

9.3.2 Early indications are positive from Police and Crime/CSP, and from Health.

9.3.3 In addition to public service commissioners, private sector companies may be (and have been in other areas) encouraged in as customers:

- Paying for outcomes achieved for disadvantaged groups not provided for by statutory services, and engaged with through sport and leisure settings, or
- In buying services for their staff, focused on staff wellbeing.

Section 9

Operational model (2): Market and customer development

9.3.4 A key area on which to focus here, perhaps in conjunction with Tranmere Rovers, and other local organisations and providers would be 16-19 y.o. white males and other groups with long-term unemployment and low prospects, ideally catching them earlier as well.

9.3.5 Other health commissioning areas could include ageing well, diabetes (including those expected to develop type 2 diabetes due to obesity and lifestyle), and dementia care.

9.4 Developing the service offering

9.4.1 In addition to new customers, and social (wellbeing, behavioural and health) services, the joined up services should look at new sports offerings, including:

- Using social engagement with older players and organised engagement programmes to encourage young people into golf and others with ample provision and an ageing following
- Bringing in a “tour” of new sports to try
- Link this to events, through such as enhancing the facilities on the water frontage to enable the world windsurfing to come back

9.4.2 **Tourism** is an area of development for the Wirral as a whole. This can usefully be supported under two headings:

- **General:** through a co-ordinated events offering, better web-based signposting of facilities, development of an App to help and plan engagement and customer journey, and focusing on enhancing the experiences during visits
- **Special groups:** through developing tailored offerings for special needs groups with relatively high spending power, but who find it hard to locate and engage with leisure activities safely. Specific areas for potential provision are being discussed further with Council officers and area management.





Section 10

Operational model (3): Management and culture

...a freer environment with a management structure and organisational culture aligned to business and social needs will lead to a responsive and effective, flexible and agile, and more sustainable, organisation...

These service areas are predominantly market-facing ones that compete for customer footfall and their money. They are not services like bin collection which the public have no option but to 'purchase' and which they perceive as being paid for by council tax. They are parts of industries with their own approaches, accounting and business models, and models for service development and customer management: models that work. The four areas, and the portfolio as a whole, need to embrace those good and efficient management practices, and the culture that goes with them.

10.1 Co-management

Each of the four areas needs its own leadership, as currently, but it also needs overall leadership that will manage the four strategically as a group.

10.2 Financial and Management Information

Accounting needs to be aligned to the business' needs. There are KPIs for theatre and leisure centres that are not measured in the Council-format accounts, and on several areas income is not shown, being taken to a separate, central cost centre. These compensate by keeping their own records, wasting time and energy in duplication. Accounting drives accountability. The accounting needs to look at the whole business, with all of its income and costs.

10.3 Decision-making

10.3.1 In Council services, decision making is inextricably linked to, and a part of, the multi-layered and at times complex systems of elected member and officer involvement and accountability. This means that it is hard for services like leisure centres to react quickly, flexibly and with agility to the market, and to changes in it.

10.3.2 Management needs to be efficient, sector-experienced and focused. It needs to embrace:

- Co-management of the four areas as a strategic whole
- A focus on sustainability developing both income to support it, and the social returns needed by local people and agencies
- An ability to make decisions quickly, and to develop new ideas within a framework of accountability, but without having to clear detail through multiple layers.

Section 10

Operational model (3): Management and culture

10.3.3 This demands a decision-making structure of a small board of directors including non-executives or trustees, a CEO and CFO, and group of experienced service heads. That group needs complete control (with accountability) for the whole achievement and financial sustainability of the business, and needs to have the remit to make the decisions necessary to deliver and compete.

10.4 Change to culture, custom and practice

The culture and working practices are currently traditional, and not focused on running business operations in a competitive environment. Taking one example, market development and promotion increasingly is web-based, and needs to embrace social media. All the areas have found it impossible to do this. The culture needs to be focused on income generation, delivery of service and engagement of customers on multiple levels, and meeting their needs: for entertainment and leisure, but also for increased wellbeing and other social benefits. That needs to run right through the businesses, and will demand changes in focus not just from management, but staff as well. Working practices do need some change, with staff likely to need to be more flexible in role boundaries, and embracing the training needed to develop their roles and offer new support to customers.





Section 11

Financial and funding (1): Operating budget

addressing these operations as businesses, and focusing on income generation and social effectiveness can reduce significantly the level of Council financial support by at least £4m and possibly rather more per annum...

- 11.1 This is not a cost-saving exercise in traditional form. It focuses on three areas: developing additional income, introducing different management and operational practices aligned to industry norms to improve efficiency and resilience, and coordinating a wider range of resources including community support on the social challenges and opportunities in the Wirral.
- 11.2 In each area, and collectively, this has been addressed in this project top-down, and bottom-up. These areas have been described in summary in the previous sections. The base figures from which these have been developed have been agreed by the Council's finance team. In each area we have split the financial effect of improvements into three:
- **Short term: very likely to be achievable**, and to take effect during the latter part of 2017-18 or early 2018-19; analysed and built up in detail, with a strong evidential underpinning or rationale
 - **Longer term: still very likely to be achievable**, but likely to take effect later (probably in between two and four years), and in stages
 - **Potential development: other areas** which show through this review as likely to deliver value, but which **need further work to clarify how much, when, and how**. These tend to understate the possibilities.
- 11.3 The overall picture is shown in the table on the next page. This only brings in the Short Term and Longer Term identified and likely achievable elements, but not the Potential ones. These areas are still being worked upon, and are likely to show change, clarification, and perhaps further improvement during Phase 2.
- 11.4 In addition to the changes in each of the areas (which include some initial elements of co-working), overall management cost is likely to see a saving against the current Council provision. This is highlighted in the summary table on the next page, which is based on the 2016/17 actual budget figures. All other periods' figures are our projections from that base based on our analysis.

Section 11

Financial and funding (1): Operating budget

WIRRAL LIBRARIES, LEISURE, CULTURE AND PARKS & COUNTRYSIDE
Income and Expenditure
Account

£'000													
	2016/17		Revised										
	Budget	Changes	Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2026/27	2027/28
Income													
Services	13,456	2,886	16,342	14,950	17,000	17,338	17,683	18,035	18,394	18,761	19,134	19,515	19,904
Grant Funding				17,415	12,611	12,570	12,342	12,290	12,236	12,181	12,124	12,021	11,956
	13,456	2,886	16,342	32,365	29,611	29,908	30,025	30,325	30,630	30,941	31,258	31,537	31,860
Expenditure													
Libraries	3,806	(169)	3,637	3,792	3,724	3,781	3,830	3,879	3,930	3,981	4,033	4,042	4,090
Leisure	10,511	(1,300)	9,211	10,135	9,420	9,512	9,606	9,702	9,799	9,898	10,000	10,103	10,208
Culture	3,482	(254)	3,228	3,434	3,334	3,386	3,439	3,493	3,548	3,604	3,661	3,720	3,779
Parks & Countryside	8,333	238	8,571	8,555	8,771	8,859	8,949	9,041	9,134	9,230	9,327	9,426	9,527
	26,132	(1,485)	24,647	25,917	25,249	25,538	25,823	26,114	26,411	26,713	27,021	27,290	27,604
Central Cost Recharge	1,679	(1,679)	0	1,745	0	0	0	0	0	0	0	0	0
New Management Team	0	849	849	497	866	875	884	893	901	910	920	929	938
Depreciation	3,475	(177)	3,298	3,401	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298
Total Expenditure	31,285	(2,491)	28,794	31,561	29,413	29,711	30,005	30,305	30,610	30,921	31,238	31,517	31,840
Net Surplus / Deficit	(17,829)	5,377	(12,452)	804	197	197	20						
Reserves Brought Forward				0	804	1,001	1,199	1,219	1,239	1,259	1,279	1,299	1,319
Reserves Carried Forward				804	1,001	1,199	1,219	1,239	1,259	1,279	1,299	1,319	1,339

- 11.5 Staff costs based on their current terms and conditions remain unchanged in these workings.
- 11.6 Libraries shows modest short-term improvements pending further analysis. Long-term Council support in this area is likely.
- 11.7 Leisure shows a significant improvement, substantially due to increased utilisation, and pricing to market, as described in the operational section above together with the effect of VAT savings. Further improvements include wider use of available space, and in catering and incidental services.
- 11.8 Culture shows the effect of improvements in the operating model for the Floral Centre to bring it more into line with industry norms, and around repurposing the Williamson Gallery building and accommodating the collection differently.
- 11.9 Parks & Countryside is affected by price increases in the crematoria, with further gains from co-use and the catering gains across the portfolio. It also needs further work at Phase 2 on cost scales for grounds maintenance. As for Libraries, this area is likely to be appropriate for Long-term Council support.

Section 12

Financial and funding (2): Outline of Council Savings

All four areas can show improvement, with a prospect of getting to being self-sustaining for Leisure and the Floral Centre

Medium-term Council savings of at least £4m look achievable

12.1 The early indications from our review, focusing just on these improvements which are both identifiable and quantifiable (so excluding wider opportunities not yet quantified as explained at 11.2) are for savings against current annual subsidy of at least £4m. This has been derived from the table at 11.4 by adjusting for those elements which, whilst effecting the general annual subsidy to these four areas, has a knock-on effect in terms of other Council costs or cost sharing.

12.2 This Council view is shown in the following table, again based just on presently identified improvements as an early indication.

WIRRAL LIBRARIES, LEISURE, CULTURE AND PARKS & COUNTRYSIDE Council View

£'000	Total	Changes	Revised	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2026/27	2027/28
			Budget										
Income													
Capital Receipts from sale of Property Rates	1,260	(1,053)	207	88	215	220	224	229	233	238	243	248	252
	1,260	(1,053)	207	88	215	220	224	229	233	238	243	248	252
Expenditure													
Funding of Libraries, Leisure, Culture and Parks & Countryside	17,829	(5,377)	12,452	13,210	9,116	9,075	10,063	10,010	9,236	9,181	9,124	9,021	8,956
Capital Expenditure Grant	0	0	0	4,205	3,495	3,495	2,279	2,279	3,000	3,000	3,000	3,000	3,000
VAT	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin Recharges	0	0	0	0	1,200	600	0	0	0	0	0	0	0
Ongoing Pension Costs	0	0	0	0	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410
Pension Fund Enhanced Contributions	0	0	0	0	(804)	(804)	(804)	(804)	(804)	(804)	(804)	(804)	(804)
Williamson Art Gallery	0	0	0	354	354	0	0	0	0	0	0	0	0
	17,829	(5,377)	12,452	17,769	14,771	13,776	12,948	12,896	12,842	12,787	12,730	12,627	12,562
Net Cost	(16,569)	4,324	(12,245)	(16,931)	(14,556)	(13,556)	(12,724)	(12,667)	(12,609)	(12,549)	(12,487)	(12,380)	(12,309)

Amongst the key assumptions at this table are the following, all of which are the subject of ongoing discussion with Council's finance team:

- **Funding** The council funding of the future services is based on the net expenditure of the new organisation excluding depreciation.
- **Capital Grant** The capital grant is to fund the capital expenditure throughout the period. The initial basis for capital expenditure is based on the asset condition surveys for fabric of the buildings, to be reviewed in discussion with the Asset Transformation Group. VAT on Capital Expenditure has not been included, and should there have been otherwise recoverable VAT on the capital spending (not all of which is necessarily VAT-able, or necessarily



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Financial and funding (2): Outline of Council Savings

recoverable by the Council) there may be an additional VAT element to be taken into account.

- **Rates** Currently the rates are a recharge from each cost centre to the council income. This results in a nil overall effect within the council. In transferring to a charity the new organisation will be eligible for mandatory rates relief. The forecast shows the cost based on an 80% rates relief. The remaining 20% cost is funded by the council but will be payable to the council and therefore is shown as income within the summary
- **VAT** The new organisation automatically qualifies for cultural and sporting exemption, as a non-profit organisation. While Ealing Borough Council have challenged HMRC on the VAT status of its Leisure services, showing VAT exemption is possible within a Public body, it is on a case by case basis, dependent on whether this will affect local competition. Given there are a number of private leisure centres and gyms in the area, the granting of an exemption in this case would be in some doubt, we believe.
Both Wirral and BWB are of the view that the transfer of Leisure and Culture will have a nil effect on the VAT partial exemption position of the Council, though this is to be confirmed by WBC's VAT specialist.
- **Admin Recharges** Wirral Council makes a recharge for its admin services for Finance, HR, Legal etc. It has been assumed that the full recharge will continue to be made until March 2018. Cost savings as a result of staff transferring or a reduction in the workload of the council will enable some savings to be made initially, with further work needs to be carried out to assess the overall long term savings. It is assumed that the council will be able to reduce costs over a 3 year period.
- **Ongoing Pension Costs** It has been assumed that the Pension Fund will be transferred fully funded. The current deficit will therefore remain with the council. This cost is the budgeted cost for the Pension deficit and early retirement cost as a result of prior reorganisations.
- **Williamson Art Gallery** The Williamson Art Gallery building will probably not be transferred and therefore these costs will remain with the Council. Staff and other operating costs are expected to transfer. Over a period of 2 years it is envisaged that this building will be repurposed with new income streams reducing this to a nil net cost beyond the initial period.

Section 13

Organisation, structure and governance: principles

A series of criteria point towards an independent, public interest vehicle

13.1 Factors to consider

The appropriate legal form depends on a number of factors, including:

13.1.1 Limited liability

The legal form must be incorporated, providing limited liability to its directors and members and legal personality to the new entity. This rules out charitable trusts or unincorporated organisations. Legal forms that provide limited liability are companies (share or guarantee), community benefit societies, co-operatives and the charitable incorporated organisation (CIO). Details of these legal forms are set out in section 13.2 and a detailed comparison of these legal forms with a summary of the advantages and disadvantages of each in the context of Wirral is set out in Annex 1.

13.1.2 Mission lock

The social mission of the new entity must be protected. The constitution of the new entity will have a statement of objects which set out the social mission of the new entity. Any changes to the objects of the new entity will require a 75% majority decision of the members of the new entity as well as the prior consent of any regulator (the CIC regulator if a community interest company, the Charity Commission if a charity). In this way the entity is locked into pursuing its social mission.

13.1.3 Asset lock

Both community interest companies and charities are asset locked bodies, meaning that:

- (a) In the case of community interest companies, there can be no transfer or distribution of assets except at full value to (a) a specified asset locked body or (b) to another asset locked body with consent of the CIC Regulator; or
- (b) In the case of charities, assets cannot be transferred to a non-charity except at full value.

With its tighter regulation and well established brand, a charity would likely be more attractive to key stakeholders than a community interest company, particularly one that is limited by shares, although the latter does offer flexibilities (see section 2 below) which also offer some benefits.

13.1.4 Opening up sources of income

The legal form must allow for investment and finance. A CIC limited by shares allows equity investment as well as loans. 'Equity investment' means a social investor could buy shares in the CIC and be paid a limited return. A charity can borrow but not pay dividends on shares and so equity investment is not permitted, although forms of debt in which the investor takes an equity-type



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risk are possible, albeit investment returns based on surpluses is harder to structure.

13.1.5 Allowing ‘super profit’ to be returned to the Council

We understand that a key issue for the Council is to ensure that if the new entity is successful and generates a significant surplus that some of that surplus could be returned to the public purse.

The traditional model which could provide such a return would be for the Council to be a shareholder in a share company (a company limited by shares or a community interest company limited by shares), thereby allowing for payment of dividends to the Council. A community interest company limited by shares can pay dividends subject to certain limitations (see section 13.2.5 below).

Although a charitable company limited by guarantee cannot pay dividends in this way, an alternative arrangement could be put in place through a revenue participation agreement allowing for a percentage of revenue to be paid to the Council when the revenue exceeds a certain threshold. The revenue in this case could be the annual gross turnover of traded income of the new entity.

Other alternatives would be specific agreements around, for example, the sale of land, so that if the new entity sold any land at significant profit, a share of that profit would be returned to the Council.

13.1.6 Identity

We recognise that it is important for the new entity to have a distinct not-for-profit identity which is instantly recognised and understood in the community. Both charities and community interest companies have established not-for-profit brands. Both are able to identify themselves as social enterprises.

13.1.7 Tax advantages

It is essential for the new entity to be sustainable and a key aspect of this will be the tax advantages it can enjoy which may have a significant impact on the financial model. Charities receive a range of tax reliefs, including corporation tax relief on profits generated from charitable trading, Gift Aid (UK tax payers can obtain tax relief and donations to the charity are increased by 20%), inheritance tax relief, stamp duty land tax relief and business rates relief on premises occupied (a mandatory 80% with the remaining 20% discretionary). Community interest companies do not benefit from any of these reliefs, the only tax benefit currently being social investment tax relief (which charities also attract) for inward investors.

13.1.8 Council influence

The Council will have a multi-faceted relationship with the new entity. It will exercise its influence as the transferor of the assets and services as landlord, funder and commissioner. It can also benefit from a role in the governance of



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the new entity as an 'owner' with the ability to appoint some individuals to the Board (see section 13.3 below).

13.1.9 Stakeholder involvement

The new entity must be established in such a way as to ensure that the community have a strong voice within the governance structure, as well as the ability to invest if appropriate, and to participate in an advisory capacity. This is covered in section 13.3 below.

13.2 Legal Form

The key legal forms available are set out below.

13.2.1 Companies

Companies can be either limited by shares or limited by guarantee. Either of these legal forms can also be community interest companies.

Companies limited by guarantee can also be charities. A company limited by shares is the traditional structure used by businesses, allowing for profit distribution and equity finance. However, as a for-profit model, this structure cannot be used for charities. CICs can be set up as companies limited by shares, although there are some limitations on dividend payments.

13.2.2 Community interest companies (CICs)

A CIC is a particular type of company that uses its assets and profits for the community benefit and is regulated by both Companies House and the CIC Regulator. CICs are not charities, although they can go through a conversion process.

The constitution of a CIC must also conform to the statutory requirements; in particular it must have an asset lock which means that the assets of the CIC can never be distributed privately to individuals or for non-community interest purposes unless they are sold at market value and the cash then used for community interest purposes. Therefore, the assets must be used solely for the community interest or transferred to another organisation which also has an asset lock such as a charity or another CIC.

In order to be registered as a CIC, a company must show that it is established in the interests of the community; and each year the directors must complete a form demonstrating how it has met the community interest.

CICs can be limited by shares (and therefore pay dividends, although these are limited for CICs) or be limited by guarantee. We note that there maybe a desire for the Council to have a share of any surpluses made by the new entity as well as allowing the community to benefit. A CIC limited by shares would provide the social enterprise brand whilst allowing for some surpluses generated by the CIC to be distributed to its shareholders.

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13.2.3 *Community benefit societies and co-operative societies*

Co-operative societies ('Co-ops') and community benefit societies ('Bencoms') are bodies corporate (i.e. they have their own separate legal personality) with limited liability that are regulated by the Financial Conduct Authority ("FCA"), rather than Companies House. They are not companies and are subject to the Cooperative and Community Benefit Societies Act 2014 rather than company law. Under that Act, a society may be registered if it exists "for carrying on any industry, business or trade" and if it satisfies the conditions for registration as either a Co-op or a Bencom.

Bencoms

A Bencom is set up to benefit the broader community, rather than just its members. It can be charity and, at present, has the advantage that it would only need to be registered with the FCA rather than the Charity Commission. If the Bencom has objects that are charitable in law, then it will be classed as an exempt charity and should be eligible for charitable tax breaks, if accepted as a charity by HMRC.

Typically, the rules of a Bencom include a one member one vote principle, regardless of shareholding. Members can buy shares in the Bencom up to £20,000. However, while Bencoms can pay limited interest on member share capital, they cannot distribute profits to members and therefore it is unlikely to attract investors wanting a good return on their shares.

Co-ops

In order to be registered as a Co-op under that Act, a Co-op must show to the satisfaction of the FCA that it is a bona fide Co-op. This includes a voluntary and open membership, democratic member control, member economic participation, autonomy and independence and concern for the community. As Co-ops exist for the benefit of their members, allowing the members to receive dividends it is a profit distributing model and therefore might be unacceptable to the Council and the community.

Advantages of Co-ops and Bencoms

The inherently democratic nature of registered societies could be attractive as a cultural fit. Members can buy shares in a Bencom, helping it raise funds, and limited interest can be paid out on shares, which could encourage members to apply.

The Financial Conduct Authority is a lighter touch regulator of Co-ops and Bencoms than the CIC Regulator or the Charity Commission.

Disadvantages of Co-ops and Bencoms

Co-ops and Bencoms are more costly to establish and administer than a company. In particular, there may be fewer professional advisers who will readily understand their legal and regulatory frameworks, which can make accessing professional support and funding more expensive.¹

¹ While there are around 20,000 co-operatives and community benefit societies there are over 4 million companies.



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The application process to register a charitable Bencom is often lengthier than the process to set up a charitable company limited by guarantee.

In terms of transparency, it is more difficult for third parties to carry out due diligence on a Co-ops or Bencoms as there is a cost attached to obtaining documents and it can take some time to obtain these.

The regulation for charitable companies is unlikely to change in the foreseeable future, whereas the future for charitable Bencoms is less certain as it is not clear when (if at all) the Charity Commission will require charitable Bencoms to register with the Commission or if a principal regulator will be appointed.

13.2.4 Charities

Being a charity is a status which attaches to a legal form, and is not a legal form itself. A company limited by guarantee can have charitable status.

Charitable companies limited by guarantee must only carry out activities which:

- (a) fall within recognised charitable purposes and
- (b) are for the public benefit.

Having considered the activities the new entity will be carrying out, these can, in most cases, be run through a charitable vehicle. There are many examples of charities which carry out library, leisure and cultural activities. Those activities which are non-charitable, such as running conferences and weddings, could be run through a trading subsidiary owned by the charity, which is a common model for charities. The charitable purposes which would cover these activities would include the advancement of arts and culture, advancement of health and the provision of recreational activities.

13.2.5 Charitable incorporated organisations (CIOs)

If the charity route is preferred, there is a further choice of legal form, the CIO. It was introduced because there was a perception that it was confusing for some individuals that charitable companies limited by guarantee were registered both with Companies House and with the Charity Commission and that the rules relating to both to companies and to charities applied. A CIO is regulated solely by the Charity Commission.

Like a company, a CIO has its own legal personality and ability to enter into legal relationships in its own name (for example, with staff, suppliers and the general public) and provides its directors limited liability status. It also has a two-tier structure of trustees and members.

Being solely regulated by the Charity Commission gives the CIO legal form the advantage of not requiring the filing of accounts, annual returns or other documentation with Companies House. However, as a fairly new legal form it is less familiar to third parties and the lack of a charges register means that some banks are unlikely to lend money to CIOs, so compromising them commercially.

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In practice, CIO's are useful for small operations, but not appropriate for those of the size and scope envisaged here.

13.2.6 *Separate entities for each service?*

One option would be to set up a legal entity for each service with the new entity, as the head organisation, being the sole member of each of these. This would have the benefit of ring-fencing liabilities and more easily retaining the identity of each service. It would also more easily allow for any surpluses generated by each service to be invested back into that service.

However, such a structure is more complicated to manage. For example, each entity would need a separate board and conflicts of interest managed appropriately. Each entity would need to complete its filing and reporting obligations, including preparing and filing accounts. It could also make it more difficult to achieve the co-ordination of the four services which is at the heart of this re-imagining of services.

A simpler way of retaining the identity of the various services within one legal entity (or, in the case of a charitable company limited by guarantee with a trading subsidiary, two legal entities) would be to set up advisory groups for each service within the new entity – see section 13.3.4 below.

13.2.7 Recommendation for legal form

We would recommend either of the following legal two options for the legal form of the new entity:

Option 1:

A charitable company limited by guarantee with a trading subsidiary to carry out non-charitable activities for the following reasons:

- (a) It is a tried and tested form for not-for-profit entities with the company structure being a familiar structure to stakeholders;
- (b) It maximises income from sources such as grants and donations and can access debt financing and social investment;
- (c) Charitable status is a recognised brand that will give stakeholders confidence that the assets will be protected for the community;
- (d) It will provide the new entity with a number of tax benefits, aiding to its financial sustainability.

However:

- a) It has an unpaid board which creates an arguably inefficient split between executive and non-executive, and meaning it is rarely possible to pay the latter.
- b) There are limits to Council involvement.

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Option 2:

A **community interest company limited by shares** for the following reasons:

- a) As a CIC, it has a recognised social enterprise identity and protection of its social mission and assets;
- b) As a share company, it is able to pay limited dividends to its shareholders (which could include the Council) on any surpluses;
- c) It can pay Board members;
- d) It can pay a return on inward investment as shares of surpluses more simply than can a charity.

However:

- a) It is taxable on its profits unless these are passed to a parallel charity to hold and apply for community benefit or other works. So surpluses its needs for re-investment are taxable.
- b) If a parallel charity is set up to be one of the members of the CIC, this adds an additional structure which will need to be resourced and maintained appropriately.

13.3 Governance

Companies have a two tier structure. The directors (trustees in a charity) manage the company and are responsible for the day to day running of the company. The owners of the company are its members (shareholders in companies limited by shares), who have ultimate control. Members have certain rights, such as the right to remove directors and to change the Articles of Association. In a CIC limited by shares the shareholders can also receive dividends.

When deciding on the governance structure, there are some key issues to consider:

13.3.1 *Number of trustees/directors of the new entity*

There should be a minimum of two directors or three for a charity. Generally we recommend six to eight as an optimal number of members of a Board and not more than ten.

13.3.2 *Composition of the Board*

In deciding on Board composition consideration should be given to the skills and expertise required for the Board and how key stakeholders will be involved. Key stakeholders for the new entity would include staff, friends' organisations, voluntary and community organisations, volunteers, residents,



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key commissioners such as the Clinical Commissioning Group, Police and Crime Commissioner, and the Council.

It should be borne in mind that Board members are not there to represent a particular group. Whilst they can help present the views of a particular stakeholder group and contribute their practical experience they must act in the best interests of the organisation when making decisions as members of the Board.

Note that if the new entity is a charity its board of trustees must be independent and to a large extent unpaid. Employees generally cannot also be trustees of the charity although in certain cases it is possible to obtain Charity Commission approval to a minority of trustees (for example the CEO and a staff representative) being employees. Each case would need to be justified to the Charity Commission so it would be much easier to argue for the CEO to be a trustee than, for example, to argue for both the finance manager and the CEO to be trustees. A number of charities which have spun out from local authorities have successfully obtained such consent.

13.3.3 Ownership of the new entity

There are a number of possible governance structures for the new entity, the key ones being

- a) ownership by a group of stakeholders (e.g. staff, the community, the Council); or
- b) a 'foundation' model where the trustees and members are the same with the Articles of Association set out the composition of the Board.

We would recommend the following governance structures:

Where the legal form is a charitable company limited by guarantee

The governance structure is **a foundation model with the trustees as the only members of the new entity.**

We would suggest the composition of the board be up to eight trustees with:

- a) Up to one trustee appointed by the Council;
- b) Up to seven trustees appointed by the trustees following an open recruitment process, the criteria including at least three resident in Wirral and taking into account the expertise required such as commissioning, financial, legal, business expertise and HR;

Where the new entity is a CIC limited by shares

The governance structure is a Board of up to eight directors with two shareholders being:

- a) The Council;
- b) A 'community charity' being a charitable company limited by guarantee whose trustees (who would also be the members of the charity) are members of the local community appointed by the trustees following an open recruitment process.

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We would suggest the composition of the board be up to eight directors with:

- a) Up to one director appointed by the Council;
- b) Up to seven directors appointed by the directors following an open recruitment process, the criteria including at least three resident in Wirral and taking into account the expertise required such as commissioning, financial, legal, business expertise and HR.

For both the charity and the CIC the Articles could provide for the Chief Executive to be a director/trustee but not make it a requirement.

We have limited the number of Council appointed trustees/ directors to a maximum of one for a number of reasons:

- a) For both a charity and a CIC, to ensure the new entity is not classified as a regulated influenced company as this would require the new entity to comply with certain requirements. There are also additional accounting requirements² for the Council.
- b) If a charity, the Charity Commission will require assurance that the new charity will be sufficiently independent of the Council. The greater number of trustees on the board of the charity who have Council connections, the less likely the Charity Commission are to be convinced the charity is independent of the Council.

The governance structures will be reviewed as part of the ongoing consultation with the Council and stakeholders.

13.3.4 Involving stakeholders

The potential stakeholders of the new entity include:

- a) The Council;
- b) Staff;
- c) Volunteers;
- d) Residents of Wirral and residents' organisations;
- e) Users of the services;
- f) 'Friends of' charities/ groups (for example, the Williamson, HMS Conway, libraries friends' groups, cemetery friends' groups);
- g) Other voluntary and community organisations including arts and cultural organisations;
- h) Love Wirral campaign;
- i) Funders and potential partner organisations such as Sport England, Heritage Lottery, Arts Council, Culture Liverpool, Liverpool Film Office;
- j) Tranmere Rovers;
- k) Organisations and businesses from the tourism sector;
- l) Senior level partner organisations including Clinical Commissioning Groups and local hospitals, Police and Crime Commissioner, Merseyside Fire & Rescue, Community Action Wirral, Wirral Metropolitan College, Wirral Chamber of Commerce;

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Organisation, structure and governance: principles

*Stakeholder,
notably
Community,
involvement is both
positive and
achievable...*

m) Local businesses and the LCR Local Enterprise Partnership.

Being on the Board of the new entity is not the only way that stakeholders can be involved. For example, stakeholders can be involved as:

Associate members

Different associate member categories could be established for stakeholders. This would not give these individuals or organisations the full legal rights of company law members but certain specific rights according to what is set out in the Articles of Association. The rights could include:

- a) nominating an individual to the Board of Directors (such as staff or a community representative) to attend the board in an observer capacity;
- b) invitation to an annual consultation meeting;
- c) receipt of a quarterly newsletter.

The Articles could also provide for different classes of associate members and provide different rights for each class, for example staff, community groups and volunteers.

Committees

An alternative to associate membership where the intention is to have a 'working party' or merely to consult or seek recommendations would be to establish a committee or committees, with terms of reference on their role and composition set out by the Board. The terms of reference should also consider how committee members will be appointed, for example by invitation of the Board. Committees can be given a variety of names such as 'advisory group'.

Provision to work with stakeholders set out in the funding agreement between the Council and the new entity

The funding agreement between the Council and the new entity could contain some requirements for the new entity to engage with stakeholders, such as holding an annual consultation meeting with stakeholders.

Consultation

A range of consultation approaches to reach beneficiaries could be adopted by the new entity.

As investors

If needed, it is likely to be possible to raise social investment from members of the community, as well as from wider socially-focused or social sector investors.

Advisory groups

To help provide continuing identity for the four service areas we would recommend *establishing four advisory groups*, one for each service area. Each advisory group could include a director or directors, the senior employee for that service area, individuals with particular skills in these service areas and representatives from the community, such as friends groups.



Section 14

Staff

Emergent findings flag culture change as the major issue...

- 14.1 The present assumption is that staff will transfer under existing terms and conditions. No staff reductions have been assumed in the figures.
- 14.2 Some flexibility from staff is assumed to enable income growth to happen from new commissioned and other services. Where these are likely to require training, this is also assumed. An example of the kind of services for which this might apply is the case of fitness trainers in the gym developing to support stroke rehabilitation programmes, or swimming coaches and guards supporting specific programmes with people with additional needs.





Section 15

Assets

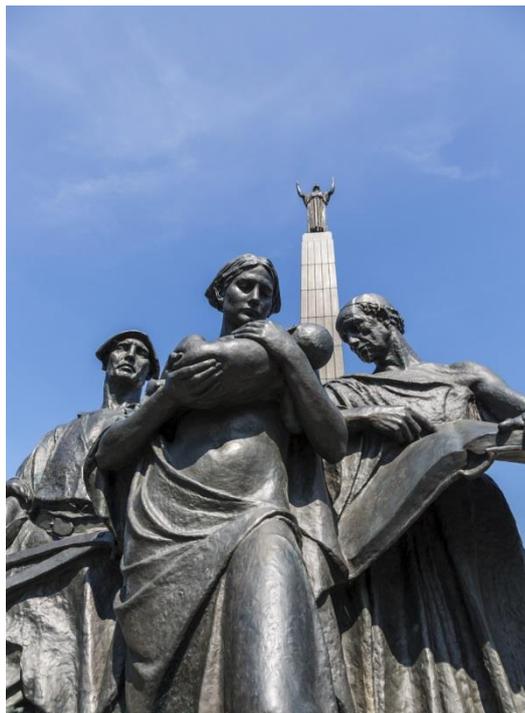
Assets are being mapped based on utilisation, access, provision and need.

