



Cabinet

Date:	Thursday, 6 November 2008
Time:	6.15 pm
Venue:	Committee Room 1 - Wallasey Town Hall

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AGENDA

1. 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.

2. DECLARATIONS OF INTEREST

The members of the Cabinet are invited to consider whether they have a personal or prejudicial interest in connection with any of the items on this agenda and, if so, to declare it and state the nature of such interest.

CHILDREN'S SERVICES AND LIFELONG LEARNING

3. SECONDARY REVIEW - PHASE 1 (Pages 1 - 26)

SOCIAL CARE AND INCLUSION

4. PROGRESS TOWARDS THE TRANSFORMATION OF ADULT SOCIAL SERVICES (Pages 27 - 54)

5. FOLLOW UP OF DISCLOSURE UNDER PUBLIC INTEREST DISCLOSURE ACT 1998 (PIDA) (Pages 55 - 62)

FINANCE AND BEST VALUE

- 6. PROJECTED BUDGETS 2009 - 2011 (Pages 63 - 70)**
- 7. ANNUAL REPORT (Pages 71 - 80)**
- 8. PROCUREMENT EFFICIENCIES (Pages 81 - 96)**
- 9. AREA BASED GRANT (Pages 97 - 104)**

REGENERATION AND PLANNING STRATEGY

- 10. REGIONAL SPATIAL STRATEGY FOR THE NORTH WEST – PARTIAL REVIEW – CONSULTATION ON INTERIM DRAFT POLICIES (Pages 105 - 128)**
- 11. 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 the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act.

CHILDREN'S SERVICES AND LIFELONG LEARNING

- 12. YOUTH SERVICES GRANT TO VOLUNTARY ORGANISATIONS (Pages 129 - 134)**

CULTURE, TOURISM AND LEISURE

- 13. HOYLAKE GOLF RESORT (Pages 135 - 138)**
- 14. ANY OTHER BUSINESS**

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

WIRRAL COUNCIL

CABINET – 6th NOVEMBER 2008

REPORT OF DIRECTOR OF CHILDREN'S SERVICES

REVIEW OF SECONDARY SCHOOL PLACES PHASE 1 - UPDATE

EXECUTIVE SUMMARY

This report advises the Cabinet of progress on the Phase 1 Area Review of secondary school places in the Birkenhead and Bebington areas. Following the report from an independent consultant, this report puts forward a recommendation for an option for consultation, and comments briefly on some of the issues involved, including the proposed Academy at Birkenhead High School for Girls and the implications of the National Challenge.

1.0 Background

- 1.1 At its meeting of 29th November 2007, Cabinet instructed that Phase 1 of the Secondary Places Review should comprise schools in Birkenhead and Bebington. As in the review of primary school places, the first stage of the Review has been to conduct a process where, on a confidential basis, meetings have taken place with key stakeholders in each of the areas under review. These stakeholders included Ward Councillors as well as officers of the Diocese of Chester and Shrewsbury, headteachers and chairs of governors of schools potentially affected by the Reviews. This comprises the “pre-consultation” phase of the process.
- 1.2 The subsequent report to Cabinet of 26th June 2008 provided an update on the demographics for secondary schools in the Birkenhead and Bebington areas, based on the January Census 2008. The report and minute form Appendix A to this report.
- 1.3 Section 4 of the 26th June 2008 report raised the potential implications of the proposed new Academy at Birkenhead High School. At this time members agreed to await an independent assessment of Birkenhead secondary schools proposed by the Office of the Schools Commissioner, the outcome of the Feasibility stage of the Academy process, and more detailed information on the National Challenge programme, before recommending options to proceed to consultation in the Phase 1 area.
- 1.4 Recommendations for options to proceed to consultation can now be made. Considerable analytic and background material was used as the basis for the identification of options; this is available for Members on request. A brief description of this material is included at Appendix B. Numbers on roll provided in this report are from the annual School Census of January 2008. Use of this material indicated that it is not necessary to make recommendations at this time for changes to South Wirral High School, St John Plessington Catholic High School, Wirral Grammar School for Girls, Wirral Grammar School for Boys or Woodchurch High School, although changes to other schools may affect these schools and will need to be monitored.

2.0 Independent assessment of Birkenhead Secondary Schools

- 2.1 Following from paragraph 4.3 of the 26th June 2008 report, the Office of the Schools Commissioner appointed an independent assessor, Mr George Gyte, to work alongside the Authority in order to examine fully the wider implications of the establishment of the proposed Birkenhead High Academy in regard to Birkenhead schools. In view of the movement of

pupils across the Birkenhead/Bebington border in both directions, Mr Gyte added the implications for Bebington High School to his considerations. He also considered with the Diocese of Shrewsbury the implications for the Catholic Aided sector.

- 2.2 George Gyte, of Gyte-Lawlor Ltd, currently works as an advisor to the Prime Minister's Delivery Unit (PMDU) on the implementation of the National Strategies, Children's Services and the Childcare Strategy. He also works as an advisor to the DCSF on the London Challenge and latterly on the 14-19 Strategy and Building Schools for the Future. Previously he was Director of Education for the London Borough of Greenwich, and has acted as lead advisor to the Teacher Training Agency on headship qualifications and training. Mr Gyte led the development and implementation of the National Professional Qualification for Headship and the Leadership Programme for Serving Heads. Other former roles include: Chief Education Inspector at Northamptonshire Local Education Authority; a secondary headteacher in Cleveland and Director of the Centre for the Study of Comprehensive Schools at the University of York.
- 2.3 During early July 2008 Mr Gyte visited Rock Ferry High School, Prenton High School, St Anselm's College, Park High School, Bebington High School, Upton Hall School and Ridgeway High School, meeting with headteachers, several chairs of governors, staff and students. He also met with Cllr Phil Davies, Cabinet Member for Children's Services and Lifelong Learning, the Director of Children's Services and other local authority officers, as well as with Frank Field MP and the Director of Schools for the Catholic Diocese of Shrewsbury.
- 2.4 Subsequently, Mr Gyte's report, entitled "Independent assessment of the Wirral LA's context and secondary review" was submitted to the Director of Children's Services. The document is attached as Appendix C to this report.
- 2.5 The report identifies Wirral's existing and growing future surplus place issues and the need to respond to the National Challenge, reforms of 14-19 education, and the prospective Academy at Birkenhead High School. It lacks any discussion around the potential impact of Birkenhead High School establishing a single sex girls primary school in Birkenhead, or of how funding for any possible options would be provided.
- 2.6 The report proposes various options for Birkenhead secondary schools, including the establishment of one or more Academies, and National Challenge Trust schools. Suggestions are also made regarding various recent innovations in the secondary curriculum, such as Studio schools and 14 to 19 hubs.
- 2.7 As well as demographic and curriculum issues, many factors must be considered before making any decisions regarding school reorganization, including accommodation and site issues, the implications of the National Challenge, and Building Schools for the Future.
- 3.0 **Options in relation to the National Challenge**
- 3.1 As reported to Cabinet in June 2008, six Wirral secondary schools have been identified as part of the National Challenge, three of which are included in the Phase 1 review area. They are: Ridgeway High School, Park High School and Rock Ferry High School. The remaining three schools fall within the Phase 2 review area. They are Wallasey School, Oldershaw School and Pensby High School for Boys.
- 3.2 School improvement plans in relation to these six schools were submitted in accordance with DCSF requirements by 31st July 2008. The Local Authority received feedback from the National Strategies and the DCSF on 17th September, and was required to submit any revisions for those elements of the school plans requiring funding by 30th September 2008. All six schools are currently reviewing their plans. Agreement on the school improvement plans, allocation of National Challenge Advisers and supporting resources is now close to completion and will be completed by the time of this Cabinet meeting.

3.3 Draft GCSE and equivalent examination results for 2008 are now available, and the table below shows the following outcomes:

	2007 CVA	2007 %	2008 %	2008 Estimate FFT B
Park High	1014.9	23	26	26
Ridgeway High	1037.2	27	38	28
Rock Ferry High	1000.2	18	23	21
Oldershaw	1028.8	28	18	22
Wallasey	996.2	29	30	42
Pensby High School for Boys	992.0	26	25	44
<i>Bebington High</i>	<i>988.6</i>	<i>30</i>	<i>37</i>	<i>38</i>

Percentages in the table above relate to the National Challenge criteria for pupils achieving 5 or more A* to C grades at GCSE and equivalent, including English and Maths. FFT B Estimate for 2008 is based on similar schools nationally in terms of prior attainment and economic deprivation. 2007 KS2 to KS4 Contextual Value Added (CVA) is shaded where performance was below average, unshaded where performance was average or above.

Bebington High Sports College (*in italics*) is not a National Challenge school, but is included in the table for completeness since it is referred to in the Gyte report.

- 3.4 Four schools have increased the percentage of students gaining 5+ A*-C GCSE grades including English and Maths, but there are still four schools below the 30% floor target. Ridgeway High School has exceeded the 30% National Challenge target in 2008, however the DCSF and National Strategies have indicated that Ridgeway should remain part of the National Challenge as part of ensuring sustainability.
- 3.5 In relation to the National Challenge, the Gyte report suggests that within Phase 1 of the secondary school review, Bebington High and Ridgeway High should be considered for closure, reopening either as one or more Academies or National Challenge Trusts in order to “bring new ambition, partners and sponsors to help drive up improvement and raise attainment at a pace”.
- 3.6 Ridgeway High School already has Foundation status without a Trust. Bebington High School has formally begun the consultation process to become a Foundation school with a Trust, although not a National Challenge Trust. As part of this consultation, the governors of Bebington High School have asked whether the Council would like to become part of the proposed Trust. I shall bring a further report to Cabinet shortly to explore this and other issues to do with school governance so that a view can be taken.

National Challenge Trusts

- 3.7 National Challenge Trusts (NCTs) are intended as partnerships between National Challenge schools and successful schools or other education providers such as colleges or universities. In the same way as existing Trust schools, NCTs will be local authority maintained schools supported by a Trust with charitable status. The NCT enables those schools that do not have the capacity to reach the set target by 2011 to work towards sustainable improvement through collaboration with strong educational and/or business partners.
- 3.8 Unlike standard Trusts, the decision to create a NCT is triggered by local authority intervention rather than by the school. The Trust must represent a radical option for transforming the school, with a clear focus on school improvement and with the involvement of at least one strong education partner – which may be a school or a non-school education partner such as a Higher or Further Education college. Governance arrangements should allow the strong education partner to take over the running of the weaker school through the Trust appointing a majority of the governors, which is not generally the case with existing Trusts.
- 3.9 Up to £750,000 in funding over 3 years (or up to £1 million in the case of secondary modern

schools – non selective schools in selective areas) is available to support National Challenge Trust schools where the NCT has been approved as part of the local authority's National Challenge strategy. This funding cannot be used for capital works, but could go towards project management, legal costs, additional staff costs in partnering schools, recruitment of specialist teachers and senior staff, as well as staff restructuring and voluntary redundancy packages.

3.10 However following information from DCSF advisors, it now appears likely that none of Wirral's six schools within National Challenge would be eligible to receive National Challenge Trust funding. This advice has been received verbally and is subject to confirmation. As a consequence of this, it is not my intention to propose any change to these two schools at this time.

4.0 Options in relation to Prenton High School and Birkenhead High School

4.1 Mr Gyte reports on the concerns of Prenton High School for Girls regarding the establishment of an additional girls school in the area, and suggests that Prenton High School should be considered for Academy status "as a means of securing its future" which could include the establishment of a Sixth Form. He also says that the two girl's schools should "work towards a formal collaboration". There is no indication as to the nature or structure of any such arrangement. Normal sorts of formal collaborations might include:

- to establish a single girls Academy, possibly operating on two sites
- a "hard federation" under a single headteacher and governing body. Each school retains separate budgets, admissions and performance data, and is inspected separately by Ofsted.
- a "soft federation" with both schools retaining separate headship, governance and budgets, but with shared elements of governance or a joint strategic committee with delegated powers.

A table showing the different kinds of federation, and less formal methods of collaboration, is included as Appendix D. However, there is no provision under current legal frameworks for federations between Academies and other kinds of schools.

4.2 Federations can only be proposed by the Governing bodies of two or more schools. Any form of collaboration between the two girls' schools would require the co-operation of the sponsor of the Birkenhead High School Academy, the Girls Day School Trust (GDST), the governing bodies of both schools and the Local Authority.

4.3 The DCSF have now appointed PKF (UK) LLP as project consultants for the proposed Academy at Birkenhead High School. A Project Steering Group is being established, comprising PKF, the GDST as sponsor and various DCSF representatives. The Local Authority has also been invited to nominate a representative, and officers attended the first Steering Group meeting in September 2008 at Birkenhead High School. The required Stakeholder Group has also been established, and headteacher representatives from both Primary and Secondary schools have been requested.

4.4 The establishment of a second, state funded and non-selective girls' school in Birkenhead, bound by the Code of Practice for Admissions, presents considerable challenges. There would be a significant imbalance in the number of places available to boys and to girls in the borough, particularly in single sex schools. The two girls' schools would be only 1.5 miles apart and neither would be a large school; Prenton High has an admission number of 150 representing 5 forms of entry whilst the proposals for Birkenhead High envisage a growth from 60 to 100 pupils per year in the secondary department. At just over 3 forms of entry, this school would not be considered sustainable by the Authority.

4.5 This analysis suggests that in the event that the Birkenhead High proposals are agreed by

the Secretary of State, it will be vitally important for both schools that a strong collaboration exists. Such a collaboration needs to be formal and needs to be capable of development as the pattern of pupil choice emerges. I recommend in this report that I be authorized to discuss such arrangements with the Girls Day School Trust and the DCSF. The Authority has not yet been consulted formally about the proposals but such discussions would inform the Authority's response.

5.0 Establishment of a new Academy

The Gyte report proposes an option for reorganisation of secondary school provision in the Birkenhead area involving the closure of Rock Ferry High and Park High schools, combined with the establishment of an Academy, suggesting that a new building for the Academy should be constructed, rather than utilising either of the existing sites.

- 5.1 Under this option, both Rock Ferry High School and Park High School would be closed. A new Academy would in the first instance open in the existing buildings.
- 5.2 A new building for the Academy would be considered a high priority for the Authorities Building Schools for the Future programme, or funding may be available via the national framework for Academies set up by Partnerships for Schools (PfS) subject to the availability of a suitable site. In many cases Academies open in the existing buildings of the schools they replace. The Government's aim is that new or refurbished buildings will be provided within three years of the Academy opening, although they acknowledge that some Academies replace schools that have already been rebuilt or refurbished.
- 5.3 SEN provision currently based at the Sanderling Unit at Rock Ferry High would be relocated either to the Academy, or to another secondary school.
- 5.4 The Authority would expect that pupils attending both former schools would be guaranteed a place at the new Academy, although parents may choose to apply for places elsewhere if they wish to do so, in which case places would be allocated subject to the availability of places and according to the Admissions Code. It is understood that this has always been the case where academies have been established elsewhere.
- 5.5 The Gyte report suggests the inclusion of a 14-19 "hub" (referred to as a vocational centre) and the inclusion of a Studio school (see 10.0 below) to expand the current offer available to students at risk of becoming NEET (Not in Employment, Education or Training).
- 5.6 As a new Academy, there is no requirement for a statutory competition, although extensive consultation would take place including the invitation of sponsors for the Academy.
- 5.7 Guidance suggests that lead sponsor appoints the majority of governors, and takes on the full responsibility for setting up the Academy, making key decisions about the strategic direction of the new school in terms of staffing, as well as the academic, curriculum and admissions strategy. Co-sponsors can provide support through educational or other expertise. In practice, it is understood that at least in some instances, all sponsors can be involved in making key decisions about the strategic direction of the new school. Sponsors can come from a wide range of backgrounds, including colleges, universities, individual philanthropists, businesses, the charitable sector, existing private schools, educational foundations and the faith communities. The Council could decide to be a co-sponsor of the Academy. The arrangements involve the formation of an entity to promote and manage the Academy to insulate it from the future destiny of the individual sponsors.
- 5.8 New Academies are normally expected to be 11 to 18 in age range, which differs from the position in the non-selective schools in Birkenhead, all of which are currently 11 to 16 schools, and this will require further investigation with the Academies division of the Department for Children, Schools and Families (DCSF). Guidance indicates that the DCSF would need to be assured that the arrangements for post-16 provision for pupils leaving the

Academy are as good in terms of accessibility and quality as those that could be provided by the Academy itself. The final decision on the establishment of an Academy is made by the Secretary of State.

5.9 Consultations are currently underway by the boards of both Birkenhead Sixth Form College and Wirral Metropolitan College for their own redevelopment and these two institutions are the progression routes for the majority of Rock Ferry High School and Park High School students, as well as those from Ridgeway High School and Woodchurch High School.

5.10 Should the Cabinet support the proposal for an Academy therefore, I recommend that the academy should be for the 11 to 16 age range with the possibility of incorporating the “hub” proposal in partnership with other schools, colleges and work based learning providers. The details of this development will require much further exploration with the institutions concerned and with the sponsor.

6.0 Nature of an Academy

6.1 Academies are non-selective state funded independent schools. These schools have one or more sponsors, and can have a religious character if this is set out by the sponsor. Staff are employed by the Governing body just as in Aided, Foundation and Trust schools, but unlike other kinds of schools, they do not have to follow the School Teacher’s Pay and Conditions document.

6.2 Ownership of the building and site is by the Academy company. The Academy is funded by the Academies Division of the DCSF, not via the Council, but the funding level is determined by reference to the LA budget formula, and is deducted from the Authority’s DSG (Direct Schools Grant).

6.3 As in Aided, Foundation and Trust schools, the Governing body is the Admissions Authority and must comply with the Admissions code. Academies have some flexibility with regard to the National Curriculum and do not have to follow the SEN code of practice.

6.4 Academies are inspected by Ofsted, as in all other categories of school, but any necessary intervention on standards is by the Academies division of the DCSF, not by the Local Authority.

7.0 Demographics

7.1 In January 2008, there were 689 pupils at Rock Ferry High School, and 868 at Park High School, 1,557 pupils in total. Between the two schools, there were 925 surplus places, resulting in 31% surplus places at Park High and 44% surplus places at Rock Ferry High School.

7.2 As the number of secondary age pupils falls over the next few years, the total number of pupils between the two schools is projected to fall from 1,557 in January 2008, to 988 by January 2013. If significant changes are not made to existing secondary school provision, this would produce 1,494 surplus places between the two schools, 55% empty places at Park High and 66% empty places at Rock Ferry High. This projection does not take into account the potential impact of a new Girls Academy at Birkenhead High School, which is likely to further reduce the total number of pupils available to attend neighbouring schools.

8.0 Site issues

8.1 As the Academy would open initially in the existing buildings of both schools, there are substantial ownership and land issues to resolve prior to the establishment of the Academy.

The Academy Trust is expected to own the buildings and site in which the Academy is based, however Park High is part of the Council's PFI scheme until 2031. Rather than reverting to Council ownership in 2031, ownership of the buildings and land would revert to the Academy Trust. Rock Ferry's site is currently in Council ownership. A leasing arrangement would need to be agreed for one or both sites, otherwise ownership would be transferred to the Academy Trust at the inception of the Academy. The Council would like to ensure that ownership would revert to the Council.

- 8.2 If at some later date either or both existing sites are declared surplus to requirements as a school, the Council would need to find an alternative use for the Park High buildings until 2031 or consider buying out of the PFI contract which is likely to be at high financial cost. Any proposed sale of either site would be subject to the regulations on the sale of school playing fields and the Council's planning regulations. The distribution of any potential proceeds from a future site sale would be best agreed legally with the Academy Trust during the Feasibility stage.
- 8.3 Both existing buildings are well within the size requirements for a secondary school accommodating the projected 900 to 1000 pupils. The present capacity at Park High is 1,250 pupils, and at Rock Ferry High, 1,232 pupils.
- 8.4 A preliminary study of possible sites in the Birkenhead area has been carried out, and initial findings are that there are a small number of sites of sufficient size in a suitable location. These sites are however likely to require the release of Unitary Development Plan designated Urban Green Space or the removal of playing fields from community use. This could be offset by designating all or part of one of the existing school sites as green space/playing field.
- 8.5 More in-depth study of potential sites for a new building to house the Academy will be carried out prior to the Building Schools for the Future programme. As a matter of urgency if the Cabinet support the principle of the establishment of a new Academy, a further report will be presented.
- 9.0 Building Schools for the Future (BSF)**
- 9.1 The criteria for allocation to the current BSF waves is based upon deprivation (free school meals) and examination performance. Wirral has been allocated Band D, Wave 12, which currently indicates an entry into full BSF around 2015. This later entry date reflects the recent investment in secondary schools through PFI, Aided school investment and other capital schemes and overall examination and deprivation factors in the national context.
- 9.2 Subsequently, LA's in the later waves of BSF have been allocated capital funding for a "One School Pathfinder" secondary school re-build. Woodchurch High School is the selected school and design work is underway, with a target completion date of September 2010 for a full school transfer to the new building.
- 9.3 On 26th June 2008, Cabinet approved a positive response to a consultation on entry into an earlier wave of BSF for some projects. In order to qualify for early entry to the programme, authorities "with projects at the front of the queue" will need to provide evidence that they are ready to proceed to the satisfaction of Partnership for Schools (PfS). LA's will need to be ready to start "immediately and quickly", which means that as well as committing to resource a BSF project team, the strategic vision must be in place and ideally that statutory decisions on re-organisation including closures and proposals for new schools or Academies should either have been made or be in progress.
- 9.4 The DCSF have subsequently asked for all Authorities not already participating in a full BSF programme to submit a revised expression of interest by 30th November 2008. This includes revised demographic data, a summary of the Authorities strategy for transformation and readiness to proceed, and will form the subject of a report to Cabinet later this month.

10.0 Studio Schools

- 10.1 The Gyte report mentions the inclusion of a Studio School within a new Academy in Birkenhead. This is a relatively newly launched concept in the UK, resulting from research conducted by the Young Foundation.
- 10.2 In essence, the studio school is aimed at 14 to 19 year olds, teaching the National Curriculum through interdisciplinary, enterprise-themed projects to prepare them for the world of work. The school operates one or more small businesses, and is staffed by a combination of teachers, and non-teachers with a business background. Studio schools are aimed at young people of all abilities wanting a more practical, entrepreneurial approach or those alienated by traditional education. Pupils would spend a minority of their time working in the school “business”, with those over 16 receiving a wage, and can take either vocational or traditional qualifications.
- 10.3 The Gyte report indicates that this could be an option for pupils who are at risk of becoming NEET, although the Young Foundation states that studio school style education is unlikely to be suitable for pupils in Pupil Referral Units or those with complex and challenging needs. These schools are not intended to replace conventional schools, being described as operating as a “school within a school” or in some documents as a small school with a comprehensive intake of up to 300 young people. Definitions of a studio school are varied, and would require further investigation in order to establish the benefits for young people in Birkenhead.
- 10.4 At present, the only studio school in operation is a pilot scheme between Barnfield College in Luton and two Academies which it sponsors. A group of around 30 students spend 2 days a week attending the College, studying business start-up and a vocational programme, with the remaining time spent at their home Academy.
- 10.5 Other Authorities reported to be interested in the Studio school concept are Newham, Barnsley, Blackpool, Kirklees, Oldham, Sheffield and South Tyneside. Contact has been made with the Principal of Barnfield College, and it is likely that a visit to the school will be made during the Autumn term.

11.0 Diocesan Issues

- 11.1 There is currently no Church of England secondary school in the Wirral area, and this should be considered as possibility within any options which create a new school.
- 11.2 While any voluntary or foundation school may be established with a religious character, it is not possible for any school to gain, lose or change religious character through the change of category process. To effect a change from, for example, a community school to a voluntary school with a religious character, the LA would need to publish a proposal to close the community school, and the relevant Diocese would publish a linked proposal to establish a new Voluntary Controlled or Aided school. Alternatively, a Diocese could act as a sponsor to an Academy, or as a member of a Trust for a Foundation school with a Trust.

12.0 Financial Implications

- 12.1 There are none arising directly as a result of this report, though the proposed changes do have very significant implications. These will be explored in a further report as proposals become more specific and before decisions are taken by the Cabinet.

13.0 Staffing Implications

13.1 There are none arising directly as a result of this report. There are, however, important implications arising out of the proposals and these will be set out in a further report as proposals become more specific.

13.2 The staffing implications of entering Building Schools for the Future will be significant. Again, this will be the subject of a future report.

14.0 Equal Opportunities Implications

14.1 It is essential to plan school provision across the Authority so that it is both efficient and effective in the interests of all pupils. Consultation will need to address very carefully the impact of any preferred options on pupils which are served by the schools concerned. Attention has been drawn, for example, to the imbalance of boys' and girls' places earlier in the report and the need to plan for pupils having special educational needs.

15.0 Community Safety Implications

15.1 Rationalisation and refurbishment of schools allow the most vulnerable accommodation to be removed and other security improvements carried out.

16.0 Local Agenda 21 Statement

16.1 The provision of efficient and effective education is a vital part of serving local communities; inefficient use of resources is wasteful both in educational and physical resource terms.

17.0 Planning Implications

17.1 The relationship between housing development policy and school place provision is a factor in considering surplus place removal.

17.2 Any proposals after the consultation and decision making process for school re-organisation would be subject to the usual planning processes.

18.0 Anti-Poverty Implications

18.1 The redistribution of funding released by school reorganisation, in combination with the Authority's intention to realign the schools budget to give higher levels of funding to schools with high levels of deprivation, as well as improved accommodation, goes towards raising aspirations and narrowing the attainment gap for vulnerable groups.

19.0 Social Inclusion Implications

19.1 School re-organisation and transforming accommodation through the forthcoming Building Schools for the Future programme and other schemes, provides opportunities to promote joint agency work to promote co-ordinated solutions for pupils and their families. There is scope for community participation in the design process of any new school buildings, raising the school's profile within the community.

20.0 Local Member Support Implications

20.1 The schools specifically mentioned in the report and appendices, and the Wards in which they are situated, which are Bebington, Claughton, Oxton, Rock Ferry, and Upton.

21.0 Background Papers

DCSF Supply of School places return

DCSF guidance on Surplus Place Removal

Pupil and Capacity data held by the LA

DCSF prospectus for Sponsors and Local Authorities - 400 Academies

DCSF strategy document "Back on Track - A strategy for modernising alternative provision for young people"

Barnfield College - www.barnfield.ac.uk/news.php?id=35

Young Foundation Studio Schools programme - http://launchpad.youngfoundation.org/fund/learning-launchpad/fund_home

22.0 Recommendations

It is recommended that:

- (1) the Director begins formal discussions with the DCSF and potential sponsors with a view to the establishment of a new Academy in Birkenhead.
- (2) Cabinet confirms that, in principle, the Council would wish to become a co-sponsor of the Academy.
- (3) detailed feasibility work begins with a view to establishing the size of the proposed Academy and its location in order to create an official Expression of Interest for an Academy.
- (4) in the light of (3), consultations begin on the closure of Rock Ferry High and Park High School in order to establish a new Academy for their pupils.
- (5) the Director undertakes formal discussions with the Girls Day School Trust and the DCSF to explore the future relationship between Birkenhead High School and Prenton High School and the relationship of both with the Authority.
- (6) the Director brings back a further report to Cabinet on the implications of the above proposals on other schools and colleges.
- (7) the revised Expression of Interest for Building Schools for the Future be the subject of a further report to Cabinet.
- (8) the above recommendations are the subject of a detailed consultation exercise with key stakeholders and a further report be brought back to Cabinet on the outcome of this including any other suggestions raised during the consultation phase.

Howard Cooper

Director of Children's Services

EXECUTIVE SUMMARY

This report advises the Cabinet of progress on the Phase 1 Area Review of secondary school places in the Birkenhead and Bebington areas. Following meetings with key stakeholders in each of these areas, this report contains a summary of provision in each area and comments briefly on some of the issues involved.

1.0 Background

- 1.1 The Council is required to monitor surplus places, both by the DCSF and by the Audit Commission. The Audit Commission recommends that surplus places overall should be no higher than 10%. Below 4%, there may be little scope for parents to exercise their right to express a preference, while above 10% the Council is considered to be wasting resources supporting empty space, rather than directly funding education. In the most recent Supply of School Places return to the DCSF in summer 2007, the overall surplus percentage for secondary schools was calculated at 11%.
- 1.2 The DCSF also uses the number of schools with more than 25% and more than 30 surplus places as a measure of how effectively the LA is managing places. In January 2007, two of Wirral's 22 secondary schools were in this category. This has risen to three schools in January 2008, and it is estimated that this will continue to rise to seven secondary schools by 2013. The Authority is obliged to make a statement about schools in this category, stating how and when the surplus place issue is to be addressed, or if no action is to be taken, the reasons for this decision.
- 1.3 Wirral is already above the Audit Commission's recommended 10% maximum for surplus places, and has at least three schools in the 25% and 30 places category. If no action is taken to address these issues, the overall Wirral surplus place percentage in secondary schools is projected to increase to 21% by 2013, more than double the Audit Commission's maximum acceptable level.
- 1.4 At its meeting of 29th November 2007, Cabinet instructed that Phase 1 of the Secondary Places Review should comprise schools in Birkenhead and Bebington. The minutes of that Cabinet meeting are attached for Members' information as Appendix A to this report. As in the review of primary school places, the first stage of the Review has been to conduct a process where, on a confidential basis, meetings have taken place with key stakeholders in each of the areas under review. These stakeholders included Ward Councillors as well as officers of the Diocese of Chester and Shrewsbury, headteachers and chairs of governors of schools potentially affected by the Reviews.
- 1.5 There is considerable analytic and background material available for Members on request. A brief description of this material is included at Appendix B. Numbers on roll provided in this report are from the annual School Census of January 2008.

2.0 Bebington

- 2.1 This area is served by five 11 to 18 secondary schools – two are single sex selective grammar schools, one is a Voluntary Aided Catholic school, and two are community secondary schools. The Governing Body of South Wirral High School has recently informed the Council of their decision to change to Foundation status from July 2008. This date allows

little time for implementation, and is now the subject of discussion between LA officers and the governing body of the school.

2.2 The following table shows the current position in terms of capacity, number on roll and surplus places, as well as the pupil projections to 2013.

	Bebington	St John Plessington	South Wirral	Wirral Boys	Wirral Girls
2007 Net Capacity	1251	1404	1180	1013	1129
2008 NOR	993	1287	1153	1012	1048
2008 Surplus place %	20.6	8.3	2.3	0.1	7.2
2013 NOR (projected)	751	1248	1108	985	1044
2013 Surplus place % (projected)	40.0	11.1	6.1	2.8	7.5

2.3 Bebington High School is already demonstrating high levels of surplus places, and is projected to exceed 25% and more than 30 surplus places in the next few years. The sixth form at Bebington High is relatively small.

2.4 As shown in Appendix C, South Wirral High School also has a relatively small sixth form department, with the post-16 pupils comprising 12% of the total school population at South Wirral, compared with the Wirral non-grammar school average of 15% (19% with grammar schools).

2.5 As reported in Section 4 of the November 2007 report, the Wirral working group agreed that a definite size beyond which a school was no longer viable was impossible to determine in Wirral. However, the discussion group did agree that compromises became increasingly difficult for cohorts approaching 100 pupils. National research on secondary school size has been scarce, but a study carried out in 2002 suggests that the optimum cohort size for a comprehensive school is between 175 and 200 pupils. For an 11 to 16 secondary school, this would result in between 875 and 1000 total pupils. The current and projected average cohort size at each school is shown in the table below.

Average Cohort size	Bebington	St John Plessington	South Wirral	Wirral Boys	Wirral Girls
2008 11 to 16	171	216	204	150	152
2013 11 to 16 (projected)	134	211	196	147	155
Difference	-37	-5	-8	-3	+3

2.6 In terms of size, Bebington High School is projected to experience the greatest fall in average cohort size over the next five years of schools in the secondary area.

2.7 Analysis of where pupils live and attend school shows that there is an overlap between the pupil populations of Bebington High School, and nearby Rock Ferry High School, and options for change across the Phase 1 area should consider addressing falling rolls at Bebington High School.

3.0 Birkenhead

3.1 This area is served by two 11 to 18 single sex selective Catholic grammar schools, and five 11 to 16 schools. Four of these are community schools, one of which is single sex, and the fifth, Ridgeway High School, has recently changed status to become a Foundation school.

3.2 The following table shows the January 2008 census numbers on roll (NOR), the projected NOR in 2013, the capacity of the schools and the actual and projected surplus place percentages.

	Park	Prenton	Ridgeway	Rock Ferry	St Anselm's	Upton Hall	Woodchurch
2007 Net Capacity	1250	750	801	1250	1066	1043	1379
2008 NOR	868	640	759	689	844	891	1294
2008 Surplus place %	30.6	14.7	5.2	44.9	20.8	14.6	6.2
2013 NOR (projected)	510	686	679	410	822	824	1360
2013 Surplus place % (projected)	59.2	8.5	15.2	67.2	16.2 *	13.6 *	1.4

3.3 The level of surplus places in several of these schools is projected to increase. Two schools are already above the 25% and 30 surplus places DCSF indicator – Park High School and Rock Ferry High School.

3.4 By agreement with the headteachers of the two schools and the Diocese of Shrewsbury, a revision of the Net Capacity of St Anselm's Catholic College and Upton Hall School will reduce the projected surplus place percentage for these two schools (marked with an asterisk in the table above) with effect from the next Supply of School Places return to the Government in Summer 2008. Surplus places at the two schools are still projected to be above the 10% level by 2013.

3.5 Several of these schools are also relatively small. As reported in Section 4 of the November 2007 report, the Wirral working group agreed that a definite size beyond which a school was no longer viable was impossible to determine in Wirral. However, the discussion group did agree that compromises became increasingly difficult for cohorts approaching 100 pupils. National research on secondary school size has been scarce, but a study carried out in 2002 suggests that the optimum cohort size for a comprehensive school is between 175 and 200 pupils. For an 11 to 16 secondary school, this would result in between 875 and 1000 total pupils. The current and projected average cohort size at each school is shown in the table below.

Average Cohort size	Park	Prenton	Ridgeway	Rock Ferry	St Anselm's	Upton Hall	Woodchurch
2008 11 to 16	174	128	152	138	128	136	259
2013 11 to 16 (projected)	106	137	136	82	128	121	272
Difference	-68	+9	-16	-56	0	-15	+13

3.6 Over the next five years, average cohorts at Prenton High, St Anselm's College and Woodchurch High are projected to remain stable or grow in size, while average cohorts at Rock Ferry High and Park High are likely to experience a significant fall to close to or below the 100 pupil viable size for an 11 to 16 school.

4.0 Next steps

Academy

4.1 There are a number of possible options for changes to secondary schools in the Phase 1 area. The present situation is however further complicated by the potential introduction of an Academy at Birkenhead High School for Girls, which is discussed in greater detail in a report to Cabinet on the same agenda.

- 4.3 The Office of the Schools Commissioner have suggested that they be allowed to appoint an independent assessor to work alongside the Authority in order to fully examine the wider implications of the establishment of the proposed Birkenhead High Academy. At this stage, an informal meeting will be arranged with the independent assessor to discuss this suggestion.

National Challenge

- 4.4 On 10th June 2008, the DCSF announced the National Challenge, a three year £400 million programme targeting 638 schools in England where fewer than 30% of pupils achieve at least five GCSEs at A* to C, including English and maths. Details are not yet available, however, the programme is likely to offer extra funding, specialist advice, assistance from experienced headteachers and the involvement of neighbouring schools, with the intention of having no schools in the below 30% category by 2011. The National Challenge follows on from the London and City Challenge programmes. The DCSF document "City Challenge: For World Class Education" is attached as Appendix D.
- 4.5 Six Wirral secondary schools have been identified as part of the National Challenge, three of whom are included in the Phase 1 review area. They are: Ridgeway High School (27%), Park High School (23%) and Rock Ferry High School (18%).
- 4.6 The remaining three schools fall within the Phase 2 review area. They are Wallasey School (29%), Oldershaw School (28%) and Pensby High School for Boys (26%).
- 4.7 A distinction should be drawn between schools on a rising performance trajectory, and those with more static attainment, often in challenging areas, set against the backdrop of the selective system in Wirral. When comparing the performance of schools it is important to recognise the progress they have helped students make. In terms of Contextual Value Added between the end of primary school (Key Stage 2) and Year 11 (Key Stage 4), pupils in all six schools made average or above average progress compared with mainstream schools nationally – none were in the bottom 25% of schools for this performance measure. These six schools may not yet have met the DCSF floor target but with continued school development and support will progress. A plan of action for each school must be drawn up by the LA by the end of July 2008, ahead of results from the 2008 GCSE and equivalent examinations, which will be released in August 2008.

Further steps

- 4.8 Given the potential implications of the proposed new Academy at Birkenhead High School, and the recently announced National Challenge, it seems prudent to await the outcome of the Feasibility stage of the Academy process, and more detailed information on the National Challenge programme, before making recommendations to Cabinet for options to proceed to consultation in the Phase 1 area. On this basis it is intended to return to Cabinet with a further report on the Phase 1 review area in Autumn 2008.

5.0 Financial Implications

- 5.1 There are none arising as a result of this report.

6.0 Staffing Implications

- 6.1 There are none arising as a result of this report.

7.0 Equal Opportunities Implications

- 7.1 It is essential to plan school provision across the Authority so that it is both efficient and effective in the interests of all pupils.

8.0 Community Safety Implications

- 8.1 Rationalisation and refurbishment of schools allow the most vulnerable accommodation to be removed and other security improvements carried out.

9.0 Local Agenda 21 Statement

9.1 The provision of efficient and effective education is a vital part of serving local communities; inefficient use of resources is wasteful both in educational and physical resource terms.

10.0 Planning Implications

10.1 The relationship between housing development policy and school place provision is a factor in considering surplus place removal.

10.2 Any proposals that may arise out of options after the consultation and decision making process for school re-organisation would be subject to the usual planning processes.

11.0 Anti-Poverty Implications

11.1 The redistribution of funding released by school reorganisation, in combination with the Authority's intention to realign the schools budget to give higher levels of funding to schools with high levels of deprivation, as well as improved accommodation, goes towards raising aspirations and narrowing the attainment gap for vulnerable groups.

12.0 Social Inclusion Implications

12.1 School re-organisation and transforming accommodation through the forthcoming Building Schools for the Future programme and other schemes, provides opportunities to promote joint agency work to promote co-ordinated solutions for pupils and their families. There is scope for community participation in the design process of any new school buildings, raising the school's profile within the community.

13.0 Local Member Support Implications

13.1 The schools specifically mentioned in the report and appendices, and the Wards in which they are situated, which are Bebington, Claughton, Eastham, Rock Ferry and Upton.

14.0 Background Papers

DCSF Supply of School places return

DCSF guidance on Surplus Place Removal

Pupil and Capacity data held by the LEA

DCSF Press Release 10th June 2008 "National Challenge Strategy launched to ensure more children get better GCSEs" - http://www.dcsf.gov.uk/pns/DisplayPN.cgi?pn_id=2008_0109

Recommendations

(1) That Cabinet note the new demographic information in relation to schools in the Phase 1 area, including future projections of pupil numbers.

(2) That a further report on the Phase 1 review be brought to Cabinet later this year, following the outcome of the Feasibility stage for the proposed Birkenhead High Academy and taking into account the implications of the National Challenge programme.

Howard Cooper

Director of Children's Services

Minutes - Cabinet - 26 June 2008

Present

Chair S Foulkes

Councillors

George Davies, PL Davies, G Gardiner, SA Holbrook, SE Kelly, RK Moon,
Jean Quinn, JV Stapleton

In attendance:

JE Green

Apologies

M McLaughlin

Minute 81 - CHILDREN'S SERVICES AND LIFELONG LEARNING: REVIEW OF SECONDARY SCHOOL PLACES PHASE 1: AREA REVIEWS OF BIRKENHEAD AND BEBINGTON

The Director of Children's Services advised the Cabinet of progress on the Phase 1 Area Review of secondary school places in the Birkenhead and Bebington areas. Following meetings with key stakeholders in each of these areas, a report was presented which contained a summary of provision in each area and commented briefly on some of the issues involved.

Minute Decision :

Resolved - That

(1) the new demographic information in relation to schools in the Phase 1 area, including future projections of pupil numbers be noted; and

(2) a further report on the Phase 1 review be brought to Cabinet later this year, following the outcome of the Feasibility stage for the proposed Birkenhead High Academy and taking into account the implications of the National Challenge programme.