15.1 Community asset mapping

15.1.1 The mapping exercise underway is developing a picture of how the assets can be used to best effect has taken into account the following factors:

- Population size and demographics of the local community, including level of deprivation, unemployed, age profile
- Results of the needs analysis broken down by ward
- Proximity and ease of transport to alternative provision, whether public or private sector
- Potential for relocating services to alternative sites within the community that either already or could house drop-in centres, available rooms, PCs, cafes etc
- Whether existing services could be better served via outreach or mobile facilities to reach the population
- Cost of operation, including costs per number and opening hrs
- Level of investment needed for the building, together with its potential repurposing or sale value
- Footfall and level of usage including book loans, unique borrowers, PC sessions provided,
- Staffing requirements for resource efficiency across the portfolio

15.1.2 Further work across these areas will be carried out to finalise the list of assets over the next few months.





Appendices

Appendix A

Needs Analysis

1.1 Overview of Research, Analysis and Methodology

1.1.1 Needs, in this context, are improvements in health, wellbeing and other social factors sought by individuals, families, communities, or the State. The overall approach to the needs analysis is to consider the social and socio-economic needs of the area, taking the Wirral as a whole, and also looking Ward by Ward. It considers both the needs of the general population, and also groups that have particular needs not shared by the majority. Section 2 above explains this further and emphasises that those needs are viewed from the perspectives of firstly the people themselves and the activities they are undertaking in the Leisure and other facilities, secondly from other agencies (health, police, education, and others) seeking to meet aspects of those needs, and thirdly from the Council, both in overview, and at the level of providers of services within the facilities. We understand the needs of the people and the area, then match those against what is being delivered currently, and draw out what else Leisure and the other facilities might do, or what they might do differently.

1.1.2 This analysis of needs, drawing together those different perspectives, is explained below, and falls into three main parts:

Firstly an analysis of Wirral's needs and required outcomes, divided into two broad discussions:

- a) needs as viewed through the lens of service providers within the scope of our project:
what is being done currently, as against what identified needs?
- b) needs of specific demographic and beneficiary groups within the wider purview of the Council:
what wider needs are there for the people of the Wirral, and the area?

Secondly there is a discussion of how these could be met through an alternative operating model: **what could these services do about it ?**

Thirdly, we look at how our analysis sits against the 20 Pledges embedded in the Wirral Plan. This is an important test of completeness of the analysis, but also enables the strategy and planning for the operational response in these areas to link up with the other areas being developed to address the Wirral plan.

1.1.3 Following a period of desk research to provide context, we held 'Needs and Outcomes' workshops in December 2016 with each of the four service areas under review. The workshops helped us to understand the lives and needs of the people of Wirral, its visitors and investors, from the perspective of public service providers. In addition to building this comprehensive and useful insight we used the workshops to capture information in three more areas:

- ideas for improvement and innovation, including reference to strategies and initiatives already in place – for example under the 20 Pledges;

Appendix A

Needs Analysis

- suggestions as to the root causes of challenges within current service provision;
- underlying strategic concerns within the Borough

1.1.4 We went on to undertake additional desk research and telephone conversations with a number of other experts and other agencies, such as commissioners, to gain a deeper understanding of some of the key needs areas. This has highlighted some which had not been mentioned in workshops, but which we nevertheless understand to be important.

1.1.5 The sections that follow consider the current provision and the viewpoint of service providers in 1.2, entitled “Needs Group One – Service Areas.” Each of the four areas is considered in turn. They then look, in 1.3, at Needs Group Two – Specific Beneficiary and Demographic Groups, which examines whole area need and draws out the particular groups on which the Service Areas should be focusing.

1.1.6 Section 4.4 draws out the implications of the needs analysis for the operating model, and comes to an initial conclusion about the model that it demands for the future. Section 4.5 then compares what has been learned to both the Pledges and the data that underpins them.

1.2 Needs Group One – Service Areas

Arts and Culture

1.2.1 The services delivered to meet needs under these areas fall into two types: **assets and events** provided or facilitated by the Council, and **access to spaces or venues** for individuals and groups to use in a range of different contexts.

1.2.2 The teams at the Floral Pavilion, Williamson Art Gallery and Birkenhead Priory have come to know certain groups very well and to become trusted providers of services and facilities that meet those groups’ needs – often as a result of working however closely with them to ‘make it possible’ for an activity or event to take place. There seems to be a tension in operational decision-making between dedicating resources (including time) to such needs-led provision, and focussing on generating additional income or behaving more commercially with redesign of services around those groups’ ability to pay. The two need not be mutually exclusive.

1.2.3 Activities and services intended to meet needs additional to the mainstream purposes of the venue include:

- Providing a space for weekly/regular meetings or drop-in sessions for groups such as carers, health advisors, financial advisors (e.g. Liverpool Metropolitan University maths department who run budget advice sessions). To date this provision is usually free of charge and the spaces used deemed to be community assets. Council-owned buildings seem to be a natural home for such activities, as they fulfil a social rather than a commercial need, but that is not to say that they could not be delivered in a more commercial (yet still affordable) way.

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- Commercial opportunities through renting space for local college graduations, weddings, and conferences. The perception is that this could be increased in volume, but this would need to be supported by more active and coordinated marketing effort. Staff believe there is an opportunity for Floral to partner with Liverpool hotels to serve larger conferences and events (many of the hotels do not have the conference space and the Floral's size – including free parking - is seen as key driver of business).
- Specifically designed events, visits and programmes for groups such schools, looked after children, under 5s, etc. The kind of events we have heard about include 'relaxed' performances for families with autistic children and dementia friendly offerings, to name but two.. These events are negotiated and planned directly with the venue in which they are held in an *ad hoc* 'as required' basis and are often time-consuming to plan and manage, but deemed to be very important to the beneficiary groups concerned and 'in tune' with a wider duty to the community. These would offer not just a more widely useable and marketable series of activities, but also a foundation for a wider specialist aspect for tourism, drawing in visitors to the area.

Leisure

- 1.2.4 Consultation with staff working in the Leisure services area centred on two distinct areas of activity, which in turn highlighted two main needs areas, namely recreational sport and leisure and therapeutic or needs-driven sports and leisure.
- 1.2.5 In the first category, we see a large portfolio of sports and leisure venues which are competing for business with private offerings, but which appear not fully to understand their core client base, nor the basis on which they compete. Improved technology to monitor and track customer usage should help in this regard, as should a systematic market and competitor analysis, and a greater focus on meeting needs and managing customer journey.
- 1.2.6 Our overall impression is that usage of leisure facilities is predominated by a core existing group and little is done systematically to encourage people in or to try new sports and activities. There is, for example, a clear opportunity to offer taster sessions, or more sessions for families and younger people at the sites which would encourage a wider usage group, making new users familiar and comfortable with the surroundings and more likely to increase their take-up of other classes and facilities.
- Golf is a prime example of a sport whose core player base is ageing and declining. If courses are to remain open, they will need to attract more players, perhaps through widening the game's appeal to younger age groups (e.g., through coaching on driving ranges) or to groups who are less able to play the traditional game (provision of a driving range and novel introductions to golf, such as footgolf).
 - A hobby which we are assured is very important to the people of Wirral, appealing to players of all ages and meeting an inter-generational social need, is Crown Green Bowling. The responsibility for maintenance of greens lies however, within the remit of

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Parks and Countryside, and is not linked into wider leisure discussions, risking a disjointed approach to service provision.

1.2.7 Leisure centres are increasingly being seen as an ideal venue for health and wellbeing lessons, sessions and advice (for example in diabetes prevention, mental health, stroke or cardio rehabilitation, amongst others). However where such third party commissioned or facilitated activities are found in Wirral, it is organised locally to a site and on an *ad hoc*, reactive basis. Coordinated effort across the estate could lead to a more sustainable programme of needs-led activities generating a more reliable income stream from a variety of commissioners.

- We were told, for example, that historically the leisure centres took referrals from Social Services for therapeutic classes, short breaks for carers, and the like, but that funding ceased several years ago, leaving the centres with a database of some 400+ families with a latent need for provision that is no longer being met.

1.2.8 One overarching interpretation of need within the Leisure portfolio was the need to create 'pathways' into traditional sports and leisure. These would serve to utilise sports and leisure in systemic solutions to fundamental challenges, such as ill health, disaffection or low aspirations. Such an ambition would rely on being able to secure funding and income streams in order to do this in a sustainable and reliable way.

- In particular we noted that the main external grant funding source for the Leisure portfolio was grants from bodies such as Sport England, which often fund only specific activities (i.e. those aligning to their current strategic priorities). Such pursuance of funding opportunities that come to light, puts the Council on a reactive footing and this has a significant influence over the shape of local provision, regardless of true demand. Even this is not being addressed systematically: FA funding for 3G pitches has not been secured because the football pitch strategy has not been finalised.
- An example of this is seen with regard to LTA funding for new tennis courts, for which there was not enough real demand. Following an initial period of low usage, some of the courts were later turned into football pitches (for which demand across the Borough currently outstrips supply – see point 4.2.11 below on playing pitch strategy).

Parks and Leisure

1.2.9 This area of the portfolio provided perhaps the most diverse discussion of needs and it is the area in which there is most potential for aligning with Borough- and Region-wide strategies in respect of 'place-making'. Perhaps more than purely cultural or purely leisure-based assets, the Wirral's parks and open spaces are considered to be amenities owned by the community, accessible by all and meeting many different needs – recreational, therapeutic, tourist, casual, opportunistic, and sometimes commercial.

1.2.10 For the recreational or casual user, for example, there is clearly a wealth of provision in terms of parks, countryside, beaches, and 'pocket parks'. However we understand that not

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wanting to share or wanting one for themselves rather than visiting others' could be factors in keeping this wealth a secret. People tend to use their local park by preference (local to work or home), and see little benefit in travelling further afield to go to a different one. At the same time we hear of successful initiatives in one park (eg the fairy village) being replicated in others and there was some discussion in our workshop as to whether a more creative strategy might not be to differentiate the parks and open spaces to encourage people to move around the Wirral in search of new experiences in different places.

- Assets are wide and varied, and generally high quality, but it was acknowledged that they are poorly advertised, that signposting and wayfinding is not always clear, and that in many cases 'only local people know about them'.

1.2.11 For residents, fitness-related activities such as park runs, urban gym equipment or informal exercise by groups (mums and buggies jogging groups) or individuals (dog walkers), are the key draw to parks, aside from the simple usage of spending time in a pleasant green and tranquil place.

- This latter need is probably most acute in more deprived areas of the Borough, where we understand that the challenge of entrenched deprivation leads to hopelessness and lack of motivation or wherewithal to get active and get out. Parks could play an important role as the setting for referred services here.
- Allotments are also seen as very important but there was concern that inflating price of these in order to bring in extra income might exclude those who most need the mental health and wellbeing benefit that tending an allotment provides, in favour of those who already have access to a garden but can afford to rent more.
- Playing pitches are also discussed under Parks and Countryside, somewhat incongruously, as the demand for sports provision is better understood in the context of Leisure. Demand currently outstrips supply and as a consequence, the pitches in many cases have become 'over-played' and their quality has deteriorated. FA funding for new 'top end' 3G pitches is available as noted above, which would enable proper play on an appropriate surface for all levels of use, but this external funding relies on adoption of a playing pitch strategy which has not yet made it through the Council's approval process.

1.2.12 For special interest (e.g. education or therapeutic groups) it is important that access remains accessible, safe, affordable and easy to navigate. In some cases, the beneficiary groups themselves help with maintenance, providing mutual benefit. For example local autism groups help with park maintenance projects; school groups use visitor centres but also make use of work experience and school placements.

- Parks are valued highly by residents and several have established Friends' groups to maintain and care for their local land. In one case, residents whose homes back onto the park have 'adopted' patches of the land to keep litter- and weed-free.

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- Income generated through Friends' groups is not for wider use within the Parks and Countryside estate, but usually earmarked for a specific campaign or purpose – this provides an opportunity to work more systematically with such groups in order to enhance and promote 'neglected' natural and historical assets – both to the people of Wirral and as a magnet for the visitor economy.
 - Alternatively, a Wirral-wide Friends' scheme which enabled donations (of time or money) to be put to use across the estate might be a feasible initiative.
- 1.2.13 SSSI sites attract specific interest as well as local ramblers, dog walkers, families, children, keep fit groups and so on. As a tourist 'draw' their current usage levels are probably limited by low levels of promotion and lack of web-based signposting. However some of these areas arguably rely on careful management of visitor levels to protect their status and integrity (e.g, Hilbre Island and its protected bird species).
- 1.2.14 Whilst there is much justifiable pride in the quality and historical importance of some of Wirral's parks and countryside assets (notably Birkenhead Park – the first of its kind, for example) there appears to be some indecision as to priorities across the estate. Should the Council, for example, strive to win green flag status for all of its managed parks (probably resulting in fewer of them) or manage different parks to different levels of 'quality'? A similar sentiment, incidentally, was aired in respect of golf courses, where it was felt that fewer golf courses, maintained to a higher quality would serve the population better. Indeed staff were clearly frustrated that the department's funds would no longer allow them to deliver the quality 'product' they wanted to provide.
- 1.2.15 Parks and other outside spaces could play an important role in developing an events-based visitor economy, requiring collaboration with activities organised by neighbouring regions (notably the Liverpool city region), to integrate events, festivals and thematic activities more closely and increase travel to and around the peninsula.
- Clearly, such an approach would also require collaboration with those responsible for transport, hospitality and the like, which lie outside the scope of this project.

Libraries

- 1.2.16 The extent of needs met by libraries ranges far beyond the traditional service of book lending (though interestingly, we understand that the library service's internal KPIs are limited to book loans and customer footfall – perhaps distorting true usage patterns). It is here that the multiple dimensions of service use motivations come through most clearly: libraries being places that people come to throughout their lives for different purposes – some needs-driven; some wants-driven; sometimes alone and sometimes with a group; sometimes with a purpose in mind; other times simply to spend time in pursuit of new knowledge.
- 1.2.17 Library staff provide access and signposting to information and advice in a multitude of different formats, and these differ in number and nature from site to site – driven partly by

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local needs profiles and partly by availability of expertise and facilitation (e.g. for expert-led sessions such as storytelling or Baby Bounce and Rhyme).

1.2.18 We heard in our needs and outcomes workshop that libraries enjoy a personal relationship with their customers that is perhaps unique amongst Council or community services. Library staff are seen as independent and impartial (often they are the ones that people will turn to for help with filling in forms needed by the Council or other official agency) and motivated to go the extra mile in hunting down the right information.

- Libraries are well placed to act as signposts to other services, particularly in deprived areas such as Seacombe, where the library may be the only place open or accessible when someone needs advice.
- They also act as a safety net in light of dwindling provision elsewhere (e.g. by printing off benefit claims forms for claimants to fill in who have no access to a printer elsewhere). Printers, incidentally, are seen as a key facility within the Borough, but lack of wifi in libraries means staff time is taken up with each user.
- Customers are routinely referred to libraries by other services for help in completing their own processes (e.g. DWP, YMCA, GPs, blue badge applications, job centres, etc). One-off funding enabling one stop shops to take DWP referrals was awarded several years ago, but we understand that this is reduced every year, in spite of continuing demand. A clear opportunity to formalise a chargeable referral route in such cases should be investigated.

1.2.19 Libraries are a natural venue for health and wellbeing courses and advice (e.g. smoking cessation, weight loss, etc,) but this is currently delivered on an *ad hoc* basis and agreed locally. This kind of service is ideal for formalisation and negotiation across the Borough and potentially for delivery in alternative venues in order to optimise reach and range (we mentioned this in our discussion of leisure centres too).

- The Clinical Commissioning Group, for example, recently asked for library staff to be trained as health champions providing informal education in harder to reach communities, and providing staff with skills to support schemes like Reading for Health.

1.2.20 In terms of local need, the library staff highlighted several groups who would not necessarily emerge from library usage analysis, but who nevertheless regularly rely on their library:

- Beechwood in particular has high levels of poor literacy locally, so the library is a key mechanism in breaking the cycle and improving standards (encouraging young people's literacy and familiarity with the written word – in whatever format) whilst providing support for those who are unable to navigate information easily by themselves.
- High levels of book loans in affluent areas masks issues of social isolation (property rich, cash poor) and users in these areas sometimes come to the library for social interaction or company rather than to borrow books.

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- People often come into libraries because they are one of the few remaining places where they can linger for free.

1.2.21 Some current usage patterns suggest additional income streams, however these need to be organised across the libraries estate (and potentially across the whole portfolio) if management and coordination is to be cost-effective:

- Libraries no longer include tourism services in their information provision and this is both a significant gap and a significant opportunity with regard to the future of Wirral as a whole. There is, we are told, 'nowhere to go' to find out about events and facilities.
- Tourist information functions such as accommodation and event booking facilities (augmented by web or app access outside of library opening hours) would provide benefits and drive additional footfall into whatever buildings were chosen as suitable, be they libraries or other Council assets.
- Bebington library has a number of collections in storage which are not yet digitised or catalogued so not available to the public or to visitors. This includes a Joseph Mayer collection which holds local historical interest. A collaboration with volunteers - perhaps through the Joseph Mayer Trust – might enable digitisation at low cost and generate a local 'buzz' around the project. Birkenhead has recently undertaken a successful digitisation project using volunteers so we know this model could work.

Portfolio-Wide Needs

1.2.22 A number of over-riding principles have been identified that hold true for needs across the portfolio. Currently these are being met from within each service area 'silo', however it is possible -and indeed preferable - for much closer co-ordination and collaboration, in order to optimise efficiencies of scale and scope. A joined-up approach would remove pressure from those services whose nature makes it difficult for them to assure access at all times needed. Key points are :

- Need for community spaces – people use them for coming together, but also for somewhere to go on their own. There is a need for a mix of free-to-use and private hire facilities in each locality (though the proportions will vary from place to place).
- Some groups (eg older women living alone, long term unemployed, those with mental health or anxiety issues) need places to go and things to do that feels local and safe, are affordable and not too intimidating – eg, Knit and Natter, Women's craft groups, Floral choir, allotments, etc).
- Others want a higher end offering (high quality coffee and catering, experts in art to talk to at galleries)

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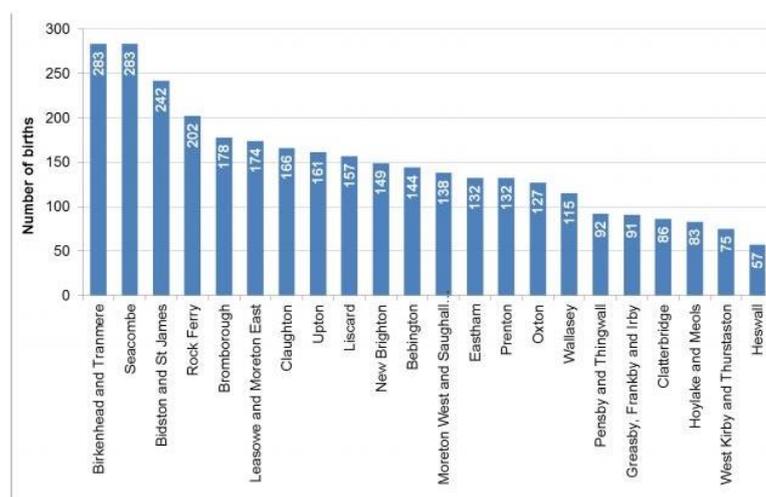
- It is widely acknowledged that thematic event programming across service areas would increase interest, engagement and offerings at little extra cost (but that this would require additional resource in administration, data capture and marketing).
- Properly co-ordinated volunteer opportunities would allow for additional services and longer opening hours in many cases, but volunteer resource is not sustainable as a means of service delivery unless professionally managed and co-ordinated.
- Wirral is a place that people are justifiably proud to live in, but there could be much better capitalisation on local assets and history. Many assets are hidden, not well enough publicised or are expected to remain viable as a discrete entity and not as part of a wider network. A strong and reinvigorated tourism and visitor strategy was seen as vital to keep services viable across the Borough for the benefit of both visitors and residents alike.

1.3 Needs Group Two – Specific Beneficiary and Demographic Groups

Age and Demographics

1.3.1 Birth rates in Wirral are declining and current demand for early years services should be expected to decrease slightly, especially in the under 5s (currently numbering around 19,000 in 2015 and forecast by ONS to be 17,700 by 2017)

- Unsurprisingly, given the density and nature of the areas, the highest numbers of births in 2014/15 were in Birkenhead & Tranmere (283), Seacombe (283); Bidston & St James (242) and Rock Ferry (202). ;
- Low birth weight is most prevalent in Liscard, Seacombe, Bidston/St James and Birkenhead/Tranmere which might suggest a need for parenting support services in those areas.
- Areas such as Heswall, West Kirby & Thurstaton, Hoylake and Clatterbridge have less latent demand for early years provision, and these could be areas where services are delivered on a peripatetic or 'as needed' basis.



Source: HES, 2016

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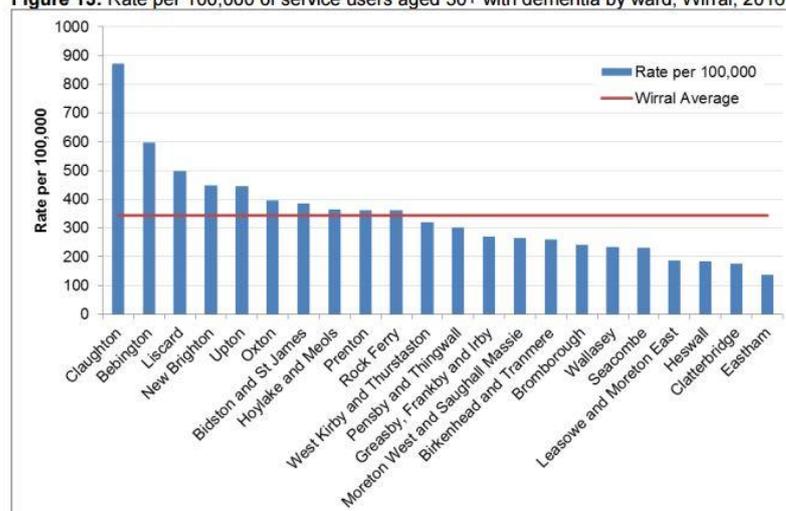
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1.3.2 By contrast, the population is ageing and demand for services for over 65s is growing. In particular, there is a need to focus on the increasing demand for services to address older age and associated ill health. People are living longer, but this often includes a significant period of ill health.

- In 2015, 4,767 people over 65 in Wirral had dementia. Dementia UK predicts this will rise by 12.1% to 5,345 by 2021 and that provision of services such as memory clinics should produce a cost saving by reducing the need for social care.
- The Council has invested in training staff to be dementia 'friendly'. Given the demographic profile of the area there is some argument for building on this investment and working towards making Wirral a dementia friendly borough. Heswall's Café Connect is a good example of such thinking, but Council services could take the lead by embedding dementia-friendly clauses into sub-contracting arrangements.
- A "Dementia Friendly Community" is defined by Dementia UK as one where people with Dementia are able to;
 - Find their way around and be safe
 - Access the local facilities that they are used to and where they are known (such as banks, shops, cafes, cinemas and post offices)
 - Maintain their social networks so they feel they continue to belong

1.3.3 One of the main consequences of both living longer (often outliving friends and partners) and developing dementia is that the individual becomes isolated. As such it is probably useful to consider isolation and ageing together.

Figure 13: Rate per 100,000 of service users aged 30+ with dementia by ward, Wirral, 2016

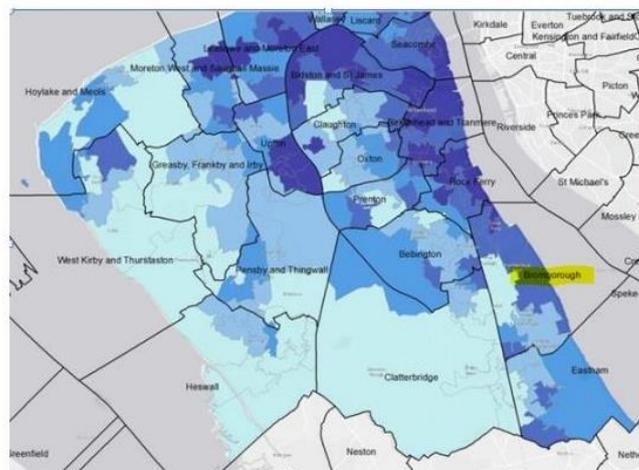


Source: Department of Adult Social Services, Wirral Council, August 2016

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- In 2011 every ward of Wirral had at least 780 people over 65 who were living alone. Bebington, Heswall, New Brighton, Pensby & Thingwall, Upton, Wallasey and West Kirby & Thurstaston each had between 1,000 and 1,200 residents over 65 living alone. These are potentially the most appropriate wards to target for memory clinics, and services designed to meet social needs in elderly people.
- Memory clinics require a quiet location with at least two rooms, in an accessible building with toilet facilities and parking or very good transport links.



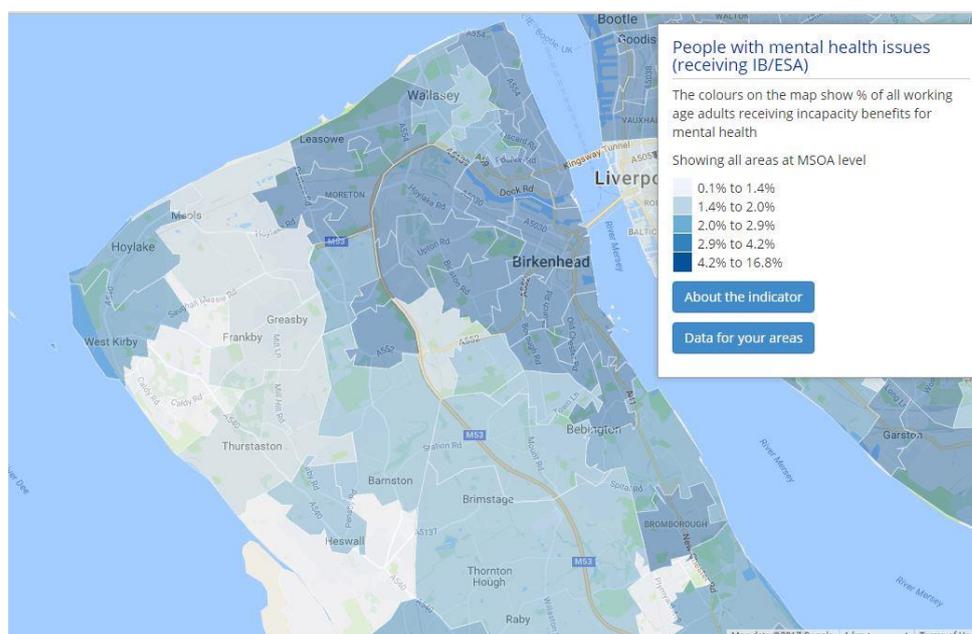
Children, Education and Families

- 1.3.4 Barriers to learning exist to varying degrees across the Borough, and can be complex, including: children's mental health, adult mental health, low aspirations in the family home, patchy access to early intervention services, ADHD, lack of parental support.
- An achievement 'gap' aligns with those on Free School Meals and this is most noticeable at GCSE level. Whilst not surprising as a pattern, this suggests a need to focus services and support that will provide help and good role models in wards where those patterns are strongest in order to prevent children who might thrive at school from going into decline once they leave formal support and guidance behind them. We have been shown examples of how this can work to great effect with Operation Banger and the Sportsmobile projects.
 - Youth volunteering and citizenship opportunities within the Council could be targeted predominately at areas with lowest performing schools (eg Leasowe)
- 1.3.5 Outside of the scope of this project, but contributing to the needs base of Wirral residents is school performance and potentially unequal opportunities arising from the school system.
- Schools are competing for good pupils, with the result that some state high schools are being left with predominately low achieving boys (Bebington High has 80% boys; Mosslands in Wallasey) which limits educational outcomes.
- 1.3.6 Wirral has a higher rate of child admissions for mental health than the England average – and has seen a significant rise in recent years.

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- Higher levels of children in care than similar boroughs (738) with the highest prevalence in Rock Ferry, Bidston/St James and Birkenhead, and support and respite services for them and their carers could usefully be targeted in these areas.
- In 2015/16, Barnardos identified 142 young carers in Wirral. 100 of these were children caring for parents supported by primary health care or secondary mental health services; 60 children were living in families with a history of domestic abuse. Leisure and arts facilities in areas where child carers live could provide respite opportunities



1.3.7 Poverty is a very real issue in some areas of Wirral which has seven LSOAs where more than 50% of residents are income deprived. The five wards with the highest proportion of children under 15 are also the most deprived wards (Birkenhead & Tranmere (22.9%); Bidston & St James (23.4%); Seacombe (23.5%); Rock Ferry (22%) and Leasowe & Moreton East (21.1%).

- Wirral has a higher proportion of children assessed as being in need than the national average – with the primary causes listed as family dysfunction, neglect and physical abuse
- Wirral's head teachers have identified two distinct types of JAM (Just About Managing) families: those struggling to make ends meet through multi-generational poverty and long term unemployment (predominantly in the East of the Borough) and those struggling to maintain their commitments and lifestyle under straitened circumstances (mostly in the West). The needs of each type vary.
- Services in poorer areas need to be affordable and accessible – probably allowing for sporadic use and delivered where necessary with the support of peer mentors, volunteers and the like.

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- Bidston, Birkenhead & Tranmere, and Rock Ferry will likely be areas where unhealthy norms are entrenched. These are most suitable locations for modelling healthy eating, encouraging physical activity and outdoor activities and providing support for schoolchildren – both educational and diversionary. Leisure facilities here need to be culturally appropriate as well as appealing.

Adult Health, Disability and Wellbeing

- 1.3.8 Whilst not peculiar to Wirral, diabetes is a key health issue, and one that can be dramatically reduced by concerted and coordinated strategies to improve lifestyle choices, including using so-called 'nudge' techniques to make the healthiest option the most attractive.
- Public Health England's statistics on non-diabetic hyperglycaemia (those with HBA1c value of 6.0% - 6.4%), shows 30,197 pre-diabetics in Wirral, or 11.5% of population.
 - The Council's Public Health intelligence team estimates a rise in prevalence of diabetes from 19,759 in 2015 to 20,866 in 2020.
 - The NHS diabetes prevention programme has been rolled out to Birkenhead, however this national programme is widely considered unlikely to meet the scale of the demand on a national level. There could be an opportunity to provide facilities for diabetes prevention programmes and/or co-deliver these through leisure centres and other spaces (a typical programme combines nutrition and exercise advice) on a commissioned basis through the local CCG.
- 1.3.9 CCG Quality Outcome Framework prevalence registers show that key health issues in Wirral are Hypertension (14.7% of practice populations), Asthma (6.34), Obesity (10.45%), Diabetes (6.49%) and Depression (7.51%). Multi-generational poverty means lifestyles are entrenched in many cases and these specific conditions offer other areas in which the CCG or Public Health England may consider commissioning lifestyle-related services which fit well within the wider leisure portfolio.
- 1.3.10 4.3.10 Most areas of the portfolio offer some services specifically designed to cater for those living with autism, and this has been cited as an area in which Wirral could develop a reputation for tailored service provision, attracting people into the Borough, as well as informing minimum standards of inclusion for its general service provision (a similar argument to that on dementia in paragraph 4.3.2 above). According to PANSI data (2015) Wirral has around 2,400 adults living with autism. Of these, some 1,800 are adults aged 18-64 years - a figure expected to reduce to 1,700 by 2030. At the same time those aged over 75 with autism would rise from 615 in 2015 to around 800 in 2030 as the current population ages.
- Using Wirral's 2015 School Census data, around 1.40%, or 616 pupils of Wirral school population, has a primary or secondary diagnosis of autism, though estimates of exact numbers differ.