APPENDIX B

Index to Birkenhead and Bebington

Section 1 - Overall and Comparative Overview

- Cabinet Reports and Resolutions
 - 29th November 2007
- Aerial photograph of the area
- Map showing schools

Wirral data

- School Organisation Plan – Wirral Summary
- Projected 10 to 19 population

Comparative data

- School Organisation Plan
- NOR and Surplus Places 2008
- % Surplus Places 2008

Section 2 - Individual School Data

For each school:

- Detail page
- Aerial photograph
- NOR 1988 –2008 (all ages)
- NOR 1997 –2008 and projected to 2013 (2000 – 2008 for St Anselms College and Upton Hall School)
- NOR 2000 – 2008 and projected to 2013 for Y7 and post-16 provision (schools with sixth forms only)
- Pupil plot
- Hotspot map
- Primary school of origin chart (11 to 16 pupils only)
- Room plan(s) of the school

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APPENDIX C

Independent assessment of the Wirral LA's context and secondary review-

What follows is my report and findings following my visits to the Wirral, and the next steps the LA should consider taking following:

- its review of secondary provision in Birkenhead and Bebington
- the successful delivery of 14-19 implementation which meets the needs of all its students in Birkenhead and Bebington,
- the announcement in October 2007 that Birkenhead High School was to seek academy status, and above all
- **the implications for the local authority and its secondary schools of the recently announced National Challenge.**

Introduction:

I would like to extend my warm thanks and appreciation to Councillor Phil Davies, Cabinet Member for Children's Services and Lifelong Learning and to Howard Cooper, Director, Children's and Young People's Department, and his colleagues in the Local Authority and schools for the way in which they have helped me undertake my task on the Wirral. They have been welcoming, open and thoughtful in all my interviews and deliberations with them. I would also like to thank Frank Field MP for the time, help and support he and his research officer Patrick White have given me in undertaking this task, and Michael Clark, Diocesan Director, Shrewsbury Diocese, for his generous time to discuss issues, his background briefing and information. Most of all I would like to express my appreciation to the students from the Wirral schools that I met on my visits and the head teachers and staff that work with them to help raise their standards of achievement, their aspirations and ambitions. I should like to record a special thanks to Dawn Kenny (PA to Howard Cooper) for the speed and flexibility with which she organised my visits and ensured they all were successful. Her flair in programme planning and her excellent organisational skills were much appreciated.

Context and visits:

- 1 The Wirral is at a critical point in its deliberations about what is the best provision for meeting the needs and aspirations of its current and future generations of young people. It needs to make some important, difficult and very necessary decisions about surplus places as well as inadequate standards of attainment. **It needs to respond to the Government's recently announced National Challenge in a candid, bold and visionary way.** It also needs to ensure that implementation of the 14-19 reforms aid its improvement drive, and help it meet the needs of all its young people, particularly those most at risk in terms of access, participation and progression. It also has to decide how it should respond to the prospective Academy at Birkenhead High School and the part this might play in its

strategy for the peninsula. Most importantly it needs to weave all these dimensions well into its vision, strategy and decision-making for the way ahead in autumn 2008.

- 2 I have visited Rock Ferry High School, Prenton High School, St Anselm's College, Park High School, Bebington High School, Upton Hall and Ridgeway High School, met with all the heads, several Chairs of Governors, many staff and quite a number of students. I have also had meetings with Councillor Phil Davies (Cabinet Member for Children's Services and Lifelong Learning), Howard Cooper (Director, Children and Young People's Department) and his local authority colleagues: Chris Batman, David Armstrong and Gordon Fair. I have also had discussions with Frank Field MP and his Researcher Patrick White, and also with Michael Clark (Diocesan Director of Education, Shrewsbury Diocese).
- 3 I have read copies of the *Provision of Secondary School Places – Future Strategy* report to the Wirral Council Cabinet meeting of 29th November 2007, and also the *Director's Report to Cabinet of 26 June 2008 Review of Secondary School Places Phase 1: Area Reviews of Birkenhead and Bebington*. I have also read the Report of the Director of Children's Services to the Cabinet of 13 March *School Categories and Characteristics*. In addition I have read submissions given to me by schools that I visited, as well as a document from the Diocesan Director on *Diocesan Planning for Catholic Secondary Education within Wirral Authority*.
- 4 I am aware that there are several other schools that I could visit as well as other people it would be useful to meet. However, I consider it helpful to write up my observations from my visits and meetings so far, for all parties to consider, given that time is of the essence and the Wirral Cabinet has already delayed decision-taking pending this independent assessment.

The need for radical action:

- 5 **The Wirral has a significant surplus places problem.** It is already above the Audit Commission's recommended 10% maximum for surplus places and has at least 3 secondary schools, in the part of Wirral being considered in this review, in the 25% and 30 places category (Rock Ferry High School, Park High School and Bebington High School. It is also projecting Ridgeway High School to be at 15.2% surplus places by 2013.) "If no action is taken, **this is projected to increase to 21% by 2013, more than double the Audit Commission's maximum acceptable level.**" *Cabinet Report 26 June 2008*. It must act

to remedy this situation and, whilst removing surplus places, use this as a challenge and a driver for change and improvement.

- 6 There is an expectation that local authorities will be prepared to make tough decisions about what to do with poorly performing schools. The Wirral had 6 schools below 30% in 2007. They were: Rock Ferry High, Park High School, Ridgeway High School, Pensby High School for Boys, Wallasey School and The Oldershaw School. It also has Bebington High School at just 30%.** The recently announced National Challenge requires local authorities to have local school improvement plans with a clear trajectory for improvement planned for every school where fewer than 30% of children attain 5 good GCSE grades including English and mathematics. LAs are asked to review school outcomes and make their own estimate of expected results in 2008, 2009 and 2010. They are also asked to assess whether any schools currently above the floor target are at risk of dropping below this over the time period. Where any schools within the National Challenge are most at risk of remaining below the floor target and making slow progress, local authorities are urged to be quick to intervene to address the situation and they should be prepared to take radical action, including implementing radical solutions, if necessary.
- 7 The Local Authority also has a significant population of young people not in education, employment or training (NEET), and is actively considering its alternative learning provision in order to better meet the needs of youngsters at risk of falling into this category.** It particularly needs to expand its vocational and skills offer to young people in Birkenhead. At a wider level, it is preparing to implement 14-19 diplomas in order to widen the curriculum offer 14-16 as well as increase access, raise participation and improve progression post 16.

Initial proposals:

- 8** Whilst the proposed Academy at Birkenhead High School has been controversial and doubts have been raised about its success in some quarters, nevertheless a significant number of the heads I spoke with thought it would be successful and were onto the next stage of their thinking and planning in relation to how they considered their school needed to improve, change and adapt. This was both as a consequence of the Academy's emergence and of the changing landscape facing all schools in the Wirral. After listening to many people's views and reactions, I consider that Wirral Local Authority would be best placed if it planned for the Academy's place in its strategy for raising

standards of attainment in secondary education over the next three years.

- 9 I visited Rock Ferry High School, listened carefully to the views of the headteacher and the Chair of Governors and read the Head's submission to Lord Adonis. I was also taken around the school and its extensive site and met a number of staff. The Head and his staff have created a very caring environment for learning to take place. The young people I met clearly valued the education they were receiving at the school, and the many opportunities the staff provided for them during and beyond the school day.
- 10 I also visited Park High School and took careful note of discussion with the headteacher and his senior leadership team about the progress they had made in raising attainment and their plans for that improvement to continue. I was also shown around the school and site by the head and met several staff. As in Rock Ferry I met young people who clearly enjoyed their work at school, the part they played in school life and the wider opportunities they had to visit higher education institutions.
- 11 My view is that the Council has to take difficult decisions. One such is that it should close Rock Ferry High School. It should also close Park High School and transition it into a new Academy on a new site in Birkenhead, additionally with a 14-19 Vocational Centre as part of the campus offer. This Vocational Centre should also consider including a Studio School (or similar concept) in order to improve the offer available to youngsters at risk of falling into/ or already in the NEET group.**
- 12 I visited Ridgeway High School and met and talked with the outgoing headteacher. She has obviously made real change and improvements happen for young people and the wider community during the time she has served as Headteacher at the school. I also was shown around the site and met staff and students during the visit. It is very clear that all value the school and its work, and their enthusiasm, energy and innovation for their specialism was very clearly evidenced. However, on the hard evidence of improvement in 5 good GCSEs including English and mathematics, the school was at 26% in 2004, and is at 27% in 2007. The school buildings are in need of refurbishment and/or replacement. There is a real fear that the proposed BHS Academy will impact adversely on the intake which is already 60:40 boys to girls. Next September's intake is at 138 against 160 places.
- 13 I visited Bebington School and met and talked with the Headteacher. I also was shown around the school site and met

staff and students. He has been at the school for 4 years and the school has seen several significant changes and improvements. Attainment has been raised at 5 good GCSEs including English and mathematics to the floor target of 30% in 2007. Current Y7 is at 132, and the head stated that this would increase to 170 this next year. However, the longer term view of intake in the new Wirral context is likely to see a wider gap between the number of boys admitted and the number of girls, likely to be 2/3 boys to 1/3 girls and the situation is likely to become more extreme over time. This against a current surplus places figure of 20.6% and a 2013 projection of 40%.

- 14 The Council needs to consider difficult decisions in relation to both these schools. It should consider closure of one or both, and the opening of one or more new Academies or National Challenge Trusts in order to bring new ambition, partners and sponsors to help drive up improvement and raise attainment at a pace. (National Challenge Trusts involve a radical transformation including the closure of the existing school, linked to a plan to re-open as a new Trust School. This would also require an improvement partnership, led by a strong local school to collaborate and build capacity. It would also involve a local business or university to bring extra energy and capacity to the Trust. National Challenge Schools receive appropriate additional funding to enable re-structuring, attract fresh teachers and develop ambitious plans for raising attainment.)**
- 15 I visited Prenton High School, and met the headteacher and the Chair of Governors there. The school has gone through a remarkable transformation during the past 3 years since the PFI build. Specialist status has been achieved; results have been raised to 35% 5 good GCSEs including English and mathematics, and the Head is predicting this will increase to 41% in 2008. The head clearly considers that the proposed BHS Academy is likely have a negative impact on Prenton High School for Girls intake. She considers this may happen just at the time they have achieved over- subscribed status with 154 for September 2008 and 18 appeals. She and the Chair of Governors would also like to develop a Sixth Form at the school to improve access, participation and progression.
- 16 The Council needs to consider carefully how it should seek to maintain the strong improvement trajectory at this school in the light of the BHS Academy development and its own review of secondary provision. It does appear that this school is both in a strong position given its recent trajectory, as well as vulnerable re future intake in light of the academy's emergence. My conclusion is that the two girls' schools should work towards a formal collaboration,**

that Prenton High School for Girls should also be considered for Academy status as a means of securing its future, and this consideration should include allowing it to develop a sixth form.

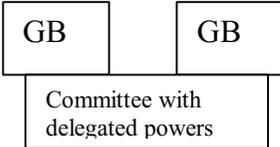
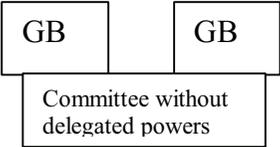
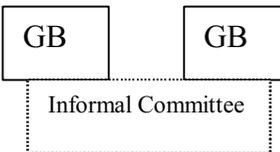
17 From my visits to Wirral secondary schools and my discussions with heads and LA officers it is clear that whilst the emergence of the proposed BHS Academy has been a clear irritant, it has also led to different thinking about the kind of school system needed for 21st century learning on the peninsula. The announcement of the proposed academy last autumn has also been overtaken by the implications of the National Challenge for the Wirral. These different circumstances present the Council with a window of opportunity to realise major improvements through radical solutions to some stubborn problems relating to attainment as well as to curriculum offer. I hope that my interim findings help it with that task.

18 I recommend that in order to provide clarity and direction, the local authority should publish a clear pathway for decision-making about secondary schools and future provision. Time will be of the essence, since DCSF investment decisions are important to future success on the Wirral. This timetable also needs to recognise the National Challenge timeline requirements for finalised local authority plans by end of September 2008.

19 I have not commented on Pensby High School for Boys, Wallasey School and The Oldershaw School because they have not been part of the LA review of secondary provision so far, and I have not visited them. However, the Council will also need to consider whether structural intervention needs to have a place in decisions about these schools as a consequence of the National Challenge and its timelines.

George Gyte 7 August 2008.

Appendix D - Federations Continuum

	<u>Hard Governance Federation</u>	<u>Soft Governance Federation</u>	<u>Soft Federation</u>	<u>Informal, Loose Collaboration</u>
	STATUTORY		NON-STATUTORY	
Diagram				
Governing Body?	Single governing body shared by all schools.	Each school has its own governing body, but the federation has joint governance / strategic committee <u>with</u> delegated power	Each school has its own governing body; the federation, however, has joint governance / strategic committee <u>without</u> delegated powers	Each school has its own governing body and the group of schools meet informally on ad-hoc basis
Statutory?	Yes. Hard governance federations are established using Federations Regulations made under Section 24 Education Act 2002	Yes. Soft governance federations established using Collaboration Regulations , made under Section 26 Education Act 2002	No. Schools can set up soft federations without having to follow regulations.	No. Schools can form informal collaborations without having to follow regulations.
Common goals?	All schools share common goals through SLA and protocol ; having single governing body allows for efficient, streamlined decision making in all areas.	All schools share common goals through SLA and protocol ; joint committee can make joint decisions in some areas, but not all.	All schools share common goals through protocol ; joint committee can make joint recommendations , but it is up to individual governing body to authorise plans.	All schools share common goals and can work together on ad-hoc issues and informal agreements.
Common Budget?	No, but having a single governing body allows for prompt budgetary decisions on behalf of the group of schools.	No, but if JSC has budgetary powers delegated to it, they can make prompt budgetary decisions for the group of schools.	No, but it could make budgetary recommendations for the group, which in turn would have to be approved by individual governing body.	No. However, if group of schools wish to commit budget, they would need to go back to their individual governing bodies to approve.
Shared staff?	Common management and appointments are agreed in a simple, effective manner. Sometimes choose to have single headteacher across group of schools.	Common management positions and appointments , but need to have protocol / contract to underpin commitment to shared posts.	Common management positions and appointments , but need to have protocol / contract to underpin commitment to shared posts.	Unlikely to have common management positions, but if they exist, they have to be agreed in a protocol / contract.

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WIRRAL COUNCIL

CABINET 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

PROGRESS TOWARDS THE TRANSFORMATION OF ADULT SOCIAL SERVICES

1. EXECUTIVE SUMMARY

- 1.1 Delivering the Transformation of Adult Social Services is critical to the Council's strategic objective: To improve health and wellbeing for all, ensuring people who require support are full participants in mainstream society. In particular the programme gives focus to the improvement priority of 'promoting greater independence and choice'. The report involves a number of key decisions, first identified in the forward plan in December 2007.
- 1.2. The decisions required in this report will enable the Director of Adult Social Services to deliver cashable efficiencies over the medium term as outlined in his report to Cabinet of 4th September 2008. These are integral to achieving a stable and sustainable budget, and to contribute to the Council's projected budget deficit reported elsewhere on this agenda. The report also responds to a request from Cabinet at its meeting of 25th September 2008 for further analysis of the Department's Value for Money Profile as published by the Audit Commission.

2. BACKGROUND

The rationale for transforming Adult Social Services has been presented to, and agreed by Cabinet over the summer months and most recently on the 16th October 2008. This latter report gives authority to implement significant changes to service delivery in line with the new agenda and at the same time deliver sustainable efficiencies of £710,000 in the current financial year and £2,124,000 in 2009-10. It was reported to members that this delivery will help offset the projected budget deficit and help achieve the £3.5m overspend previously reported to Cabinet but not contribute to the new year efficiency target.

This report presents further options to (i) help achieve a stable budget and (ii) deliver cashable efficiencies that can be taken into account in setting the 2009-10 budget and beyond.

The final section of the report provides further analysis of the Value for Money (VFM) Profiles for DASS previously reported to Cabinet on 25th September 2008. These are detailed in Appendices 4(a) to 4(e). The options contained in this report and that of the 16th October 2008 will have a positive impact on future VFM Profiles, however the impact of these still need to be analysed and will feature in a further report to Cabinet.

3 FUTURE PLACE OF PROVIDER SERVICES

The approved programme sets a direction of travel for DASS and the potential impact on directly provided services has previously been reported to Cabinet. The key drivers are the need to sustain services that are fit for purpose, represent good value for money and consistent with the development of personalised support. Alongside this is the need to achieve sustainable efficiencies to contribute to the corporate budget deficit. These factors need not be contradictory.

In order to develop a coherent strategy for provider services an options appraisal has been conducted to explore the feasibility of re-configuring and/or outsourcing directly provided support services

Whilst this represents a major shift for DASS, over the last decade Councils with Social Care responsibilities have outsourced many of their services and developed their role as 'commissioners' rather than direct providers of support. Wirral has followed a similar pathway by supporting and developing a mature and robust market for domiciliary and residential care. Currently 84% of support provided to people in their own homes, and 95% of residential and nursing care is provided by the independent sector. Elements of support that have remained in-house include Day Care, Respite Care, Transport, Assessment and Re-ablement and Supported Living services. These services will need to change in the light of the Personalisation agenda and the greater emphasis on achieving Value for Money for services that people want.

Outsourcing can provide many benefits to an organisation however these need to be based on a sound business case. Cabinet have already agreed the closure and re-provision of Mendell Lodge, Rosewarne and Feltree House and members are reminded that the unit cost of in-house residential care is significantly higher than the price in the independent sector for the same service. Cabinet have also agreed the transfer of the remainder of the long term home care service and the expansion of the in-house Home Assessment and Re-ablement Team (HART) where the cost differential reported to Cabinet in October 2008 is even more apparent.

The Personalisation, Localisation and Integration drivers demand a different approach to commissioning. As partnerships and capacity grows within the voluntary and community sector, providers will play a more significant role in developing and delivering personalised support, exploiting the advantage of flexibility and access to funding sources outside the scope of statutory agencies with closer connection to the local communities they operate in and serve.

This new environment fundamentally challenges the continuation of Council provided services within DASS and the business case attempts to assess a range of scenario in preparation for when the majority of people have access to, and want to be in control of, their personalised, Individual Budget.

4 OPTIONS FOR 'OUTSOURCING AND SERVICE DETAILS

- 4.1 The department has undertaken an option appraisal – detailed in Appendix 1 and based upon this recommends an Open Tender (Specific Functions) approach.
- 4.2 If Cabinet is minded to pursue an approach to outsourcing, service areas (specific functions) could be broken down into blocks:
- Intermediate Care
 - Day Services
 - Transport
 - Respite Care (Learning Disability)
 - Residential and Respite Care (Physical and Learning Disability)
 - Respite Care (Mental Health)
 - Respite Care and Long Term Care (Older People/EMI)
 - Long Term Care (ALD/Supported Living)
- 4.3 Full details of these services are given below, the current service costs and recommended timescale for consultation and outsourcing.

5 Intermediate Care

- 5.1 Intermediate care is currently provided at Poulton House (Wallasey) and Pensall House (Pensby).
- 5.2 Poulton House currently offers 38 beds, 25 of which are registered for intermediate care, 12 are for respite and 1 is a permanent placement. The building is deemed fit for purpose for the next three years after which there is a high probability major capital expenditure will be needed to maintain its registration status. Cabinet have agreed to cancel the proposed investment of £1.5m on this facility in accordance with the emerging commissioning strategy for Intermediate Care and opportunities that may arise from the development on the adjacent site which will create 79 additional Extra Care beds. The unit cost is £483 per week if the facility is operating at 100% occupancy.
- 5.3 Pensall House offers 25 beds. The facility is currently assessed as 'fit for purpose' and has potential to remain a 'going concern' either directly provided or outsourced. The unit cost is £582 per week at full occupancy.
- 5.4 Whilst the independent market has indicated a general willingness to offer this type of service under contract to the Council and Wirral PCT, it has not been sufficiently tested. It is therefore proposed to consult with stakeholders, including private providers, with a view to offering the service via open tender in September 2009 with an anticipated commencement date of 1st April 2010. In the meantime Intermediate Care services will continue to be offered by current providers. This does not preclude existing providers submitting such a tender.
- 5.6 If this proposal is agreed it paves the way to begin discussions around the development of a new community facility at Poulton House in conjunction with Wirral PCT and Wirral Hospital Trust. This will be considered as part of the

Wirral Integrated Services Project and Integrated Care at Home. Pensall House may offer a different solution given its size and potential for acquisition and private development as an ongoing residential/respite care home.

6 Day Services

- 6.1 Council agreed a budget efficiency of £700,000 in 2008-09 on out-of-home activity. The potential for slippage against this has been reported to Cabinet with the full year impact remaining on target for 2009-10. These efficiencies are being achieved through better housekeeping and procurement of private day care. However with the implementation of Individual Budgets it is considered likely, although not inevitable, that people will begin to choose a different mix of support that meets their need during the day. For this reason Day Services provided by the Council need to be reshaped to be more flexible in order to respond to any changes in demand over time.
- 6.2 Further consultation with people who use services and their carers will need to be undertaken in 2009 to determine the best shape, source and volume of day time support services that need to be commissioned over the medium term. Whilst open tender is the model recommended in this report, it does not preclude existing services, staff, or users themselves from submitting such a tender (including that in the form of a Social Enterprise)
- 6.3 Budget efficiencies arising from this will not be certain until the consultation is concluded and early lessons from early Individual Budgets pilot are learned. Therefore no account is taken in the 2009-10 budget proposals at this stage.

7 Transport

- 7.1 DASS operates 29 vehicles, procured and maintained by Technical Services, employs 58 staff and transports approximately 730 people to day services, 132 to respite care and other forms of day time services (including colleges). The total number of journeys is 260,364 per year and the total running cost of the service is £1.8 million. The unit cost per trip is therefore £6.91.
- 7.2 It is inevitable that the reform of day time activity will have an impact on the Transport Service. Furthermore the re-ablement ethos now being embedded across all provider services has resulted in some people, previously using specialist transport services provided by the Council, accessing public transport. This will continue to grow with the onset of Individual Budgets so the focus needs to move to 'Travel Training'. The actual provision of Transport is therefore a service that can be tendered in the open market. The service volume to be tendered will need to match with developments in day services, however it is considered feasible to run this tender in advance of the day services tender on a cost and volume basis in order to establish a variable contract that can be reconciled to the volume of day care. Based on the unit cost of existing providers (private hire taxi companies, and 3rd sector providers) there is potential for efficiency savings of up to 20%. (£360,000 in a full year assuming current volumes are maintained and fuel prices remain stable at current rates). Actual savings are likely to exceed this in line with the

anticipated reduction in demand alongside that for day care. The latter remains uncertain and will be considered for budget savings in 2010-11 as part of the next stage of out-of-home reform efficiencies. The suggestions on the future of DASS transport have also been discussed as part of the corporate review of transport procurement.

8 Respite care (Learning Disability)

- 8.1 Respite care for people with a learning disability is provided mainly at Maplehome in Birkenhead. Up to 23 people use the service at any one time and the annual cost is £1,208,900. The unit cost is therefore £1,008 per week.
- 8.2 As with day services, it is likely that people availing themselves of Individual Budgets will choose different ways of meeting their need for respite care. This may jeopardise the facility's future economic viability. However this will not happen in the short term so it is proposed to maintain the service 'as is' and consult with users and carers about the prospect of outsourcing in the future. There is currently no established market for respite care for adults with learning disability and the service is critical to maintaining people in their own homes and supporting carers. If the Council decides outsourcing is an option this should be done via an open tender but with the uncertainty of demand it is proposed to defer this until later in 2009.

9 Residential & Respite Care for Physical and Learning Disability

- 9.1 Girtrell Court provides residential care for 13 people with a range of complex disabilities and 5 people attend respite care at any one time. The unit cost of £1,129 per week was reported to Cabinet at its meeting of 9th July 2008. At this meeting Cabinet authorised the Director of DASS to consult with stakeholders about the home's future.
- 9.2 This consultation commenced on 30th July 2008 and involved Wirral Advocacy and Involvement Services Partnership. Independent advocates were asked to carry out direct consultation with residents on a one-to-one basis and three people were represented by Independent mental Capacity Advocates because of their limited capacity.
- 9.3 The resident's feedback is that it is difficult for some people to think of other options for themselves as they have limited knowledge of what is, or might be, available to them. However only four people said they wanted to remain at Girtrell Court, with the rest wanting to move on and learn more about what might be on offer to them. The next stage of the consultation is to involve the families of the residents and arrangements are now in hand to meet with them on an individual basis.
- 9.4 In respect of people who use Girtrell Court for respite care, eighteen people who use it were contacted. Initial indications are that they and their carers value the service and are seeking assurance that the Council will continue to offer it to them in the future.

9.5 It is too early in the consultation process to offer a clear option for a Cabinet decision on the future of Girtrell Court so it proposed to maintain the service 'as is' for at least 12 months during which time realistic options will be presented to Cabinet. No efficiency savings are therefore proposed for 2009-10.

10.1 Respite Care (Mental Health)

10.1 Respite care for adults with mental health needs was formerly provided at Rosewarne in Oxtun. This facility closed in March 2008 and was transferred to Fernleigh in Leasowe saving £500,000 in the current financial year.

10.2 There is a market for residential services for mental health, although it is currently under developed to offer crisis beds for short term support. There is also the consideration that residential-type support might not be the best option for people who need support in a crisis in order to maintain them at home. As other community services need to be developed, it is suggested the facility remains operational 'as is' for at least the next twelve months, whilst at the same time consultation is undertaken with stakeholders, including Wirral PCT and Cheshire and Wirral Partnership Trust to see if a joint service venture can be established to offer community support alongside a safe residential environment that better suits the peoples' needs. Once specified this can also follow the model of an open tender. No savings from this proposal should be built into the 2009-10 budget but it may be an option for subsequent years.

11 Respite Care and Long Term Residential Care (Older People/EMI)

11.1 The remaining home offering services for older people provided by Wirral is Meadowcroft in Bromborough. The home has 23 beds, and has an annual running cost of £880,700. The unit cost is therefore £734 per week at full occupancy.

11.2 It is proposed to offer this facility as a going concern via open tender. This will protect existing residencies and maintain provision in the Bromborough area where there are fewer vacancies than the Borough average. If there is a successful tender, even at the maximum price paid by the Council, it could realise a budget efficiency of up to £230,000 depending on the extent of TUPE costs. Staff and residents have not been consulted on this proposal so this will have to be undertaken before any final decision is reached.

12 Long Term Residential Care ALD

12.1 This service is currently provided at Sylvandale in Bromborough. 23 beds are provided at an annual running cost of £1,245,100. The unit cost is therefore £1,038 per week. A smaller service is also provided at Manor Road with 4 places.

12.2 People who use Sylvandale have complex needs and there is no current market that suggests outsourcing is a realistic option in the short term. However the needs of the existing residents may be better met in a 'Supported

Living' setting with them enjoying the benefits of more independent living with personal support. Many of the residents enjoy alternative day time activities and attend other Council facilities (eg Day Centres). It is proposed that the Director of Adult Social Services consult with existing residents and their families about this proposal to see if it is an option they would like to proceed with. As this consultation has not been undertaken yet no budget efficiencies are proposed for 2009-10.

13 Supported Living

- 13.1 268 people are supported in a range of independent tenancies at an annual cost of £6,271,200. The unit cost is therefore £450 per week. In addition 90 people are supported by in-house services at a unit cost of £598 per week.
- 13.2 Negotiations are currently underway with independent Supported Living providers on the hourly rate to be paid from 1st April 2009. A Fair Price model similar to that adopted for independent domiciliary care providers has been developed which indicates potential efficiencies of about 10% will be achieved on re-tender. This extrapolates to savings of £650,000 in a full year, all of which may be achieved in 2009-10 and taken account of in setting the Budget.
- 13.3 An open tender for services provided in-house will take longer to realise savings as staff would have to be re-deployed. It is therefore proposed to conduct these tenders in two phases, the latter beginning to realise savings from September 2009 of £347,000 in 2009-10 and a further £347,000 in 2009-10.

14 OTHER BUDGET EFFICIENCIES FOR CONSIDERATION

- 14.1 The above presents options for Cabinet to consider as part of the 2009-10 Budget deliberations in respect of directly provided services. Other efficiency options are being developed that Cabinet are asked to comment on these and not progress.
 - (a) Further reductions in management and support arising from the outsourcing of in-house provider services. Whilst further work is required to analysis this in more detail it is believed savings of £100,000 in each of £209-10 and 2010-11 are achievable.
 - (b) A review of admin support is currently underway. This focuses on secretarial support provided within Headquarters (Westminster House) and admin provided to Access and Assessment Branch. Savings of £100,000 are considered achievable within 2009-10 as the new structure are finalised.
 - (c) Cabinet are reminded of a decision last year to renegotiate prices paid for residential and nursing home care. Savings of £900,000 have already been built into the budget for 2009-10 (bridged from 2008-09) and these have only in part been achieved through reduced Nursing Fees. Negotiations are continuing and a further report will be presented to

Cabinet in December on the potential to increase this further. Members are also made aware of the national lobby against Council's reducing fees and the risks associated with terminating the contract to achieve this. However Wirral rates are above regional averages and efficiencies must be achieved.

- (d) The provisional Reform Grant settlement for 2009-10 is £1.5 million. Currently only £0.5 million of this ring fenced grant is committed. The remaining grant may be used to fund Individual Budgets which will have an impact on the Community Care budget and therefore has potential to reduce the budget.

15 CAPACITY TO DELIVER

- 15.1 The options in this present a major challenge for the Council. Over the next two years it represents some of the biggest changes ever implemented in DASS. Bearing in mind the need to keep services safe for people who currently depend on them and the financial pressures already facing the Department Cabinet are asked to consider the need for additional temporary resources from the Efficiency Budget to provide extra capacity to manage the change. This capacity needs to be in the form of professional support (eg legal, finance etc) and Cabinet may wish to consider appointing consultants with a proven track record of delivering such a change. The extent of such consultation will depend on the options agreed by Cabinet and will therefore need to be subject to a further report to Cabinet.

16 FINANCIAL AND STAFFING IMPLICATIONS

- 16.1 The financial implications in this report are summarised as follows:

Option	2009-10 Efficiency £	2010-11 Efficiency £	Total Proposed £
Intermediate Care (Poulton)	0	TBC	0
Intermediate Care (Pensall)	0	TBC	0
Day Time Services	0	TBC	0
Transport	180,000	180,000	360,000
Maplehome	0	TBC	0
Girtrell Court	0	TBC	0
Fernleigh	0	TBC	0
Meadowcroft	0	230,000	230,000
Sylvandale	0	TBC	0
Supported Living (external)	650,000	0	650,000
Supported Living (internal)	347,000	347,000	694,000

1,177,000	757,000	1,934,000
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16.2 Further work is required to assess the potential and risk of where these options are marked TBC (To Be Confirmed).

16.3 The savings outlined above are dependent upon the costs of any EVR being met from the corporate Efficiency Budget and not from the DASS budget.

16.4 There are major staffing implications for all of these proposals which will need further discussion.

17 EQUAL OPPORTUNITIES IMPLICATIONS

17.1 All of the projects supporting the Transformation Programme are subject to equality impact assessments ensuring people living in vulnerable circumstances and those from minority groups are not adversely affected.

18 COMMUNITY SAFETY IMPLICATIONS

18.1 The Personalisation Agenda cross all domains of personal life. The Integration and Localisation agenda heralds new working relationships with other community and statutory agencies promoting joined up services delivered at a more local level. New links are being formed with Merseyside Fire and Rescue and Merseyside Police to add capacity to supporting people in crisis and wherever possible preventing that crisis through earlier intervention and support.

19 LOCAL AGENDA 21 IMPLICATIONS

19.1 New business processes to underpin the new offer from DASS are to be more streamlined with less duplication in terms of accessibility and process. New working practices demand greater flexibility and enhanced use of technology, thereby reducing the need for paperwork and staff travel.

20 PLANNING IMPLICATIONS

20.1 These will emerge as services are re-configured. Particular implications will arise from supporting more people in Supported Living and Extra Care rather than tradition residential and nursing care, and the reform of daytime services.

21 ANTI POVERTY IMPLICATIONS

21.1 This is a key feature of the shift to low level, preventative services. DASS has integrated delivery and management arrangements with the Department of Work and Pensions in order to promote the take up of Pension Credit and Attendance Allowance, and has an effective Welfare Benefits Service providing advice and support to the whole population of Wirral.

22 SOCIAL INCLUSION IMPLICATIONS

22.1 Also key, is the development of socially and universally inclusive community based services.

23 LOCAL MEMBERS SUPPORT IMPLICATIONS

23.1 The move towards three Locality Structures will have an impact on all wards and ensure there is equality of access and provision whilst recognising the particular needs of diverse communities.

24 BACKGROUND PAPERS

24.1 None used in the preparation of this report.

25 RECOMMENDATIONS

25.1 It is recommended that Cabinet comments on and agrees in principle with the proposals to outsource in-house provided services by open tender as set out in the report subject to a further report being brought to Cabinet outlining in particular the staffing, service and financial implications.

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20th September 2008

OPTION APPRAISAL

Following extensive research on what other Council's have done and guidance issued from various Government agencies, a number of options exist ranging from 'do nothing' to full outsourcing via open tender. These are:-

Do nothing

Maintain the service 'as is' without any organisational change

Creation of an 'arms length organisation' - of all current functions

An organisation which separates the governance and management of service, ie commissioner and provider functions under the statutory umbrella of the Council. The organisation could operate for up to three years, with full independence being a medium term possibility. It would operate under a scheme of delegation, so while remaining under Council control would produce independent accounts and operate commissioned support services via a Service Level Agreement.

Creation of several 'arms length organisations' - of a range of specific functions

As above. However the service mapping exercise has illustrated that some services fall within specific functions that might benefit from being a more discreet entity and not part of a wider, more diverse business (eg Supported Living Services).

Creation of an 'arms length organisation' - of combined functions

As above. Some services are interrelated and co-dependent and may be combined as larger discreet businesses in order to deliver better value for money. (eg Day Care and Transport)

'Right to request' Social Enterprise - of all current functions

This option recognises staff and service users' rights to request to set up a Social Enterprise to deliver services. The Council would be obliged to consider any such proposal, and if Cabinet agreed the business case, DASS could commission the service via a three year contract

'Right to request' Social Enterprise - of specific functions

As above. This may entail specific services (eg a specialist Day Centre) proposing to deliver the current service as a Social Enterprise.

'Right to request' Social Enterprise - of combined functions

As above. Using the Day Centre analogy an example of this would be a Day Centre coupled with a part of the Transport Service associated with people using that service.

Open Tender - All services

Under this proposal the Council would specify the service shape for the whole Care Services Division over the short, medium and long term and follow an open tender process in accordance with Council Standing Orders. This option would not preclude the tender from the Council, its employees or people who use services.

Open Tender - of specific functions

As above. The tender would be for parts of the Division under separate contracts (eg Respite Care, Supported Living etc)

Open Tender - of combined functions

As above, (eg Day Care including Transport, Respite and Long Term residential care etc).

A preliminary appraisal was conducted on each option in order to establish a short list of 5 for further consideration. These five options are considered to be the only feasible options Cabinet are asked to consider. This resulted in the following against which a more detailed appraisal was conducted.

Creation of an 'arms length organisation' (All functions)

Creation of an 'arms length organisation' (Specific functions)

Creation of a Social Enterprise (All functions)

Creation of a Social Enterprise (Specific functions)

Open Tender (Specific functions)

APPRAISAL TECHNIQUE

The appraisal technique is set out in Appendix 2 and results in the following assessment which was undertaken by members of the Transformation Programme Board and the DASS Strategic Leadership Team.

SUMMARY OF OPTIONS APPRAISAL

Option →	(a)	(b)	(c)	(d)	(e)
Personalisation & Localisation	140	210	300	330	400
Benefits to people who use services and carers	60	110	120	135	130
Social Inclusion & positive health impact	120	145	185	195	205
Corporate governance and accountability	125	135	140	145	155
Organisational Benefits	100	120	140	150	155
Financial Benefits	130	150	125	170	280

Commissioning	85	115	100	120	145
Grant total	760	985	1,110	1,125	1,470

The option with the highest weighted score is Option (e) - Open Tender for Specific functions. Subject to Cabinet agreement it is therefore proposed to take this option further to the next stage of service design and specification in preparation for a series of open tender exercises to be conducted in 2009 and 2010. This process will be undertaken in conjunction with colleagues in Legal Services and the Corporate Procurement Unit.

The following are the Specific Functions (ie all services currently offered by DASS) to be prepared for the next stage recognising the need for further consultation with people who may be affected and their local communities. This consultation will also confirm the potential phasing of the programme as set out in the following paragraphs.

Intermediate care

Day Services

Transport

Respite care (Learning Disability) - Maplehome

Residential & Respite Care for Physical & Learning Disability - Girtrell Court

Respite care (Mental Health) - Fernleigh

Respite and long term residential care (Older People/EMI) - Meadowcroft, Pensall and Poulton House

Residential care (Learning Disability) - Sylvandale and Manor Road.

Supported Living

APPENDIX 2

OPTION APPRAISAL

1	Personalisation and localisation	Weight
	<i>To achieve the Transformational change the selected option must support and enhance DASS's ability to deliver personalised support.</i>	
1.1	To what extent does this option enhance the control of individuals over the care they receive?	20
1.2	To what extent is this option likely to achieve Wirral's aspiration for localisation services and increase capacity of provision within the borough?	15
1.3	To what extent does this option provide opportunities to innovate?	15
1.4	To what extent does this option increase the choice of services available?	20
1.5	To what extent does this option enable specific changes in services to be implemented quickly?	20
1.6	To what extent does this option support the citizenship model of care and the shift towards individual budgets?	15
	Sub-total	105
2	Benefits to people who use services and Carers	
	<i>In supporting an option DASS must be able to demonstrate that it offers additional benefits and service improvements</i>	
2.1	What extent does it provide an enhanced opportunity for carers' needs to be promoted and responded to locally and differentially?	15
2.2	To what extent does the option enhance the opportunity for local user run services to be promoted?	5
2.3	To what extent does the option enhance local accountability to people who use services and carers.	5
2.4	To what extent does the option enhance the opportunity for more a holistic assessment of need to be developed?	10

2.5	To what extent does it enhance pathway management between local and specialist services that may be provided both in and out of area?	10
	Sub-Total	45
3	Promoting Social Inclusion and positive health impact	
3.1	To what extent does the option enhance the development of a consideration of the wider context of an individual's life?	10
3.2	To what extent does the option promote the links with local services to ensure that issues can be quickly addressed?	10
3.3	To what extent does the option provide the opportunity to promote relationships and enhance inclusion?	15
3.4	To what extent does the option promote employment and life long learning opportunities both internally and externally?	5
3.5	To what extent does this option ensure that the protection of vulnerable adults and individual risks are managed as a priority?	15
3.6	What extent does it promote responses to the needs of ethnic minority groups in the development of services that are culturally sensitive?	10
	Sub-total	65
4	Corporate Governance and accountability	
4.1	To what extent would the option satisfy the need for short and direct lines of accountability to ensure flexibility?	5
4.2	To what extent would the option promote improved accountability to local communities?	5
4.3	To what extent would this option require limited adjustment in DASS to accommodate governance arrangements?	5
4.4	To what extent would this option enhance lay representation in the governance and accountability framework of the organisation?	5
4.5	To what extent does this option require the development of new skills and infrastructure?	5
4.6	To what extent does this option ensure effective monitoring, risk management and performance management?	20
	Sub-total	45
5	Organisational benefits	

5.1	To what extent would the option fit with the strategic direction of the PCT and Local Authority?	15
5.2	To what extent does the option enhance opportunities for recruitment and retention?	5
5.3	To what extent does the option afford opportunity for the provision of a wider integration of services and the development of managed service networks?	5
5.4	To what extent does the option enhance the ability of DASS to influence providers to be innovative and accommodate new methodologies in intervention?	5
5.5	What extent does it offer the potential for a supportive infrastructure to enhance delivery models that are devolved, local and integrated?	10
5.6	To what extent does this option support an entrepreneurial approach?	5
	TOTAL	45
6	Financial Benefits	
6.1	To what extent does this option support the delivery of DASS efficiency targets?	25
6.2	To what extent does the option likely provide financial stability thus minimising risk to the authority?	25
6.3	To what extent does the option ensure the cost effectiveness of service development including the ability of the organisation to attract new funding and investment?	5
6.4	To what extent does this option support the implementation of RAS and the promotion of individual budgets?	20
	Sub-total	75
7	Commissioning	
7.1	To what extent does this option support DASS ability to specify delivery?	5
7.2	To what extent is this option likely to be supported by the market response in the short term?	5
7.3	To what extent is this option likely to be supported by the market in the medium to long term?	10
7.4	To what extent does the option have capacity to provide robust data to support the JSNA and commissioning strategies	15

7.5	To what extent would the option enhance locality commissioning?	5
	Sub-total	40
	Grand Total	420

The weighting rationale is:-

Weighting Rationale	Score
Critical (Must be delivered to ensure the stability of the department and in turn our commitment to support all people who currently receive services.)	25
National Priority (Department must demonstrate direction of travel to modernise and improve delivery to people who use our services)	20
Key Corporate/Local delivery issues/ (Must be inline with helping people and communities in Wirral to thrive)	15
Essential for improved partnership delivery and integration to provide joined up and seamless service to people who use them	10
Highly desirable (mutual benefit to users carers and the department)	5
Desirable (Benefit to specific groups)	2
Non key benefit (Bonus element to the option)	1

Each criteria (1.1 to 7.5) is ranked 1-5, and this is multiplied by the weighting factor to determine the score.