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- Any provision specifically designed for children with autism has a potential local audience of around 600; services for adults could reach around 1,800 people and for over 65s, around 600. Services requiring higher numbers to remain viable would need to attract people from out of Borough.
- 1.3.11 Disability-related services (as well as services designed to be inclusive to those living with a disability) are a specific needs area within any borough. In terms of the siting of those services, we know that Employment Support Allowance (ESA) and incapacity or severe disability allowance are highest in the following wards (2014 figures): Birkenhead & Tranmere (2,535), Rock Ferry (1,580), Seacombe (1,610), Upton (1,035), Leesowe & Moreton East (1,100), Liscard (1,050) and Bidston & St James (1,455).
- 1.3.12 A Mencap consultation in 2016 included recommendations of areas of improvement needed in order to 'Make Wirral a better place to live for people with a learning disability and their families'. Its key implications for providers of services include:
- Help in navigating information and services and in forward planning, including better matching in supported living, and support for families in accessing the correct benefits and entitlements. These are services which could be provided in a number of setting across the portfolio.
 - Greater employment support and opportunities for people with a learning disability and family carers, and access to volunteering for every person with a learning disability that would like it - which would fit well within a coordinated volunteering programme or agency.
 - More personal development opportunities for people with a learning disability to maximise independence and potential (including travel training). This also has implications in the delivery of sports and leisure opportunities.
 - More activities for adults during the daytime and holiday times (particularly for the over 25s), which may be particularly useful income opportunities when they coincide with traditional leisure centre 'slack' periods, for example.
- 1.3.13 Happy Time Activities, is an example of a Wirral-based social enterprise supporting adults with mental health conditions by delivering fun, interactive learning activities with uplifting stimulation and fun routines and games to help improve concentration, co-ordination and reflexes. It, and other organisations like it, could be useful commissioners of space, facilities or expertise.
- Crime Reduction and Community Safety*
- 1.3.14 Crime and ASB were the highest area of concern in 2015 residents' survey (60% listed it as highest), however the actual statistics for reported crime do not correspond with this, showing instead a year on year reduction in most categories, especially ASB. So it seems to be *perception* of crime that is the issue, and there is an opportunity for Council services to

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address this in some part – most likely in joint operations and initiatives with other agencies. Whilst these may not directly provide income streams, they could well act as a gateway to higher footfall through facilities leading to higher usage in the future.

- Areas with highest levels of crime are Birkenhead and Wallasey. Birkenhead town centre also has Wirral's only area of night-time economy (a handful of bars open till 5am) with associated violent crime fuelled by alcohol and drugs. Beechwood and Woodchurch Estates have high numbers of single parents, alcohol and drug abuse and early health issues – all of which suggest a need for preventative and diversionary activities. Wallasey too has dense populations with parochial families and low level ASB, but also some drug dealing.
- ASB is known to increase in line with calendar events (Halloween, Guy Fawkes, end of school terms, etc). Statistics show it is mainly found in a small cohort of individuals in Birkenhead who exhibit generational, parochial behaviours, and hold civil injunctions and the like.
- The biggest crime category is Domestic Violence. According to Public Health England, of the 39 constabularies in England, Merseyside Police reported the second highest incidence of domestic abuse for 2013/14, at a rate of 28.4 incidents per 1,000 population (Public Health Outcomes Framework, 2015).

Employment, Training and the Wider Economy

- 1.3.15 Declining industries and competition from neighbouring areas have led to high unemployment rates and low skills in some wards (notably in the East of the Borough, which was traditionally the industrial heartland of Wirral). Low aspirations and lack of role models are frequently cited in our consultations as being pivotal issues and cycles that need to be broken.
- Lowest qualification levels are in Bidston & St James, Birkenhead & Tranmere, Seacombe, Leesowe and Rock Ferry. Upton is the worst performing ward in West Wirral; Bromborough and Bebington in Wirral South. These areas are ideal locations for skills development services or entrepreneurial and start-up support.
 - Households with no access to vehicles are most prevalent in Birkenhead & Tranmere (55%), Bidston & St James (51%) Rock Ferry (47%) and Seacombe (35%) and residents here are most likely to be reliant on public transport to access services. These are also the areas with highest levels of NEETS, so training and educational opportunities for younger people will need to be both local and affordable. The Council's property assets in such areas could provide valuable work experience and training opportunities.

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Tourism and Visitor Economy

1.3.16 Over recent years, and in the light of dwindling budgets, Wirral has suffered from a lack of focus on tourism. This has impacted footfall and visitor spend, as fewer people think of Wirral as a holiday or day trip destination, which in turn means services (public and private) are more reliant on the 'domestic pound' to remain viable, and compete harder over that pound.

- Wirral used to be known as the 'Leisure Peninsula'. Facilities and attractions remain but there is a distinct lack of places to stay, meaning Wirral has become a good place to visit, but visitors do not stay long.
- There is an opportunity to benefit from Liverpool's tourist trade by working with partners to extend popular tourism 'routes' across the water. Wirral boasts a wealth of sites and assets of historical significance – and a clear opportunity to market and co-ordinate events round these.
- The borough's ageing population could form a logical basis of re-branding of Wirral into a dementia friendly borough (or 'barrier free' if we consider other challenging conditions), however some areas difficult to navigate with poor signage, unclear routes etc which would run counter to this ambition.
- Wirral residents are said to give more per head to charity than anywhere else in the country (though we are yet to substantiate this). Targeting fundraising around local interest projects could direct some of this philanthropy inwards.

1.3.17 Creating expectation or 'permission' for Council staff to spend time on developing programmes in collaboration with other venues (including those outside the Council) would increase usage and footfall (enabling an increase in ancillary spending). For example, it is evident that there are high levels of local pride for notable 'sons and daughters of Wirral' but it stays very local – a coordinated effort between services could lead to revenue-raising events and higher footfall. We have encountered an unease amongst staff as to how this 'additional' work is perceived alongside more traditional ways of public sector working.

1.4 **Implications of the Needs Analysis for an Alternative Operating Model**

1.4.1 Through the analysis process, a number of key issues are emerging. These create challenges in their own right, but also act as the causes of needs within the Borough which manifest at very local levels. These key themes include, for example, multi-generation unemployment in the same families, leading to low incomes, lack of

Emergent Key Themes

1. Multi generational poverty and disengagement
2. Low working age to retired ratio:
 - Ageing well
 - Dementia
 - Isolation and loneliness
3. Demand for coordinated services
4. Inclusion and exclusion of some, socially and economically
5. Higher than average LACs
6. Areas of oversupply; unsuitable assets; needing reconfiguration and joining up
7. Opportunities to meet health and social needs with these

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role models within families, lower educational attainment, poorer behavioural norms and lower health outcomes, anti-social behaviour. Whilst the Council needs to be provide some services which are universal in design, other services, like those that address the themes cited here, need to be targeted with some flexibility in design of delivery or accessibility to accommodate specific or changing needs.

The box to the previous page notes eight key themes arising from the needs analysis that affect operational response.

1.4.2 **Multi-generational poverty and disengagement**

Of the population, 4.3% are long-term unemployed, and we were told that many come from multi-generational unemployed families. 16 to 19 year old white males are a particularly prevalent needs group in this area. The provision of facilities needs to focus on them, noting that the challenge here is not one of availability but of willingness to engage.

1.4.3 **Low Working age to retired ratio**

Wirral has a high retired to working age ratio, 18.8% of economically active as against 13.4% nationally (ONS), with increasing numbers of unhealthy elderly and very limited employment prospects for those of working age. There appears to be a lack of consensus as to what industries and strengths Wirral wants to develop to replace the industries it lost and little effort to drive up revenue (e.g. from tourism, including specialist groups) or to develop exports (e.g. by collaborating with local research institutions to develop specialist or innovative solutions to the Borough's challenges which can be exported elsewhere – ageing well; inclusivity in older age; etc). The Council needs to be agile enough to play its part in delivering solutions to unemployment and to facilitate innovation and entrepreneurialism as part of a wider co-ordinated partner approach to economic regeneration.

1.4.4 **Demand for joined-up, coordinated services**

The Wirral boasts a wealth of latent natural and historical assets and a fierce civic pride but suffers from a lack of investment, co-ordination and invigoration. Place-making is a strong theme, but there is little overall direction as to what individual places within Wirral could contribute to the whole. In previous decades, Council services were well understood and discrete from private and third sector offerings, but with the advent of devolution, localism and the economic downturn, service provision needs to be understood, planned and delivered in a much more co-ordinated fashion across stakeholder groups.

- Service providers in public services need to be 'easy to do business with' at all levels. This includes working with a wider range of commissioners as well as responding to the needs of residents directly.
- It will be important to be able to provide services at the right time, in the most appropriate place and at the right cost. Other commissioners can be expected to contribute to costs of services delivery if it is the most cost-effective means of doing so.

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The ability to differentiate delivery parameters and models will enable the organisation to remain sustainable overall whilst retaining agility in how it responds to changing needs. In particular, some services are best delivered locally (at Ward level), either targeted at wards with the highest need incidence or tailored to meet needs in each ward. Others, such as specialist support (e.g. domestic violence) or strategic growth (e.g. the tourism agenda and visitor economy) could be more successful if a City Regional partnership is developed.

1.4.5 Inclusion and exclusion of some, socially and economically

Some sections of the community already face barriers to inclusion or experience negative impacts as a result of decisions made with regard to service delivery. A new model, less constrained by the historical conventions or expectations that go with traditional local authority operations, will enable services to be delivered with more a more flexible approach. It could, for example, allow for:

- Robust and commercial consideration of the impact of raising fees or charges for previously free services. Who would it deter? How could the Council subsidise or ease the burden for those most in need, whilst generating income from those who can afford to pay?
- Consideration of a Wirral-wide discount card for those meeting certain needs criteria, or a Wirral Residents' multi-service discount card? Such a scheme would work as a tourist or visitor 'levy' as full price would be incrementally inflated to non-residents, and would allow for those who need to pay less to do so without being overtly 'marked out'.
- Inclusion to be achieved through removing barriers to certain groups, for example by offering work experience or supported work placements to those with a long term history of unemployment or with special needs. Parks maintenance, gallery staff, catering, front of house, would all seem appropriate, but Council contracts are likely to prohibit the flexibility that such engagements might need.

1.4.6 High Looked-after child population

This background creates specific needs for the children themselves, tending to be somewhat isolated, and finding it hard to develop stable friendships, requiring additional support to engage with sport, but also a deep need for recreation and the opportunity to develop attachments with suitable adults and peers in a safe environment. Some services may be focused on specific needs, and others on more general needs, but tailored to make them accessible. There are significant economic as well as social gains deliverable here. An offering that is well integrated with fostering and post-adoption support is needed.

In addition, carers can find themselves isolated from social networks, and not taking care of their own health and mental health. There is scope for developing support services which embrace the carers as well, and integrate them with appropriate friendship groups.

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1.4.7 **Need for reconfiguration of certain assets, but looking at it as a single portfolio**

With the real possibility of meeting needs through services delivered in part from leisure and in part from parks, or community engagement and access to information through libraries and leisure centres for example, it is appropriate to approach the leisure, arts and culture portfolio as a single unit (albeit with separate management focus areas as appropriate). This will also allow for cross-subsidies where appropriate (accepting that needs and levels of service demand will change over time and will have to be balanced across the portfolio).

1.4.8 In a similar vein, best use of the property portfolio would be enabled by a single portfolio mindset. Appointment of event programming and fundraising staff would ensure best use of all types of assets through:

- Thematic coordination of activities and where they happen – for example ensuring that summer outdoor activities provide pathways or ‘hooks’ into winter indoor activities in other service areas.
- Stronger celebration of (and capitalisation on) local historical figures, assets and collections – linking into tourism and visitor economy as well as reinvigorating local pride where needed.
- Optimum use of assets when delivering commissioned services, such that bookings are seamlessly referred to other sites if the chosen site is unavailable full and the removal of bureaucracy in ‘using someone else’s building’.
- The ability to operate purely commercial activities to make best use of its portfolio of assets. For example, to charge higher rates for the hire of private rooms in libraries and other assets.
- Dedicated resource to seek and secure external funding and grants and reverse the ‘tail wagging dog’ influence that grants have on service provision strategies.

1.4.9 There are other areas in which assets need reconfiguration, which fall into three broad headings:

- Where assets are not fit for purpose: some are inappropriately laid out (e.g. the Williamson, where the glass roof means that sunlight precludes the use of certain gallery space), and some have tired facilities in need of major overhaul
- Where local competition has supplanted them: this is picked up in the mapping analysis that is following from this phase 1 report
- Where need has changed, or where configuration does not meet the needs of the current population (e.g. the need to engage with 16-19 y.o. males; the libraries really used in the east of the peninsula for community space and ICT, rather than book lending)

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1.4.10 Opportunities to meet Health and Social Needs with these assets

New sources of funds, including grants and social investment, and new commissioning models are changing the landscape of provision, enabling more joined-up responses to social challenges and the Council will need to re-evaluate its role in this response. Through the Council's leisure and other assets, services for other agencies such as health and police can be delivered more cost-effectively than they could themselves. In some cases it may be playing multiple roles – perhaps as commissioner, partial funder and co-provider of a single service – and the operating model must allow for this without necessitating time-consuming and costly administrative hurdles.

- An example already in place is the integration project under Pledge 19 (Safe Neighbourhoods) which has seen development of the 'Safer Wirral' model currently being piloted on community patrols and estate wardens and which has a logical synergy with open and public space management strategies as well as diversionary provision for disaffected youth.

1.4.11 Support for tourism: general and special groups

The leisure, parks & countryside and other portfolio assets are well placed to meet not just local social need, but also enhance the tourist experience in the area and so bring economic benefits too. As it can meet the needs of specific groups in the local population, so it can adapt itself not just to general tourism, but to the emerging field of special tourism. Particular needs groups and their carers also require leisure experiences and want to go on holiday, and this can usefully and cost-effectively be delivered by configuring assets in a way to allow that. Particular groups that can be addressed in this way could be:

- Dementia sufferers
- Children and adults with autism
- Those with special educational needs or physical additional needs
- Those interested in historical, or archive tourism

1.4.12 Overall use of the portfolio

The overall conclusion from the needs analysis is summarised in the box to the right, which suggests what may be seen as a commitment that needs to be met by the future model of operation and governance.

“A model which is both universal and targeted”

The intended future model is one which operates at two levels to deliver universal and targeted provision. The model must ensure that:

1. Every Wirral resident has affordable access to:
 - a) Sports and fitness facilities
 - b) Information, books and ICT facilities
 - c) Cultural facilities (theatres, galleries and events)
 - d) Community space – outdoor and indoor
2. It is proactive in reaching out to those in need

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1.5 Needs Analysis as Aligned to the 20 Pledges

- 1.5.1 The Wirral 2020 Plan is supported by a set of strategies designed to deliver against 20 pledges. The pledges focus on addressing priorities within the Borough and, in doing so, focus on a number of the needs areas we have discussed. Whilst each strategy has a specific focus, there is some overlap in outcome areas and the following themes are pertinent to the needs analysis. This list summarises the direction of travel under the 2020 pledges, and highlights alignment with our proposed alternative operational model.

Ageing Well, Isolation and Dementia

- 1.5.2 Wirral has pledged a partnership approach to identifying the isolated elderly. This includes a web platform to list opportunities to socialise; pre-retirement courses and a focus on digital inclusion and ways to access information.

- This fits well with our proposals around dementia and inclusion, as does the 2020 action to encourage businesses to be age friendly spaces, and to offer access to jobs and volunteering

Volunteering

- 1.5.3 A partnership approach has also been pledged with regard to a volunteering strategy, supported by a public sector volunteer workforce. This will be based on best practice research and include a 'buddy scheme' to support people to access leisure activities and explore opportunities to develop a coaching programme. The volunteering ethic will be espoused early, through increasing the number of places on National Citizens Service programme available to 16 and 17 year olds.

- Our proposed portfolio-wide operating model enables volunteer time to be deployed where most needed with a robust management and co-ordination effort sitting behind it.

Environment and Community Safety

- 1.5.4 The Pledges encompass both a diversionary strategy to reduce ASB in the short term and targeted awareness campaigns on hate crime and violent crime (including working with businesses), developing networks to break cycle of criminal behaviour. The Wirral has declared 'zero tolerance' to domestic abuse, and will deliver a coordinated training, education and public awareness in support of this working with colleagues across the Liverpool City Region to evaluate the effectiveness of perpetrator programmes currently on offer. It has pledged a working group to deliver an integrated plan for community safety.

- Here is clear evidence of cross-agency and partnership working. The pledges work in the short-, medium- and longer term and will need to integrate with service provision, shared objectives and priorities across multiple stakeholders.

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Health, Disability and Wellbeing

- 1.5.5 The emphasis here is a dual one – working with partners to meet existing needs holistically, as well as focussing on prevention of long term conditions by changing societal needs – a good example of service provision which is at once universal but targeted. The pledges offer some targeted support to specific groups which are currently under-served, by:
- Implementing the Wirral Strategy for carers through supporting the Carer's Partnership Board
 - Exploring innovative ways to maintain provision of short breaks and respite placements for children and adults with disabilities
 - Working with local employers to consider innovative collaborative approaches to increase the local provision for training and work opportunities
 - Working as a partnership to explore innovative ways to remove barriers to people getting out and about in Wirral, particularly for people with mobility issues and sensory impairments
- 1.5.6 Prevention work also acts universally whilst targeting specific groups. Some of these actions will also provide data that will be useful in understanding the true size and shape of service demand in key areas, as well as preventing it wherever possible, for example, by:
- Reviewing the provision of pre-retirement courses for all local residents to plan for their retirement years
 - Working as a partnership to develop and agree a robust method of capturing data around the prevalence of disability in Wirral and implementing an All Age Integrated Disability Service
 - Increasing the uptake of maternity services delivered by integrated teams in locality-based settings;
 - Providing targeted drug and alcohol interventions so reducing misuse;
 - Developing links with children and young peoples services to investigate the development of an approach to risk taking behaviour to include drug and alcohol use.
 - Working with partners developing the growth strategy for the borough to ensure that the concept of a Healthy High Street is integral to the regeneration and economic development of the borough.
 - Developing, promoting and supporting good referral pathways between GPs and the network of sports, leisure, social and physical activities available in Wirral, particularly those activities provided by the extensive voluntary sector

Appendix A

Needs Analysis

Employment and Financial Independence

1.5.7 Pledges in this area will provide opportunities for commissioned services on Council premises (whether or not these serve to drive up real income, they will generate footfall). A key focus is on changing perceptions and expectations of young people, whilst actively engaging them in shaping the future of their borough. Key pledged activities that particularly align with our proposals include:

- To raise aspirations, engage local employers and improve vocational awareness develop opportunities for young people through the Young Chamber and Wirral Met College
- To develop programme/activities/training e.g. coding clubs / digital entrepreneurship skills training to support young people to improve and enhance their digital skills (including coding) to enable them to thrive and compete in a modern digital environment
- To implement Access Wirral programme to provide transactional services and information online enabling customers in Wirral to manage their business, through a single point of access
- To embed employability programmes and financial advice within primary health services and early years' intervention activities e.g. through Community Hubs
- To co-ordinate and raise awareness of accessible, flexible and affordable childcare to enable parents to return to and/or sustain employment.
- To provide advice and information on affordable transport schemes to enable parents to access training and employment
- To maximise work related opportunities to engage students of all ages in the leisure and tourism sectors, progress them into apprenticeships, jobs and ensure opportunities for continuous professional development.

Culture, Heritage and Arts

1.5.8 Perhaps the most relevant package of pledges is focussed specifically on those services and assets in the scope of our project. They include promises to:

- Establish a knowledge and funding hub for small arts and cultural organisations in Wirral;
- Develop a calendar of events and activities and publicise through a central website and explore the use of technology and social media campaigns to encourage resident and visitor participation in arts, culture and heritage;



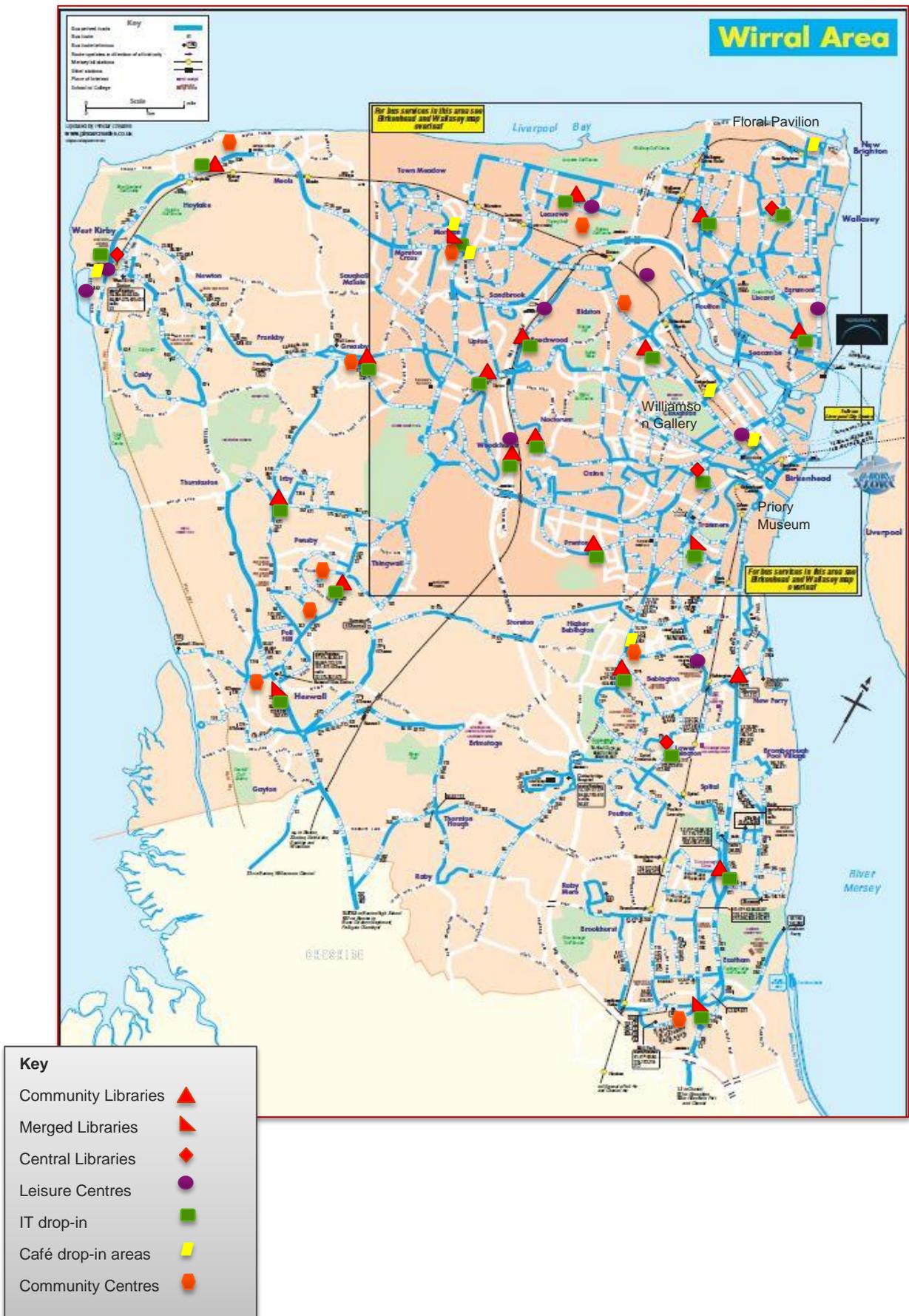
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- Work with families, youth organisations and schools to increase participation in cultural education from an early age;
- Develop Wirral's unique marketing approach as a cultural destination including working with .Culture Liverpool to deliver major cultural events over the next five years, and with Liverpool Film Office to identify future potential filming opportunities in Wirral;
- Deliver tourism marketing which promotes Wirral's visitor offer including culture, Discover Wirral (shorts breaks) and Wonders of Wirral (day breaks);
- Develop plans with probation, youth offending services and the voluntary sector to provide opportunities for offenders to undertake environmental improvement opportunities in their communities;

Appendix B

Mapping Grid & Analysis



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**COUNCILLOR
MATTHEW PATRICK**

**CABINET MEMBER FOR
COMMUNITY ENGAGEMENT
AND COMMUNICATIONS**

CABINET
27TH MARCH 2017

ACCESS WIRRAL:
TRANSFORMING CUSTOMER SERVICES

Councillor Matthew Patrick, Cabinet Member - Community Engagement and Communications, said:

“Contacting the Council needs to be as easy as possible – Access Wirral will do just that.

Access Wirral will deliver a quick, seamless and efficient route for residents to contact the Council. By removing the duplication of systems, it will help staff provide much needed support in the most efficient way.

By investing £1.2million in a state-of-the-art system, we will improve our customer services enabling people to be self-sufficient by accessing services quickly, digitally and easily.

With improvements, we could drastically reduce the waiting time for low-risk claims for Housing Benefit. This would see those claims paid sooner, protecting vulnerable residents from turning to expensive pay-day lenders.

This investment allows us to make savings in the near future; once the system is embedded and working to specification, it will enable us to direct our skilled staff resources to ensure the most vulnerable residents receive appropriate support to successfully and confidently access the services they need.

Access Wirral is a major step forward in how the Council supports residents.”

REPORT SUMMARY

Access Wirral is the Council's approach to reshaping and improving customer service, making it easier, faster and more efficient to do business with the Council. The Wirral Plan 2020 recognises the need for the council to be a modern public service. It notes that: "Technology continues to move at breathtaking speed ... we must be – and will be – a Council which is fit for the digital world. Our services must be accessible, delivered sometimes entirely online to reduce costs and to improve speed and efficiency."

This report and the attached Full Business Case takes us a step forward with that intention, by automating Council Tax and Housing Benefits as much as possible, while ensuring that those who need more focussed support are able to get it. We know not everyone has the ability or means to use digital services, and many of our more vulnerable residents will continue to need expert advice and support. We believe that we can considerably shorten the process for low risk benefits claimants so that they are able to get their housing benefit much more quickly.

Through the Access Wirral transformation project, extensive work has been undertaken during the past nine months to develop a detailed Full Business Case aimed at delivering major improvements in the council's ability to provide excellent customer services.

The Full Business Case includes an analysis of strategic fit, the economic options appraisal, and the commercial viability of the proposal together with the financial case and an assessment of our requirements to enable delivery.

The recommended option for approval through this report is Option B – Redesign of in-house provision, with investment to procure a state-of-the-art Customer Access System to support the effective digitalisation of services over the period of the programme at a cost of £1.2 million.

Successful implementation of the Customer Access System would enable the organisation to deliver major savings in future year. In the first instance, transforming the way in which we deal with Council Tax and Housing Benefit would provide a return of £3 million by 2020, and we could then look to use the system to gain greater benefits once proof of concept has been demonstrated.

This provides the further opportunity to target resources onto providing more intensive support to those vulnerable residents who may feel 'digitally excluded' from newer technologies.

An extensive programme of user testing, staff engagement and customer outreach will take place over the course of the implementation of Access Wirral to ensure it is delivered in a fashion which responds to resident needs.

Access Wirral is part of the overall customer experience programme under the transformation programme.

RECOMMENDATIONS

Cabinet is requested to:

1. Note the contents of the Business Case provided, including options appraisal, staff implications, consultation proposals and risk implications – and support the recommendation that Option B is the preferred option.
2. Delegate authority to the Director of Transformation to take the appropriate actions to deliver the agreed option.
3. Agree that the Business Scrutiny Committee be provided with regular updates on progress.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

The council is working to improve its customer service performance, as committed to in the Pledge 'Community Services are joined up and accessible'. A new approach is required in order to enable our customer services staff to be able to provide a modern, joined up and efficient service to residents.

A project was developed through the Transformation Programme, in order to fully explore the options available and produce a detailed Business Case to determine the most appropriate new approach. The proposed option involves reshaping the services in-house, making sure they are operating at the optimum level, before seeking to further develop the approach at a future date.

The recommended option (Option B) allows for huge changes to be made in how queries and contacts are handled. At the moment, a call centre handler will potentially use many different systems in any given day – leading to longer call times, complicated handovers between systems and a poorer service for residents. Implementing a new Customer Access System reduces this to one system which allows residents and staff to navigate systems and request services much more easily.

This option also allows the organisation to invest in delivering major improvements in the quality, speed and effectiveness of a range of customer contact services, and further allows the council to deliver future revenue savings through redesigning back-office systems and administrative processes.

Options which were discounted at this stage, for a variety of reasons explored more fully within this report and the attached Business Case, include: do nothing, an outsourced service model, and the creation of a Joint Venture or similar organisation.

2.0 OTHER OPTIONS CONSIDERED

The Access Wirral programme identified and assessed four options. The assessment includes understanding the costs, benefits, risk advantages, disadvantages and critical success factors. In summary the 3 options discounted are:

- **Option A** – This option would see the current operating model including the retention of existing One Stop Shop and Contact Centre service levels. For our customers, this would mean that current provision remained broadly unchanged, with the exception of improvements to the Council's IT provision delivered under the Digital Services project.
- **Option C** - This option would involve identification of a package of services and the procurement of a joint venture partner (JV) to deliver these.
- **Option D** - This option would involve the definition of a specification to take to the market to seek commercial providers for all or some of the current services – either together or as separate packages.

More detail about the options can be found in the Full Business Case which forms an appendix to this report.

3.0 BACKGROUND INFORMATION

In developing the business case a significant amount of customer insight, system review and identification of national good practice has taken place. We know that budgets are reducing, customer's expectations are rising, and we need to deliver our services differently to ensure that they are supported effectively and efficiently. When the Call Centre and One Stop Shop contacts were reviewed, they illustrated that for the Call Centre 23% of contacts were for Council Tax, and 20% were for Housing Benefit. For the One Stop Shops this increased to 37% of contacts in relation to Housing Benefit, and 14% for Council Tax. In both routes of contact these were the top two reasons for contacting the Council. The contact channels show that the Call Centre receives 81,979 calls per year, and 89,839 items of post are dealt with. On average, for every housing benefit request customers have to contact us four times; there are two contacts for every council tax request.

The Access Wirral programme will support customers to easily self-serve by providing good access to online services in a manner they will find convenient, simple to use and effective. By successful moving the majority of demand to online channels we can meet our customers' expectations and reduce our costs.

However, it is recognised some customers are digitally excluded and would not be able to benefit from channel shift. There will be sufficient staff retained to provide a robust service. Alternative support through the use of the IT facilities in the Council's Libraries and One Stop Shops or through partner organisations will be directed towards supporting them.

Customers with a particularly complex query will be offered a call back from staff within the Call Centre.

The options outlined were presented to an extraordinary workshop of the Business Scrutiny Committee on the 14th February. Two of the main areas of discussion were the need to make sure that the 'front end' of any new system is easy to use for the customer, and the need to continue to support those who are vulnerable. The Scrutiny workshop report is attached as an appendix to this report.

4.0 FINANCIAL IMPLICATIONS

The preferred option involves using a mixture of internal and external resources to fully redesign the current service model to develop innovative and cost-effective ways of working, ensuring maximum value for money from in-house provision.

This option requires initial investment and commitment to deliver the necessary changes to services. There is a need for a one-off investment during 2017/18. Savings will occur during 2018/19 and will be £3m per annum.

5.0 LEGAL IMPLICATIONS

Procurement rules will be followed in securing the proposed software and any external support.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

Staffing Implications

As the new Customer Access System is embedded across services, there will be an opportunity and requirement to redesign – and reduce – the staffing structures, administrative processes and systems which currently underpin the services. This will be required in order to ensure the services which residents receive are as streamlined and seamless as possible.

This will lead to a phased reduction of posts. This reduction will be delivered through extensive and transparent engagement with staff and Trade Union colleagues and, as much as possible, through the natural reduction of staff numbers (where people leave the organisation or retire), and through voluntary means. While there may be a need for some compulsory redundancies we will seek to keep them to an absolute minimum.

Importantly, we will ensure no major changes to the underpinning service structures are implemented until the new system is in, working, tested and delivering the right results and service for residents.

ICT Implications

The ethos behind the Customer Access System (CAS) is that it will become the de-facto “front end” solution for all staff within the Transaction Centre. This approach will facilitate a single view of the customer within the CAS. This approach will help reduce average call time as advisors do not have to review multiple systems to resolve a query. For example, a Call Centre advisor uses up to 19 systems a day to help resolve customer queries.

As part of the wider roll out of CAS across the Transaction Centre, legacy systems will be reviewed and where possible legacy system data will be imported into the CAS to allow older legacy systems to be decommissioned.

7.0 RELEVANT RISKS

A full and detailed risk register for this project is in place and is managed through the overall governance of the programme and the wider Transformation Programme.

8.0 ENGAGEMENT/CONSULTATION

A core team of staff have been involved in the development of the proposals. With a robust communications plan and change management strategy in place, both customers and staff will be engaged throughout each phase of the project. There will be regular meetings with staff throughout the length of the project as part of the change management process.

Subject to Cabinet approval of this report, the project would start on the 3rd April 2017. A period of testing which would provide the Council with 6 months of data from the automation of Council Tax and 3 months of data from the automation of Housing Benefit will enable a future restructure to be achieved only once the new

system was shown to be working. Any reduction in staffing is likely to take place from September 2018 onwards.

A meeting has taken place with Trade Unions to brief them on the proposals, and a commitment to continue to work with them as the proposal is implemented has been agreed.

9.0 EQUALITY IMPLICATIONS

An Equality Impact Assessment has been produced and is attached as an appendix to this paper. Issues identified in the EIA will be addressed through the implementation phase of the project.

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APPENDICES

Appendix A - Access Wirral Full Business Case

Appendix B - Business Overview and Scrutiny Committee
Report 14th February 2017

Appendix C - Business Overview and Scrutiny Committee
Presentation 14 February 2017

Appendix D - Access Wirral Equality Impact Assessment

REFERENCE MATERIAL

NA

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Business Overview and Scrutiny Committee Workshop	14 th February 2017
Business Overview and Scrutiny Committee	13 th September 2016

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FULL BUSINESS CASE

The purpose of the Full Business Case (FBC) is to revisit and refine the Outline Business Case (OBC) analysis and assumptions, as well as presenting the findings of any formal procurement or partner selection process. Any contractual or legal arrangements must be documented as well as the detailed management arrangements for a successful delivery.

The FBC template considers:

1. **Strategic** Any new implications for the strategic case
2. **Economic** The preferred option providers and value for money
3. **Commercial** Findings of procurement processes/supplier engagement
4. **Financial** Analysis of financial implications
5. **Management** The comprehensive delivery plan including people, process, information, systems and assets

Programme/Project Name:	Access Wirral		
Programme/Project Manager:	Peter Walker	Date:	9th March 2017
Programme/Project Owner:	Fiona Johnstone		
Programme/Project Board:	Access Wirral Project Board Customer Experience Transformation Programme Board		
Version	1.1		

DOCUMENT REVISION HISTORY			
Version	Author	Changes	Date
V0.1	Peter Walker	Draft FBC	06/01/17
V0.2	Peter Walker	Update with comments from project team	10/01/17
V0.3	Peter Walker	FBC rationalised with comments from Jane Clayson	11/01/17
V0.4	Peter Walker	Updated with comments from Transformation Office	18/01/17
V0.5	Peter Walker	Updated with comments from Lisa Jamieson	27/01/17
V0.6	Peter Walker	Updated following the internal peer review	02/02/17
V0.61	Peter Walker	Updated following subsequent comments from peer review and a change in terminology requested by Lisa Jamieson	03/02/17
V0.62	Peter Walker	Updated with finance figures and an updated procurement strategy.	07/03/17
V1.1	Peter Walker	Approved final version	07/03/17

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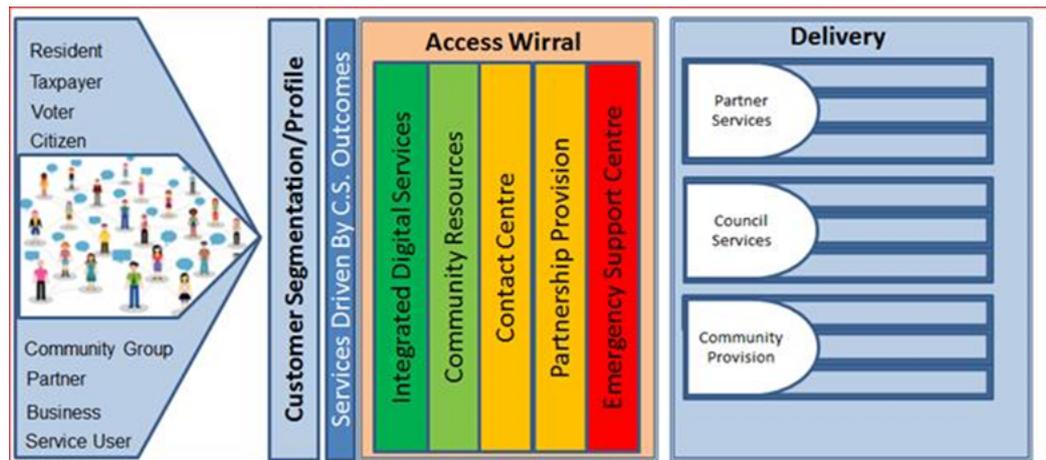
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1. EXECUTIVE SUMMARY

On the 20th June 2016 an Outline Business Case that set out the vision for Access Wirral was agreed at Cabinet/SLT. This is the full business case for a project to deliver elements of that vision.

A pictorial representation of the Access Wirral vision is shown in the diagram below:



This project will deliver outcomes which will address the following elements of the vision:

- Customer segmentation;
- Customer Access Solution (CAS) for Council Tax and Housing Benefit
- Contact Centre improvements and efficiencies

As this project is implemented work will continue to further define the delivery of the wider Access Wirral Vision, which will include engagement of communities and partners to inform this.

The Business Case requests an additional £1.2 million, over and above the £865,936 awarded at the Outline Business Case (OBC); to enable the Project to deliver the CAS.

The Business case consists of five major components. These are summarised below:

- **Section 3 - Strategic Case** - This section supports the key corporate outcome –‘Taking Wirral Forward - a 2020 Vision’ by delivering responsive, high quality services and encouraging residents who are able to help themselves to do so. The section also supports and enables other Council programmes, strategies and initiatives including Wirral’s Digital Strategy and the delivery of financial savings / reduction in baseline cost of current service provision.
- **Section 4 - Economic case** – This section outlines the four main options which have been identified and assessed in delivering the interim operating

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model. This includes understanding costs, benefits, risks advantages, disadvantages and critical success factors. In summary the analysis suggests:

- **Option A** – This option would be to continue with the current service improvements agreed as part of the OBC. This option would see the current operating model including the retention of existing One Stop Shop and Contact Centre service levels. For our customers, this would mean that current provision remained broadly unchanged, with the exception of improvements to the Council's IT provision delivered under the Digital Services project.
 - **Option B** - This option involves using a mixture of internal resources, partner representation and targeted external support to redesign the current service model, working with partners and communities to develop innovative and cost-effective ways of working, ensuring maximum value for money (VFM) from in-house provision. **This is the preferred option.**
 - **Option C** - This option would involve identification of a package of services and the procurement of a joint venture partner (JV) to deliver these.
 - **Option D** - This option would involve the definition of a specification to take to the market to seek commercial providers for all or some of the current services – either together or as separate packages.
- **Section 5 - Commercial Case** – The main cost items required to deliver this project relate to external partners, in-house project support and licenses for the new CAS customer platform.

Upon approval of the preferred option (Option B), it is anticipated that initiation will commence in April 2017. An implementation partner will be sourced using appropriate corporate procurement policy that best meets the Council's requirements. A detailed specification will be completed.

- **Section 6 - Financial case** - The project costs relate to resources (internal and external) and IT.

To date, the Council has agreed funding of £865,936 for the Access Wirral Project, although to deliver all of the benefits within the FBC additional funding of £1.2 million is required to cover the cost of IT.

- **Section 7 - Management case** – The main vehicle for delivering the FBC is the Transformation Portfolio which was initiated in March 2016. The Transformation Portfolio has an established governance and delivery structure. A project plan has been developed which identifies at a high level the main activities, deliverables and milestones through to 2018 in delivering the FBC.

1.1 Justification

The reduction in local government budgets means the Council can no longer continue to provide services as it currently does. Additionally, meeting our

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customers increasing expectations of how and when they transact with us poses major challenges under the current service model.

The Access Wirral project seeks to transform the Customer Service offer to support the achievement of the Wirral Plan objectives of:

- “Our services must be accessible, delivered sometimes entirely online, to reduce costs and to improve speed and efficiency”
- “We must transform how we work with residents; driving integration and being as efficient as possible, with one point of contact able to solve every resident need”.

This will be achieved, by supporting customers to self-serve in the first instance by providing our customers with access to online services in a manner that they will find convenient, simple to use and works as intended. By channel shifting the majority of demand online we can meet our strategic objectives as detailed in the Wirral 2020 Plan, to meet our customers’ expectations and reduce our costs.

However, it is recognised that some customers are digitally excluded and would not be able to benefit from the channel shift. Alternative provision through the use of the IT facilities in the Council’s Libraries and One Stop Shops or through partner organisations can be assessed.

Customers who have a particularly complex query will be offered a call back from staff within the Call Centre.

1.2 Issue

Analysis shows that in comparison with other authorities, our customers calls are not handled as efficiently in comparison to other authorities (see Section 3.1) and the call abandonment rate within the call centre is higher. As a result, we have received constructive yet challenging feedback from some of the Elected Members and customers alike.

Research has shown that Wirral Council’s customer service offer is insufficient and does not provide the full range of online transactional services our customers require, such as application for Housing Benefit. This results in increased demand within our Call Centre, One Stop Shop and back offices which results in higher levels of customer complaints (as detailed in section 3.1.1).

Customer complaints:

Mr M. has been paying off arrears of £150 per month but the latest payment was for £273. Mr M. is not impressed, he states the web site is useless and is also unable to get through to the Call Centre.

Given the Council’s current financial challenges, it is believed within certain areas that the cost per contact within the Transaction Centre is too high and needs to be reduced. This is shown in Section 3.1.4.

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1.3 Anticipated Outcomes

- A Digital Customer Portal that will:
 - Provide a single route into the Council's digital services
 - Contain information tailored around the individual's specific needs and requirements
 - Link to various back office systems and data sources providing customers with simpler, clearer and faster experiences around transactional and non-transactional services
 - Work across all devices used by customers, staff and partners.
- Services designed and promoted, utilising pertinent Government Digital Services (GDS) 'Digital by Default' principles; to improve access for residents and help the council to meet its Strategic Objectives.
- Safety net for customers who are digitally excluded or have complex queries.
- Clear link to 'where and how' services are delivered in the future.
- Improved customer insight through better management information leading to better decision making.
- Cost to serve reduction through:
 - Quicker response times;
 - Reduction in manual processing;
 - Removal of duplication;
 - Improved accessibility; and
 - Informed decision making based on data.

1.4 Recommendation

It is recommended that option B is taken forward. It represents a greater opportunity for long term savings.

To ensure robustness and to minimise risk, it is recommended that initially Housing Benefit and Council Tax services are re-designed through the new platform to demonstrate the success of the solution.

Once the base CAS solution has been implemented and proven, it is proposed that the concept is rolled out to all service areas across the Transaction Centre to realise further benefits.

2. BUSINESS CASE DEVELOPMENT

The following individuals comprise the Business Case Development Team. They are responsible for the analysis and creation of the Business Case.

Role	Description	Name/Title
Project Sponsor	<ul style="list-style-type: none"> ▪ Provide executive support for the project ▪ Secures resources and any required investment for the project ▪ Accountable to SLT for successful delivery ▪ Ensuring the business case is controlled and audit trails are in place to account for changes as the project develops ▪ Consults with SLT to identify any changes which may undermine the business case or cause it to lose strategic alignment 	Fiona Johnstone
Senior User	<ul style="list-style-type: none"> ▪ Represents the needs of Users ▪ Liaison with Users ▪ Commits user resource ▪ Specifies outputs of the project ▪ Ensures products are delivered ▪ Verifies product quality, functionality and ease of use ▪ Demonstrates to corporate / programme management that project benefits are realised. 	Lisa Jamieson
Senior Supplier	<ul style="list-style-type: none"> ▪ Verifies quality of products delivered by the supplier ▪ Provides supplier resources ▪ Verifies feasibility of product designs and development processes 	Jane Clayson
Project Manager	<ul style="list-style-type: none"> ▪ Prepares the Business Case ▪ Supports the Project Sponsor ▪ Manages the Project Team ▪ Identifies opportunities to optimise the Business Case 	Peter Walker
Business Case Change Manager	<ul style="list-style-type: none"> ▪ Business Change techniques considered ▪ Benefits Management Approach ▪ Benefits Management Outline Profiles ▪ Benefit Realisation Plan 	Peter Walker
Internal Client Side	<ul style="list-style-type: none"> ▪ Finance ▪ HR 	Sarah Cox Tom Ryan

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	<ul style="list-style-type: none">▪ ICT▪ Legal▪ Tax/VCT▪ Union	Mike Zammitt Julie Williams
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3. THE STRATEGIC CASE: THE STRATEGIC FIT

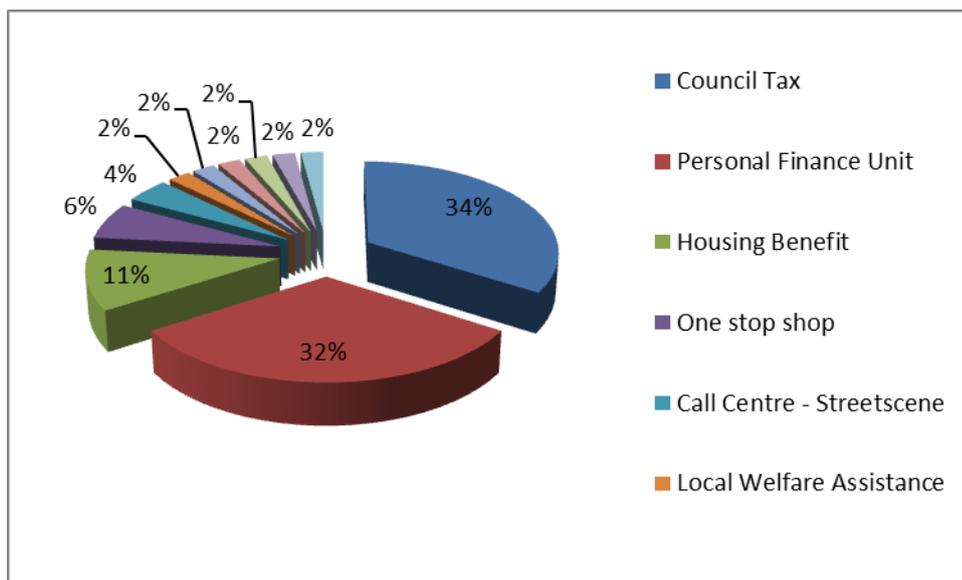
3.1 Business Need and Project Background

Wirral Council Plan: 2020 Vision states “our aim is to move from normal to outstanding”. In achieving this, the Council must ensure each service is deemed excellent and value for money by the people who receive the service.

In order to deliver on the priorities set out in the Wirral Plan: 2020 Vision; and make sure residents are getting value for every Wirral pound, the services provided within the Councils Transaction Centre were reviewed to inform the business case.

3.1.1 Customer complaints

Customer complaints into and about the Transaction Centre and One Stop Shops were analysed from the 1st August 2016 to the 19th September 2016. As can be seen from the diagram below, of the 47 complaints received over the 6 weeks; the largest number of complaints were focused on Council Tax (16).



The second highest complaints about services were the Personal Finance Unit with 15. Housing Benefit received 5 complaints within this period.

Reviewing the complaints about Council Tax they can be broken down into 3 high-level categories. The high-level categories are:

- Arrears;
- Refunds; and
- Correspondence.

Category	Complaint
Refunds	<ul style="list-style-type: none"> • Mr B. very concerned with regard to length of time it is taking LA to issue his council tax refund. • Mrs M. very upset regarding length of time it is taking LA to award council tax refund in respect of her late father Mr B. • Mr F. not happy that he has been trying to chase up a Council Tax refund since December 2014. Has been unable to get through via the Call Centre and website. • In November 2014 CTS was awarded to Mr G. which put his Council Tax account into credit. He requested a refund of the credit on 19.01.15 but to date this has not been actioned.
Arrears	<ul style="list-style-type: none"> • Ms W. very upset with regard to bailiff action taken when she has cleared her council tax arrears. • Mrs B. has received a letter demanding payment of £524.10 which she has been informed is a shortfall from when she bought her new property covering from 18.12.14 to 31.03.15. She assumed this shortfall would have been taken from her bank details which she had given. • Mr M. has been paying off arrears of £150 per month but the latest payment was for £273. Mr M. is not impressed, he states the web site is useless and is also unable to get through to the Call Centre. • Miss H. very upset that her outstanding council tax debt has been referred to bailiff. • Mr Mac. in dispute with regard to council tax liability/outstanding balance.
Correspondence	<ul style="list-style-type: none"> • Complaint regarding receipt of reminder dated 14.04.2015 and the wording of the reminder threatening legal action - states she always pays her bills on time, has never been late with payment and does not agree with issue of reminder when states she did not receive original bill dated 03.03.2015 - has requested a letter of apology. • Miss H. who is deaf does not understand the letters she receives from Council Tax and this is making her upset. • Miss W. has received a £60 bill for a previous property which was delayed in receiving and believes that it is the fault of the Council's and not her own. Secondly she has received Council Tax bills for previous properties after she has moved. • Mr W. not happy having contacted several times previous to making this complaint regarding his council tax liability not being input into joint names. • Mr S. has sent in his exemption letter on three occasions and it has not been sorted out.

Any solution needs to be able to address the complaints of customers.

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3.1.1 Call Centre – call volumetrics

As part of the Management Information workstream of the project, the following Call Centre statistics were produced encompassing data from 1st October 2015 through to the 30th September 2016:

Call Centre



Until 2010, benchmarking data within Local Government was published by the Local Government Association (LGA). This has since stopped so obtaining benchmarking data is problematic. The benchmarking data in the table below are from Borough Councils and has been collated from various sources including their websites and Committee Papers. The data below covers the Financial Year 2015/16.

Date: 2015/16						
Council	Population	Calls into call centre	Calls Handled	% Handled	Abandoned	% Abandoned
Redcar & Cleveland	135,200	270,106	252,519	93%	17,587	7%
Waltham Forest	271,200	539,826	528,796	98%	11,030	2%
Chesterfield Borough Council	103,800	204,379	180,172	88%	24,207	12%
Wirral Council	320,295	259,948	198,959	77%	60,989	23%

Peer data sourced from Sefton Council's Corporate Publishing Performance report (April – June 2016) has been used to provide a comparison. From the report the following call statistics were obtained:

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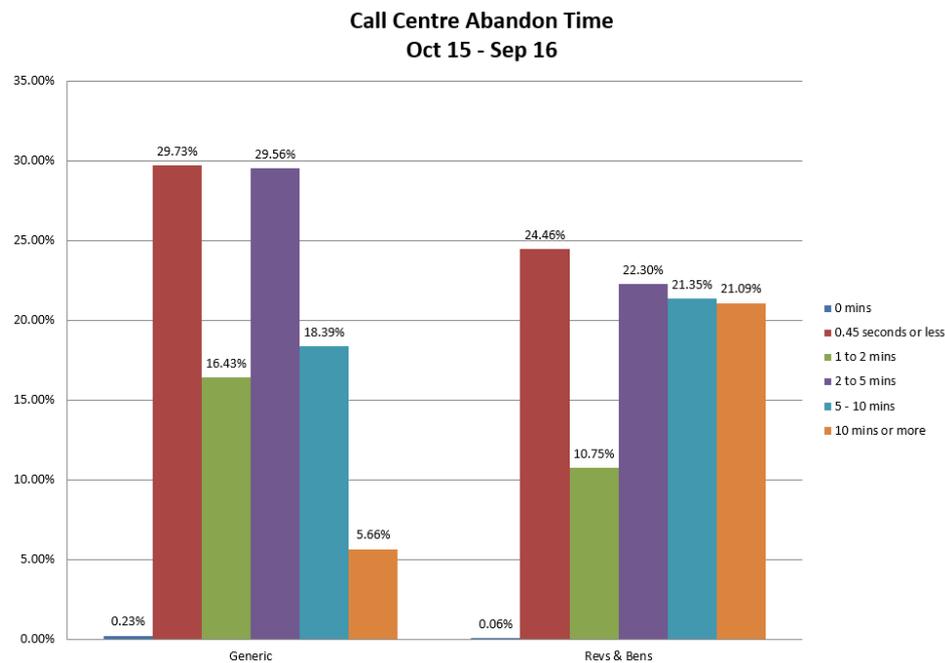
Date: Apr 16/Jun 16						
Council	Population	Calls into call centre	Calls Handled	% Handled	Abandoned	% Abandoned
Sefton Council	273,790	124,581	116,931	94%	7650	6%
Wirral Council	320,914	66,068	50,439	76%	15629	24%

3.1.2 Abandonment Rates

As can be seen in the table below, the average Abandonment Rate across the two Call Centre teams:

- Revenues and Benefits; and
- Generic Team.

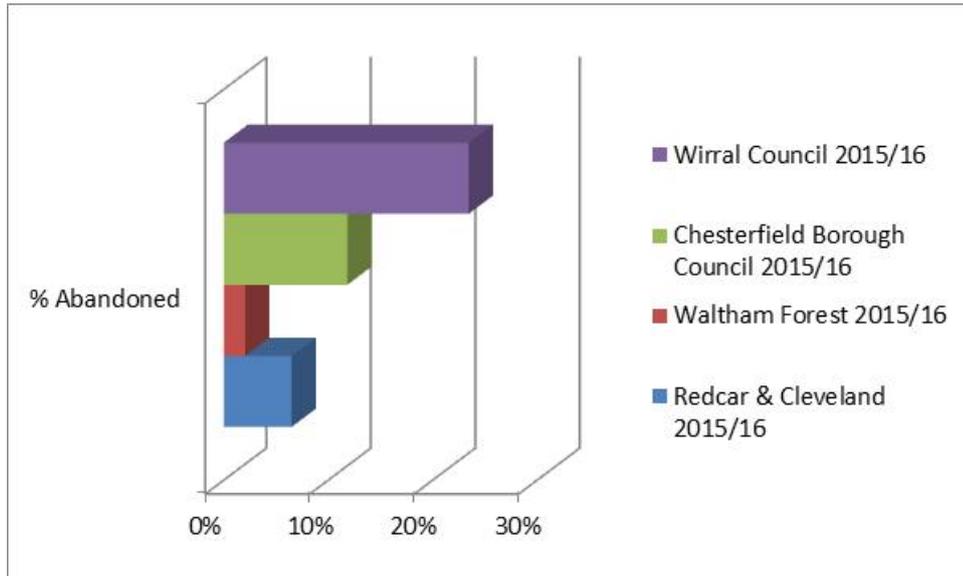
is approximately 24%.



There is a message at the beginning of the call that encourages customers to use online services after 45 seconds. It is assumed that the high drop out at 45 seconds or less is due to the message prompt.

Reviewing the Council abandonment rate against other Councils it is clear to see that the rate is almost double of the next highest Council, Chesterfield; and treble that of Redcar and Cleveland. This can be seen in the table below:

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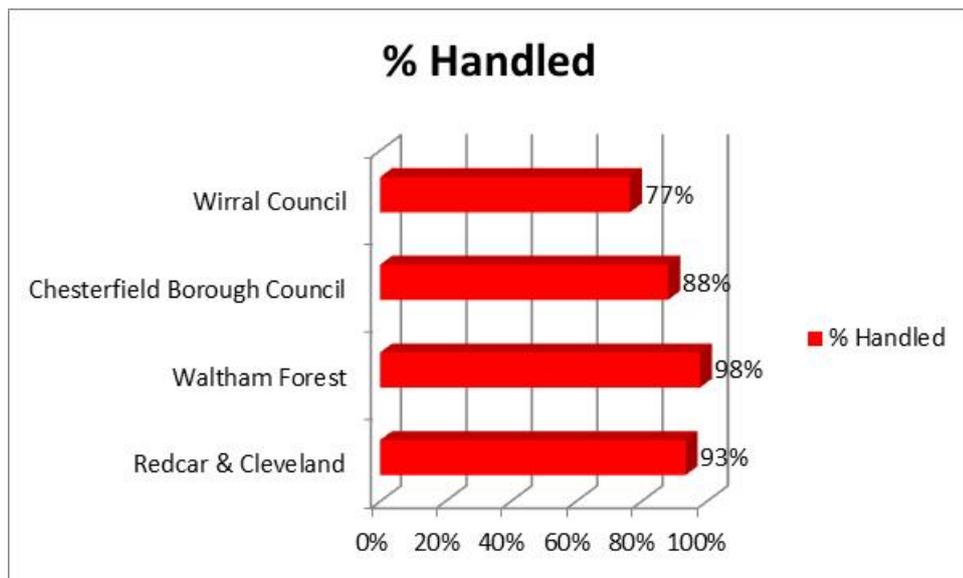


Against our peers in the same timeframe our abandonment rate was almost 5 times larger even though we took far less calls.

Customer complaint:
Customer was not happy with the waiting times she had to wait. Tried all week and waiting for at least 25 minutes.

3.1.3 Calls Handled

The table below shows the number of calls handled by the four Councils over the 2015/16 Financial Year. It can be seen that the Council handled 11% less of its calls than the second lowest Council Chesterfield. The top performing Council, Waltham Forest; handled 21% more calls.



Reviewing Council performance against our peers it can be seen that Sefton handled 29% more calls than the Council in between April and June 2016.

Customer complaint:

Mrs M very concerned with regard to delay in getting through on phone team and the length of time it will take to amend council tax liability.

3.1.4 Cost per Contact

In March 2016 SOCITM, ADASS and the Local Government Association published the “Business case for digital investment”. The document outlined the cost per contact taken from local authorities who had captured the data as part of SOCITM’s Channel value benchmarking service in 2012/13.

The figures from SOCITM are shown in the table below along with figures taken from Section 3.1.1 for the Call Centre. The One Stop Shop figure was derived as part of the Management Information baseline.

Channel	Source		Difference
	SOCITM	Wirral	
Face - to - face	£8.21	£6.76	-£1.45
Telephone	£2.59	£5.57	£2.98

As can be seen above the cost-per-contact of the Face-to-face channel of the One Stop Shop is actually £1.45 cheaper than SOCITM figures. The cost-per-contact of the Call Centre team within the Transaction Centre is more than double the SOCITM figure by £2.98.

3.2 Project Background

In 2015, Wirral Council outlined its 2020 vision – a plan for how the authority would address the financial challenges faced by local government and work with partners to develop a new delivery model for services.

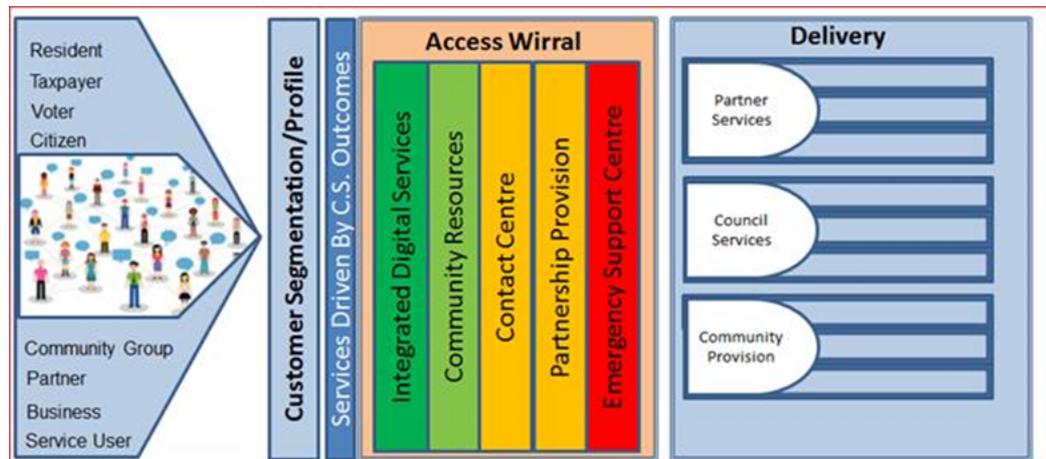
The Wirral Plan offers a clear direction for the Council’s Customer Contact and Transactional Services, committing the authority to a programme of change through which:

- “Our services must be accessible, delivered sometimes entirely online, to reduce costs and to improve speed and efficiency”
- “We must transform how we work with residents; driving integration and being as efficient as possible, with one point of contact able to solve every resident need’.
- “We will invest in the organisation to ensure we have the right attitudes, skills and abilities in place to deliver on the promises in this plan. We will be a responsible employer who values our staff and their commitment to their work. Our staff will be clear about their roles, take responsibility, and be highly motivated and very effective in what they do”.

To deliver this vision the Access Wirral project was established, which forms part of the council’s Customer Experience Programme.

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A pictorial representation of the original Access Wirral vision is shown in the diagram below:



The Access Wirral project cannot be achieved with a “big bang” approach. It needs to be broken down into phases to make the changes manageable. This Full Business Case addresses the first phase of the project and puts the building blocks in place to deliver the vision.

This project will deliver outcomes which will address the following elements of the vision:

- Customer segmentation;
- Integrated Digital Services for Council Tax and Housing Benefit
- Contact Centre improvements and efficiencies

As this project is implemented work will continue to further define the delivery of the wider Access Wirral Vision, which will include engagement of communities and partners to inform this.

The Business Case requests an additional £1.2 million for IT over the £0.9 million allocated.

3.2.1 Key deliverables

The Access Wirral project will create a customer focussed organisation putting the customer at the heart of everything we do and support them to do more for themselves.

As a customer focussed organisation, the Council will understand customers’ needs through regular surveys and feedback and provide modern customer services tools to utilise channels that our customers prefer e.g. the web, social media, interactive SMS / Text. This approach will allow the project to address the 2020 pledge to move services online.

Alternative channels of customer service such as the web, SMS/Text will allow automation of services within the Transaction Centre such as Council Tax and Housing Benefit. Automation of the business processes will negate the need for customers to contact the Council via the phone into the Transaction Centre

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or face-to-face in the One Stop Shops. This approach will allow the project to address the 2020 pledge to be as efficient as possible.

3.3 Benefits, Objectives and Strategic Case

The successful delivery of this project will achieve outcomes linked to a range of the Council's 20 pledges, most notably the pledge to ensure '*Community Services are joined up and accessible*'.

The Access Wirral project aligns to the Council's strategic case as shown below:

Council Strategic Objective/Corporate priority (taken from Wirral Plan, Service Plan etc.)	Project Outcome	Benefits expected as a result of achieving outcomes.
Older People Live Well	<ul style="list-style-type: none"> Advice, information and signposting to relevant activities and support for older people. 	<ul style="list-style-type: none"> Older people are not socially isolated as they make use of community services. Measured improvements in Customer Satisfaction rates for Customer Contact and Transactional Services
Reduce child and family poverty	<ul style="list-style-type: none"> Utilising other complementary sites like "Entitled To", allow parents to know what benefits they can apply for. Making it easier to apply for benefits or to find financial support 	<ul style="list-style-type: none"> Additional take up of benefits will help reduce child and family poverty. Measured improvements in Customer Satisfaction rates for Customer Contact and Transactional Services
Community Services are joined up and accessible	<ul style="list-style-type: none"> Innovative solutions that provides a seamless front-end to services through a portal. 	<ul style="list-style-type: none"> Measured improvements in Customer Satisfaction rates for Customer Contact and Transactional Services
People with disabilities live independently	<ul style="list-style-type: none"> Advice, information and signposting to relevant funding, activities and support to allow people with disabilities to live independently. 	<ul style="list-style-type: none"> Measured improvements in Customer Satisfaction rates for Customer Contact and Transactional Services

At the 26th September 2016 Access Wirral Project Board it was agreed that the project objectives are:

- To enable customers to be self-sufficient in accessing information and services from the Council;
- Establishment of an online portal to allow self-serve of Council services and provide signposting to a range of Public Sector Organisations;
- A redesigned model of service provision informed by customer insight data;

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- Production of clear measurement criteria that support and quantify progress across a range of services;
- Measured improvements in Customer Satisfaction rates for Customer Contact and Transactional Services;
- Analytics demonstrating the efficiency of digital services in seamlessly signposting customers to a range of public service providers;
- Reduced running costs for the Council's Customer Contact and Transactional Services (CC&TS) and One Stop Shops;
- Improvements in existing Key Performance Indicators such as benchmarked collection rates and government targets of Collection of Council Tax and Business Rates (Wirral is a pilot for retaining business rates from April 2017), Days to Process HB Claims and changes, maximising revenue and grant claim; and
- Reduced 'Cost to Serve' for individual transactions processed by the Transaction Centre.

3.4 Scope

The Access Wirral project will cover the policies, processes, systems and staff within the Transaction Centre and One Stop Shops in order to ensure the project addresses the key issue i.e. services are currently too costly and taking too long for the customer(s) to receive a service.