1 = No potential to deliver benefits

2 = Limited potential to deliver some benefits

3 = Likely to deliver some benefits

4 = Likely to deliver most benefits

5 = Full benefit likely to be achieved

APPENDIX 3

Options Appraisal scores

Q No	Option 2 Arms Length All	Option 2a Arms Length specific functions	Option 3 Right to request All	Option 3a Right to request specific functions	Option 4a Open Tender specific functions
1.1	40	40	60	60	80
1.2	15	30	30	45	60
1.3	30	30	45	60	60
1.4	20	40	60	60	60
1.5	20	40	60	60	80
1.6	15	30	45	45	60
2.1	15	45	30	45	60
2.2	5	10	15	15	10
2.3	10	15	15	15	10
2.4	20	20	30	30	20
2.5	10	20	30	30	30
3.1	20	20	30	30	40
3.2	20	20	30	30	30
3.3	30	45	45	45	45
3.4	10	10	15	15	15
3.5	30	30	45	45	45
3.6	10	20	20	30	30
4.1	10	15	15	15	15
4.2	10	15	15	20	15
4.3	15	15	10	10	15
4.4	15	15	20	20	15
4.5	15	15	20	20	15
4.6	60	60	60	60	80
5.1	30	30	45	60	60
5.2	15	15	20	15	15
5.3	10	15	15	15	15
5.4	15	15	15	15	20
5.5	20	30	30	30	30
5.6	10	15	15	15	15
6.1	50	50	25	50	100
6.2	50	50	50	50	100
6.3	10	10	10	10	20
6.4	20	40	40	60	60
7.1	15	15	15	15	20
7.2	10	15	10	15	20
7.3	20	30	20	30	40
7.4	30	45	45	45	45
7.5	10	10	10	15	20
Total	760	985	1,110	1,245	1,470

Audit Commission Value For Money Profiles 2007/08

Audit Commission VFM Profile Description

Older People Services

Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 Wirral spent £842.93 per person aged over 65 compared to the 'nearest neighbour' average of £875.37 per person. Wirral currently ranks 10th out of 16. In 2006-07 Wirral ranked 9th out of 16, spending £828.85 compared to the group average of £845.92.

Wirral supported an average of 32.3 older people in residential/nursing care per 1,000 aged over 65 compared to the group average of 30.8. Wirral currently ranks 8th out of 16. In 2006-07 Wirral ranked 9th out of 16 with an average of 31.2 compared to the group average of 32.0.

The unit cost of residential/nursing care for older people ranks 3rd out of 16 at £449 per week compared with a group average of £414.50. In 2006-07 Wirral ranked 10th with a unit cost of £388.17 against an average of £400.96.

The level of Intensive home care provided by Wirral per 1,000 population aged over 65 was 32.6 in 2007-08 compared to an average of 39.2. Wirral ranked 14th out of 16. In 2006-7 Wirral were ranked 4th out of 16 with 46.5 people supported compared to the group average of 40.6.

The average cost of home care provided by Wirral in 2007-08 was £11.40 compared to an average for the group of £14.04. Wirral ranked 15th out of 16, the same ranking as 2006-07. The unit cost in 2006-07 was £10.00 compared to the average of £13.13.

Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 65 and over.

Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

Lead Department for indicator

DASS

Any alternative performance indicators for this area

See above

Reasons for performance (e.g. Council policies, definition basis etc)

- Growth agreed 3 years ago to increase the unit cost of Residential and Nursing Home care aligned to quality premiums to stabilise and develop the market.
- Council policy to set eligibility criteria for services under FACS at *substantial and critical*

- Intensity indicator high as a result of reviewing our low level support and people electing to make their own arrangements following an increase to the Council's charging policy.
- Demand for services for older people continues to rise and this is evident in the Trust's reporting of increased activity in hospital.
- Contracts for domiciliary care creates budget efficiencies through E-Monitoring and economies of scale by reducing number of providers to 8.

Actions undertaken (if any) to improve performance/costs

- 3 year stepped increase in the Fairer Charging policy for non-residential support will increase assessed income and motivate some people to make their own arrangements as it becomes more cost effective for them to do so.
- Reform of out-of-home (day) services will reduce the budget for Older Peoples Services by £150,000 in 2008-09.
- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce Older People's assessment costs by £105,000 in 2008-09.
- Reduction in management and support costs will reduce the budget by £180,000 in 2008-09
- £1.295m is taken out of the costs of home care through the transfer of in-house long term support to the Independent sector (£550k in 2008-09 and £750k in 2009-10).
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services. Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

Planned future actions to be undertaken

- On-going budget review/cost control.
- Renegotiation of contracts for residential and nursing home to reduce fees by £900,000 from 1 April 2008
- Re-alignment of Quality premiums to match CSCI assessment
- Recovery of 'windfall' gain to Nursing Homes as a result of new RNC rates paid by Department of Health

Audit Commission Value For Money Profiles 2007/08

Audit Commission VFM Profile Description

Adults with Learning Disabilities

Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 expenditure in Wirral on people with learning disabilities was £95.60 per person aged 18-64 compared to the group average of £94.81. Wirral ranks 7th out of 16, the same ranking as 2006-07. In 2006-07 Wirral spent £95.08 per person against an average of £90.80.

Wirral is below average for the number of people supported in residential/nursing care at 11.6 per 10,000 population aged 18-64 (average is 12.2) but is ranked 2nd highest in terms of the number helped to live at home at 1.0 per 1,000 population aged 18-64 compared with the group average of 0.6.

Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 18 to 64

Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

Lead Department for indicator

DASS

Any alternative performance indicators for this area

See above

Reasons for performance (e.g. Council policies, definition basis etc)

- Incidence of learning disability is higher in Wirral than its comparators (source: Joint Commissioning Strategy). This may, in part, be due to services being available (eg day services, special schools) that are not as available in neighbouring authorities.
- Council policy to set eligibility criteria for services under FACS at *substantial and critical*
- Council policy to support people in their own home rather than residential care - which can be less cost effective but has better outcomes for people.
- Wirral has been successful in implementing the CHC criteria for joint funding with Health. A further £300k is expected in 2008-09.
- Demand for services for people with learning disabilities continues to rise as a result of older carer breakdown and transition of young people with disabilities into adulthood.

Actions undertaken (if any) to improve performance/costs

- Reform of out-of-home (day) services will reduce the budget for Learning Disability Services by £450,000 in 2008-09.

- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce assessment costs for Learning Disability by £35,000 in 2008-09.
- Reduction in management and support costs will reduce this budget by £60,000 in 2008-09
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services. Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

Planned future actions to be undertaken

A new Team has been established as part of the Reform agenda to review services for people with a learning disability. This will entail a re-negotiation of Supported Living contracts which is the main area of overspend.

Audit Commission Value For Money Profiles 2007/08

Profile Description

Adults with Mental Health problems

Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 Wirral spent £42.60 per person aged 18-64 on Mental Health Services compared with an average of £31.92. Wirral currently ranks 3rd highest, an improvement on last years ranking of 2nd highest. Spend per person in 2006-07 was £43.55 against an average of £31.37.

Wirral ranks 2nd highest in the group in terms of the average number of people supported in residential/nursing care at 7.7 per 10,000 population aged 18-64 and 3rd highest for the number receiving home care at 0.6 per 1,000 population aged 18-64. The comparator group average is 4.6 and 0.3 respectively.

Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 18 to 64

Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

Lead Department for indicator

DASS

Any alternative performance indicators for this area

See above

Reasons for performance (e.g. Council policies, definition basis etc)

- Council policy to set eligibility criteria for services under FACS at *substantial and critical*
- Health Services in Wirral show a different pattern with Wirral PCT spending less on Mental Health Services than its comparators.
- Wirral still funds too many people in residential care, but many have been resident for many years so it will take time to change the profile.

Actions undertaken (if any) to improve performance/costs

- Reform of out-of-home (day) services will reduce the budget for Mental Health Services by £50,000 in 2008-09.
- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce assessment costs for Mental Health by £75,000 in 2008-09.
- Reduction in management and support costs will reduce this budget by £125,000 in 2008-09
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services.

Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

Planned future actions to be undertaken

The Adult Accommodation Strategy is being developed which will offer more choice to people where they receive support.

DASS intends to roll out a Fair Price Model for negotiating a reduction in the unit cost of residential care.

Audit Commission Value For Money Profiles 2007/08

Profile Description

Adults with Physical & Sensory Disabilities

Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 Wirral spent £55.58 per person aged 18-64 on services for people with Physical Disabilities against an average of £43.52. There has been an improvement in the ranking from 2nd highest in 2006-07 to 4th highest in 2007-08. Expenditure in 2006-07 was £56.67 against an average for the group of £42.93.

Wirral ranks 2nd highest (the same ranking as 2006-07) in terms of the average number of people supported in residential/nursing care at 5.8 per 10,000 population aged 18-64 compared to a group average of 4.3. Wirral also ranks 7th highest in terms of the number of people helped to live at home per 1,000 population aged 18-64 at 3.0 compared to a group average of 3.1.

Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 18 to 64

Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

Lead Department for indicator

DASS

Any alternative performance indicators for this area

See above

Reasons for performance (e.g. Council policies, definition basis etc)

- Council policy to set eligibility criteria for services under FACS at *substantial and critical*
- Wirral still funds too many people in residential care, but many have been resident for many years so it will take time to change the profile.

Actions undertaken (if any) to improve performance/costs

- Reform of out-of-home (day) services will reduce the budget for Physical and Sensory Disability by £50,000 in 2008-09.
- Increased use of assistive technology is likely to impact in this area
- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce assessment costs for physical and sensory disability services by £35,000 in 2008-09.
- Reduction in management and support costs will reduce this budget by £60,000 in 2008-09
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services.

Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

Planned future actions to be undertaken

- The Adult Accommodation Strategy is being developed which will offer more choice to people where they receive support.
- DASS intends to roll out a Fair Price Model for negotiating a reduction in the unit cost of residential care.

Audit Commission Value For Money Profiles 2007/08

Profile Description

Service Strategy

Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

Wirral was reported as spending £617,000 on Service Strategy in 2007-08 and was ranked 2nd out of 16. The figure included some central services costs that were not apportioned to operational areas. The actual cost of service strategy should have been reported as £405,000. This correction reduces the cost per head to below average for the comparator group.

Basis of indicator (e.g. cost divided by population)

Actual costs

Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return

Lead Department for indicator

DASS

Any alternative performance indicators for this area

None

Reasons for performance (e.g. Council policies, definition basis etc)

- Unapportioned overheads

Actions undertaken (if any) to improve performance/costs

- The correction apportionment of overheads from Service Strategy to operational areas will reduce the reporting of this VFM profile to below the comparator average from 2008-09

Planned future actions to be undertaken

None

WIRRAL COUNCIL

CABINET : 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

FOLLOW UP OF DISCLOSURE UNDER PUBLIC INTEREST DISCLOSURE ACT 1998 (PIDA).

1. EXECUTIVE SUMMARY

- 1.1 *This report addresses the concerns expressed by members at the Audit and Risk Management Committee on 30th September. It outlines work that is ongoing within the Department of Adult Social Services including those issues agreed with the Audit Commission in the form of an action plan.*

2 BACKGROUND AND PIDA REPORT

- 2.1 In October 2007 the Audit Commission's attention was drawn to a number of concerns regarding aspects of the Council's provision of services within Adult Social Services and Supporting People. A number of concerns fell outside the remit of the Audit Commission; however two matters were investigated in respect of:
- (a) arrangements for the commissioning and monitoring of contracts for Supported Living and Supported People services, to ensure the Council is receiving value for money, and
 - (b) application of the Department of Health's Fairer Charging policy
- 2.2 The concerns, raised in October 2007 directly with the Audit Commission were investigated by them in the period up to March 2008. Their investigation was conducted under the Public Interest Disclosure Act 1998.
- 2.3 The investigation was welcomed as was the report from the Audit Commission in which a number of matters for attention were highlighted.
- 2.4 As a matter of process, the Department of Adult Social Services agreed an action plan with the Audit Commission. This action plan addressed the specific areas of concern and was included when the report was presented to the Audit and Risk Management Committee in September.
- 2.5 When the Audit Commission report was presented to Audit and Risk Management Committee, members raised a number of concerns and sought additional information and assurances with regard to a number of matters.

3 AUDIT COMMISSION REPORT AND ACTION PLAN

- 3.1 The Audit Commission Report highlighted a number of specific areas where attention was required. These were set out as an agreed action plan in Appendix 1 to their report.
- 3.2 This action plan has been further reviewed and the timescale for completion of all work brought forward.
- 3.3 It should be noted that where individuals have already been reviewed and reassessment and Fairer Charging Policy applied, it would be unwise to undertake a further reassessment until March 2009. This is the date upon which benefit rates change and annual reassessments take place.

4. AUDIT AND RISK MANAGEMENT COMMITTEE 30TH SEPTEMBER

- 4.1 On 30th September, in considering the Audit Commission report, members resolved three actions:

(1) That the Audit Commission Report 'Adult Social Services – follow up of PIDA disclosure' be referred to Cabinet and to the Social Care, Health and Inclusion Scrutiny Committee, for consideration.

This report responds to that resolution, with additional consideration being given by a further additional Audit and Risk Management Committee.

(2) That the Action Plan contained within the PIDA report, be redrafted to ensure earlier compliance with the recommendations contained within it.

This has been addressed and all completion dates brought forward.

(3) That the officers be requested to investigate whether a charging policy had been in place, dating back to 1999 and, if so, whether or not it had been approved by Members.

This report addresses that matter in detail.

5 FAIRER CHARGING POLICY

- 5.1 In 1997 the Department of Health issued details of "Fairer Charging". These were augmented by the publication of Fairer Charging Guidance for non residential care in September 2003. The guidance is clear, charges for services are discretionary. However, where applied by a local authority, they must comply with the guidance.

- 5.2 Wirral was slow to adopt the Fairer Charging policy; however, reports on progress were made to the then "Select" Committee in April 2002 and March 2003. With regard to the specific issues raised by the Audit Commission report, in a report to Cabinet on 20th March 2003, it was reported that:

“1.8 – Where service users receive support through Supporting People and are eligible to pay a charge, it is the Fairer Charging guidance that is to determine the charge”. Discussions are taking place with colleagues in the Supporting People Team to achieve this.

5.3 However, as highlighted in the Audit Commission report, comprehensive introduction of Fairer Charging took an extended period with a further report to Cabinet in December 2005, when it was agreed to:

“4.1. – “Apply fairer charges for adults with a learning disability who received day care or Supported Living services”.

5.4 The specific concerns within the Audit Commission report and addressed by action point R4 relate to the possibility that people may have been overcharged through this late application of Fairer Charging and seeks assurance that any over-payments will be reimbursed.

5.5 Assessments to date (October 2008) have been undertaken on 351 people. This includes 29 people who, because of their status (Section 117 Mental Health Act) pay no charges.

Of these 351 people, further work is underway in 8 cases, where it appears the individual was assessed under the wrong policy. “Charging for Residential Care Guidelines”, rather than “Fairer Charging” being applied. Where higher incorrect charges were levied, reimbursement will be made.

The remaining assessments will be completed as soon as possible.

5.6 Special Charging Policy

The report includes a concern that without authority, a charging policy was implemented, in some settings. It is this element that has been referred to as a “special charging policy”.

5.7 In most situations, where people are living in Supported Living the service costs are funded from three sources:

- Housing – funded mainly by Housing Benefits
- Support Costs – funded by Supporting People and DASS – sometimes with funding from Health
- Daily Living Costs – met by individuals alone or as a living group.

5.8 It is around the “Daily Living Costs” that concerns have been highlighted. These were addressed internally by the Department of Adult Social Services in 2006. This with the full application of Fairer Charging apply to all from 2006. However, leading up to the introduction and application of Fairer Charging, local arrangements were made to collect Daily Living Costs.

5.9 Whilst work to address concerns with independent providers continues, one anomaly at Balls Road, the only Supported Living accommodation owned by the Council was uncovered in September 2008, as a part of the ongoing review and reassessment of all arrangements. This arrangement dates back some time and relates to 5 people and services collected for

Daily Living Costs. Work continues to ensure that Fairer Charging is applied and reimbursements made if appropriate.

5.10 Daily Living Costs – Independent Sector

Whilst individuals who live in Supported Living tenancies, can and do determine how much they pay into a communal fund to cover “Daily Living Arrangements” it is evident that further measures are required to ensure these contributions are both fair and reasonable.

5.11 Arrangements for Daily Living costs will always rightly be an area for discretion although it would be good practice to issue guidelines to be followed. It is in this area of Daily Living Costs where it is believed the term “Special Charging Policy” was born. It was not a policy and, as suggested, must remain a matter for discretion. This will be introduced as part of an improved and more rigorous contract monitoring process.

5.12 Progress in these areas will be reported as part of the follow up action, agreed with the Audit Commission.

6 SPECIFIC CONCERNS ABOUT AN INDIVIDUAL PROVIDER

6.1 In the Audit Commission report, concerns are expressed that a provider is obstructing the application of Fairer Charging. That provider currently offers support to 25 people, 16 of whom are funded by the Department of Adult Social Services.

6.2 Normal processes to ensure financial assessments are completed have, to date, been slow. The Department of Adult Social Services, with legal advice is now pursuing other processes to ensure compliance, with regard to the remaining, to a maximum of 11, financial assessments.

7 CONTRACTING FOR SERVICES AND SAFEGUARDING VULNERABLE PEOPLE

7.1 Progress has been made with the accreditation exercise and currently 30 of the 36 providers in Wirral are accredited with contracts signed. Completion of this work has been brought forward to end of November 2008.

7.2 A robust safeguarding policy and procedure are in place in Wirral. A number of concerns relating to Supported Living have, over the years, been investigated under this procedure and have included Police investigations where appropriate.

7.3 The Audit Commission report is critical of contract monitoring arrangements and these are being tightened – see action R3. It should be noted that that one important provider ceased operations in 2007, as a direct result of action taken because DASS concerns about practice.

- 7.4 A further review of contracting for Domiciliary Care is already agreed as part of the Action Plan.

8 CONCLUSIONS

- 8.1 The Audit Commission report, addressed a range of concerns, focused around Supported Living. Whilst these issues were already being addressed, they have provided further focus for system improvements. A number of matters are still being addressed; these include an additional 'Internal Audit' being undertaken by the Director of Resources. This will be reported separately. The requirement for robust contract arrangements, with all providers, conforming to standards and requirements, remains at the centre of ongoing work and progress will be reported to members in line with the amended action report.

9 FINANCIAL AND STAFFING IMPLICATIONS

- 9.1 There could be some financial implications arising from this report if charged fees have to be reimbursed.

10 EQUAL OPPORTUNITIES IMPLICATIONS

- 10.1 There are none arising directly from this report.

11.6. COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are none arising directly from this report.

12. LOCAL AGENDA 21 IMPLICATIONS

- 12.1 There are none arising directly from this report.

13. PLANNING IMPLICATIONS

- 13.1 There are none arising from this report.

14 ANTI POVERTY IMPLICATIONS

- 14.1 There are none arising from this report.

15 SOCIAL INCLUSION IMPLICATIONS

- 15.1 There are none arising from this report.

16. LOCAL MEMBERS SUPPORT IMPLICATIONS

- 16.1 There are no specific implications for any Member or Ward.

17. BACKGROUND PAPERS

17.1 Audit Commission – Adult social Services, follow up of PIDA Disclosure

17.1 Cabinet Reports;
Implementing the Fairer Charging policies for Home Care and other non-residential Social Services – 20th March 2003
Budget Proposals – Charging Policy – 1st December 2005.

18. RECOMMENDATIONS

18.1 Members are asked to note details in the report and make further comments.

18.2 A further report, be made to Audit and Risk Management Committee in January 2009, detailing actions taken, to adhere to the amended Action Plan.

John Webb
Director of Adult Social Services

tel. 3650
29th October 2008

**Wirral MBC 2007/2008
Adult Social Services - Follow Up of PIDA Disclosure
ACTION PLAN**

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	Adult Social Services - Follow Up of PIDA Disclosure					
	R1 <i>Complete the outstanding matters in respect of the Supported Living contracting process, including the completion of contracts by current providers.</i>	2	Gerry Flanagan Commissioning Manager	Yes	ALD Review Team established August 2008 to review all SL arrangements. Seconded experienced Contracts Manager into Team to undertake this work.	November 2008
	R2 <i>Clarify plans for the subsequent re-tendering of the Domiciliary Care Contract.</i>	2	Gerry Flanagan Commissioning Manager	Yes	Review VFM appraisal of existing contracting arrangements. Report to SLT/Scrutiny Committee	January 2009
	R3 <i>Formalise and embed contract monitoring arrangements for Supported Living contracts.</i>	2	Gerry Flanagan Commissioning Manager	Yes	Expressed in Contracts Unit Team Plan and specified in refreshed SL Contracts	November 2008
	R4 <i>Complete outstanding financial assessment reviews for service users with Learning Disabilities, ensuring required financial compensation is provided.</i>	3	Diane Davidson Service Manager Personal Finance	Yes	To be completed alongside review of services referred to in (R1)	December 2008
	R5 <i>Ensure appropriate safeguards are applied to protect vulnerable service users from the risk of any potential financial abuse.</i>	3	Diane Davidson Service Manager Personal Finance	Yes	Audit of personal finances, involving appropriate advocacy services.	Dec 2008

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WIRRAL COUNCIL

CABINET - 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

PROJECTED BUDGETS 2009-2011

1. EXECUTIVE SUMMARY

- 1.1. This report presents the projected budgets for 2009-2011 to coincide with the period of the Comprehensive Spending Review 2007 (CSR).

2. BUDGET 2008-09

- 2.1. The summary budget for 2008-09 as agreed by the Council on 3 March 2008 is as follows:

	£m
Base Budget	302.6
Resources	
Formula Grant	147.4
Area Based Grant	28.4
Council Tax	123.2
Collection Fund	- 0.5
Use of Balances	<u>4.1</u>
	302.6

3. COMPREHENSIVE SPENDING REVIEW

- 3.1. The Comprehensive Spending Review (CSR) 2007, was announced on 9 October 2007. An initial report on the Pre Budget Statement by the Chancellor of the Exchequer including the CSR was presented to the Cabinet on 1 November 2007. The Department for Communities and Local Government (DCLG) announced the three year provisional Local Government Finance settlement on 6 December 2007 and the final settlement on 24 January 2008.

4. **VARIATIONS IDENTIFIED FOR 2009-2011**

- 4.1. **Inflation** –Provision is included for pay and prices at 2% and for income at 3% for 2009-2011.
- 4.2. **Capital Financing** – Cabinet on 12 December 2007 agreed the capital programme for 2008-2011 at an additional financing cost.
- 4.3. **Highways Maintenance** – provision is included for the transfer of highways expenditure of £2.2m to the revenue budget from the capital budget.
- 4.4. **Waste Disposal** – The waste disposal levy is projected to increase by 15.4% per annum.
- 4.5. **Pension Fund** - The Pension Fund has been actuarially revalued as at 31 March 2007. The phased implementation of the revised contribution rates over three years was agreed by the Cabinet on 12 December 2007.
- 4.6. **Merseytravel** – The Merseytravel levy is projected to increase by 4% per annum.
- 4.7. **Invest to Save Schemes** – The Cabinet has agreed a number of invest to save schemes which will reduce expenditure by £0.8m in 2009-10 and by a further £0.4m in 2010-11.
- 4.8. **Private Finance Initiative** – Increase in PFI payments of £0.4m in 2009-10 and a further £1m in 2010-11 as the PFI reserve reduces.
- 4.9. **Benefits Subsidy** – The Department for Work and Pensions has announced that benefits subsidy will be reduced by 3% per annum in real terms, 5% per annum in cash for certain elements of the subsidy, a reduction of £0.7m per annum.
- 4.10 **Local Area Agreement** – Options for the use of the Reward Grant, the revenue element of which is estimated at £1.9m for each of 2009-10 and 2010-11 will be discussed by the LAA Board on 19 November 2008.
- 4.11. **Energy** – The increased cost of fuel and energy has been estimated at £9m in 2009-10 as reported to Cabinet on 9 July 2008.
- 4.12. **Foster Care Fees** - Cabinet on 4 September 2008 agreed to an increase in foster care payments of £0.5m for 2009-10.
- 4.13. **Other Unavoidable Growth** – A number of relatively minor items of unavoidable growth of less than £0.2m will arise. These should total less than £1m.

5. OTHER DEVELOPMENTS

5.1. There are a number of other developments which are likely to impact on the financial position of the Authority over the period 2009 to 2011. The impact of these issues will be reported to the Cabinet as and when they are resolved. Some of the potentially most important issues are:-

- (a) Implementation of Local Housing Allowance from 1 April 2008 which was reported to Cabinet on 12 December 2007.
- (b) Revised Local Government Pension Scheme introduced from 1 April 2008.
- (c) Review of the calculation of the Minimum Revenue Provision which was reported to Cabinet on 16 April 2008.
- (d) Review of the Local Authority Business Growth Incentive Scheme. A consultation paper on a revised scheme to commence in 2009 was reported to the Cabinet on 29 November 2007. A further consultation paper has been received which if implemented could result in a grant of £0.2m in 2009-10 and £0.5m in 2010-11.
- (e) Replacement of Planning Delivery Grant with the Housing and Planning Delivery Grant which was reported to Cabinet on 25 September 2008.
- (f) Review of Supporting People Grant to be undertaken in 2009 with the grant to be absorbed into the Area Based Grant from 2009-10.
- (g) A Bill has been introduced to implement supplementary business rates following the White Paper which was reported to Cabinet on 29 November 2007.
- (h) Review of the Area Cost Adjustment to be implemented in 2009-10.
- (i) Review of the population statistics to include the effects of recent migration, which was reported to the Cabinet on 16 April 2008.
- (j) Review of the funding of social care with proposals to be released in 2009.
- (k) Transfer from the PCT of responsibility for the commissioning of social care for adults with learning disabilities from 2009-10. Agreement with the PCT on the scale of the transfer has to be reached by 1 December 2008.
- (l) Transfer of the responsibilities of the Learning and Skills Council to Local Authorities from 2010.
- (m) Introduction of the Community Infrastructure Levy from 2009.

(n) Implementation of International Financial Reporting Standards from 2010 which will increase leasing costs.

5.2. Many of these developments could impact on the grants receivable for 2009-2011. The grants announced by the DCLG as part of the three year financial settlement are only indicative.

6. **BALANCES**

6.1. The balances for 2008-09 have been set at £5m but the Audit Commission has restated its view that balances should be a minimum of 2% of the net revenue budget which for Wirral would be £6m.

6.2. The financial out-turn for 2007-08 was reported to Cabinet on 26 June 2008 indicating a net underspending of £1.6m, and additional late grant notifications totalling £0.6m.

6.3. Increased energy and fuel costs for 2008-09 estimated to total £3.5m were reported to Cabinet on 9 July 2008.

6.4. The Insurance Fund annual report was presented to Cabinet on 9 July 2008 incorporating a transfer of £3.0m from the Insurance Fund to the General Fund.

6.5. The receipt of additional Local Authority Business Growth Incentive grant totalling £1.3m was reported to Cabinet on 23 July 2008.

6.6. Cabinet on 4 September 2008 agreed a projected overspending of £3.5m in 2008-09 on Adult Social Services, of which £0.8m will continue into 2009-10. Cabinet on 16 October 2008 agreed to bring forward the closure of Feltree House thus reducing the projected overspending in 2009-10 by £0.5m.

6.7. Following the Audit of the Accounts for 2007-08 the capitalisation of highways improvements has been reduced from £3.7m to £1.5m in 2008-09 as reported to Cabinet on 16 October 2008.

	£m
Balances as at 1 April 2008	5.0
Out-turn 2007-08	1.6
Additional Grants	0.6
Insurance Fund	3.0
Energy and Fuel	- 3.5
LABGI	1.3
Adult Social Services	-3.5
Highways Improvements	<u>- 2.0</u>
	2.5

7. EFFICIENCY REQUIREMENTS

- 7.1. The gap between projected expenditure and anticipated resources will need to be bridged by a combination of savings and/or increased Council Tax.
- 7.2. Cabinet on 13 March 2008 agreed the following efficiency targets for 2009-11 but reserved the right to vary these targets during the year.

Department	Target 2009-10 £000	Target 2010-11 £000
Adult Social Services	4,620	3,780
Children and Young People	2,350	1,920
Corporate Services	710	580
Finance	740	600
Regeneration	3,060	2,500
Technical Services	1,620	1,320
	13,100	10,700

- 7.3. As can be seen in the Appendix the efficiency requirement for 2009-10 is now significantly in excess of £13.1m.
- 7.4. The efficiencies agreed in preparing the budget for 2008-09 included £0.9m in Adult Social Services which will become effective from 2009-10.
- 7.5. Cabinet on 9 July 2008 agreed an invest to save scheme in energy conservation involving capital expenditure of £355,500 to produce annual revenue savings of £89,300. This is the only invest to save scheme which has been proposed during 2008-09.
- 7.6. Cabinet on 16 October 2008 agreed a number of efficiencies:-

	£m
Children Residential Care	0.7
ERIC Service	0.5
Housing and Council Tax Benefit	0.6
Treasury Management	0.5
General Efficiencies	<u>0.6</u>
	2.9

- 7.7. I am assuming an annual Council Tax increase of 4%.
- 7.8. The CSR states that the Council Tax capping limit will remain at 5%.

8. FINANCIAL IMPLICATIONS

- 8.1. The indicative budgets for 2009 to 2011 are compiled from the base budget for 2008-09 approved by Council on 3 March 2008, the Medium Term Financial Strategy 2009-2012 agreed by the Cabinet on 23 July 2008, and updated for the issues outlined in this report. The indicative budgets are shown in the Appendix.

9. STAFFING IMPLICATIONS

- 9.1. There are none arising from this report.

10. EQUAL OPPORTUNITIES IMPLICATIONS

- 10.1. There are none arising from this report.

11. HUMAN RIGHTS IMPLICATIONS

- 11.1. There are none arising from this report.

12. LOCAL AGENDA 21 IMPLICATIONS

- 12.1. There are none arising from this report.

13. COMMUNITY SAFETY IMPLICATIONS

- 13.1. There are none arising from this report.

14. PLANNING IMPLICATIONS

- 14.1. There are none arising from this report.

15. LOCAL MEMBER SUPPORT IMPLICATIONS

- 15.1. There are none arising from this report.

16. BACKGROUND PAPERS

- 16.1. Comprehensive Spending Review – Treasury – October 2007
Medium Term Financial Strategy – 2009-2012 – July 2008
Formula Grant Settlement 2008-09 – DCLG – January 2008
Estimates 2008-09 – March 2008

17. **RECOMMENDATION**

- 17.1. That the projected budgets continue to be reported to the Cabinet in line with the agreed financial and performance management timetable.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/239/08

WIRRAL COUNCIL
PROJECTED BUDGETS 2009-2011

	2009-2010	2010-2011
	£m	£m
Base Budget	299.6	322.2
Pay Inflation	3.4	3.3
Price Inflation	3.6	3.6
Income Inflation	- 1.0	- 1.0
Capital Financing	3.1	3.3
Highways	2.2	-
Waste Disposal	2.2	2.5
Pension Fund Revaluation	0.5	0.5
Merseytravel	1.0	1.0
Private Finance Initiative	0.4	1.0
Benefits Subsidy	0.7	0.7
Energy and Fuel	9.0	-
Foster Care	0.5	-
Area Based Grant	2.7	- 0.4
Supporting People	10.3	-
Unavoidable Growth	1.0	1.0
Invest To Save	- 0.8	- 0.4
LABGI	- 0.2	- 0.3
Children Residential Care	- 0.7	-
ERIC Service	- 0.5	-
Housing & Council Tax Benefit	- 0.6	-
Treasury Management	- 0.5	-
General Efficiencies	- 1.5	-
Efficiency Investment Fund	5.3	5.3
Forecast Expenditure	<u>339.7</u>	<u>342.4</u>
Balances	<u>3.5</u>	<u>-</u>
	343.2	342.4
Resources		
Formula Grant	152.7	157.9
Area Based Grant	41.4	41.0
Council Tax	123.2	128.1
Forecast Resources	<u>317.5</u>	<u>327.0</u>
Shortfall	25.9	15.4
Council Tax Increase	4.9	5.1
Efficiencies required	21.0	10.3

WIRRAL COUNCIL

CABINET - 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

ANNUAL REPORT

1. EXECUTIVE SUMMARY

1.1. This report presents the Annual Report for 2007/08.

2. INTRODUCTION

2.1. On 3 April 2008 Cabinet agreed the Financial and Performance Management arrangements for the financial year 2008/09, including reference to the publication of an Annual Report following completion of the Audit of the Statement of Accounts.

2.2. The Statement of Accounts for 2007/08 was reported to, and agreed by, the Audit and Risk Management Committee on 30 September 2008.

3. ANNUAL REPORT

3.1. This Annual Report is the first such publication by Wirral Council for a number of years. It aims to build upon the previously produced Best Value Performance Plan and the Statement of Accounts summary leaflet to provide an overview of performance in 2007/08.

3.2. Within the report there are contributions from the:-

- Council Leader on reviewing the past year and looking forward.
- Chief Executive on the delivery of our objectives.
- Director of Finance on the financial position.

3.3. The aim is to make the document widely available. This will be via the various customer access channels including the Council web-site, One Stop Shops and libraries / information points. It will also be available at public events such as the Area Forums and circulated to the local business community.

3.4. The Council Tax leaflet sets out the plans for the financial year and the Annual Report then presents a review of what has been achieved. This provides an overview for local people from whom any ideas and suggestions for improvement in the documents are being encouraged.

4. FINANCIAL AND STAFFING IMPLICATIONS

4.1. The cost of the publication of the Annual Report can be met from existing budgets.

4.2. There are no staffing implications arising directly from this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

- 5.1. The Annual Report can be made available in a variety of languages and provided in different formats.

6. COMMUNITY SAFETY IMPLICATIONS

- 6.1. There are none arising from this report.

7. HUMAN RIGHTS IMPLICATIONS

- 7.1. There are none arising directly from this report.

8. LOCAL AGENDA 21 IMPLICATIONS

- 8.1. There are none arising directly from this report.

9. PLANNING IMPLICATIONS

- 9.1. There are none arising directly from this report.

10. MEMBER SUPPORT IMPLICATIONS

- 10.1. There are no direct implications for any Member or Ward.

11. BACKGROUND PAPERS

- 11.1 The Statement of Accounts 2007/08 presented to the Audit and Risk Management Committee on 30 September 2008.

12. RECOMMENDATION

- 12.1. That the Annual Report 2007/08 be agreed.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/238/08

If you require this leaflet in another language or format please ring the number below:
0151 606 2020

Arabic

وإذا اردت نسخة من هذا الكتيب في لغة اخرى اوفي شكل آخر
اتصلوا بتلفون رقم الموفر بادناه

Bengali

এই পত্রিকার অনুলিপি ভিন্ন কোন ভাষায় অথবা অন্য কোন আকারে প্রয়োজন
হলে, অনুগ্রহ করে সরবরাহকৃত টেলিফোন নম্বরে যোগাযোগ করুন

Chinese

如果你需要這份小冊子在另一種語言或不同的格式，請聯繫
提供的電話號碼

Hindi

“अगर आपको इस दस्तावेज की प्रतिलिपि अन्य भाषा में अथवा भिन्न प्रारूप में चाहिये
तो कृपया उपलब्ध टेलिफोन नंबर पर संपर्क करें”

Polish

Jesli potrzebujesz te ulotke w innym jezyku lub w innej formie prosze zadzwonic na
zalaczony numer.

Punjabi

“ਜੇ ਤੁਹਾਨੂੰ ਇਹ ਪੱਤਰਾ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿੱਚ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿੱਚ ਚਾਹੀਦਾ ਜਿਹਾ ਦਿੱਤੇ ਗਏ ਟੈਲੀਫੋਨ ਨੰਬਰ
ਉੱਤੇ ਸੰਪਰਕ ਕਰੋ”

Somali

“ Haddaad rabtid nuqul ee warqadaan oo luqad kale ku qoran ama qaab kale,
fadlan la xiriiir lambarka taleefon lagu siiye.

Urdu

اگر آپ کو اس کتابچے کا ترجمہ کسی اور زبان میں یا کتابچہ کسی اور طرز
میں درکار ہے تو فراہم کردہ ٹیلیفون نمبر پر رجوع کریں۔

To find out more about Council services:

- Visit www.wirral.gov.uk
- Call us
- Call in to a One Stop Shop





I am very pleased to introduce Wirral Council's Annual Report for 2007- 2008.

Steve Foulkes
Wirral Council Leader



The Council is working hard to continually improve our services and ensure that we provide value for money. I am proud of what we achieved last year and some of our key areas of progress are detailed in the Chief Executive's report later in this publication. There is however much still to do and throughout the past year we have been focused on planning for the future.

Wirral is a borough with enormous potential, but I don't have to tell you that it is also a place of sharp contrasts. It has some of the most affluent wards in the country and some that rate among the most deprived.

Many residents enjoy an excellent quality of life, with good leisure facilities, an attractive coastline and countryside, good quality housing, good schools and high levels of employment. For some, the picture is very different, with pockets of high unemployment, low skills levels, poorer quality housing, unacceptable levels of anti-social behaviour and high levels of ill health.

We are committed to tackling the issues that we face while capitalising on the tremendous opportunities and assets we have. In looking forward we have therefore agreed a new Corporate Plan for the Council that is based on the following vision:



Our vision is of a more prosperous and equal Wirral, enabling all communities and people to thrive and achieve their full potential.

Our aim is to build an area founded on a strong, vibrant economy with high levels of employment. We want to end deprivation, working to narrow the gap in education, employment, health and housing both within and between our communities.

As part of all this work a shared Wirral identity will be established. This is one identity that draws together all the borough's urban, rural and coastal communities.

All this will be achieved through a 'can-do' Council that aims to deliver first class services, which are affordable, sustainable and meet the needs of local people.

Building on the success in our priority areas that are covered by the Chief Executive's report we developed the vision. We believe that our vision and objectives will make the area a more prosperous and equal Wirral, where all communities and people thrive and achieve their full potential. You will find details of how we will achieve these objectives at the end of this report.

I hope you find this Annual Report useful and I look forward to reporting to you again next year on the continued progress we are committed to delivering for the people of Wirral.

To deliver our vision of Wirral we will focus on the five objectives that will guide how we invest our resources and prioritise how we work.

1. To create more jobs, achieve a prosperous economy and regenerate Wirral
2. To create a clean, pleasant, safe and sustainable environment
3. To improve health and well being for all, ensuring people who require support are full participants in mainstream society
4. To raise the aspirations of young people
5. Create an excellent Council





“ ”

Growing Wirral's economy is crucial to the future prosperity of the Borough.

Steve Maddox
Wirral Council - Chief Executive



03 Chief Executive - Delivering on our objectives

Wirral Council Annual Report 2007/2008

Wirral Council Annual Report 2007/2008

During the year I met more than 300 local businesses to consult them on the development and implementation of our new Investment Strategy that will guide our economic development over the next decade. Full employment and enterprise strategies are also now in place.

The majority of the new Working Neighbourhoods Fund will be directed towards improving the economic prosperity of Wirral in line with the aims of the Investment Strategy.