The following staff numbers, as per details provided by the Finance Directorate on the 24th October 2016, are within the scope of this project:

Cost centre/service	FTE	Total
Transaction Centre		
F6000 - Housing Benefit Admin	75.22	£2,289,900
F6040 - Personal Finance Unit	19.87	£495,200
F5100 - Call Centre	37.13	£1,258,800
F5110 - Council Tax	52	£1,562,700
F1110 - Business Support - Scanning and Post	16.37	£379,600
F5113 - Couriers	6.64	£107,600
One Stop Shops		
Staffing costs	39.64	1,181,900
Total	246.48	£7,275,700

The following areas within the Transaction Centre are outside of the scope of the Access Wirral project:

- Payroll
- Accounts Payable
- Accounts Receivable
- Cashiers
- Income

Also excluded but intrinsically linked to the Transaction Centre and One Stop Shops, the buildings where the services are provided.

3.5 Strategic Risk and Potential Mitigation

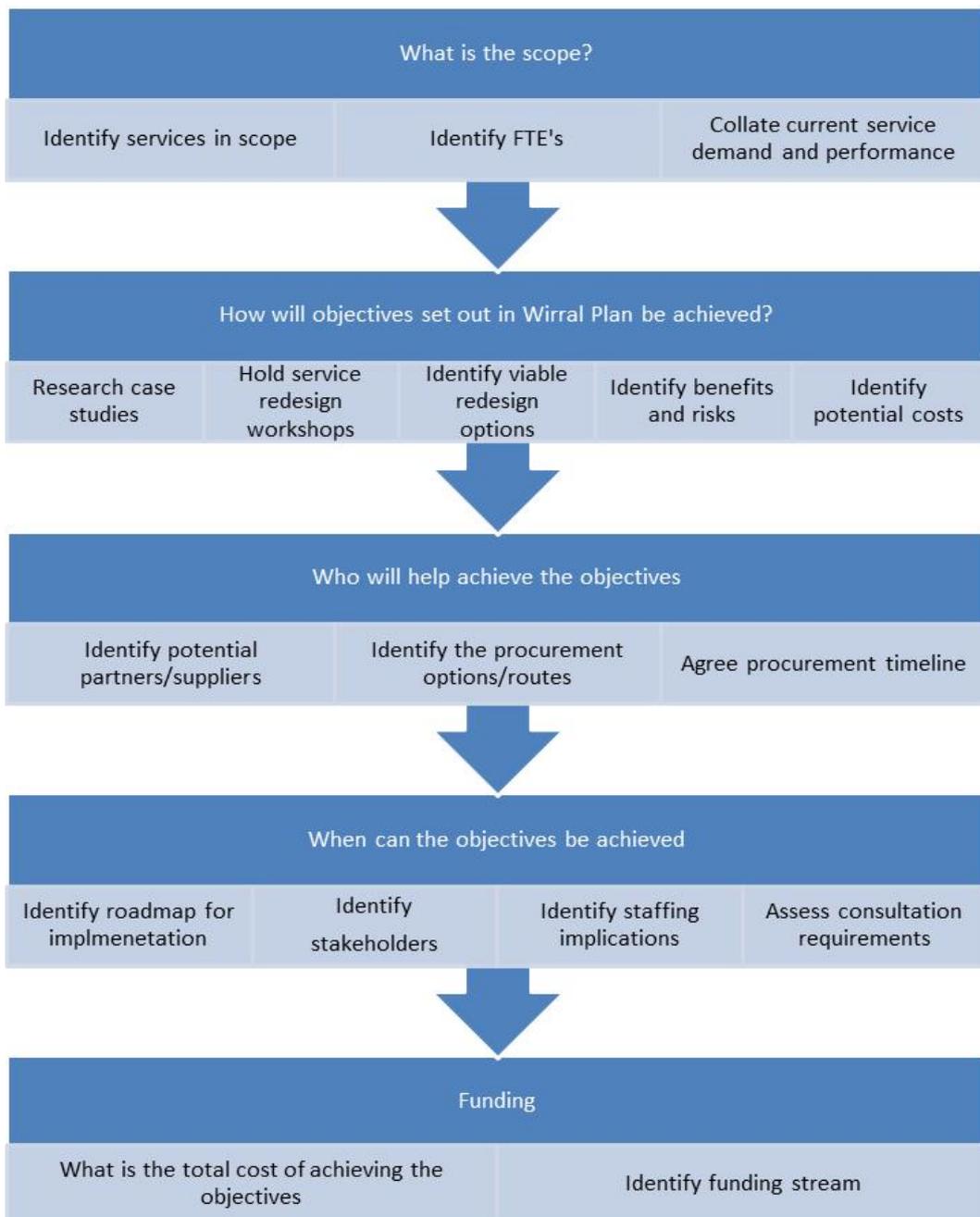
Risk	Mitigation Strategy	Owner
Political – the project is cancelled due to a change of Leadership in 2018.	Engage with all political parties as part of the project communications plan.	Fiona Johnstone
Financial – the project contribution to the Council deficit is not achieved as perceived project benefits are not realised.	Track project benefits through benefits realisation plan and escalate if benefits may not be achieved.	Peter Walker
Reputational - Council retains robust accountability and governance arrangements	Appropriate governance/ contract management arrangements are in place.	Fiona Johnstone
Systemic - Resilience and flexibility to emerging issues in service delivery	Ability to respond to changing statutory duties/future opportunities for service delivery.	Fiona Johnstone
Systemic - Resilience and flexibility to emerging issues in service delivery	Ability to adjust in a timely manner to political direction/legislative or procedural changes.	Fiona Johnstone

4 THE ECONOMIC CASE: OPTIONS APPRAISAL

4.1 Summary of Approach

Our approach must be based on meeting our customers' needs efficiently and effectively. We must ensure we put our customers' needs at the heart of everything we do whilst delivering value for money processes that reduce waste and duplication and produce an effective customer journey.

The following approach was taken whilst quantifying and qualifying the economic case.



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4.2 Preferred Option

In June 2016, the Council Cabinet approved the Access Wirral Outline Business Case and endorsed the delivery of the project within the perceived scope.

The OBC went through a process to select a preferred option. The preferred and agreed option at OBC stage was as follows:

Option B – to reshape services in-house, and work with partners to develop our new customer contact model prior to a further evaluation of delivery options in 18 months.

Further work has been carried out since the OBC.

Spending in the region of £2.065 million (£865,936 from the OBC and £1.2 million within the Business Case) prior to further evaluation of delivery options in 18 months is not financially sustainable given the savings the Council need to make.

With the implementation of Access Wirral the contact model fundamentally changes as customers channel shift to self-serve. The underlying business processes, where possible; will be automated. This will lead to a reduced workforce to achieve the perceived project benefits. Therefore Option B is to be reworded thus:

Option B – to reshape services in-house, and work with partners to develop our new customer contact model.

In selecting this option, the council will be committing to fully support and widen the scope of the transformation journey for the Contact Centre currently underway. This reflects confidence that with appropriate support from both members and strategic leadership, the project and operational teams have the ability to make sustainable improvements to customer experience and ensure long term value for money through appropriate delivery arrangements.

There is a request within this FBC for an additional £1.2 million funding. This is to cover the cost of the procurement and implementation of the CAS.

The updated scope of Option B aims to deliver a net present value of £8.376 million (NPV savings of £9.793 million – NPV costs of £1.417) over a five year period.

The other options appraised in the OBC are set out below:

4.2.1 Options considered

The following high level options for delivering the Access Wirral model for Customer Contact and Transactional Services have been considered, and evaluated against the Transformation Principles referenced in 4.2.3 below.

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Option A – Complete “Getting It Right” only - Do Nothing	
<p>This option would be to continue with the current service improvements agreed as part of the OBC. This option would see the current operating model including the retention of existing One Stop Shop and Contact Centre service levels. For our customers, this would mean that current provision remained broadly unchanged, with the exception of improvements to the Council’s IT provision delivered under the Digital Services project.</p> <p>Budgets would remain as is, and there would be no direct cost of change above those already agreed in the OBC. The services would therefore be unable to contribute towards the authority’s £124m savings target. Staff turnover and sickness rates would be projected to increase due to demotivation/work related stress</p>	
NPV Financial details over 5 year period	
Savings	£0
Costs	£0
High Level Cost Benefit Analysis (See Section 4.2.3 below for NPV Calculation)	
<p>Key Risks</p> <ul style="list-style-type: none"> • Service provision is financially unsustainable • Staff become increasingly demotivated • Customer experience/satisfaction levels worsen • Customer complaints will continue 	
<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Minimal investment cost – investment could be directed elsewhere in the council. • Existing levels of provision retained – no need for one stop shop reductions 	<ul style="list-style-type: none"> • Council budget reductions require £120m savings, to which this option would not contribute. • Current structure is insufficiently robust to cope with staff sickness etc. • Staff are demotivated. • Customer & Member perception of the Transaction Centre is poor. • The council is not seen as easy to do business with. • Lost opportunity for efficiency and improvements. • Offer to partners is not particularly attractive. • Lack of robust cost model means we do not know if delivering VFM. • Limited capacity for training/development.
Option B – Redesign in-house Provision Model* prior to further delivery options appraisal	

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This option involves using a mixture of internal resources, systems implementer and staff to fully redesign the current service model to develop innovative and cost-effective ways of working, ensuring maximum VFM from in-house provision.

This option requires initial investment and commitment to deliver the necessary changes to services. Project costs over a 5 year period are £1.417m with projected NPV of £9.79m.

This option represents a greater opportunity for long term savings, as services would be redesigned prior to involving commercial partners, ensuring the council could be confident VFM was being achieved from any contractual arrangement.

Engagement with the community and partners will focus on defining our 'offer' and our 'ask'; what a Wirral Customer Service Partnership - "**Access Wirral**" - could deliver to residents and customers, and how this would be supported by the various stakeholders. This engagement will help shape future phases and will run in parallel to the Transaction Centre redesign.

NPV Financial details over 5 year period

Savings	£9,793,000
Costs	£1,417,000

High Level Cost Benefit Analysis (See Section 4.2.3 below for NPV Calculation)

Key Risks

- Lack of internal skills and capacity to deliver the level of change
- Staff struggle with the required pace of change
- Procurement of a suitable implementation partner

Advantages

- Process and Service efficiencies can be realised prior to any decisions about long term delivery arrangements.
- Targeted external support can be used where appropriate to provide pace or expertise
- Can ensure that the council's transformation principles are adhered to fully
- Flexibility to develop model and identify joint commissioning opportunities on an iterative basis as partners become involved.
- Insights provided that drive real-time decision making at every level of the transaction centre.
- Access to data that yields quantifiable results downstream.
- Connect the most critical data sources
- Share data through dashboards, analyses and reports.
- Timeframe for change can be aligned with digital developments.

Disadvantages

- Investment/project budget would need to be found from Council funds
- Skills and capacity would need to be developed in house or brought in from external providers.

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- | | |
|---|--|
| <ul style="list-style-type: none"> • Can facilitate the enhancement of internal skills and capacity. • Can start delivering improvements immediately. | |
|---|--|

Option C – Procure a Joint Venture Partner to redesign and re-provide services

This option would involve identification of a package of services and the procurement of a joint venture partner to deliver these. There are a number of examples of successful large scale partnerships within Local Governments e.g. Oldham/Kier, North Tyneside/Engie, as well as smaller scale partnerships such as Wirral and CWAC's EdSentials partnership. This option would have no immediate impact on customers, with service redesign taking place following the establishment of contractual arrangements.

Across the public sector, there is a move to bring back in house, previously outsourced contact centre services such as:

- Liverpool City Council and BT;
- Bedfordshire County Council and HBS; and
- Somerset county council and Southwest One.

Some contracts have naturally come to an end whilst others have been bought back in due to contractual issues which have resulted in losses to the respectful councils. Therefore, it is difficult to gauge whether a competitive market still exists to deliver Wirral's services via a JV in a more effective and cheaper way. If that market does exist, we can be certain that the contractual processes would be time consuming because of the complexity of the services, the number of unknowns and ICT systems currently in use.

Savings from a JV arrangement would be shared by the council and partner, with the council needing to invest in a project team to develop the contract, and an in-house strategic client service function to support the partnership.

The savings assumptions (covered in detail in section 2.2 below) are that this option would offer savings from service consolidation in years 2&3, a 5% efficiency saving and a 50% share of the potential 10% productivity saving in year 4 and 5.

NPV Financial details over 5 year period

Savings	£2,688,000
Costs	£1,007,000

High Level Cost Benefit Analysis (See Section 4.2.3 below for NPV Calculation)

Key Risks

- Entering into a contract with current level of 'unknowns' may not represent best value for council
- Dependency on delivery of digital strategy in house may cause problems.
- Robust procurement of a contract of this complex in nature would be time consuming and savings would not be realised for several years.

Advantages

Disadvantages

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<ul style="list-style-type: none"> • External support provides expertise and pace • Capital investment could be made by provider rather than council • Can use contract provisions to ensure that the council's transformation principles are adhered to fully 	<ul style="list-style-type: none"> • Entering into a contract with current level of 'unknowns' may not represent best value for council • Procurement of a contract this complex in nature would be a time-consuming process • A long term (10+ year) contract would be necessary in order to provide return on investment for provider • Would not result in early 'wins' • Savings would be shared with partner and potentially absorbed in running costs • Council would need to enhance in-house skills and capacity to manage commercial arrangements • Dependency on delivery of digital strategy in house may cause problems • Given that the council is about to embark on major transformational change it would be difficult to articulate the level and type of contract required. • Having to purchase our own customer data to aid with decision making.
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Option D – Externalise Current Provision As Is

This option would involve the definition of a specification to take to the market to seek commercial providers for all or some of the current services – either together or as separate packages.

There is an established outsourcing market for Call Centre, HR/Payroll and Revenues & Benefits services, with many councils having moved towards this type of model over the past decade. This option could also involve buying services from a framework, such as the use of Cheshire's Qwest Partnership.

It should be noted that other Councils who have implemented this option in the past have subsequently brought these services back in-house. Examples of Councils bringing their outsourced services back in house are:

- Sefton Council and Arvato;
- Birmingham City Council; and Capita;
- Cornwall County Council and BT/CSC; and
- Sandwell Council and BT.

As with option C, externalisation of services would require a potentially lengthy contractual process, after which savings would be achieved.

The council would need to establish a project team to develop the contract, and an in-house strategic client function to manage the contract on an ongoing basis.

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The savings assumptions (covered in detail in section 2.2 below) are that this option would achieve savings from service consolidation in years 2&3, a 5% efficiency saving and a 25% share of the potential 10% productivity saving in year 4 and 5.

Failure to make productivity savings prior to externalisation would mean that the council could not guarantee VFM from the contract.

NPV Financial details over 5 year period

Savings	£2,158,000
Costs	£1,007,000

High Level Cost Benefit Analysis (See Section 4.2.3 below for NPV Calculation)

Key Risks

- Entering into a contract with current level of 'unknowns' may not represent best value for council
- Dependency on delivery of digital strategy in house may cause problems.
- May be necessary to break services into 'packages' to attract market interest
- Robust procurement of a contract of this complex in nature would be time consuming and savings would not be realised for several years
- The contractor's ability to deliver on the council's transformation principles e.g. protection of jobs within Wirral, service design reflecting the views of residents etc. could potentially increase the cost or reduce market interest in the package as it may reduce commercial appeal.
- Trades Union concerns are likely to be raised.

Advantages

- Established market for certain elements of provision e.g. call centre, HR/Payroll
- External providers could be made responsible for any necessary capital investment

Disadvantages

- Failure to make efficiencies and redesign services prior to externalisation could tie the council into inflexible long term financial commitments.
- Savings/Benefits from efficiencies would accrue to providers, rather than council.
- Meeting the council's transformation principles may increase cost or reduce market interest in the package.
- Services may need to be split in order to ensure market interest, risking the loss of potential synergies.
- Council would need to enhance in-house skills and capacity to manage commercial arrangements.
- Existing Performance Management arrangements would make it difficult to identify value for money.
- Having to purchase our own customer data to aid with decision making.

*At the Strategic Outline Case stage, separate options for redesign of in-house provision (using internal resources only vs using targeted external support) were

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identified. These options have now been combined into a single option, and a new option to procure a joint venture partner were added.

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4.2.1 Savings Assumptions (Collective for options C and D)

4.2.1.1 5% (£0.6m) Efficiency Savings (traditionally management costs, office accommodation etc.)

The Transaction Centre services are already housed in recently refurbished, efficient accommodation – for which the council is committed to a long term lease, giving little scope for asset rationalisation in the back office in the short term.

- Both option C & D would involve TUPE arrangements, therefore employee costs would remain broadly equivalent.

4.2.1.2 10% (£1.2m) Productivity Savings (process and technology improvements)

- Productivity gains would be shared 50/50 with partners under Option C (JV) and the authority would receive around 25% of any gains made by option D (contract dependent)

Savings from Closure/Discontinuation/Consolidation of Services (£0.6m)

Consolidation of One Stop Shop provision will be dependent on a review and political agreement. The current level of provision (9 locations) is not considered sustainable.

Potential savings of £600k from One Stop Shops were put forward for consideration, but not included, in the 2016/17 budget. The assumption is therefore made that this saving would be achievable (in future years) through the reduction in staff and accommodation costs, irrespective of the preferred option for service delivery.

Achieving all of these savings will be dependent on a range of political and operational factors. Savings are indicative for options C and D.

4.2.1.3 IT Costs

- Costs of IT Development have been identified for Option B only.

4.2.2 Timeline for Achievement of Savings

The following timelines for delivery of savings are based on experience and advice received from other authorities and internally from staff involved in the establishment of EdSentials and Evolutions.

	This Year 17/18	Year 2 18/19	Year3 19/20	Year 4 onwards 20/21 – 21/22
A – Do Nothing	0	0		0
B – Redesign	0	Savings from in-house redesign + Service Consolidation Savings (OSS)		Additional savings achieved as automation is rolled out across the whole Transaction Centre.
C – Immediate JV	0	Service Consolidation Savings (OSS)		Contract Savings Achieved (flexibility of contract may allow greater savings over time)

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D - Outsource	0	Service Consolidation Savings (OSS)	Contract Savings Achieved (level dependent on volumes and market factors)
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The savings above are over and above the £300,000 already identified by the Transaction Centre Manager to be delivered in Financial Year 2017/18.

4.2.3 Cost benefit analysis (Net Present Value Calculations)

Note: All calculations use 3.5% discount rate as per Treasury Green Book

Option A - Do Nothing	Savings	Discount Rate	NPV	Expenditure	Discount Rate	NPV	Total
	£000's		£000's	£000's		£000's	£000's
Year 1 - (2017/18)	£0	1.0000	£0	£0	1.0000	£0	
Year 2 - (2018/19)	£0	0.9650	£0	£0	0.9650	£0	
Year 3 - (2019/20)	£0	0.9312	£0	£0	0.9312	£0	
Year 4 - (2021/22)	£0	0.8986	£0	£0	0.8986	£0	
Year 5 - (2023/24)	£0	0.8672	£0	£0	0.8672	£0	
			£0			£0	£0
Option B - Redesign in-house	Savings	Discount Rate	NPV	Expenditure	Discount Rate	NPV	Total
	£000's		£000's	£000's		£000's	£000's
Year 1 - (2017/18)	£0	1.0000	£0	£-1,238	1.0000	£-1,238	
Year 2 - (2018/19)	£1,540	0.9650	£1,486	£-77	0.9650	£-74	
Year 3 - (2019/20)	£3,080	0.9312	£2,868	£-39	0.9312	£-36	
Year 4 - (2021/22)	£3,080	0.8986	£2,768	£-39	0.8986	£-35	
Year 5 - (2023/24)	£3,080	0.8672	£2,671	£-39	0.8672	£-34	
			£9,793			£-1,417	£8,375
Option C - Procure Joint Venture	Savings	Discount Rate	NPV	Expenditure	Discount Rate	NPV	Total
	£000's		£000's	£000's		£000's	£000's
Year 1 - (2017/18)	£0	1.0000	£0	£-216	1.0000	£-216	
Year 2 - (2018/19)	£300	0.9650	£290	£-216	0.9650	£-208	
Year 3 - (2019/20)	£300	0.9312	£279	£-216	0.9312	£-201	
Year 4 - (2021/22)	£1,200	0.8986	£1,078	£-216	0.8986	£-194	
Year 5 - (2023/24)	£1,200	0.8672	£1,041	£-216	0.8672	£-187	
			£2,688			£-1,007	£1,681

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Option D - Externalise current as-is	Savings	Discount Rate	NPV	Expenditure	Discount Rate	NPV	Total
	£000's		£000's	£000's		£000's	£000's
Year 1 - (2017/18)	£0	1.0000	£0	£-216	1.0000	£-216	
Year 2 - (2018/19)	£300	0.9650	£290	£-216	0.9650	£-208	
Year 3 - (2019/20)	£300	0.9312	£279	£-216	0.9312	£-201	
Year 4 - (2021/22)	£900	0.8986	£809	£-216	0.8986	£-194	
Year 5 - (2023/24)	£900	0.8672	£780	£-216	0.8672	£-187	
			£2,158			-£1,007	£1,151

The expenditure breakdown for the preferred option (B) is detailed in section 4.

4.2.4 Evaluation of Options against Transformation Principles

The four individual options (A, B, C & D) have each been scored on a range of factors, with 1 = the lowest score (low savings, high complexity, low fit to criteria) and 3 = the highest score (higher savings, better fit to criteria)

POLICY FIT*						
Agreed Principle	Evaluation	A	B	C	D	
Achieves the ambition and vision set out in the Wirral Plan and associated pledges	Must be able to demonstrably deliver Wirral Plan pledges.	1	3	3	2	
Achieves improved outcomes for Wirral residents, businesses	Measurable outcomes linked to the Pledges and Strategies	1	3	3	2	
Service design reflects the views of residents, businesses	Appropriate level of consultation; use of published material e.g. customer insight	1	3	3	1	
Partners and local businesses believe the Council is easy to do business with	Regular engagement takes place with partners and local businesses to develop joined-up approach.	1	3	3	1	
Promotes equality and diversity	Promotes equality and diversity amongst its residents and workforce through undertaking robust equality impact assessment.	3	3	3	3	
Impact on employment and the local economy	Availability of training and development opportunities	1	2	3	3	
	Secures commitment to sustainable local employment.	1	1	2	2	
Average Score		1.3	2.6	2.9	2.0	

*as per Transformation Principles agreed by Cabinet March 2016

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CASHABLE SAVINGS					
Delivers savings or reduces the burden to the Council's net revenue funding	Achieve savings / reduce operating costs for the Council / or reduce demand	1	3	2	1
Total Score		1	3	2	1

POLITICAL RISK					
Council retains robust accountability and governance arrangements	Appropriate governance/ contract management arrangements are in place.	3	3	3	2
Resilience and flexibility to emerging issues in service delivery	Ability to respond to changing statutory duties/future opportunities for service delivery	1	3	3	1
	Ability to adjust in a timely manner to political direction/legislative or procedural changes.	2	3	3	1
Average Score		2	3	3	1.3

OPERATIONAL CONSIDERATIONS					
Ease of Implementation		3	3	1	1
Ease of Management/Delivery		2	3	2	2

4.2.5 Final evaluation score

Below sets out the final options appraisal score based on policy, savings, political risk, ease of implantation and east of management and delivery the project.

	Option A	Option B	Option C	Option D
Policy fit	1.3	3.0	2.9	2.0
Cashable savings	1.0	3.0	2.0	1.0
Political risk	2.0	3.0	3.0	1.3
Ease of implementation	3.0	3.0	1.0	1.0
Ease of management/delivery	2.0	3.0	2.0	2.0
Score	9.3	15.0	10.9	7.3

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4.3 Critical Success Factors

Critical Success Factor		Option	Yes	No
CSF 1	Business Need: The option should satisfy the existing and future needs of the customers, staff and the wider community	A		X
		B	X	
		C	X	
		D	X	
CSF 2	Strategic Fit: The option fits with national and policy context.	A		X
		B	X	
		C	X	
		D	X	
CSF 3	Benefit Optimisation: The option provides the best solution to ensure that future demand and provision of customer service can be met	A		X
		B	X	
		C	X	
		D	X	
CSF 4	Achievability: The option must deliver the best means of delivering the degree of transformation and savings envisaged	A		X
		B	X	
		C		X
		D		X
CSF 5	Affordability: The option must be affordable in terms of capital investment and lifecycle revenue costs.	A		X
		B	X	
		C	X	
		D	X	

4. COMMERCIAL CASE: VIABILITY

5.1 Background

The need for an CAS to facilitate self-serve for the customer was acknowledged two years ago within the Transaction Centre.

IT worked with Transaction Centre staff to identify a set of rudimentary requirements. IT identified potential vendors that could fulfil those requirements and a pre-tender questionnaire was submitted to the potential vendors. Submissions from the vendors were scored and the top 5 vendors were identified.

The vendors were brought into the Council to present their solution to a cross section of staff in a soft market test. The Senior Design Lead and the Transaction Centre Manager undertook a series of site visit to review how other Councils had implemented the top 5 vendor solutions.

The output from the soft market test was a detailed specification produced for the CAS. With the specification written the Council has the key tool to go out to procure the CAS.

5.1.1 Microsoft Dynamics

Reviewing the list of the top 5 CRM vendors in 2015 according to [Gartner](#) with the 5 vendors selected as potential vendors against the CAS requirements, there is one common vendor – Microsoft.

The existing Council Microsoft Office 365 licence includes Microsoft Dynamics. With Microsoft CRM Dynamics meeting the systems specification document produced by the Council's IT department in conjunction with Transaction Centre staff it is recommended that the Council purchases the Microsoft CRM Dynamics licenses under the present framework agreement.

Even with Government frameworks in place to minimise procurement timescales, the process can be time consuming. For example a typical procurement involves the following steps can take a minimum of 3 months but more than likely up to 6 months:

- Prepare the documentation for procurement,
- Write PINS and procurement documentation,
- Pre-qualification;
- Decide on the organisations that you take through to tender,
- Issue the tender;
- Score the tender; and
- Award the tender.

5.1.2 Chat Bot

Chat Bots are artificial intelligence systems that will allow the Council to build and connect intelligent bots to interact with customers naturally wherever they are. The Chat Bot can integrate with the Council's website, the Interactive

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Voice Response system within of the Transaction Centre, text/SMS, and other popular services such as Skype, Whatsapp, Facebook Messenger, Office 365 mail.

The Chat Bot “learns” the business process and the underlying policies and procedures and can help the customer immediately. There is no lag or delay and the answers presented are in line with government and local authority legislation.

5.1.2.1 North Tyneside Council

Since the launch of North Tyneside Council's new website in October 2014, usage has grown by 36 per cent - equivalent to around 1,000 extra visitors each day compared to the same time last year. Over 10,000 transactions are now carried out by customers online each month, including 87 percent of new claims for benefits.

Other advances include the use of new mapping technology on the council's website, which allows customers to search for information according to their location. By entering their postcode and house number, residents can find out about a range of information such as bin collection dates, nearest park or library facilities, recent planning applications and neighbourhood Council Tax bands.

Future developments include letting the council know of a change of address or change in circumstances, and applying for Council Tax discounts and exemptions.

Some key metrics from North Tyneside are:

- 83% of new claims for benefits are now made via online forms.
- 91.4% of customers report no difficulty using the e-form.
- Customer satisfaction overall continues to regularly exceed 85%.

5.1.2.2 Sefton Council

Sefton Council has implemented a similar solution to North Tyneside for Council Tax and Housing Benefit.

Sefton are implementing their solution form by form, starting with Direct Debits (DD). During their annual billing run the Council saw an increase of 800 payers utilising the new online DD solution. All of the new payers were dealt with by the bot who completed all 800 DD instructions in 19 hours. Sefton calculated it would have taken 3 weeks staff processing time to complete this number of DD's manually.

So far the bot within Sefton has processed 25,000 pieces of work within the Council Tax process with no errors reported.

Implementing bot technology couple with the CAS solution will allow the Council to offer 24/7 customer service to everyone except the customers who

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fall into the “complex” category. Customers who fall into the complex category will be offered a call-back to resolve their query.

5.2 Implementation Options

The Council has 5 main choices to implement the CAS. These choices are:

1. Develop the service in-house;
2. Develop the service in-house with external help;
3. Appoint a systems implementer;
4. Software as a Service or a cloud based solution;
5. Partner with another local authority.

The pros and cons of each option are shown below:

Option	Pros and Cons of each Option
1. Develop the services in-house i.e. design, develop and support the required services using existing resources.	Pros – retains maximum control and flexibility. After a period of training and gaining experience, a highly skilled team able to deliver further developments and support efficiently would be available. This is the lowest cost option.
	Cons – this would require considerable training and development of existing staff. It would cause significant delay, would be an enormous risk to the project due to the inexperience of the staff and potentially require many existing projects to be cancelled to free up these staff.
2. Develop in-house with external help i.e. use internal resource but supplemented with experienced external resource e.g. with an implementation partner.	Pros – retains considerable control and flexibility, develops internal resource in critical expertise. Minimum procurement required. Low cost.
	Cons – Would require the procurement of an experienced systems integration partner. Higher cost than option 1.
3. Appoint a systems integration partner to develop the project.	Pros – single procurement exercise required. If the right supplier is selected, then this is the simplest option.
	Cons – loss of control and flexibility. A time-consuming procurement exercise would be required to appoint a sufficiently competent systems integrator. No internal expertise would be developed. Highest cost option.
4. Software as a Service or Cloud based solutions i.e. buy in the required service which is hosted externally.	Pros – as much of the technical build is complete, there is relatively little technical expertise required. If little customisation is required, this could be the lowest cost option.
	Cons – this option is likely to allow relatively little control and flexibility over the platform.
5. Partner with another council implementing a similar strategy.	Pros – potential savings by sharing costs from developing a service once only and re-using by multiple councils. Combined expertise from separate councils. Supports the devolution agenda.
	Cons – loss of a degree of control. There is a risk, from the complexity of a multiple user base, of delays in decision making and over complicated solutions. A less bespoke solution for Wirral

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	Partners may result in a loss of benefits.
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The project recommends a hybrid approach between Option 2 - Develop the solution in-house with external support and Option 4 – Software as a Service (SaaS).

5.2.1 Option 2 - Develop the solution in-house with external support

Working with an Implementation Partner will allow the Council to not only leverage their expertise in terms of supporting the staff configuring the solution but also allows the Council to utilise their previous implementations. For example, if the Council were to appoint an Implementation Partner who had implemented similar solutions in Microsoft CRM Dynamics then significant time could be saved by the Council. Instead of building bespoke business process, the Council could take other peer Council processes already configured in Microsoft CRM Dynamics and then customise them if required.

In the Digital Strategy Strategic Outline Case produced for IT, the following phases to implement a bespoke “base” CAS solution using In-house staff and external support:

Phase	Days
Discovery Phase	50
Alpha implementation	30
Beta implementation	130
Total number of days	210

Utilising an implementation partner the estimate is it will take 100 days to implement a “base” solution from previous Local Government implementations.

As can be seen, by taking the approach of working with an Implementation Partner with a pre-built local Government product can cut the implementation time for the base platform in half.

The cost differential of procuring the Foundation module instead of creating a bespoke product will be shown in the costings section of this Business Case.

5.2.2 - Option 4 – Software as a Service (SaaS).

Utilising SaaS will allow the Council to move away from the inherent single point of failure that the Council faces at present with all the mission critical servers in one location, the Treasury Building.

SaaS allows the environments (Develop, Test, Live) of the CAS be available almost instantaneously. The traditional set up of new servers in-house and then setting up the environments usually takes at least 4 – 6 weeks.

The Microsoft CRM Dynamics licenses purchased under the existing licence will be SaaS.

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5.3 Procurement Strategy

By choosing Microsoft CRM Dynamics as the solution for the CAS, the Council can leverage their existing Microsoft Office licence and purchase the CRM Dynamics licences under the present agreement. This negates the need to go out to procure the CAS and will save the project months of time.

There are a number of potential procurement processes that the project considered. These processes were:

5.3.1 Full OJEU tender

- A Prior Information Notice (PIN) can be used but is not mandatory
- The opportunity will need to be advertised in OJEU (Official Journal of the European Union) for a minimum of 30 days
- The ITT needs to be available from when the opportunity is advertised
- Once the submission time has passed, all bids submitted must be evaluated
- The successful supplier will be sent a mandatory, Standard Supplier questionnaire created by Crown Commercial Service.
- 10 Day Alcatel standstill period to be completed before award along with Award letters to be published.
- Contract award to be posted in OJEU

5.3.2 Further Competition utilising a Framework

- The use of a framework can save time as it avoids the need to advertise the opportunity through OJEU.
- The OJEU process has been undertaken by the framework organisation, and the suppliers have passed a due diligence process to be added to the Framework.
- A further competition must still be run; all suppliers on the framework or on a particular lot are to be invited to participate within the further competition.
- No requirement to advertise in OJEU.
- No 10 day Alcatel period is required, however, some organisations feel this is good practice.
- Notification of outcome letters to be issued to all participants
- No Standard Supplier questionnaire is required

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- Shorter time out to market, some further competitions can be turned around within a 2-3 week period.
- No requirement for contract award notice in line with OJEU regulations.