While continuing to deliver on a wide range of services for residents, focus was placed during the year 2007/2008 on five key areas of activity. The next section details our progress against those priorities.

“ ”

The percentage of young people taking part in organised youth activities increased from 55% to 61%

Children and young people

Wirral schools are forging ahead with ever-improving exam results providing a solid future for the area.

The gap at Foundation Stage between the lowest achieving 20% of pupils and the rest shows a reduction of 6% and there is a three year upward trend between Key Stage 1 and Key Stage 2 in English and maths. We have also reduced the gap between pupils eligible for free school meals and their fellow students. GCSE results are well above the national average, with passes at A-C up 4.5% to 62.2%, and at A level, the average point score increased by 32 points, with a rise of nearly 80 in the numbers of pupils sitting A levels.

Initiatives such as a Boys' Writing Network helped Wirral's teenage boys re-engage with English and similar initiatives have boosted the numbers studying sciences. The percentage of young people taking part in organised youth activities increased from 55% to 61%.

Nearly 90% of 16-year-olds stay on in school or college or go into employment. However the numbers of young people not engaged in education, employment and training is an important challenge, and reducing these numbers is a priority.

Last year Wirral Lifelong and Family Learning Service was named as one of the best in the country by the Adult Learning Inspectorate, and there were more than 4000 enrolments on

adult and family learning courses. Wirral has a high number of looked after children and safely reducing this number is a priority for the Council. Together with our partners we are focusing on early intervention to support more children in our community.

The rate of children adopted or made subject of a special guardianship order remains low. However during the year we were successful in recruiting foster carers and this has contributed to improved placement choice and a high proportion of looked after children living in family placements.

Our Beacon year for Positive Youth Engagement was successful with local authorities from across the country attending the open day.

Good practice was shared through the IDEA website and associated publications. Wirral has since been working closely with peers in Knowsley and Liverpool to help develop youth engagement after obtaining funding through the Cabinet Office.

“ ”

Nearly 90% of 16-year-olds stay on in school or college or go into employment





Community Engagement

Residents' views are very important to us and we encourage local people to have an input into shaping the services that their Council provides for them. We have a good record in fully involving our residents in aspects of our work and believe that this is vital to maintaining a vibrant local democracy.

Twice a year 5,000 of our residents undertake a survey for us. Feedback from these postal surveys is used in the development of policies, strategies and service reviews. We also use it to measure levels of public satisfaction with specific services.

We also take part in more in-depth interaction with residents through our area forums.

Youth forums have also been in existence for some years for each parliamentary constituency to provide young people with the opportunity to influence issues ranging from local facilities to transport.

The establishment of an Older People's Parliament in Wirral has provided our older people with a forum to debate and influence the issues which matter to them.

Wirral residents have a unique opportunity to decide how the council should spend money in local areas in a new initiative called You Decide. £260,000 has been allocated to this project and each area forum will be able to 'buy' council services based on its assessment of local needs.



Youth forums provide young people with the opportunity to influence issues ranging from local facilities to transport.

Community safety

Wirral has the lowest rate of recorded crime in Merseyside. The rates of burglaries, violent crimes, robberies and vehicle crimes continue to fall and are among the lowest in the country. Public confidence is rising, resulting in a reduced fear of crime.

Wirral's Anti-Social Behaviour Team focuses on the themes of prevention, enforcement and resettlement. It includes seconded officers from Merseyside Police, Merseyside Fire and Rescue Service and the Family Support Unit and is supported by a dedicated Community Safety Solicitor.

Our Crime and Disorder Reduction Strategy and Alcohol Harm Reduction Strategy aim

to tackle alcohol abuse and reduce alcohol-related crime. Working with young people is a recognised strength in Wirral, with a Beacon Status Award for Positive Youth Engagement.

In March 2007 Wirral was selected by the government as one of 40 'respect' areas, as part of the current drive against anti-social behaviour. Many initiatives have been developed, including the Youth Respect Team aimed at preventing and reducing anti-social behaviour by young people. Wirral's Respect Bus visits public places where local residents can get advice from a number of specialists on topics ranging from abandoned cars to youth nuisance.

Increasing the levels of reporting of domestic violence requires continued focus.

Mechanisms have been put in place to facilitate non-police recording of domestic violence incidents. Training has been provided to all agencies in Wirral including community and voluntary sector organisations. Greater reporting enables repeat victims to be identified earlier and for targeted support to be provided.

Road safety continues to be a key priority of the Council. The number of people killed and seriously injured on Wirral's roads has fallen significantly over the past three years. Initiatives started during the year include Bring Accidents Down 2 Zero, which sees 20mph signs erected on residential streets to encourage drivers to slow down – without a formal speed limit reduction.





Customer services

The Council has established a Customer Access Strategy that aims to make it as easy as possible for customers to contact us and for us to deal with enquiries as quickly as possible. However customers get in touch with us we aim to resolve enquiries first time – although some issues need to be referred to specialist staff – and provide a consistent and high quality service.

Improving customer service is a top priority and we have made good progress. Wirral residents can access Council services in a number of ways including through our network of local One Stop Shops. During the year we increased staffing during lunchtimes in One Stop Shops and extended opening hours.

Our network of One Stop Shops is complemented by seven library information points, which offer initial advice and information on different services .

We have continued to develop services with partner organisations including Merseyside Police, Wirral Primary Care Trust, Department for Work and Pensions, Wirral Partnership Homes, Merseytravel and the Citizens Advice Bureau.

We relaunched the Council’s website to make more information available electronically and provide some of our most popular services online. We have also improved the telephone system in the Streetscene call centre so that customers can select the nature of their enquiry.

This directs the call to staff with the correct skills and knowledge leading to quicker, more accurate responses. More than 75% of customer enquiries were resolved the first time that they contacted us.

“ ”
Improving customer service is a top priority and we have made good progress.

Streetscene and waste

Some of the most dramatic service improvements made during the year were in the way that we deal with household waste. Wirral was one of the worst authorities in the country for recycling, now we are one of the best.

A new environmental Streetscene service contract for all waste and street cleaning has been instrumental in delivering the improvements in service. 94% of Wirral homes are now recycling their waste through the green and grey bin scheme.

During the year the percentages for both recycling and composting more than doubled, an improvement that has continued. The household waste recycling rate rose from 9.1% to 20.9%

and the total tonnage of household waste recycled rose from 5% to 10.7%.

A pilot scheme to roll out the recycling scheme to schools took place during the year and this will now be extended to all schools. The scheme will also be expanded to cover flats and other multi-occupancy buildings.

Residents and businesses regard clean streets as extremely important to their quality of life. We have a dedicated Streetscene call centre to ensure queries and problems are dealt with promptly.

Cleaning of roads and pavements is carried out by Biffa and involves emptying public bins, litter picking, sweeping and mechanical brushing and sweeping of roads. The condition of Wirral streets

has also improved markedly. Our street cleaning indicators has improved beyond our targets and a recent residents survey shows increased satisfaction with both the amounts of litter on our streets and the service to remove it.

People

Wirral Council’s biggest asset is it’s people. With over 12,500 staff we are the borough’s largest employer. Without our staff we would be unable to provide the huge range of Council services which are available to Wirral residents and businesses. We encourage staff and career development as a key part of building employee engagement and we are keen to train and develop our staff. This has been reflected in our achievement of Investors in People status.





“ ”

The Council continues to strive to promote and enhance all aspects of financial management and successfully managed its finances during 2007- 08.

Ian Coleman BSc, CPFA
Director of Finance

Equality & Diversity

Wirral council is committed to delivering all of its services in a fair and equal way. It is also developing an inclusive recruitment and selection procedure aimed at creating a strong and diverse workforce. This two-pronged approach ensures that we work towards removing barriers to our services and actively promote and support diversity in the workplace. This mission will be carried out in close working relationship with our partners on the Local Strategic Partnership.

We have adopted a Single Equality Policy and Strategy, which incorporates our race, gender and disability equality schemes. This also includes our commitment to equality regardless of sexual orientation,

age and religion or belief. The Council is working towards level 3 of the Equality Standard for Local Government by 2009, having achieved level 2 in 2007.

Climate Change

The Council has signed the Nottingham Declaration and developed our own climate change action plan. This will ensure we become more energy efficient, reduce our energy consumption and fuel costs and protect local people from the threats posed by our changing climate. Wirral Council's carbon footprint has reduced through the year and the additional initiatives introduced in 2007/08 are leading to a 22% CO² reduction against our baseline which is ahead of the target set.

We have joined the CRed Carbon Reduction Scheme which seeks to achieve a 60% reduction in Carbon Emissions by 2025 and established a Sustainability Unit to drive further energy efficiency and sustainability initiatives, and to work with businesses and the community to raise awareness of the urgent need to reduce Wirral's carbon footprint. This will be done by working with our local partners to take action to reduce carbon emissions and to sign up to the CRed target.

Finance Director's Statement

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice.

This document provides a brief review of the financial performance for the year 2007/08.

Revenue

The Council spent £2.5m less than budgeted for in 2007/08. The services experiencing greatest pressures were care services for both adults and children, where demand exceeded resources. Careful management of the Council's cash flow and capital funding helped deliver savings which more than offset overspending on specific services.

Capital Expenditure

This is money spent on purchasing, upgrading or improving assets such as buildings and roads. The distinction from revenue is that the Council receives the benefit from capital expenditure over a longer period of time. The Council spent £73m on capital schemes in 2007/08.

Balances

At the end of the year, the Council had balances of £11m. These will be used to help reduce the level of Council Tax rise in 2007/08. The Council continues to strive to promote and enhance all aspects of financial management and successfully managed its finances during 2007-08.

It retains a prudent level of balances to meet any unforeseen events and faces future challenges in keeping Council Tax affordable while continuing to support the quality and improvement of local services.

External auditors are required to give an opinion that the financial statements give a true and fair view of the financial position of the Council. The auditors gave this opinion of the accounts for 2007/2008.

Further details of the Council's finances are set out in its audited statement of accounts available on the council website, www.wirral.gov.uk, click on A-Z and select Annual Accounts.



11 Highlights from the 2007-08 accounts are given below:

Wirral Council Annual Report 2007/2008

Revenue Spending

The Revenue Account below shows the cost of running Council services for the year ending March 31 2008.

Spend	£000
Central Services to the Public	5,347
Court and Probation Services	434
Cultural, Environmental and Planning	73,976
Education	44,141
Highways, Roads and Transport	32,253
Housing Services	5,935
Social Services	121,065
Corporate and Democratic Core	4,479
Non Distributed Costs	7,979

Total Cost of Services 295,609

Less interest, pension and capital items 35,561
Amount to be met from Government Grants and Council Tax

260,048

Financed by:

Council Tax	119,338
Council Tax Surplus from previous year	430
General Government Grants	25,272
Non-Domestic Rate Pool	114,643

259,683

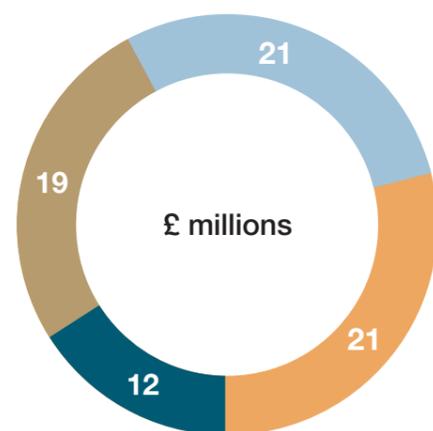
General Fund balance brought forward	11,480
Use of General Fund Balances for the year	365

Surplus on General Fund carried forward 11,115

Of this £11m surplus, some £4m will be used to set the Council Tax and budget for 2008/09.

Capital Spending

Capital spending is on purchasing, upgrading and improving assets that provide benefit over a period of longer than one year. Most of this is spent on renewing and improving schools and housing in the area, in addition to improving roads as and a number of other buildings.



- Regeneration
- Other Services
- Technical Services
- Children and Young People

The main source of funding for capital spending is Government Grants. They provided £44m towards the total spending of £73m. The balance was met from a combination of borrowing and the use of capital receipts generated from the sale of surplus assets.

Balance Sheet

The balance sheet shows what the Council owns and is owed. It presents an overall view of the financial position at 31 March 2008.

Assets	£000
Buildings, Land and Other Assets	719,335
Investments	78,620
Cash and Bank	5,660
Money owed to the Council	144,961
Total Assets:	948,576

Liabilities and Financing:	
Money owed by the Council	73,998
Borrowing	287,217
Government Grants	201,460
Distributable Reserves *	104,440
Non Distributable Reserves	281,461
Total Liabilities and Financing	948,576

* Distributable Reserves comprises of:

Capital Receipts Reserve	10,535
Reserves – General	66,753
Provisions – General	17,257
Balances	9,895
Total	104,440

At the end of the year the Council had borrowing of £287m at an average rate of 5.83% over an average life of 26 years.

A Glossary of Terms

Capital Assets

Land, buildings and other property that yields a benefit to the Council that is greater than one year

Capital Expenditure

Expenditure on capital assets

Capital Receipts

Income from the sale of capital assets

Council Tax

Council Tax is charged on all domestic properties in the Council's area and varies according to which band the property has been placed in.

Government Grant

The amount paid by the Government to support the Council's annual budget. Made up of revenue support grant and a share of business rates.

General Fund

The fund to which all the Council's revenue expenditure is charged. Expenditure on the general fund is met from the Council Tax and Government grants.

Reserves

These are balances in hand which have accumulated over previous years and are held for defined purposes. The level and purpose of reserves is regularly reviewed.

Revenue

Income and Expenditure relating to the day-to day running costs of the Council.

Did you know

The Council's assets include:

- 104 schools and nurseries
- 44 residential homes and day centres
- 41 libraries and community centres
- 38,000 street lights



Longer Term Plans

The Council through its work with the local strategic partnership continues to develop the Sustainable Community Strategy. This sets out a strategic, long term vision for the borough. The Council, in consultation with its partners, has developed an action plan which will be delivered through the Local Area Agreement. The aim is to enhance the quality of life in local communities by improving economic, social and environmental wellbeing.

In 2007/08, the Council agreed a vision and Corporate Plan for 2008-2011. The plan identifies the area's priorities, reflecting the needs and desires of the local people, and the Council's objectives for the next three years. The Council's Medium Term Financial Strategy forms a key element of the Corporate Plan by indicating the key resources and principles that will shape the Council's budget for 2009 to 2012.

The Council is committed to allocating resources to local priorities and keeping Council Tax increases to a minimum. To this end, we have invested in an ambitious change programme to secure better procurement procedures, improve access to our services and make efficiencies through the use of information technology. Council Tax levels for 2008/09 increased by 3.66%. This was below the 5% maximum level set by Central Government and as a result the average Band D Council Tax rose

to £1,379. This means, Wirral has gone from having the 4th highest Council Tax in the country to having the 242nd highest.



The Council is committed to allocating resources to local priorities and keeping Council Tax increases to a minimum.

Budget 2009/10

The Council faces a difficult financial situation due to the level of support it receives from Central Government and the increasing demands on our services. The budget process for 2009/10 is already underway. Departments are examining their services to identify ways of improving value for money and efficiency and this will continue through the coming months. In December 2008, the government will confirm how much government grant the Council will receive in 2009/10 and the Council will finalise its budget proposals. Cabinet and full Council will consider the proposals in February and March 2009.

Wirral Council produces the following documents that relate to its plans and finances. Copies of all of these documents are available on the Wirral website. Go to www.wirral.gov.uk and enter the name of the document in the 'quick search' box at the top of the page.

Annual report

This gives a review of Council activities over the last 12 months. It also gives a brief overview of spending during the period and balance sheets at the end of the period.

Corporate Plan

This document set out the Council's corporate strategy and direction for the next five years.

Statement of Accounts

This gives a detailed view of the Council's financial accounts for the last financial year.

'Your Council Tax Explained'

This booklet is issued annually in March with Council bills. It sets out the Council's plans for the coming year.

If you would like to give any feedback on this Annual Report please contact:
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Strategic Objectives	Aims for 2008 – 2013	Priorities for Improvement 2008/09
To create more jobs, achieve a prosperous economy and regenerate Wirral	<ul style="list-style-type: none"> Increase investment and encourage new developments Improve rate of business start ups and support local businesses to grow Increase GVA by increasing employment opportunities and matching skills to employers' demands Reduce worklessness Ensure the sustainability of our cultural, leisure and tourism assets 	<ul style="list-style-type: none"> Reduce worklessness Increase enterprise
To create a clean, pleasant, safe and sustainable environment	<ul style="list-style-type: none"> Increase levels of recycling Reduce our carbon footprint Create exemplary levels of street cleanliness Reduce number of people killed or seriously injured in road accidents Deliver HMRI programme and achieve housing decency standards Reduce alcohol related crime Reduce levels of anti-social behaviour Conserve the borough's natural and built heritage and increase civic pride and public participation 	<ul style="list-style-type: none"> Increase levels of recycling Reduce the council's carbon footprint Reduce number of people killed or seriously injured in road accidents
To improve health and well being for all, ensuring people who require support are full participants in mainstream society	<ul style="list-style-type: none"> Narrow the mortality gap on Wirral Promote greater independence and choice Reduce the number of falls for elderly people Encourage healthy lifestyles and participation in fulfilling activities Improve support for those with mental health problems Tackle domestic violence Tackle all forms of alcohol and drug induced harm 	<ul style="list-style-type: none"> Promote greater independence and choice
To raise the aspirations of young people	<ul style="list-style-type: none"> Raise overall educational attainment, particularly lower achieving young people Reduce numbers not in employment, education or training Safely reduce the number of looked after children Reduce childhood obesity Increase numbers going to university, especially from disadvantaged 	<ul style="list-style-type: none"> Raise overall educational attainment, particularly lower achieving young people. Safely reduce the number of looked after children
Create an excellent council	<ul style="list-style-type: none"> Improve the use of the Council's land and assets. Create a sustainable and stable budget providing value for money Improve the council's budgeting process to fully reflect its priorities Improve accountability, accessibility and openness and involve those who use our services in their design and delivery Improve partnership working with the public, private and voluntary sectors 	<ul style="list-style-type: none"> Improve the use of the Council's land and assets Create a sustainable and stable budget, providing value for money Improve the Council's budgeting process to fully reflect its priorities

WIRRAL COUNCIL

CABINET - 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

PROCUREMENT EFFICIENCIES

1. EXECUTIVE SUMMARY

- 1.1. Cabinet on 12 December 2007 approved a projected procurement savings target of £2.25 million for 2008/09. This report informs Members of progress towards achieving this savings target and outlines future plans and targets for efficiencies, within the Procure to Pay (P2P) activity in line with the Procurement Strategy approved by Cabinet on 4 September 2008.

2. BACKGROUND

- 2.1. The procurement culture and practices of the Council are subject to inspection and measured against the National Procurement Strategy Milestones in delivering value and efficiency.
- 2.2. Further challenges have been set for procurement within the Comprehensive Spending Review 2007 (CSR). Nationally the CSR expects savings of £4.9 billion by 2011 of which it is suggested that £2.8 billion will be delivered through smarter procurement.
- 2.3. Recently with the establishment of the North West Regional Improvement and Efficiency Partnership, the Government has set a regional savings target of £249 million for the region to be delivered through best practice procurement.
- 2.4. All of these challenges are set against a background of a global credit crisis, increasing energy costs and a prediction that the UK economy will be subject to a major recession.
- 2.5. The revised Corporate Procurement Strategy, approved by Cabinet on 4 September 2008, states that one of the key objectives of procurement is:

'Contributing to Council **savings targets** by continually challenging procurement arrangements and seeking opportunities to reduce prices, improve quality, **maximize efficiency** and achieve greater outcomes for the residents of Wirral.'

2.6. The Council spends annually in excess of £170 million on goods, works and services. This figure is subject to the above challenges, with procurement and commissioning teams across the Council being designed to ensure that this expenditure is subject to rigorous, competitive and compliant processes which will achieve maximum value for money in support of front line services.