5.3.3 G-Cloud Digital Outcomes and Specialists framework

- The use of a framework can save time as it avoids the need to advertise the opportunity through OJEU.
- There are over 1,200 suppliers on the Digital Outcomes and Specialists framework.
- Suppliers can provide a specialist for a specific piece of work.
- The specialist cannot work outside the scope of your written requirements.
- Suppliers are managed against project milestones.
- Cost effective as suppliers provide specialist resources on a man/day basis.
- No requirement to advertise in OJEU.
- No Standard Supplier questionnaire is required
- Shorter time out to market, some further competitions can be turned around within a 2-3 week period.
- No requirement for contract award notice in line with OJEU regulations.

At the project Procurement Steering Group on March 2nd 2017 it was agreed that the project would bring on-board the CAS Implementation Partner, utilising the G-Cloud framework.

6 FINANCIAL CASE: AFFORDABILITY

6.1 Quantification of Risk and Associated Contingency

Risk No	Risk	Mitigation
FC1	The CAS is not fit for purpose	<p>Ensure a best of breed Customer Relationship Management (CRM) system that is used already in both the private and public sector is chosen as one of the has been chosen as the CAS which has been implemented in both public and private sector.</p> <p>The system also meets the tender specification put together by IT during the soft market testing exercise carried out in 2015.</p>
FC2	Value for money (VfM) is not achieved when purchasing the software licences	Procure licences via the Council's existing IT framework.
FC3	Implementation partner is not able to meet project timescales or deliver their required objectives	<p>Ensure the implementation partner has demonstrable Local Government experience</p> <p>Ensure Implementation Partner has a Local Government Foundation module. The Foundation module will be based on best practice gathered from numerous other Local Government implementations and will reduce the time to implement the solution and thus provide VFM for the Council.</p>

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Risk No	Risk	Mitigation
FC4	Savings outlined in this project are not realised	A benefit realisation plan will be put in place to track the realisation of benefits during the life of the project.
FC5	The costs associated with project are higher than expected.	Economic appraisals have been carried out against costs identified for preferred option.

6.1 Costs

The preferred option from the Economic Case requires an overall spend of £1,238,859, the individual components are specified below:

6.1.1 Software

(CAS), *Note* that the Microsoft Dynamics licenses are SaaS and are per annum.

Licences	Software	Cost
160	Microsoft Dynamics CRM Online	£156,000.00
1	Microsoft BizTalk Server 2016	£11,512.46
1	Foundation module	£193,050.00
Total		£360,562.46

6.1.2 Implementation

Utilising an external Implementation Partner to work alongside the internal team to implement the CAS, the costs for the Systems Implementation partner is:

Implementation	Cost
HB process implementation	£66,820.00
Integration from CRM to Academy	£50,310.00
Implementation cost of the Foundation module	£111,800.00
Implementation of Chat Bot	£390,000.00
Total	£618,930.00

6.1.3 In-house FTE Resources

The year-on-year cost for the in-house project team to work alongside the Systems Implementer to deliver the CAS. *Note*, there are additional costs such as IT, HR, Finance and Procurement time to help deliver elements of the project but the costs are being factored into broader resources required by Transformation Office' to deliver the programme.

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Therefore the cost for the in-house resources for the Financial Year 2017/18 is shown below:

Resources	FTE	Cost
Programme Manager	0.5	£60,000.00
CRM Project Manager	1	£80,000.00
Business Change Analyst	0.8	£27,100.00
Business Change Analyst	0.8	£27,100.00
Business Change Analyst	0.8	£27,100.00
Total		£221,300.00

The project ends on the 20th July 2018. Resources such as the CRM Project Manager and one of the Business Change Analysts will not be required after the automated Housing Benefit process has been implemented. The additional in-house project costs from April 2018 to August 2018 are shown below:

Resources	FTE	Cost
Programme Manager	0.5	£20,000.00
Business Change Analyst	0.8	£9,033.33
Business Change Analyst	0.8	£9,033.33
Total		£38,066.67

The total cost to implement the CAS solution and deliver the savings through staff, accommodation and postage is:

Total project costs	£1,238,859.13
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6.2. Savings

As can be seen in Section 8.1.2, the project has modelled a potential new operating model for Revenues and Benefits.

The model has indicated that the automation of the Housing Benefit and Council Tax processes will lead to a reduction of approximately 100 FTE within the Call Centre, One Stop Shops and Business Support as customers self-serve online for all Council Tax and Housing Benefit queries.

The model will be tested thoroughly throughout implementation and the expected benefits identified before the Council would enter formal consultation with staff that will potentially begin in May 2018.

As we move toward May 2018 there will be a planned, monthly dialogue with both staff and Trade Unions to ensure that key messages and dialogue are shared at appropriate times.

The cumulative totals of all savings across the One Stop Shop, Call Centre, Back Office and Business Support for Housing Benefit and Council Tax are shown in the table below:

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Area of savings - Council Tax	Saving
Savings within OSS with new CT process	£166,793.75
Savings in Call Centre with new CT process	£142,444.66
Savings within the Back Office with new CT process	£763,492.27
Total savings with the new Council Tax process	£1,072,731

Area of savings - Housing Benefit	Saving
Savings within OSS with new HB process	£354,328
Savings within Call Centre with new HB process	£139,992
Savings within the Back Office with new HB process	£1,490,219
Savings within Business support with new HB process	£22,837
Total savings with new Housing Benefit process	£2,007,377

The total combined savings for both Housing Benefit and Council Tax through the reduction of staff is shown in the table below:

Area of savings - Combined	Saving
Savings within OSS	£521,122
Savings within Call Centre	£282,437
Savings within the Back Office	£2,253,712
Savings within Business support	£22,837
Total combined savings	£3,080,107

The total combined savings is **£3,080,107**.

6.3 Spend Profile

The spend profile is shown below:

All figures in £k	Description	Year	Year+1	Year+2	Year-3	Year+4	Year+5
Capital Cost	Microsoft BizTalk Server 2016	11.5	0	0	0	0	0
	Local Gov. Foundation module	193	0	0	0	0	0
	Microsoft Bot Framework	0	0	0	0	0	0
Capital Total		204.5	0	0	0	0	0
Revenue Costs	Microsoft Dynamics CRM Licences	156	156	156	156	156	156
	HB process implementation	66.8	0	0	0	0	0
	Integration from CRM - Academy	50.3	0	0	0	0	0
	Implementation cost Foundation	111.8	0	0	0	0	0

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	module						
	Foundation support costs	0	38.6	38.6	38.6	38.6	38.6
	Implementation of Chat Bot ¹	390	0	0	0	0	0
	Project costs	221.3	38	0	0	0	0
Subtotals		1,200.7	232.6	194.6	194.6	194.6	194.6
Revenue Income		0	0	0	0	0	0

6.4 Source of Funding

The Access Wirral Outline Business Case was signed off in June 2016 and a budget of £865,936 was allocated to the project from the Transformation fund over 4 years.

An assumption within the Outline Business Case was that IT would provide the funding for the CAS. This assumption was not realised so the project requests an additional £1.2 million to cover the cost of the IT required to deliver the project.

Source of Funding	Total £
Transformation budget	£1.2

¹ The benefits of utilising Chat Bots are covered in 5.1.2

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7 MANAGEMENT CASE: ACHIEVABILITY

7.1 Project Approach

The project will deliver the automation of the Council Tax and Housing Benefit business processes. Once the benefits of these processes have been realised in the CAS solution will be rolled across the rest of the Transaction Centre.

The project will be rolled out in 6 distinct stages. The stages are:

1. Data cleansing;
2. Foundation module;
3. Registration for e-services;
4. Council Tax;
5. Housing Benefit;
6. Staff consultation.

7.2 Evidence of Similar Projects

Microsoft CRM Dynamics has been implemented across a range of Public Sector clients. Below are 4 examples that closely mirror the outcomes the Access Wirral project aims to achieve:

Public Sector Organisation	High-level Benefits
The London Borough of Newham	<ul style="list-style-type: none"> • £11 million cashable savings through channel shift and automation of business processes. • Reduction of citizen transaction costs from £18 in person to £0.60 over web/email.
The London Borough of Enfield	<ul style="list-style-type: none"> • £6 million savings in customer service, driving out costs from the “middle office”. • Removed 80% of customer contact.
Sunderland City Council	<ul style="list-style-type: none"> • Multi-channel access to services with over 100 services now online and with many previously resource-heavy processes now automated. • Single view of customer meaning tailored responses with a package of multiple services, eliminating need for multiple call-backs/contacts
The London Borough of Kingston-upon-Thames	<ul style="list-style-type: none"> • Avoidable contact has fallen by over 60%. • Channel shift of 16% online transactions to target of 50% online transactions.

7.3 Resources Required

The Access Wirral project will be delivered by a “blended” team made up of:

- Dedicated project staff (shown in the table below);
- Staff from the systems implementers;
- Representatives from IT; and
- Staff from the Call Centre, One Stop Shops, Council Tax and Housing Benefit.

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Resources	FTE
Programme Manager	0.5
CRM Project Manager	1
Business Change Analyst	0.8
Business Change Analyst	0.8
Business Change Analyst	0.8
Total	3.9

7.4 Benefit Realisation

NON-CASHABLE		
Benefit	How will the benefit be Measured?	Frequency of Measurement
Customer Satisfaction	Online surveys Telephone surveys	Monthly
Time to process HB New Claims	Management information	Monthly
Time to process HB Change in Circumstances	Management information	Monthly
Time to process Council Tax Change in Circumstances	Management information	Monthly

CASHABLE		
Benefit	How will the benefit be Measured?	Frequency of Measurement
Postage	Reduction in postage budget	Yearly
Staff	Reduction in staffing budget	Yearly
Accommodation	Release of space to be used by decanted staff freeing up capital savings in the Asset programme.	Yearly

7.5 Assumptions and Constraints

ASSUMPTIONS
<ul style="list-style-type: none"> • Where ever possible, all contacts are resolved at the initial point of contact regardless of channel; • Although not explicit to the customer, where possible we will look for them to resolve their queries via an online portal or kiosk; • A contact can be face-to-face, live chat, telephone call, via an online portal or kiosk, or an unstructured email; • The Transaction Centre will be able to add their user requirements to the

ASSUMPTIONS
<p>CAS acquisition – this has already been completed as part of the soft market testing and the production of the specification ;</p> <ul style="list-style-type: none"> • Legacy systems will integrate with the CAS tool; • “Front” and “Back Office” staff will use the CAS tool only as their day-to-day system; • The IT within the Libraries and One Stop Shops will be sufficient to deal with additional demand; • The IT within the Libraries and One Stop Shops will be capable to run the CAS. • The CAS tool will be the de facto, “front end” tool used by the Transaction Centre and One Stop Shops; • The new CAS tool will have workflow capabilities; • The new CAS tool will have “root and branch” scripting; • The new CAS tool will integrate with the telephony system of the council; • The new CAS tool will provide a web portal for the customer to be able to access pertinent information. • The new CAS tool will provide a single “definition of the truth” as in all transactions undertaken with a customer, or business will be recorded and available. • The new CAS solution will provide the functionality for data captured in forms by customers to be “held”. • The new CAS solution will allow Council staff through the portal or via Live Chat to support the customer complete the form. • The CAS rollout will support and enable channel shift. • The number of claims referred to the Housing Benefit team in the new process is assumed to be 9%. • The number of complex Housing Benefit claims is assumed to 5%. • The number of Council Tax queries deemed complex is 20%. • The number of Council Tax queries resolved by the Call Centre is assumed to be 20%.

CONSTRAINTS
<ul style="list-style-type: none"> • Cost • Time • Resources

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7.6 Interdependencies

In/Out	Project, person or resource dependent upon (IN) or that dependent upon this project (OUT)	Description of dependency (e.g. complete rollout of the project of the development of a particular part of it)
In/Out	Customer Experience Transformation Programme	Integral output of the Programme
Out	Digital Strategy	The CAS will be a key building block to the Digital Strategy
In/Out	Getting It Right initiatives within the Transaction Centre;	The CAS will support the delivery of Getting It Right
Out	Wirral Partnership	The project will foster closer partnership working.

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7.7 Key Stakeholders

The table below shows the key stakeholders to the Access Wirral project and their relevance to the project:

Access Wirral Stakeholder Analysis

	STAKEHOLDER	IMPACT	INTEREST	RELEVANCE TO PROJECT
1	Project Sponsor	H	H	<ul style="list-style-type: none"> Primary risk-taker
	Project Senior User	H	H	<ul style="list-style-type: none"> Project will fundamentally impact her service Project will help her achieve her targets
2	Leader	H	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will fundamentally impact how constituents interact with the Council.
	CEO	H	H	<ul style="list-style-type: none"> One of his key initiative to his 2020 vision
	SLT	H	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision
	Strategic Hub function	H	M	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision
	Delivery function	H	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will impact how services are delivered within the function.
	Business Management function	L	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision
8	Programme / Portfolio Boards	H	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Major project within the Customer Experience Programme Major output in the transformation portfolio
9	Leadership	H	M	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will fundamentally impact how constituents interact with the Council.
10	Cabinet	H	M	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will fundamentally impact how constituents interact with the Council.
11	Group Leaders	L	M	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will fundamentally impact how constituents interact with the Council.
12	Elected Members	L	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will fundamentally impact how constituents interact with the Council.
13	Business Scrutiny	L	H	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision
14	Delivery function DMT	M	M	<ul style="list-style-type: none"> One of the key initiative to the 2020 vision Project will impact how services are delivered within the function.
15	Wirral Partnership	M	M	<ul style="list-style-type: none"> Project will fundamentally impact how constituents interact with the Council.

Access Wirral Stakeholder Analysis

	STAKEHOLDER	IMPACT	INTEREST	RELEVANCE TO PROJECT
				<ul style="list-style-type: none"> • Possible integration opportunity with partners • Possible links with community services
16	Customers	L	M	<ul style="list-style-type: none"> • Project will fundamentally impact how constituents interact with the Council.
	Customer Services Senior Manager	M	H	<ul style="list-style-type: none"> • Project will fundamentally impact her service • Project will help her achieve her targets
17	One Stop Shop Managers	L	H	<ul style="list-style-type: none"> • Project will determine the optimum locations and numbers of One Stop Shops needed. • Project will define the services provided in the future by One Stop Shops. • Project will define the optimum number of staff required for the One Stop Shops.
Page 289	Library Services	L	H	<ul style="list-style-type: none"> • Project will identify links between library services and the One Stop Shops.
	Transaction Centre Managers	M	H	<ul style="list-style-type: none"> • Project will update business processes within the Transaction Centre. • Project will aim to reduce the number of contacts from customers with updated technology pushing customers online. • Project will define the what and how services will be provided in the future by the Transaction Centre. • Project will define the optimum number of staff required for the Transaction Centre.
20	Staff	L	H	<ul style="list-style-type: none"> • Project will define the optimum number of staff required for the Transaction Centre and One Stop Shops. • Project will determine the optimum locations and numbers of One Stop Shops needed. • Project will define the “what” and “how” the services will be provided in the future by the Transaction Centre.
21	Unions	M	H	<ul style="list-style-type: none"> • Project will define the optimum number of staff required for the Transaction Centre and One Stop Shops. • Project will determine the optimum locations and numbers of One Stop Shops needed. • Project will define the “what” and “how” services will be provided in the future by the Transaction Centre and One Stop Shops.

Access Wirral Stakeholder Analysis

	STAKEHOLDER	IMPACT	INTEREST	RELEVANCE TO PROJECT
22	Communications Team	M	H	<ul style="list-style-type: none"> Major project will need optimal communications to all stakeholders. Project will need Communications Team resources to deliver project communications.
23	Procurement	L	L	<ul style="list-style-type: none"> Major IT procurement of CAS system.
24	Human Resources	M	H	<ul style="list-style-type: none"> Project will define the optimum number of staff required for the Transaction Centre and One Stop Shops. New roles and responsibilities will need grading.
25	Finance	M	H	<ul style="list-style-type: none"> Project objective to deliver the agreed savings by 2020.
Page 290	Legal	L	L	<ul style="list-style-type: none"> Ensure that the project is legally compliant.
	IT	M	H	<ul style="list-style-type: none"> Technology is a key component of the project delivering (Live Chat, CAS). New systems will need supporting by IT when rolled out as BAU Training implications to bring in new skills to the Directorate.
28	Trainers	L		<ul style="list-style-type: none"> Project will define the “what” and “how” services will be provided in the future by the Transaction Centre and One Stop Shops. This will have an impact on trainers. New Performance Management Framework will lead to remedial training programmes for staff.

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7.8 Project Management Organisational Structure (Proposed)

Project Team	Name	Appropriate Skills and Experience
Project Manager	Peter Walker	
Project Board	Name	Appropriate Skills and Improvement
Project Owner/Project Sponsor	Fiona Johnstone	
Senior User(s)	Lisa Jamieson	
Senior Supplier (s)	Jane Clayson	
Project Assurance	Name	Appropriate Skills and Improvement
Transformation Office	Michele Duerden	

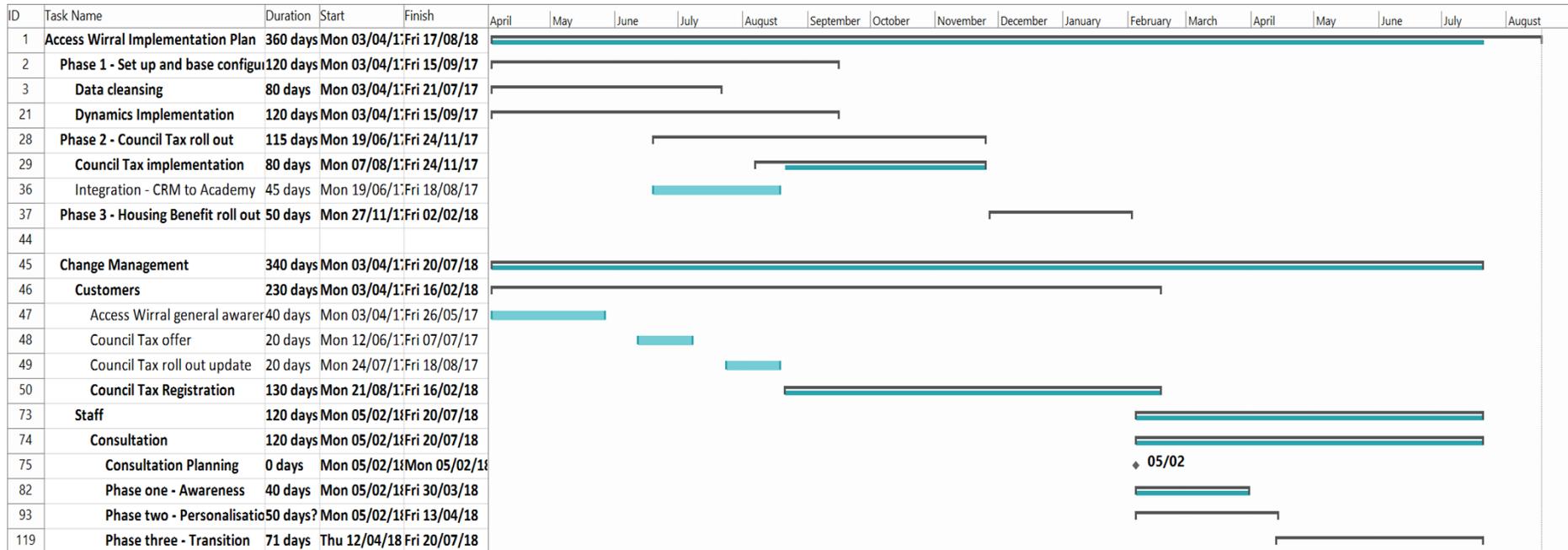
7.9 Timescales

Project Start Date	Project End Date
03/04/17	17/08/18

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7.10 Project Schedule

The project schedule is shown below:



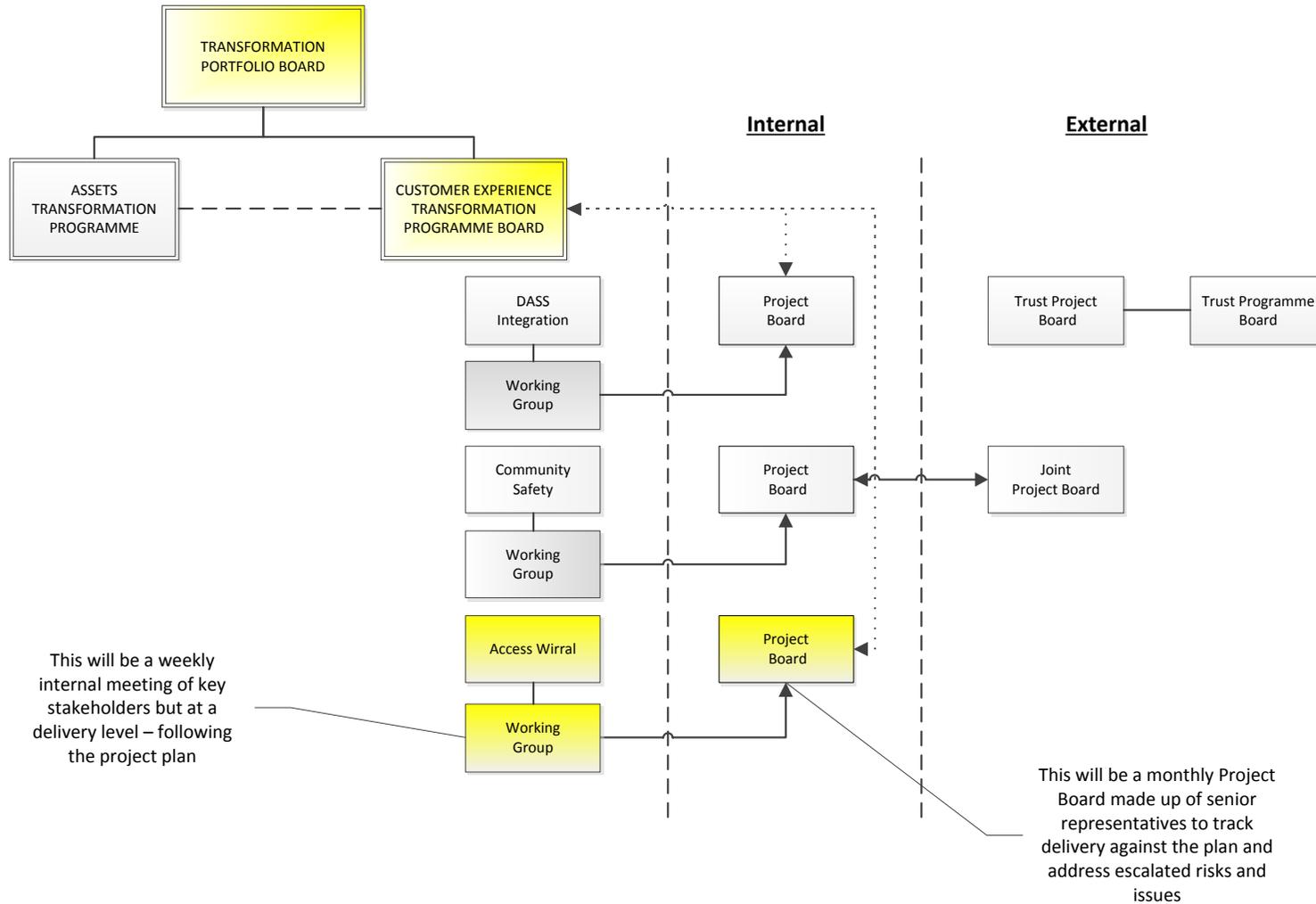
*TRANSFORMATION & IMPROVEMENT***7.11 Major Milestones**

Milestones/Deliverables	Target Date
CAS Foundation module live	15/09/17
Council Tax module live	24/11/17
Housing Benefit Module live	19/01/18
Council Tax online registration closes	16/02/18
Staff consultation starts	15/05/18
Staff interviews begin	19/06/18
Redundancy notices issued	31/07/18
Staff notice period ends	30/10/18

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7.12 Progress Monitoring and Reporting Arrangements

Below is overall governance structure of the project:



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7.13 Project Risk Assessment

The major risks faced by the project and monitored by the Access Wirral Project Board are shown below:

Risks			
ID	Description	Action Required	Owner
AW1	The benefits attributed to the implementation CAS are not realised in the timescales outlined in the project due to IT/Digital Services being unable to meet the service's transformation expectations due to lack of resources/capacity/skills	Updated project scope outlines proposal to deliver CAS within the project.	Project Manager
AW2	The project misses major milestones due to insufficient project resources (staffing and finance) to complete specific deliverables	Resources identified and agreed with Transformation team. Finalising timelines for formal start.	Project Manager
AW9	Perceived benefits are not delivered as the digital solutions (website and online forms) fail to achieve the level of channel shift needed to justify F2F changes.	For note.	Project Manager
AW17	Customers face eviction as housing benefits claims are not being processed in a timely matter due to staff dissent.	<ol style="list-style-type: none"> 1. Implement a communications plan that includes frequent contact with staff. 2. Put in place a robust change management strategy to help staff through the change curve. 3. Work closely with the Unions to ensure all staff 	Lisa Jamieson / Project Manager

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Risks			
ID	Description	Action Required	Owner
		questions are answered in a timely manner.	
AW18	Customers face eviction as Council Tax credit claims are not processed in a timely matter due to lack of experienced staff caused by the length of training taken to get staff operational.	Look at bringing in experienced agency staff.	Lisa Jamieson / Project Manager
AW19	High risk claims in the new model are not processed in a timely manner as highly valued staff have left prior to the re-organisation.	Look at providing honorariums to key benefits staff.	Lisa Jamieson / Project Manager
AW20	The Council has reduced funding from Housing Benefit grant claims due to claims not being processed in a timely matter due to staff motivation.	<ol style="list-style-type: none"> 1. Implement a communications plan that includes frequent contact with staff. 2. Put in place a robust change management strategy to help staff through the change curve. 3. Monitor performance and look at put in place contingency measures. 	

8 FUTURE STATE CONSIDERATIONS

8.1 Organisational Impact

8.1.1 Organisational Inputs

The Access Wirral project will fundamentally change the organisational inputs for customers into the Council. The project will move Transactional Centre services online and automate the business processes where possible to allow most customers to self-serve.

8.1.2 Business Processes (As Is/To Be)

Working with staff from the Transaction Centre and One Stop Shops, the Project Team held a 2-day workshop with the key output from the Business Process Review workstream to create a proposed “To Be” process for Housing Benefit using:

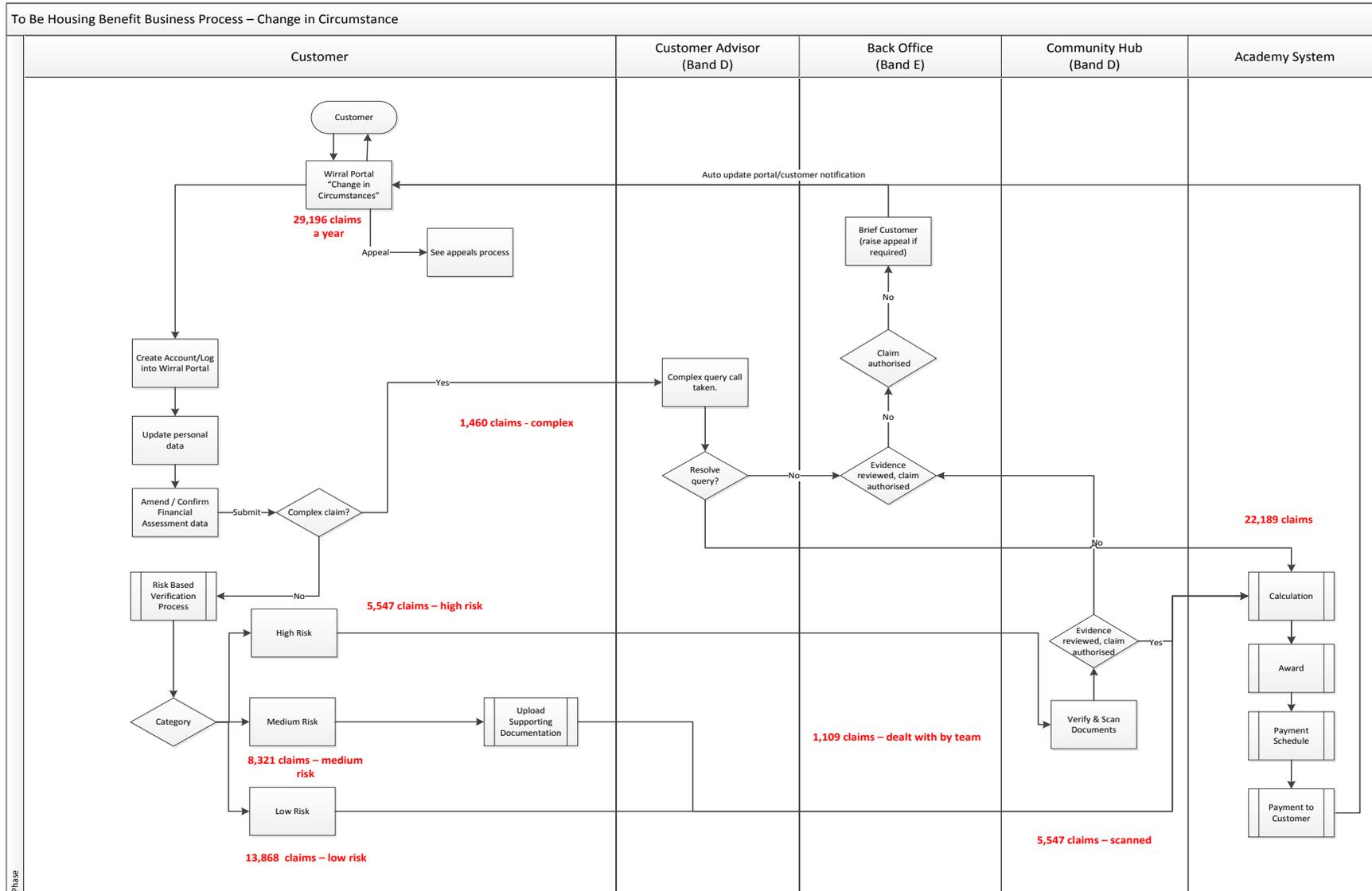
- The specifications from the CAS procurement document; and
- The implementation of Risk Based Verification software.

The workshop was broken down into 2 distinct phases.

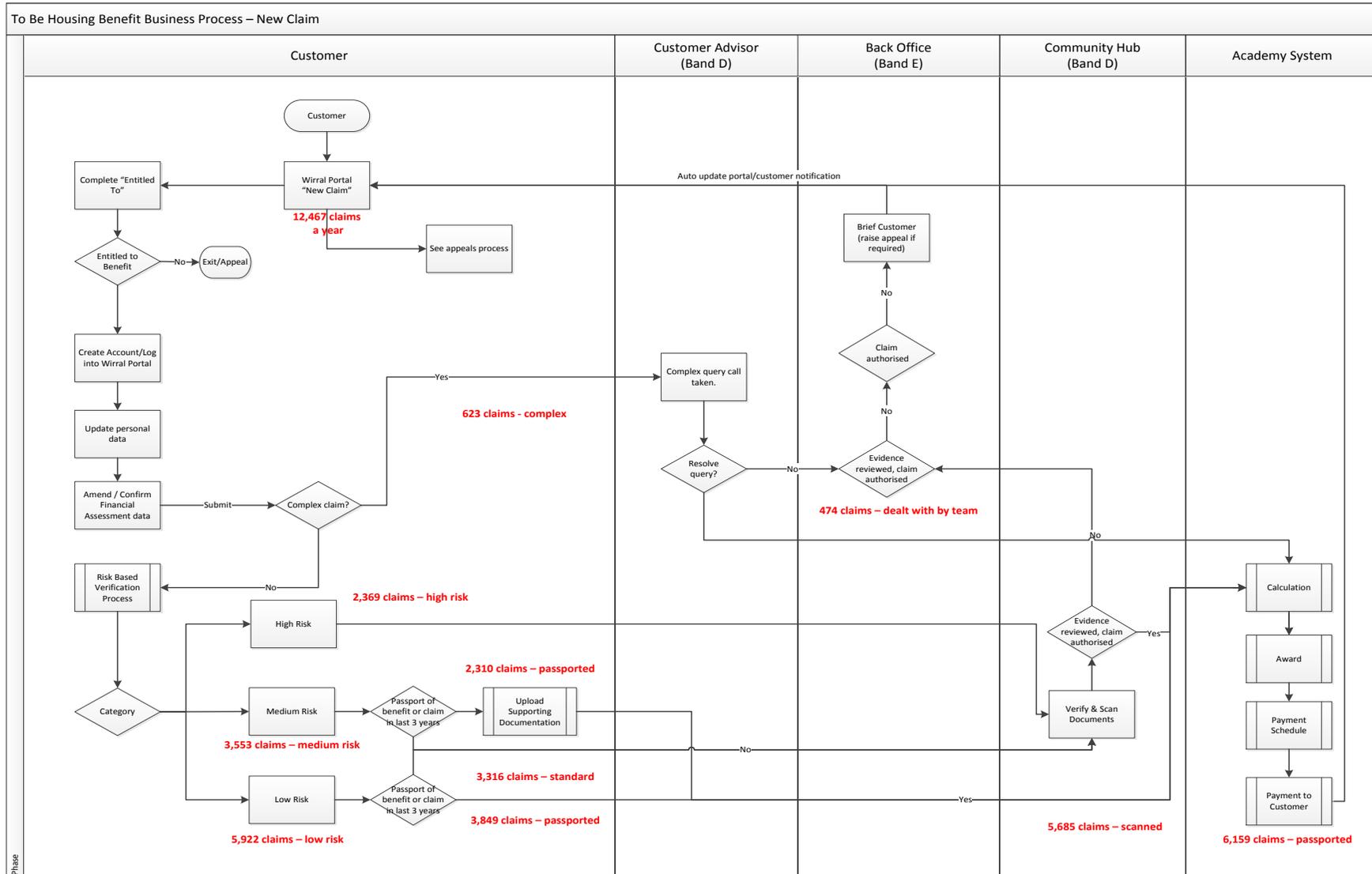
- Day 1 – Walk through of the “As Is” Housing Benefit process for new claims and create the “To Be” process; and
- Day 2 – Map the “To Be” process to an CAS-type solution to identify if the “To Be” process was possible.

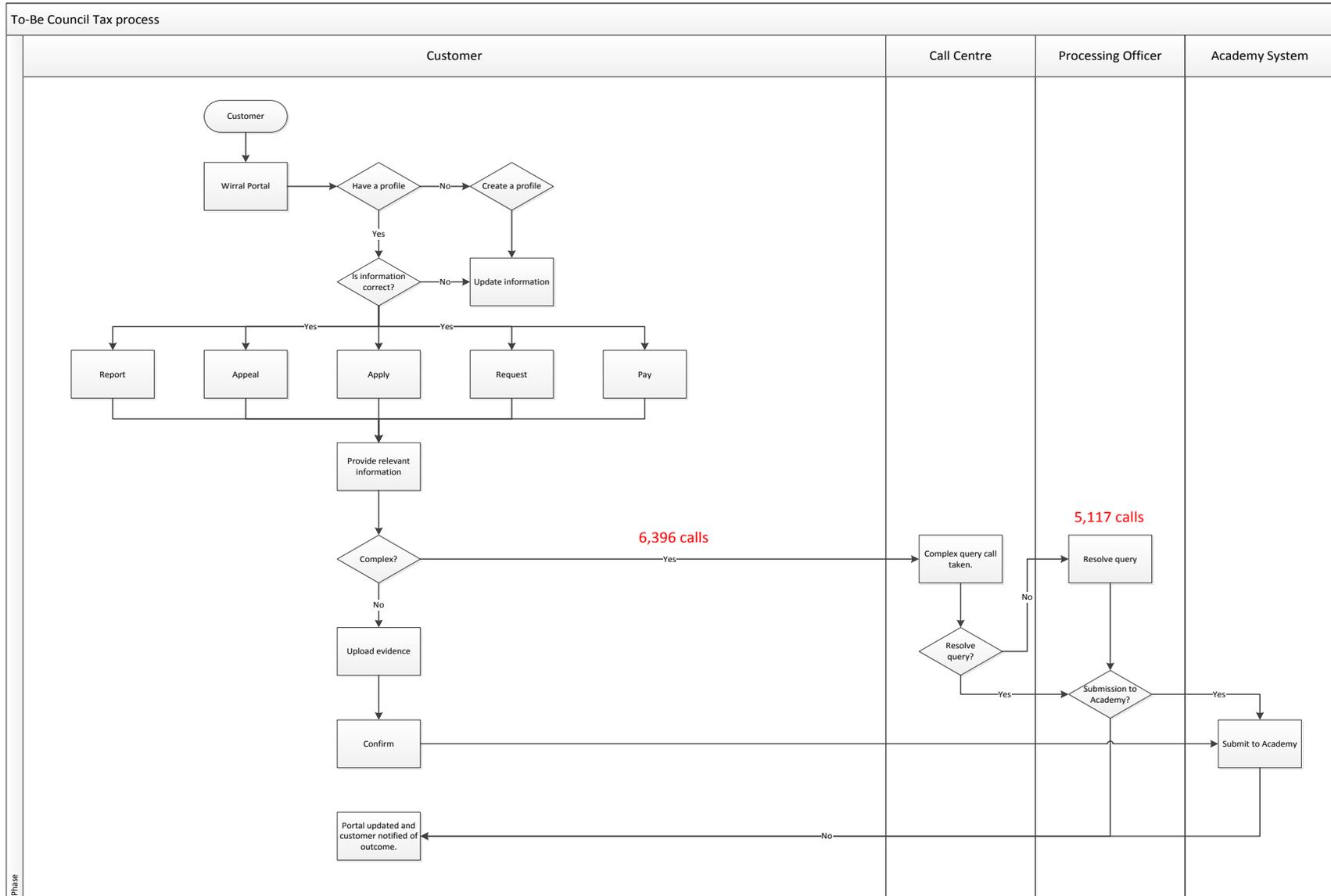
The new “To Be” processes for New Claims and Change in Circumstances for Housing Benefit is shown in the process maps below.

Also shown is the To Be Council Tax process produced by the project team utilising the principles agreed in the workshop with staff.



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8.1.3 Outputs

8.1.3.1 Self-serve customers

With the majority of customers supporting themselves through self-serve, this will address the business need of eliminating high wait times, high abandonment rates and poor customer satisfaction.

8.1.3.2 Digitally excluded customers

Digitally excluded customers can utilise computers within the One Stop Shops then the proposed multi-agency Hubs to access online services. Utilising staff and volunteers, if customers are having trouble accessing the CAS system within the One Stop Shops, someone is there to support them.

Utilising modern tools such as the Artificial Intelligence ChatBot from Microsoft, customers who have a problem whilst completing the form can get instant guidance and feedback based on the Council's policies and procedures and Government legislation.

8.1.3.3 Complex customers

Whilst the customer is completing a form within the CAS portal, if it is recognised by the system that the customer has a complex query; then the customer can speak to someone in the Call Centre either directly (if the Call Centre is open) or arrange a call back when convenient for the customer.

This will mean that the customer no longer has to wait on the phone for up to 20 minutes as the demand on the Call Centre will have dissipated.

8.1.3.4 Vulnerable customers

A vulnerable customer can be anybody, any age, any socio-economic background. A vulnerable customer is undergoing an episode of acute need that once addressed will allow them to live a stable life again. A real example of a vulnerable customer is a lady that entered a One Stop Shop at 16.45 fleeing domestic abuse.

The current process would see the lady stand in line with everyone else and wait her turn in the queue.

With customers self-serving and supporting themselves, as a key output of the project; frees up Council resources to be able to support this lady as soon as she enters the One Stop Shop.

8.1.4 Workforce Models

Once the Council Tax and Housing Benefit processes have been automated staff in these 2 teams along with the staff in the One Stop Shops and Call Centre will be put at risk of redundancy and a formal consultation process will start against a new, integrated Revenues and Benefits team structure.

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8.1.5 A Data Driven Service

Access Wirral seeks to put data central within the Transaction Centre. The CAS will provide the managers and front-line staff with access to rich data sets that can, where applicable; be shared with our partners.

This data powered by analytics; will be used to make fact-based decisions that define and drive forward how services are delivered within the Transaction Centre.

Being data-driven means the Transaction Centre will make use of the unstructured data sitting in legacy systems. Utilising cognitive technologies within the CAS will allow the Transaction Centre to mine this data and marry it with powerful predictive analytics software. The Transaction Centre will cease making decisions that the managers think customers want. Instead, data will be readily available and easy to analyse and to present in visual form, so that it becomes an inherent part of the decision-making process. The Council can no longer simply react to historic service data.

An example of how another Council has utilised data to make its public services better is the London Borough of Camden. A brief synopsis of their use of data is shown in the diagram below:

London Borough of Camden - Camden Residents' Index	
<p>Theme: Public service transformation and open data</p> <p>Camden has created the Camden Resident Index and data dashboards to make its public services better. The objectives were to:</p> <ul style="list-style-type: none"> • Identify and eliminate instances where staff activity was duplicated. • Make delivery of services such as planning and housing repairs quicker, higher quality and less costly. • Identify where fraud and error were taking place. <p>The Camden Resident Index brings together data from 16 council IT systems, covering 123 fields of primarily demographic information. This is used to streamline processes and</p>	<p>provide a more responsive service to citizens. Bespoke data dashboards give managers a view of operational data which is geared towards customer satisfaction, making it easier to improve services.</p> <p>Benefits</p> <ul style="list-style-type: none"> • Data has been used to improve public service delivery and back office processes, required to meet a funding shortfall of £70 million. • Identified fraud, such as housing tenancy, blue badge or schools applications fraud. • Supported changes to services which improved customer satisfaction and reduced how much officer time was used in delivery.

8.1.6 Management Information Requirements

The CAS as a solution comes with a suite of management information (MI) tools. Key MI outputs will monitor the flow of new claims through the Risk Based Verification (RBV) integration to ensure the assumptions are being realised.

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Another key MI report will be the amount of Housing Benefit awards. Automation brings, at the beginning, a risk that the system pays out more awards than manual processing would. Utilising data over the last 3 years, tolerances will be built into the amount of awards issued. If the tolerances are breached an exception report will be generated to allow further investigation.

There will be MI reports generated to monitor the number of documents being presented at the One Stop Shops / Community Hubs. This MI report will test the assumptions made by the project.

8.1.7 New Roles

There is one new role that will be created as part of the new Housing Benefit process, the role of Verification Officer.

When a customer makes a new claim for Housing Benefit, if they have not claimed Housing Benefit within the last 3 years or are already in receipt of DWP benefits; they need to produce original documents to verify their proof of identity and National Insurance Number.

The new process will see all customers who need to produce their documents go to their local One Stop Shop / Community Hub. A Verification Officer will take the customers documents, verify the documents, scan the documents and attach them into the CAS. Once attached the Verification Officer will hand the documents back to the customer.

8.1.8 Existing Roles That May Change

The only existing role that will change in scope of the project will be the Team Leader role within the new Back Office Processing Team.

At present the Team Leader role is service line specific, i.e. Housing Benefit and Council Tax. Due to the reduced staffing numbers the new Team Leader roles will manage a blended team of both Housing Benefit and Council Tax Processing Officers.

8.2 Legal Implications

An Equality Impact Assessment has been taken and there are no legal implications to consider.

8.3 Staffing Implications

Does the project reduce the need for staff?

Yes, the project will reduce the number of staff. The areas where staff will be reduced are in the Call Centre, Business Support, Housing Benefit, Council Tax and the One Stop Shops.

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Does the project increase the need for staff?
No there is no increase in staff due to the project.

Does the project have any TUPE component?
One of the options considered is outsourcing of Call Centre staff. As this option has been discounted there are no TUPE considerations of the project.

Does the project change individuals Contracts and or Terms and Conditions?
Within the project some of the roles and responsibilities will change. However given the reduction in numbers of FTE it is assumed that staff will apply for these roles. Therefore, there will be no changes in individuals Contracts and or Terms and Conditions.

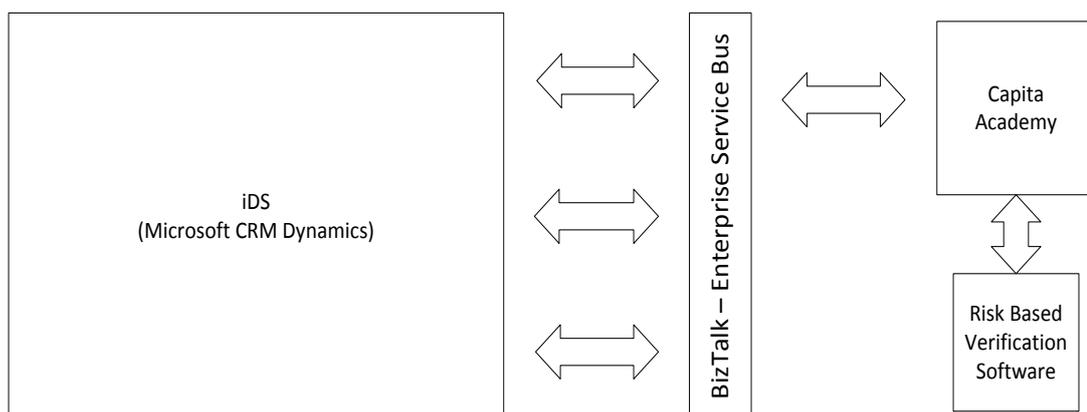
Does the project generate the need for individuals to receive formal training?
The project will see the roll out of a new IT solution so there will be formal training received by individuals.

8.4 Technology/Data Migration

Provide a high-level overview of how any technology will be implemented and how data from the legacy technology will be migrated.

8.4.1 High-level technology overview

The overall technical topography of the configuration is shown in the diagram below:



8.4.1.1 CAS Foundation Module

Utilising an implementation partner will allow the Council to benefit from previous Local Government Microsoft Dynamics CRM implementations.

A requirement within the G-Cloud 9 requirements will be a pre-configured Foundation module that will consist of a number of elements:

TRANSFORMATION & IMPROVEMENT

- Foundation CRM: LRG data model for Accounts, Contacts, Properties, Residence (the relationship between properties and contacts). Evidence management, SLAs, Service configuration
- Service Journey Engine: ability to define journeys (traditional forms) as meta-data to be rendered in any front-end system (CRM, Website, Mobile app, etc.)
- Foundation Portal: Login, Registration, support for multiple personas (e.g. anonymous, resident, non-resident, business, school staff, health professionals, etc.), journey rendering
- Foundation Integration: Integration framework for specific integrations to be built upon

It is assumed the base data used to populate the Foundation module, within the CAS; will be sourced from the bi-directional data feed from Academy.

8.4.1.3 Registration for e-services

The first customer interaction with the CAS will be as customers start to register to receive their Council Tax bills for 2018/19 electronically.

All Council Tax customers will receive their invitation over a 6-month period starting on the 21st August 2017 in the Bebington ward and culminating with West Kirby & Thurstaston Ward on the 16th February 2018. This phased approach will allow the project team to ramp up demand on the CAS, iron out any bugs in the process and to “manage the message” analysing what is working to drive registrations and what is not.

When the Council introduced a charge for Garden Waste, they offered a £5 discount to customers who register online. This incentive proved to be very successful, with over 90% of the 90,000 homes within Wirral with a garden registering for the scheme.

With approximately 146,000 households paying Council Tax, if the Council were to offer the £5 subsidy again; this would equate to £730,000. It is recommended that the Council do not offer this subsidiary for Council Tax registration. The project will work with the Communications Team to identify cost-effective incentives.

8.4.1.4 Council Tax implementation

The project could have implemented the Housing Benefit module first but as the roll out of Universal Credit (UC) is scheduled, although not likely; for October 2017, the approach is to go with Council Tax first.

Implementation of Council Tax will begin with the Change of Circumstances process, on the 21st August 2017; once the Foundation module has been implemented. It is proposed to go with Change in Circumstances process first as this is the largest Council Tax process.

The Change in Circumstances process will go live on the 29th September 2017. From that date, all Change in Circumstances requests will need to be started in the CAS. There will be some requests that are deemed complex by

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the CAS and these will be transferred directly to staff within the Council Tax team, bypassing the Call Centre.

Over the next 50 days, the rest of the Council Tax processes will be brought online. The last process is scheduled to be switched on the 24th November 2017.

From the 27th November 2017, a message will play on the IVR within the Transaction Centre telling customers that they need to go online with all their Council Tax queries.

8.4.1.5 Housing Benefit implementation

The business processes within Housing Benefit can be broken down, at a high-level into 2 major business processes in Housing Benefit, New Claims and Change in Circumstances.

However, with the implementation of RBV, an additional layer of complexity is added to the processes as the risk score will define which “branch” of the process the customer will follow.

The Change in Circumstances process implementation will roll out on the 15th December 2017. This will be the same date that customers, who are not in receipt of DWP benefits; will go to the local One Stop Shops to scan their proof of ID documentation.

The new claim process for Housing Benefit will go live 2nd February 2018 and on the 5th February 2018 a message will play on the IVR within the Transaction Centre telling customers that they need to go online with all their Housing Benefit queries.

8.4.1.6 Data cleansing and migration

The data cleansing phase will analyse the systems involved in both the Council Tax and Housing Benefits processes in the Call Centre and in the Back Office.

The main system for Council Tax and Housing Benefit in the Back Office is Academy. As part of the proof of concept, the CAS will be integrated with the Housing Benefit and Council Tax legacy system, Academy. Utilising the proprietary Enterprise Service Bus from Microsoft, BizTalk; the implementation partner will run this implementation in parallel with the Foundation module implementation.

Academy will have been integrated with a RBV solution as part of “Getting it Right”, before the Access Wirral project begins.

The systems identified in the Call Centre that are exclusively used for Council Tax and Housing Benefit, outside of Academy; will be reviewed and the underlying data schemas mapped. One of the key success criteria of the Access Wirral project is to reduce the number of systems used within the Transaction Centre to one. The systems used for exclusively for Housing

TRANSFORMATION & IMPROVEMENT

Benefit and Council Tax, excluding Academy; will have the data migrated across to the CAS in time for the Council Tax implementation.

The first tranche of the Council Tax process goes live on the 29th September 2017. From then, until the last tranche of the Housing Benefit process goes live on the 19th January 2018; the CAS and the exclusive Council Tax and Housing Benefit, Front Office systems will be live in parallel with batch downloads from the Front Office systems into CAS overnight.

On the 19th January 2018, the exclusive Council Tax and Housing Benefit, Front Office systems will be shut down and the CAS will be the standalone solution for Council Tax and Housing Benefit.

8.4.2 Outstanding Technical Requirements and Obstacles

There are no outstanding technical requirements and obstacles which need to be addressed.

8.4.3 Impact On Current ICT infrastructure

There will be an impact on the current ICT infrastructure.

The ethos behind the CAS is that it will become the defacto “front end” solution for all staff within the Transaction Centre. Utilising an Enterprise Service Bus, legacy systems will be integrated to the CAS.

This approach will facilitate a single view of the customer within the CAS. This approach will help reduce average call time as advisors do not have to review multiple systems to resolve a query. For example, a Call Centre advisor uses up to 19 systems a day to help resolve customer queries.

As part of the wider roll out of CAS across the Transaction Centre, legacy systems will be reviewed and where possible legacy system data will be imported into the CAS to allow older legacy systems to be decommissioned.

8.4.4 Does any of the proposed ICT components require new off the shelf solutions?

Yes the CAS will require an off the shelf solution, as will integration into the back office legacy systems.

8.4.5 Do any of the proposed ICT components require bespoke solutions?

The CAS will be implemented modularly based on Local Government best practice. However the CAS solution will require some bespoke work to be carried out to fulfil the requirements of the Council. The modular approach will minimise the amount of bespoke work needed. Standard “out of the box” functionality will be used where possible. All costs of are included in this FBC.

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Any changes needed for later customisation would be facilitated by in-house staff.

9 APPROVAL

The signatures of the people below indicate an understanding in the purpose and content of this document by those signing it. By signing the document you indicate that you approve of the proposed outline project outline in this business case and that the next steps may be taken to create a formal programmes and/or projects in accordance with the details contained within.

Approval Name	Title	Signature	Date

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**ACCESS WIRRAL
SERVICE DEVELOPMENT PROPOSALS**

Scrutiny Report of the Business Overview & Scrutiny Committee

FEBRUARY 2017

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1. INTRODUCTION

At the meeting of the Business Overview & Scrutiny Committee held on 12th July 2016, the interim Director of Transformation presented a report relating to the involvement of scrutiny in reviewing new service models as they are developed. As a result, a workshop was held on 14th February 2017 for Members of the Business Overview & Scrutiny Committee to scrutinise the approach to the Access Wirral service development proposals in further detail. The session was led by Councillor Matthew Patrick through delivery of a presentation and supported by Fiona Johnstone, Director for Health and Wellbeing, Lisa Jamieson, Head of Customer Services and Pete Walker, Project Manager. The outcomes from the workshop are detailed in this report.

2. CONTEXT OF SERVICE DEVELOPMENT PROPOSALS

The Wirral Plan offers a clear direction for the Council's Customer Contact and Transactional Services, committing the authority to a programme of change through which:

- "Our services must be accessible, delivered sometimes entirely online, to reduce costs and to improve speed and efficiency"
- "We must transform how we work with residents; driving integration and being as efficient as possible, with one point of contact able to solve every resident need".
- "We will invest in the organisation to ensure we have the right attitudes, skills and abilities in place to deliver on the promises in this plan. We will be a responsible employer who values our staff and their commitment to their work. Our staff will be clear about their roles, take responsibility, and be highly motivated and very effective in what they do".

The Access Wirral project was established to deliver this vision and forms part of the Council's Customer Experience Programme.

The Access Wirral project looks to create a customer focussed organisation that puts the customer at the heart of everything the Council does and supports them to do more for themselves. It looks to deliver a better, faster and more efficient customer services.

3. MEMBER COMMENTS

Online accessibility

In response to a query regarding the percentage of those living in Wirral who are not online, customer insight has shown that that around 82% of those living in Wirral had online access. It was suggested by officers that the increase in smartphone usage has improved online access.

A Member commented that although this project is around online access for services, many residents still prefer face-to-face contact. Statistics presented to Members as part of the presentation showed a higher percentage of residents using One Stop Shops over the Call Centre (Telephone and email) for dealing with Housing Benefit, indicating this was still the preferential method. It was suggested that this could also result in significant work to transition residents to the new way of operating. Officers acknowledged the statistical data but assured Members that contact through One Stop Shops is high primarily due to the Council requiring a lot of evidence for claims, resulting in a high number of visits being required. The implementation of Risk-Based Verification for claims and the new customer access solution should provide seamless access, removing the need for people having to make visits. Those that do visit should be the more vulnerable in Wirral who would require more support on a one to one basis.

Although assurances were received regarding the increasing number of people accessing services online, a Member commented that there needs to be some thinking around those that do not as well as the digitally excluded. The Cabinet Member informed Members of the developing Digital Strategy which aims to get 100% of all residents across Wirral to have online access. Digital champions will be created but these will emerge through community hubs and engagement with both the Volunteer Strategy and Digital Strategy. Although welcomed by Members, it was commented that streamlining processes for online users should mean that existing processes should not become or remain difficult for other groups.

CRM / Website interface

A number of comments were made around the current Customer Relationship Management system and the interface not being user friendly which the customer access solution would need to address. Members gave a number of examples, including the difficulty of trying to report street lighting. Members were informed that a Digital Manager is to be recruited as concerns around the user experience of the website are shared by officers. There are also plans to address the online facility through the implementation of the new customer access solution. Officers stated that work is already being carried now to address those issues that can be dealt with immediately with existing models, such as the website, and that positive changes will be seen very soon.

An observation was made in relation to the online sign-up to Council Tax to receive electronic billing instead of a postal delivery. Upon clicking the initial link for this service, the automated process completed the activation. It was suggested that an additional page should be incorporated into the process for the user to be provided with an understanding of what signing up will mean before committing. Officers acknowledged this and following the meeting, the suggestion has been implemented. Members also noted that the online Council Tax and Housing Benefit verification process will be launched as part of the Channel Shift work. For Council Tax, this will allow various processes, such as change of address and multi-occupancy details, to be entered online.

A number of Members commented that the Council's website was poor in terms of general navigation and the overall quality of the user experience. A number of suggestions were made for improvement and these were welcomed by officers to consider how they could be integrated into the new system. The suggestions included:

- Incorporating a simple 'key word' search function on the main home page to navigate directly to the relevant page;
- The functionality to save progress on an application as the requirement to complete it in its entirety may be too time consuming;
- A checklist function to allow the information / evidence required at the end of the process to be reviewed;
- A 'Live Chat' facility to support those who may struggle through illiteracy;
- Tutorials for uploading photographic documents; and
- Text alerts / real time online updates on the progress of an application.

Members raised issues around the number and the complexity of forms to be completed and if the transfer to online processes would result in simplification of these. Officers stated that there would be intelligence behind the forms which would only require the data it needs to process each claim. This would be based on information entered and the specific circumstances of the resident. Additionally, if users are registered for other services, forms will be prepopulated with known details, such as name and address and this will enhance the user experience. Officers acknowledged that there may be some customers who could find seeing prepopulated personal information disconcerting.

Vulnerable residents

Members emphasised the need to ensure that the most vulnerable people in Wirral would still be able to access services and that the appropriate support would be provided. Members sought assurances that the right staff to provide this support would be identified, the appropriate training would be delivered and the wellbeing of staff who would provide support would be maintained as supporting vulnerable residents can be stressful. Members also queried whether contact has been made to the various associations, such as those working with stroke and dementia, to understand how staff should be trained rather than making assumptions as to what is needed.

In response to these issues, Members were informed that a performance framework is in the process of being implemented and is centred around ensuring staff understanding what they are there to deliver, what value they add and how these would be measured. A skills gap analysis will be conducted within customer services to identify training needs. Members were informed that this will not just be around technical skills aspect but also the softer skills needed for working with vulnerable people. A Partnership Day has also been held with the involvement of a number of key stakeholders, including Public Health, the Police, Adult Social Services and other community groups to capture their views through customer scenario testing. Although Members were informed that there isn't a 'one size fits all' solution to providing additional support, officers acknowledged Members initial concerns as part of delivering the Access Wirral project.

Access Wirral roll-out

A member commented that it is important to ensure that the outcomes of the project are monitored to deliver an effective and efficient service for all residents. It was recognised that there is a risk with any major transformation project involving changes to systems and services of systems failing. It was intended that the current system would be available as a contingency so that residents do not experience any loss of service during the transition. Officers added that a sustained and measured period of performance of the new system would be required to provide assurance prior to full migration to the new system.

Members noted that research visits have been carried out to other local authorities to see how various delivery models have been implemented. Officers stated that the positive outcome from the visits was that these similar projects demonstrated that they worked. Officers also added that there was no preferred approach identified at this time for Wirral.

Members were informed that the main customer contact to the Council was for Housing Benefit and Council Tax. These would be tested as part of phase one of the roll-out of the project to demonstrate proof of concept and to identify what other forms and services could be managed through online functionality as part of a second phase.

With regard to the project's potential vehicles to deliver, a Member commented that the significant number of advantages for the 'in-house' delivery model could be perceived as being the clear preference. However, it was explained that the advantages and disadvantages are not given equal weighting and the number of these would not be a factor in the final decision as to which delivery model to adopt.

Members commented that the decision on which proposal would be taken forward should clearly demonstrate value for money and would need to be successful.

In terms of the project timescales, Members were informed that a decision will be made by Cabinet on 27th March on which option would be taken and an Implementation Plan would be developed with targets and timescales built in. The Implementation Partner, who will be employed to build the preferred system, will work with staff at each stage of implementation to ensure that the knowledge and skills to operate the system were transferred to Council staff.

Conclusions

The key messages identified from the workshop session were:

- To ensure that there is continued emphasis on those residents who are digitally excluded. Support arrangements and services for this group must be robust.
- A requirement to re-set the customer relationship and improve the reputation of the Council website and CRM system.
- To ensure front line staff receive appropriate training to provide them with skills to identify and support vulnerable residents.
- A list of specific website recommendations which would improve functionality and enhance the user experience.

Appendix 1 – Workshop Attendance

Members of the Business Overview & Scrutiny Committee:

Mike Sullivan (Chair)

Chris Blakeley

Anita Leech

Julie McManus

Denise Realey

Christine Spriggs

Jean Stapleton

Steve Williams

Officers

Lisa Jamieson – Head of Customer Services

Fiona Johnstone - Director for Health and Wellbeing

Peter Walker – Project Manager

Mike Lester – Scrutiny Officer

Patrick Torpey – Scrutiny Officer

Cabinet Members

Matthew Patrick - (Cabinet Member for Community Engagement and Communications)

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ACCESS WIRRAL

*BETTER, FASTER & MORE EFFICIENT
CUSTOMER SERVICES*

ACCESS WIRRAL

OUR APPROACH

20 PLEDGES FOR 2020

"We are setting out a plan to bring about real change - not just about what can be achieved, but in the manner in which we will deliver it."

Phil Davies
Cllr Phil Davies, Leader of Wirral Council

Strategic Intent



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In scope

- Council Tax automation
- Housing Benefit automation

Out of scope

- Partner services
- Business Services
- Buildings

Services affected

- One Stop Shops and Call Centre
- Back office-Council Tax & Housing Ben.
- Business Support-Scanning

ACCESS WIRRAL

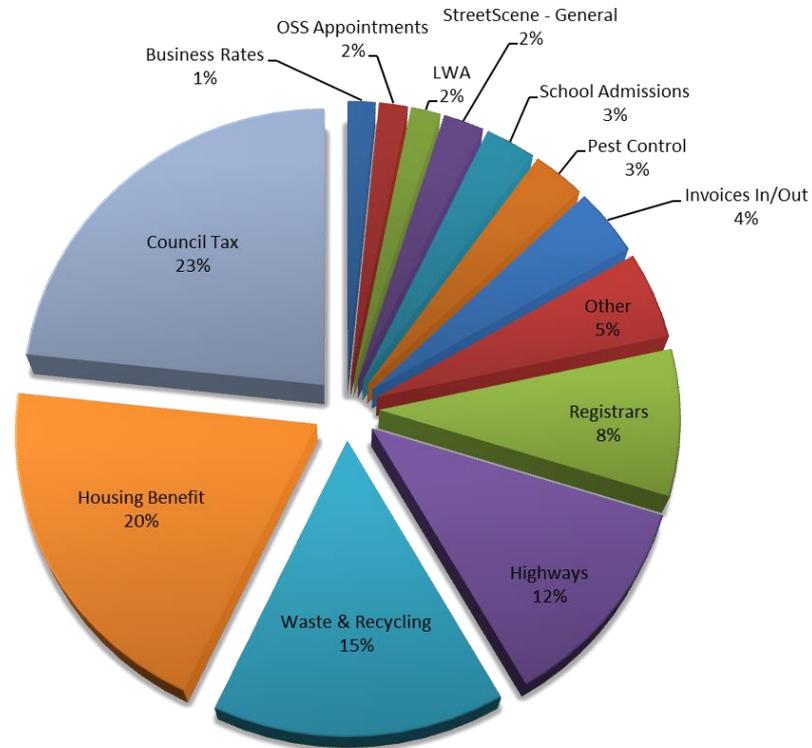
WHY PEOPLE CONTACT OSS & CALL CENTRE

20 PLEDGES FOR 2020

"We are setting out a plan to bring about real change - not just about what can be achieved, but in the manner in which we will deliver it."

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Cllr Phil Davies, Leader of Wirral Council

Call Centre - Telephone & Email



ACCESS WIRRAL

WHY PEOPLE CONTACT OSS & CALL CENTRE

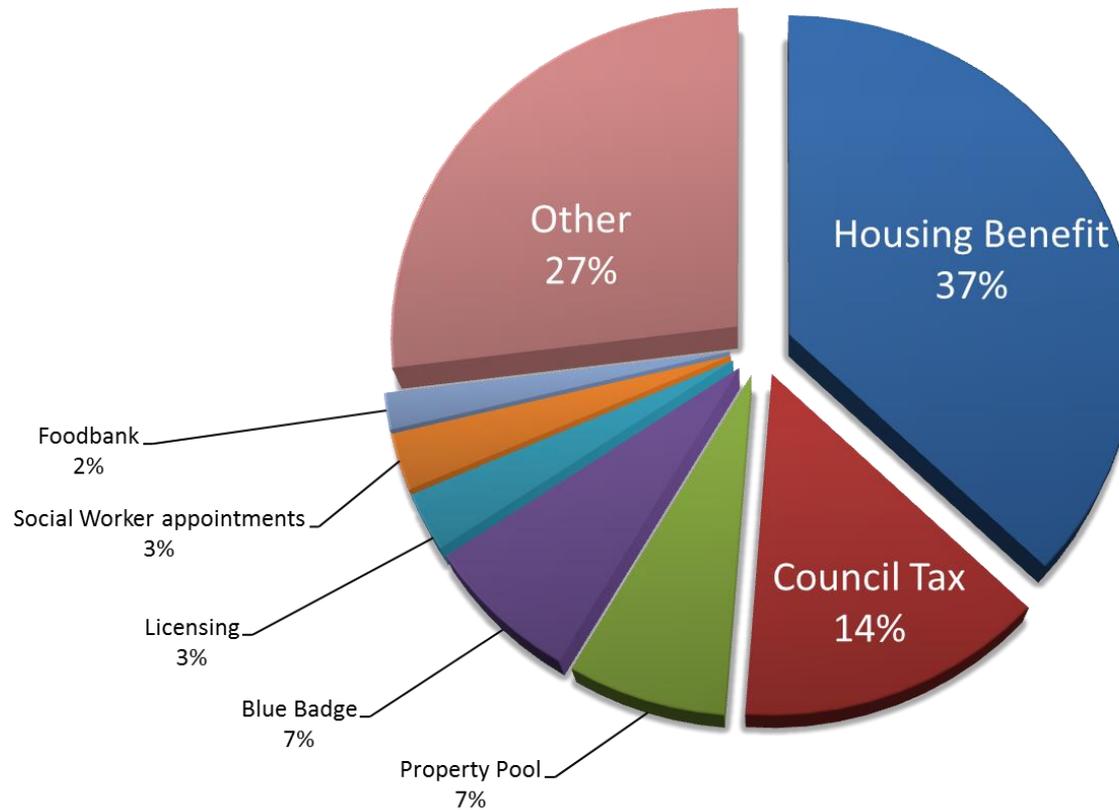
20 PLEDGES FOR 2020

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One Stop Shop



ACCESS WIRRAL

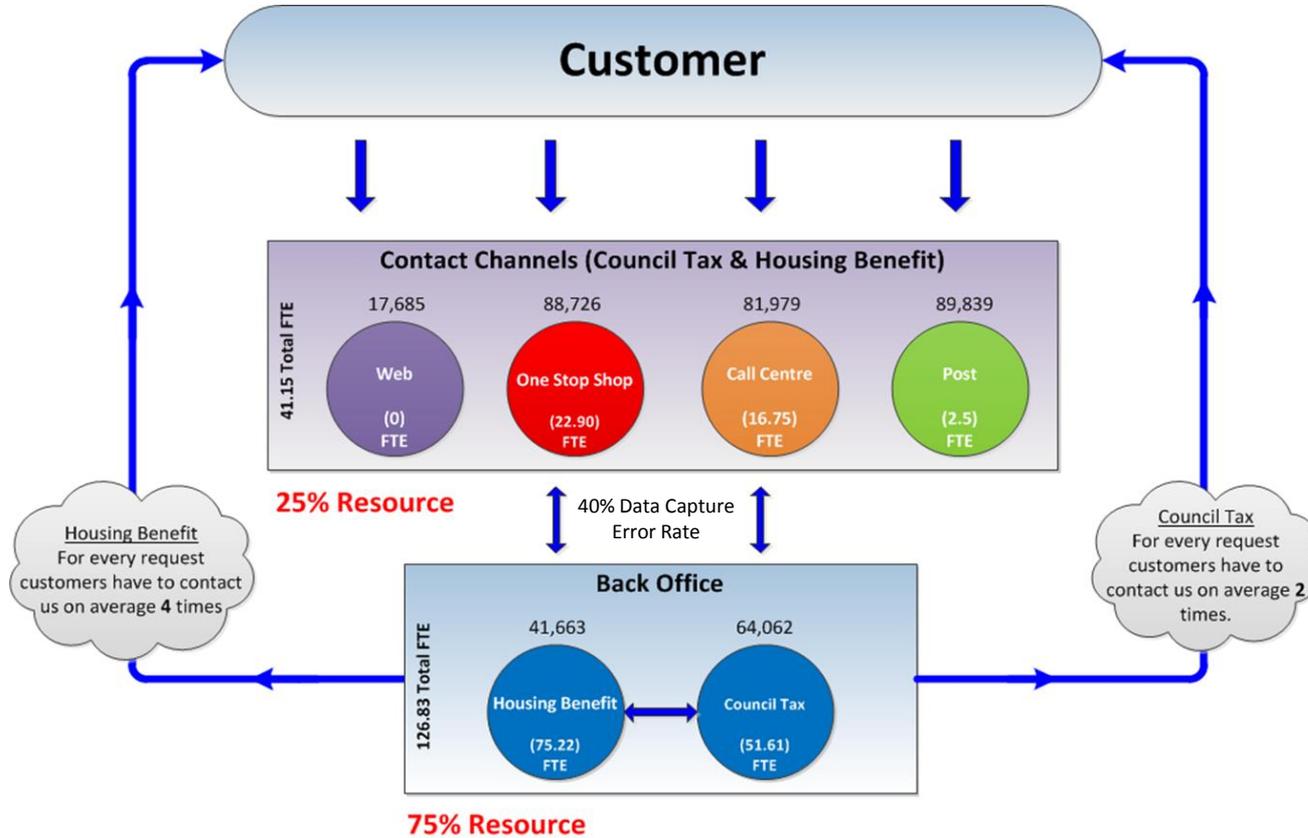
WHAT IT FEELS LIKE TO BE A CUSTOMER

20 PLEDGES FOR 2020

"We are setting out a plan to bring about real change - not just about what can be achieved, but in the manner in which we will deliver it."

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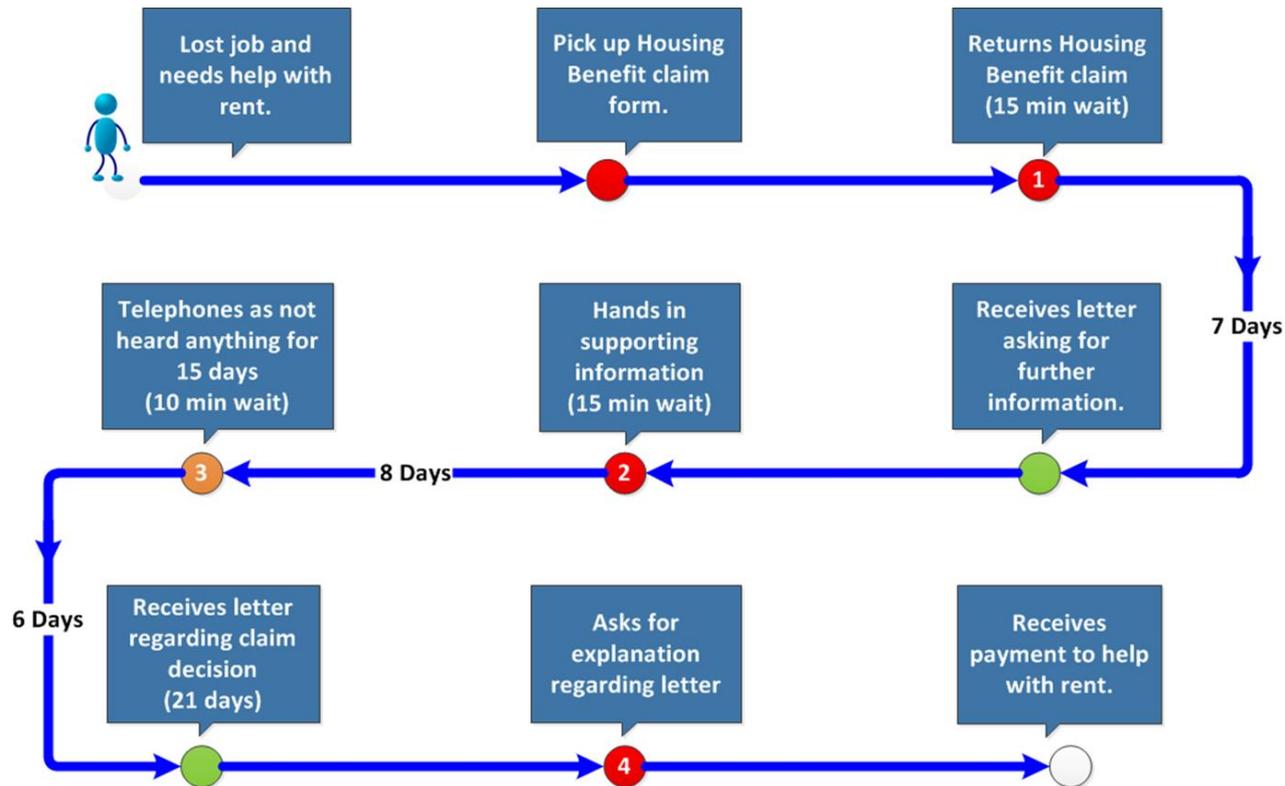
'BILLY'S' HOUSING BENEFIT JOURNEY

20 PLEDGES FOR 2020

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Cllr Phil Davies, Leader of Wirral Council

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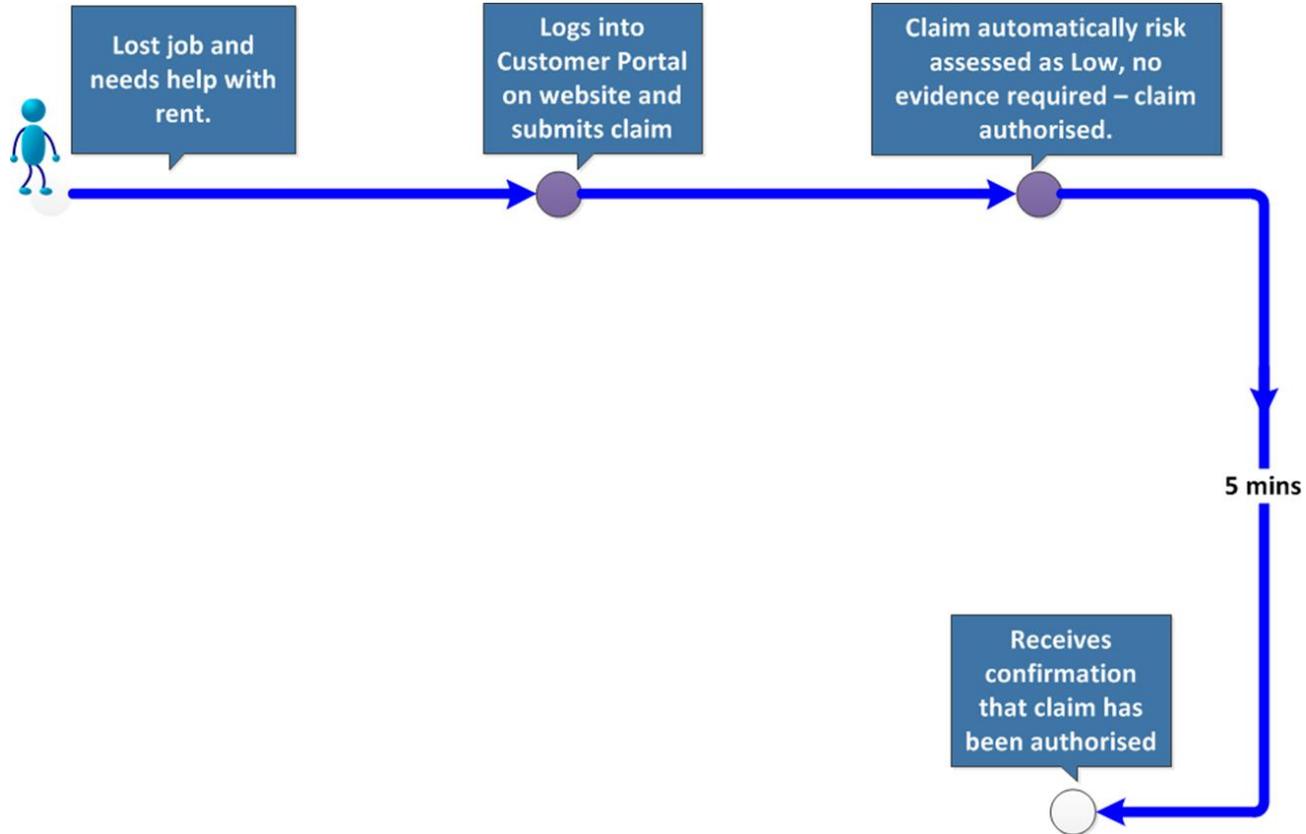
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'BILLY'S' NEW JOURNEY

20 PLEDGES FOR 2020

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RISKS & REWARDS

20 PLEDGES FOR 2020

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Benefits

- Better experience for our customers.
- Return on investment in Year 2 with cumulative savings rising year-on-year.
- Reduction in call time, waiting, abandonment and customer complaints.
- Process and service efficiencies realised.
- Targeted external support used where appropriate.
- Council's transformation principles adhered to.
- Evidence based decision making.
- Timeframe for change aligned with digital developments.
- Facilitate the enhancement of internal skills and capacity.
- Increased accuracy will maximise subsidy grant.

Risks

- New solution does not provide the savings anticipated.
- Staff retention.
- Customer experience/satisfaction levels worsen due to staff morale.

Opportunities

- Service request is resolved first time, on time.
- Simplified processes for accessing services.
- Communication with customers is clear and unambiguous.
- Solution can be rolled out across other Council and Partner services.
- Immediate increase in customer data capture to aid demand management.
- Increase customer insight to aid decision making.

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POTENTIAL VEHICLES TO DELIVER

20 PLEDGES FOR 2020

"We are setting out a plan to bring about real change - not just about what can be achieved, but in the manner in which we will deliver it."

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Option	Advantages	Disadvantages
Do nothing	<ul style="list-style-type: none"> ➤ Minimal Investment. 	<ul style="list-style-type: none"> ➤ No savings achieved. ➤ Continued increase in customer dissatisfaction.
Page 3 of 2 Re-design in-house	<ul style="list-style-type: none"> ➤ Simplified processes for accessing services. ➤ Convenience of accessing services 24/7. ➤ Ability to manage the reputation of the Council. ➤ Supports the commercial strategy by providing an ability to generate. ➤ Ownership of customer insight data. ➤ Appropriate access channels that suits customer needs and lifestyles. ➤ Service request is resolved first time, on time. ➤ Expectations are managed where first time resolution is not possible. ➤ ROI Year 2 - savings Y2. 	<ul style="list-style-type: none"> ➤ Requires internal investment. ➤ Insufficient skills in-house, requires implementation partner.
Joint Venture	<ul style="list-style-type: none"> ➤ Shared investment/risk. ➤ Provides expertise & pace. 	<ul style="list-style-type: none"> ➤ Take longer to realise savings. ➤ Councils are bringing services back in-house. ➤ 50% of savings absorbed by partner.
Outsource	<ul style="list-style-type: none"> ➤ Already established markets for elements e.g. HR & Call Centre. ➤ External capital investment. 	<ul style="list-style-type: none"> ➤ Take longer to realise savings . ➤ No successful marketplace that will deliver all areas. ➤ Distanced from the service to manage complaints to Members. ➤ Efficiency savings absorbed by contractor.

ACCESS WIRRAL

MAKING IT HAPPEN

20 PLEDGES FOR 2020

"We are setting out a plan to bring about real change - not just about what can be achieved, but in the manner in which we will deliver it."


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Major Deliverables

Resources

Page 33

Integrated Digital Services for Housing Benefit and Council Tax

- Best-in-class systems implementer with extensive Local Government and Public Sector experience.
- Dedicated, external CRM project manager with Local Government and Public Sector.
- Staff released to support project.
- 3 dedicated Business Analysts.
- Knowledge transfer from Systems Implementer to Wirral staff.
- Overseen by the Transformation Office.
- Robust sponsorship and governance.
- Senior level support to drive continuous service improvements.
- Solution owned by the Business.

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MAKING IT HAPPEN

20 PLEDGES FOR 2020

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Major Deliverables

Resources

Change Management Customers/Staff

- Dedicated Change Management resource to facilitate change.
- In-house Communications Team to provide support and guidance
- Communications plan developed and delivered.

Consultation with staff

- Unions.
- Senior Managers.
- HR support.

ACCESS WIRRAL

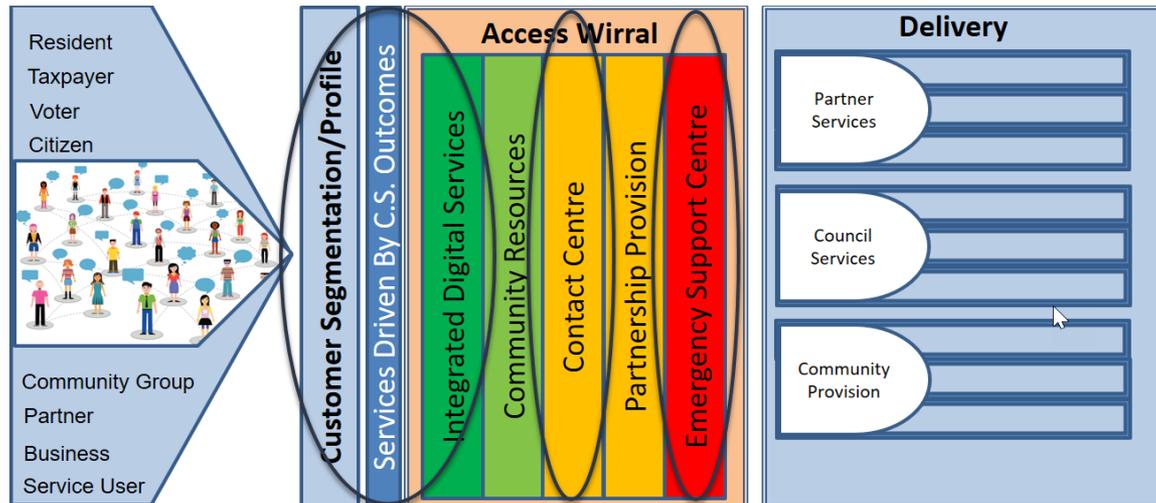
UNDERSTANDING THE JOURNEY

20 PLEDGES FOR 2020

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- ❑ In June 2016 an Outline Business Case that set out the vision for Access Wirral was agreed at Cabinet.
- ❑ This phase of the project will deliver outcomes which will address Customer segmentation; Customer Access Solution for Council Tax and Housing Benefit; and Contact Centre improvements and efficiencies.
- ❑ As this project is implemented work will continue to further define the delivery of the wider Access Wirral Vision, which will include engagement of communities and partners to inform this.

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Equality Impact Assessment Toolkit (April 2014)

Section 1: Your details

EIA lead Officer: Lisa Jamieson

Email address: lisajamieson1@wirral.gov.uk

Head of Section: Lisa Jamieson

Chief Officer: Joe Blott

Directorate: Delivery Services

Date: 27 March 2017

Section 2: What Council proposal is being assessed?

Access Wirral project

Section 2a: Will this EIA be submitted to a Cabinet or Policy & Performance Committee?

Yes / No **If 'yes' please state which meeting and what date**

Wirral Metropolitan Borough Council Cabinet – 27th March 2017

Please select hyperlink to where your EIA is/will be published on the Council's website (please select appropriate link & delete those not relevant)

Chief Executive (Neighbourhoods & Engagement, Policy, Performance & Public Health, Universal & Infrastructure Services)

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-15/chief>

Transformation & Resources (Resources, Pensions, Legal / Member Services, Human Resources & Organisational Development, Business Processes)

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-15-0>

Families & Well-Being (Adult Social Services, Children & Young People, Sport & Recreation)

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014/families>

Regeneration & Environment (Environment & Regulation, Housing & Community Safety, Regeneration)

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to engage@wirral.gov.uk for publishing)

Section 4:

Could the proposal have a positive or negative impact on any protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

Which group(s) of people could be affected	Potential positive or negative impact	Action required to mitigate any potential negative impact	Lead person	Timescale	Resource implications
Communities	Self-service for Housing Benefit and Council Tax via a web portal may exclude digitally excluded and/or vulnerable people.	<ol style="list-style-type: none"> 1. Provide IT facilities in the One Stop Shops manned by volunteers who will support the customers to access the self-serve portal. 2. Work with third sector and care organisations to train their staff to support vulnerable people in their homes to access the self-serve portal and/or on their behalf. 	Lisa Jamieson	9 months	Part of the project.
The workforce	With the reduction in workforce as part of the automation of Housing Benefit and Council Tax, existing staff will need to apply for their	Put in place interview and CV writing refresher courses to support staff.	Lisa Jamieson	12 months	Part of the project.

	jobs.				

Section 4a: Where and how will the above actions be monitored?

The actions outlined in Section 4 will form part of the project deliverables. These deliverables will be planned and tracked through the project plan. The overall implementation of the actions will be monitored as part of the project governance process.

Section 4b: If you think there is no negative impact, what is your reasoning behind this?

Section 5: What research / data / information have you used in support of this process?

As part of the Full Business Case, other Councils who have implemented self-serve were researched and the actions in Section 4 mirror best practice from the other authorities.

Section 6: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

If 'yes' please continue to section 7.

If 'no' please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to engage@wirral.gov.uk for publishing)

Section 7: How will consultation take place and by when?

Formal consultation with staff will commence from the 14th May 2018. Consultation will follow the process agreed with Unions.

Before you complete your consultation, please email your preliminary EIA to engage@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal publishing requirements. The EIA will need to be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 4. Then email this form to your Chief Officer who needs to email it to engage@wirral.gov.uk for publishing.

Section 8: Have you remembered to:

- a) **Select appropriate directorate hyperlink to where your EIA is/will be published** (section 2a)
- b) **Include any potential positive impacts as well as negative impacts?** (section 4)
- c) **Send this EIA to engage@wirral.gov.uk via your Chief Officer?**
- d) **Review section 4 once consultation has taken place and sent your updated EIA to engage@wirral.gov.uk via your Chief Officer for re-publishing?**



COUNCILLOR ANN MCLACHLAN

**CABINET MEMBER FOR
TRANSFORMATION, LEISURE
AND CULTURE**

CABINET
27 MARCH 2017

WIRRAL PLAN PROGRESS UPDATE:
2016/17 QUARTER 3

Councillor Ann McLachlan, Cabinet Member – Transformation, Leisure and Culture, said:

“The Wirral Plan was created to change people’s lives for the better: the 20 Pledges are our contract with the people of Wirral, and we will deliver as promised. Combined, they will have a huge impact – improving the quality of life every one of our residents can enjoy.”

“We are now well into the delivery phase of our Plan, and we are seeing some real results – concrete evidence which demonstrates the impact we are having all across the borough. We are also clear about where our challenges still exist.”

“We promised Wirral residents we would be open and honest with them about our progress and this report is an important part of this process.”

REPORT SUMMARY

This report provides a progress update on the ongoing delivery of the Wirral Plan and 20 Pledges. It focusses on key activities and successes in Quarter 3 (October to December 2016) and the progress which has been made.

The report affects all wards within the borough. It is not a key decision.

RECOMMENDATION/S

Cabinet is requested to note the contents of this report.

SUPPORTING INFORMATION

1 REASON/S FOR RECOMMENDATION/S

- 1.1 To ensure Cabinet has the opportunity to review progress towards achieving the Wirral Plan.

2 OTHER OPTIONS CONSIDERED

- 2.1 The Wirral Plan was agreed at Council in July 2015, creating a long-term vision for the borough alongside 20 Pledges which would be delivered by 2020. This report provides Cabinet with an update on the progress towards those pledges and therefore other options were considered.

3 BACKGROUND INFORMATION

- 3.1 This report provides a summary update of progress in delivering the Wirral Plan. Performance of the Wirral Plan is monitored by the Council's Overview and Scrutiny Committees and the Wirral Plan Partnership Delivery Group.
- 3.2 A Wirral Plan Performance Management Framework is in place and ensures robust monitoring arrangements. Information made available each quarter includes a Wirral Plan overview report and detailed performance reports associated with each Pledge.

Performance Highlights – Quarter Three

Delivery of the Wirral Plan is driven by all partners working with residents to make a difference. The points highlighted below provide some examples of where work towards the 20 Pledges is driving improvements in the lives of Wirral residents.

The list is not exhaustive, nor does it cover all 20 Pledges. More substantial performance data and key information related to the 20 Pledges is reported through the Council's overview and scrutiny committees.

Performance Highlights: Business

- The number of jobs created/safeguarded continues to exceed target and Wirral Council supported the submission of 11 Single Investment Fund applications to the City Region in December 2016 to support our jobs growth pledge.
- The Wirral Ways to Work Programme has engaged almost 600 clients since starting in April 2016 with over 100 people finding work or training.
- We have launched a 'Skills for Growth' Advisers programme across the City Region to work alongside our Business Growth Hub Advisers. This will provide businesses with funding and advice on skills to support our 'Workforce Skills Match Business Needs' pledge.

- Wirral received a National Highways and Transport (NHT) Network award at the NHT Annual Conference in recognition of being the only authority in England who has shown significant improvement in all the Road Safety elements of the Public Satisfaction Survey.
- The roll out of superfast broadband was completed at the end of October 2016 ahead of schedule and resulted in the deployment of 494 superfast structures offering services to an additional 60,120 premises across Merseyside.
- The Travel Solutions' Programme to support residents to access employment and training continues to gain strength with 1,250 referrals being handled between April and December 2016. The project is supporting Wirral residents to overcome barriers to accessing employment and over 75% of residents who are assisted are still in employment 6 months after receiving support. Unfortunately funding for this project will conclude March 2017.
- Although most performance indicators are making good progress, the number of road traffic collisions resulting in death or serious injury being reported at this time is slightly higher than we anticipated. However, it is likely the year-end figure will have reduced bringing it in line with the hopes of the Road Safety Partnership.

Performance Highlights: Environment

- The Council's Sports Development Unit delivers a programme of activities to get young people involved in sport and their communities. The National Citizens Service (NCS), is a voluntary personal and social development programme for 15-17 year olds. During Quarter 3 57 young people successfully engaged in a number of activities including working with homeless people and taking part in a 'sleep out' in Birkenhead.
- By the end of quarter three, the local stop smoking service had supported 1,396 people to set a quit date, 691 clients were still smoke free after 4 weeks (a quit rate success of 49%). 61% of the 4 week quitters remained smoke free at 12 weeks.
- Over 90 fast food take-ways in Wirral now have at least a bronze level 'Eatwell Wirral' award meaning they have made a series of healthy improvements to their overall offer such as using a different cooking oil or directly promoting healthier options.
- Five targeted schools have now completed their Takeaway For a Change intervention resulting in highly positive feedback on their involvement. 5 further schools have been targeted (using National Child Measurement Programme data) for the next round of activity.
- The Council has been successful in securing £7M of funding to support the building of affordable homes. 88 more affordable homes have already been delivered since April 2016.

- Between April and December 2016 we have seen the installation of 2,290 home adaptations in response to referrals from Health & Social Care. These interventions have helped to prevent hospital admissions and readmissions as well as supporting hospital discharges.
- Wirral's overall crime rate and levels of anti-social behaviour reported to the Police have continued to fall in year. The current emphasis on restorative justice practises, hate crime and domestic violence is helping to support the most vulnerable victims and reduce repeat victimisation.
- Tomorrow's Women Wirral (TWW) have been commended by the Butler Trust for their work on a Community Payback project commissioned to address Domestic Abuse and Harmful Practices. The results are impressive, with breach rates low and the majority of the women completing their hours and achieving additional qualifications. TWW are due to receive their commendation from HRH Princess Anne in March 2017.
- Environmental enforcement remains a very high priority for the Council in partnership with Kingdom Limited and we continue to exceed targets relating to littering. In terms of dog fouling, we have achieved a 78% improvement when compared to the same period last year. Local areas are benefitting from the increased cleanliness and fewer concerns are being raised by residents. The longer term goal is to encourage behavioural change.
- During the last quarter, Wirral Council was nominated for a Most Improved Council award for Street Cleansing, and while we did not win the category it was an acknowledgement of our endeavours to provide excellent and wide ranging frontline services and recognised our continuous improvement.

Performance Highlights: People

- A new borough-wide advice service was commissioned in December 2016. 'Ask Us Wirral' will provide information and sign-posting to both basic and detailed legal advice for Wirral residents. It is a multi-agency approach targeted to ensure isolated and vulnerable groups are able to access support.
- A second 'Wirral Door Knock' event was delivered in Woodchurch at the beginning of December. Together, the team knocked on almost 900 doors and were able to reach isolated residents to inform them of the various Christmas Day lunches in their area and other regular activities offered in their community. A further door knock is planned in Rock Ferry in March.
- The early year's foundation stage profile results have increased from 69.5% to 69.8%. Wirral's performance remains one of the highest both regionally and nationally. Wirral's performance has improved by 5.8% since the start of the Wirral Plan and is 2.9% higher than the North West average and 0.3% higher than performance nationally. The achievement gap between pupils eligible for free school meals and their peers has reduced compared to the previous academic year and further support is being provided to 22 targeted schools to ensure children are reaching their potential.

- In this quarter the latest Ofsted figures have been published with 91% of Wirral schools rated as good or outstanding which is an improvement of 7% from the previous academic year.
- The 2016 annual Youth Parliament was held on 8 November 2016 which supports young people to improve their knowledge and engage in youth matters. The event had a focus on mental health and provided the opportunity for young people to raise and debate issues important to them with local elected members.
- A delivery plan has been developed for the three Community Pilots being delivered in Seacombe, Beechwood and Birkenhead North with the aim of improving life chances. Each of the areas met with local partner organisations to shape these plans and delivery is now underway. In December 2016 over 2500 Christmas hampers were delivered across the pilot areas targeting vulnerable and isolated people and families.
- The Live Well Wirral website went live in October 2016. This service supports people with disabilities to gain access to the full range of services available to them.
- The employment rate for people with disabilities at Quarter 3 has achieved the target set. A range of activity is being delivered to continue to enhance this outcome. This included a Pathways to Employment event delivered in November for partners and provider organisations to find out more about the support offer available to help people with disabilities into work. This was followed by a 'Disability Confident' event in December specifically targeting employers.
- A new Advocacy Hub contract was awarded in October to provide Independent Mental Capacity, Health Advocacy and Care Act Advocacy as well as general advocacy and the promotion of self and peer advocacy. These services will ensure that people with disabilities are effectively represented and supported in relation to decisions made about them and their care provision.
- Disabled audits have been completed at locations across the borough including Council buildings, Leisure Centres and across the transport network. Over 550 access reviews and 150 access guides have been completed and will be made available to people living in and visiting Wirral. This will provide increased opportunities for people with disabilities to access services and facilities and be better able to plan their visits to specific locations and attractions.
- The Tomorrow's Women Wirral Peer Mentor Project, managed by Wirral Connect, is delivering a highly effective community based support programme for survivors of domestic abuse. This has resulted in;
 - Providing mentoring support to 400 women affected by domestic abuse.
 - 32 women successfully achieving the Level 2 Award in Peer Mentoring.
 - 25 women pursuing the role of Domestic Abuse Mentor.

- 100 women disclosing domestic abuse for the first time.
- 250 women with improved awareness and access to domestic abuse support services, reduced levels of social isolation and improved levels of confidence and emotional wellbeing.

4 FINANCIAL IMPLICATIONS

4.1 There are none arising from this report.

5 LEGAL IMPLICATIONS

5.1 There are none arising from this report.

6 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

6.1 There are none arising from this report.

7 RELEVANT RISKS

7.1 There are none arising from this report.

8 ENGAGEMENT AND CONSULTATION

8.1 The priorities in the Wirral Plan and underlying pledges were informed by a range of consultations carried out in 2015 and 2016, including the Wirral resident survey.

9 EQUALITY IMPLICATIONS

9.1 The Wirral Plan equality impact assessment was completed and is available online at www.wirral.gov.uk.

REPORT AUTHOR: Kevin MacCallum
Head of communications

APPENDICES

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	8 December 2016
Cabinet	5 September 2016

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