3. EFFICIENCIES 2008/09

3.1. Appendix I details the current estimated savings in 2008/09 with a projected savings figure of £2.25m. It should be noted that in a number of areas although the contract has been let it has not been possible to make any savings. The schedule is analysed between contracts that are specific to individual departments and those that are of a corporate nature and is summarised below:

Department	Contract Value p.a.	Contract savings	
		2008/09	Additional in 2009/10
PROCUREMENT WORK COMPLETED	£	£	£
Adult Social Services	826,100	110,100	3,000
Law/HR/Asset Management	120,000	4,800	0
Children and Young People	998,600	33,900	0
Finance	2,031,400	956,500	44,300
Regeneration	85,100	26,300	0
Technical Services	1,975,900	206,700	23,000
Corporate contracts	8,575,200	1,067,600	0
TOTAL PROCUREMENT COMPLETED	14,612,300	2,405,900	70,300
PROCUREMENT WORK to be COMPLETED			
Adult Social Services	9,693,400	306,000	416,300
Children and Young People	1,000,000	72,900	52,000
Finance	3,250,000	101,900	203,200
Regeneration	4,297,000	45,100	337,900
Corporate contracts	9,360,000	310,700	1,229,300
TOTAL PROCUREMENT to be COMPLETED	27,600,400	836,600	2,238,700
TOTAL SAVING 2008 / 2009		3,242,500	
TOTAL SAVING 2009 / 2010			2,309,000

- 3.2. The efficiencies achieved to date for 2008-09 total £2.40m with a projection of an additional £0.84m to be deliverable during the remainder of 2008-09. Obviously, most of the contracts to be let during the remainder of the year will deliver the majority of any savings to be achieved in 2009-10.
- 3.3. In agreeing the budget for 2008-09 the Council agreed an apportionment of procurement efficiencies as follows:-

	£000
Adult Social Services	545
Children and Young People	583
Corporate Services	148
Finance	306
Regeneration	443
Technical Services	<u>225</u>
 Total	 2,250

- 3.4. The revised allocation for 2008-09 including specific contract savings and an apportionment of the corporate contract savings is:-

	Specific Contracts £000	Corporate Contracts £000	Total £000
Adult Social Services	416	334	750
Children and Young People	106	357	463
Corporate Services	-	26	26
Finance	1,059	187	1,246
Law/HR/Assets	5	65	70
Regeneration	72	271	343
Technical Services	<u>207</u>	<u>138</u>	<u>345</u>
 Total	 1,865	 1,378	 3,243

- 3.5. Of the Finance savings, only £472,000 relates to the General Fund with the remainder £774,000 accruing to the Pension Fund.

4. EFFICIENCIES 2009-10

- 4.1. Appendix II shows the contracts that will form the work plan for procurement activities in 2009/10, the values of which are summarised below:

WORKPLAN FOR 2009/ 2010	£
Adult Social Services	11,832,000
Corporate Services	91,800
Children and Young People	2,226,600
Finance	792,500
Regeneration	3,060,000
Technical Services	10,573,300
Corporate contracts	5,803,800
TOTAL VALUE OF PROCUREMENT WORK	34,380,000

- 4.2. Service departments will need to bring forward other specific areas of activity that will add to this plan and create efficiencies from a service perspective. The role of the Procurement Team will be to assist departments to ensure appropriate processes are followed and that best value is obtained when letting contracts.
- 4.3. To avoid duplication between procurement efficiencies and efficiency proposals submitted by Chief Officers, I am only recommending agreement to proposed efficiencies from corporate contracts in this report. It will be for each Chief Officer to propose any savings from their specific contracts.
- 4.4. **Corporate Contracts Projected Efficiencies**

	£000
Projected full year effect of 2008-09 contracts	1,229
Projected new contracts in 2009-10	<u>290</u>
	1,519

5. STRUCTURAL AND PROCESS EFFICIENCIES

- 5.1. Savings against future contract renewals will become increasingly difficult to achieve. Much emphasis is placed on savings that can be made through smarter and more tightly negotiated contracts. Managing the P2P process in an efficient and effective manner is essential if the Council is going to achieve best value from its non payroll spend.
- 5.2. The P2P section, through the introduction of the Oracle system has successfully introduced on-line 'e'procurement that yielded transaction savings of approximately £1.8million since implementation in 2006. This achievement was recognised nationally at the LGC Awards in 2007 when Wirral won the 'Procurement Initiative Award'.

- 5.3. The P2P section is building upon these achievements by moving the management and control of the 'Procure to Pay' process forward to achieve further efficiencies and therefore savings.
- 5.4. Appendix III highlights the areas within the Oracle P2P system that are to be addressed to deliver further efficiency savings. These include:
- (i) Centralisation of non-catalogue purchasing activity – this will reduce the number of purchasing co-ordinators in departments rationalising the function into the P2P section.
 - (ii) Transaction savings – reduction in transaction times will release resources, improve efficiency and reduce errors within the P2P process.
 - (iii) Address maverick spend – significant activity is with suppliers with whom there is no contract. This initiative will identify these areas and put contracts in place.
 - (iv) Electronic Payments – the use of procurement cards, electronic invoicing, intelligent scanning and self billing will all reduce the need for manual intervention.
 - (v) Collaborative procurement – good use has already been made of a pan Merseyside approach to purchasing such as items of stationary and office furniture, which will be developed further.
- 5.5 All of these initiatives form part of a project plan that is overseen by the Corporate Improvement Group. As each element develops it will be possible to estimate potential savings. These will be reported to Cabinet as they arise.

6. FINANCIAL IMPLICATIONS

- 6.1. The total projected procurement efficiencies of £2.25m which were agreed as part of the budget for 2008-09 should be achieved.
- 6.2. Efficiencies totalling £1.5m should be achievable from corporate contracts for 2009-10.

7. STAFFING IMPLICATIONS

- 7.1. There are none arising directly from this report.

8. EQUAL OPPORTUNITIES IMPLICATIONS

- 8.1. There are none arising directly from this report.

9. COMMUNITY SAFETY IMPLICATIONS

- 9.1. There are none arising directly from this report.

10. **LOCAL AGENDA 21 IMPLICATIONS**

10.1. There are none arising directly from this report.

11. **PLANNING IMPLICATIONS**

11.1. There are none arising directly from this report.

12. **ANTI-POVERTY IMPLICATIONS**

12.1. There are none arising directly from this report.

13. **HUMAN RIGHTS IMPLICATIONS**

13.1. There are none arising directly from this report.

14. **SOCIAL INCLUSION IMPLICATIONS**

14.1. There are none arising directly from this report.

15. **LOCAL MEMBER SUPPORT IMPLICATIONS**

15.1. This report affects the entire Borough.

16. **BACKGROUND PAPERS**

16.1. Procurement Strategy - September 2008.

17. **RECOMMENDATIONS**

That

(1) the procurement efficiencies delivered in 2008/09 be noted;

(2) the procurement efficiencies from corporate contracts estimated at £1.5m be agreed for 2009-10.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/232/08

EFFICIENCY SAVINGS FROM CONTRACTS 2008-09

Category	Contract Value p.a. £	Term Months	Contract savings	
			2008/09 £	Additional in 2009/10 £
PROCUREMENT WORK COMPLETED				
Adult Social Services				
Learning Central Services (becta)	152,100	36	21,300	-
LINKS	151,000	36	34,400	3,000
Provision of Community Meals on Wheels Service	523,000	60	54,400	-
Total Adult Social Services	826,100		110,100	3,000
Law/HR/Asset Management				
Provision of Executive Recruitment Services	120,000	24	4,800	-
Total Law/HR/Asset Management	120,000		4,800	-
Children and Young People				
Provision of Private Hire Taxis & Vehicles up to 8 seats to Wirral & Out of Borough Schools & Colleges	659,600	24	26,700	-
Maintenance & Breakdown of Intruder Alarm Systems for Schools, Youth Clubs & Children Centres	10,000	36	600	-
Transport Contracts (Sports Venues)	329,000	12	6,600	-
			-	-
Total Children and Young People	998,600		33,900	-

Category	Contract Value p.a. £	Term Months	Contract savings	
			2008/09 £	Additional in 2009/10 £
Finance				
Telecoms PSTN	595,000	24	70,900	-
Supply & Delivery of Pre Printed Envelopes	7,200	12	2,100	-
Provision of Support & Maintenance for Apple Macintosh Computers, Servers, Associated Peripherals and Software.	4,200	24	200	-
Passive Fund Management	720,000	18	672,100	-
Banking Services	96,200	36	30,600	-
Cash Collection	89,400	36	23,200	-
SAM & DTM Software	79,600	36	33,600	3,100
Property Insurance	439,800	60	123,800	41,200
Total Finance	2,031,400		956,500	44,300
Regeneration				
HMRI Cost Consultancy Support	20,000	48	1,600	-
Private Sector Housing Stock Condition & Home Energy Survey	40,100	12	23,700	-
Alleygating Repair Contract	25,000	24	1,000	-
			-	-
Total Regeneration	85,100		26,300	-
Technical Services				
LLPG	1,035,300	36	98,700	-
Pan Gov Framework for Tyres & Associated Services	30,000	24	1,200	-
Tree Maintenance	150,000	12	17,800	-
Arboriculture	157,500	24	13,500	-
Contract for Removal & Encapsulation of Asbestos	480,000	36	29,400	-
Planning Control Software	123,100	120	46,100	23,000
Total Technical Services	1,975,900		206,700	23,000

Category	Contract Value p.a. £	Term Months	Contract savings	
			2008/09 £	Additional in 2009/10 £
Corporate contracts				
Personal Computers	986,600	36	442,400	-
Furniture	126,700	36	57,200	-
Cleaning Materials	1,013,300	36	104,500	-
Supply & Maintenance of Fire Fighting Equipment	30,800	36	6,200	-
Supply of Gas (Heating Oil) & Vehicle Fuel Oils	3,000,000	36	192,300	-
Supply of Natural Gas	2,100,000	12	47,100	-
Supply of Fruit & Vegetables	100,000	36	14,400	-
Supply of Fresh & Frozen Meat	60,000	24	24,900	-
Provision of Milk, Bread & Morning Goods	526,700	36	60,600	-
Frozen Food - Distribution & Supply	112,000	24	12,800	-
Disposal of Clinical/Medical waste	28,100	36	1,800	-
Vending (Leisure)	159,200	60	37,800	-
Telecoms - Provision of Network Equipment & Services	308,100	24	64,500	-
Supply of Confectionery, Sweets and Soft Drinks	15,200	36	900	-
Provision of Eye Examination and Eye Care Equipment	8,500	12	200	-
Total Corporate contracts	8,575,200		1,067,600	-
TOTAL PROCUREMENT COMPLETED	14,612,300		2,405,900	70,300

**PROCUREMENT WORK TO BE
COMPLETED 2008-09**

Adult Social Services

Social Care Contracts - Care Homes	9,100,000	12	295,000	295,000
Medical Equipment	243,400	36	5,700	62,700
Social Care Equipment	350,000	36	5,300	58,600
Total Adult Social Services	9,693,400		306,000	416,300

Children and Young People

Education Supplies (Schools Budget)	1,000,000	36	72,900	52,000
Total Children and Young People	1,000,000		72,900	52,000

Finance

Pension Portfolio Investment European	750,000	36	33,100	65,900
Pension Portfolio Investment UK Equity	2,500,000	36	68,800	137,300
Total Finance	3,250,000		101,900	203,200

Regeneration

Open Spaces	4,000,000	36	29,100	321,900
Library Book Purchase	297,000	36	16,000	16,000
Total Regeneration	4,297,000		45,100	337,900

Category	Contract Value p.a. £	Term Months	Contract savings	
			2008/09 £	Additional in 2009/10 £
Corporate Contracts				
Contract Hire Services (cars)	720,000	36	37,800	49,800
Business Travel	1,400,000	36	37,400	112,100
Photocopiers and MFD's	500,000	24	58,900	113,200
Postal Services	800,000	36	46,400	89,600
Agency Staff	3,000,000	36	61,300	350,500
Consultancy Services	700,000	60	12,700	139,700
Security Services	40,000	12	4,400	47,900
Advertising	1,000,000	36	29,600	148,300
Professional Advisory Services	1,000,000	36	13,900	153,400
Sports & Playground Equipment	200,000		8,300	24,800
Total Corporate Contracts	9,360,000		310,700	1,229,300
TOTAL PROCUREMENT to be COMPLETED	27,600,400		836,600	2,238,700
TOTAL SAVING 2008/2009			3,242,500	
TOTAL SAVING 2009/2010				2,309,000

APPENDIX II

WORKPLAN FOR 2009/2010

Area of Activity	Contract Value £ p.a.	Term Months
Adult Social Services		
Domiciliary Care	9,996,000	
Voluntary Sector	1,836,000	
Total Adult Social Services	11,832,000	
Corporate Services		
Graphic Design	61,200	36
Photography	30,600	24
Total Corporate Services	91,800	
Children and Young People		
Minibus transport with escort to / from Wirral schools	918,000	
PTG vehicle to / from various schools	612,000	
Provision of Private Hire Taxis & Vehicles up to 8 seats to Wirral & Out of Borough Schools & Colleges	696,600	
Total Children and Young People	2,226,600	
Finance		
Sun server maintenance	27,500	36
Sun server maintenance (Oracle Systems)	765,000	36
Total Finance	792,500	
Regeneration		
Supported Living	3,060,000	60
Total Regeneration	3,060,000	

Area of Activity	Contract Value £ p.a.	Term Months
Technical Services		
Highways	8,670,000	96
Green Waste	816,000	60
Maintenance Painting of street furniture	397,800	60
Portable Appliance Testing	30,600	36
Safety equipment (& Clothing)	204,000	36
Supply Commissioning & support Pay and display parking equipment	448,800	36
Windscreen Repair & Replacement	6,100	36
Total Technical Services	10,573,300	
Active virus defence	30,600	36
Car Hire (Heavy Vehicles & Specialist Plant - Short term hire)	214,200	36
Commercial vehicles	765,000	84
Disposal of Redundant IT equipment	30,600	36
Email Gateway	15,300	36
Provision for the removal of office furniture	40,800	12
Supply and Delivery of Stationery, IT consumables, paper	510,000	48
Supply and Installation of Office Desking seating and storage	204,000	48
Supply & maintenance of electronic Document & workflow management system	66,300	36
Supply of IT hardware	1,326,000	36
Supply of Microsoft Select Software Licence Agreement	459,000	36
Supply of Natural Gas	2,142,000	36
Total Corporate Contracts	5,803,800	
TOTAL VALUE OF PROCUREMENT WORK	34,380,000	

PROCURE TO PAY EFFICIENCIES

1. CENTRALISE NON CATALOGUE PURCHASING ACTIVITY

At present the Council has 47 Purchasing Coordinators, whose role it is to raise non catalogue purchase orders. They do so after value for money has been established by following Council procedures. The intention is to reduce the number of Purchasing Coordinators to between six and eight and centralise within the Procure to Pay Section (P2P).

A central purchasing function will ensure compliance and optimise savings potential. By directing all non catalogue activity to the P2P, issues such as management of spend, realisation of benefits and aggregation opportunities can be identified. A phased approach to centralisation was proposed to the Corporate Improvement Group. It is important to note that this phased approach is based on an improved level of catalogue activity and a reduction on current levels of non catalogue purchasing.

During this stage, it is likely that the procurement officers and the centralised purchasing coordinators will identify further areas for contract and catalogue creation and the non catalogue activity will reduce further. This will result in additional capacity within P2P to fully explore the issue of 'off system' spend.

2. TRANSACTION SAVINGS

There now are over 1,000 users accessing the "Procure to Pay" system. There are 76 electronic catalogues for staff to access, ranging from: office equipment and food, through to minor repairs and fuel oils, the catalogues have over 6000 active item lines. In 2007/08 the total number of transactions was 39,669 valued at £41.8m. It is estimated that process savings costs are £1,031,000 (based on the ODPM National e-procurement project savings estimate of £26 per transaction). Robust reporting of management information is available providing transactional data at departmental and category level which indicates spend profiles and maverick purchasing. The P2P systems team are currently working with Oracle to develop the system further to accommodate a wider range of transactions for goods and services.

3. INVESTIGATE AND ADDRESS MAVERICK SPEND

Once we can ensure catalogue coverage and have defined approved processes for all transactions outside of the system, the P2P can be more actively involved in addressing the issue of maverick spend. At present, maverick spend is identified retrospectively during periodic reviews of non catalogue activity. Non contracted suppliers have, in the past, been removed from the system, but have had to be reinstated to fill gaps in corporate contract coverage (three quotes process). Only through centralisation of non catalogue activity can P2P manage the incidence of maverick spend successfully. However, areas will be prioritised to meet savings targets.

4. ELECTRONIC PAYMENTS

There are four areas that are currently being considered to reduce payment transaction times further, reduce invoice queries and improve the percentage of invoices paid within 30 days, currently a Council performance indicator. Successful implementation of these processes will therefore reduce the resources required to fulfil this function. The four areas under consideration are as follows:

- **Procurement cards** - Can deliver average savings of £33 per transaction. The work group has completed a number of the research tasks but is faced with reconciling a number of issues which reflect the position of the accounting processes beyond payment. There are a number of methods by which Procurement Cards (P cards) can be applied.
- **Electronic Invoicing** - Electronic invoicing is the title given to any processes whereby the supplier sends the Council its invoices in an electronic form rather than a paper one. The Council has recently, successfully, adopted one of these methods for the payment of telecoms invoices, through the BT 'One Bill' process. This involves the Council receiving a single electronic file containing all the invoices for a particular period. This process has resulted in £18,000 saving on BT transaction charges per year, plus a reduction in invoice processing from 3800 invoices to one electronic invoice and, has identified, so far, attempted charges for 30 land lines that are not part of the Council network. Further investigation is required to extend this methodology to other areas of payments and utilities where appropriate
- **Intelligent Scanning** - This process describes the process of scanning paper invoices as they are received from suppliers and managing them as if they had been received electronically in the first place. This is a well established process with the Oracle integrated system but may require additional software to manage the scanning and associated workflows.
- **Self Billing** - This is a feature of the Oracle Payments module. However, enquiries have failed to identify any model public sector sites which have deployed this feature. Financial Services are exploring this option as a solution to existing transaction issues relating to the internal trading facility. Further investigations are being made on self billing with reference to its functionality and application if this solution does not appear to offer a viable way forward.

5. COLLABORATIVE PROCUREMENT

The Council is an active partner within the **Merseyside Authorities Procurement Group (MAP)**. There have been significant savings achieved through the Group totalling £7.5m to date for the sub-region. Not only does collaboration save on contract costs but also saves on process costs, a minimum of £8,000 per tender process (Source Office of Government Commerce). P2P will continue to pursue collaborative procurement opportunities where efficiencies and savings can be realised for the Council.

WIRRAL COUNCIL

CABINET - 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

AREA BASED GRANT

1. EXECUTIVE SUMMARY

- 1.1. This report updates Members on changes to the composition and value of the Area Based Grant for 2008/09. The report also recommends Members to approve the allocation of the 2009/10 and 2010/11 grant in accordance with the indicative allocations provided by the Department for Communities and Local Government (DCLG).

2. BACKGROUND TO THE AREA BASED GRANT

- 2.1 Government expressed a policy within the Comprehensive Spending Review (CSR) 2007 to wherever possible allocate local authority grant funding, via non-ringfenced general grant rather than specific grant. The use of non-ringfenced revenue grant provides the Authority with increased flexibility in the use of funds. The lack of 'ringfencing' means that the Authority can use the resources where it wishes without any of the conditions imposed by specific grants.
- 2.2. The Area Based Grant (ABG) was established as part of the above approach. ABG appears within the Authority accounts as a 'below the line' funding source similar to the Revenue Support Grant (RSG) and National Non-Domestic Rates, rather than as an individual grant payment within service budgets. There are no separate reporting or monitoring requirements for ABG. Any underspend of ABG can be transferred to general balances or used for any other purpose.
- 2.4 There is an intention to reduce the number of specific grants during the life of the CSR but some specific grants will still be required. These will involve services where it is felt that this is the most appropriate method due to the relationship of fluctuating demand pressures or outcomes to resources. For example, Housing and Council Tax Benefit Subsidy will remain as a specific grant, but the Supporting People Grant will transfer into the ABG in 2009/10.
- 2.5 In accordance with the three year funding approach within CSR07, the DCLG provided a three year ABG allocation covering the period from 1 April 2008 to 31 March 2011. The DCLG also provided indicative allocations which split the ABG in accordance with the previous specific grant allocation basis and Government priorities. These figures were reported to Cabinet on 10 January 2008 which approved the allocation of the 2008/09 ABG in accordance with the above indicative allocations.

3. CHANGES TO AREA BASED GRANT IN 2008/09

- 3.1. A number of changes to the ABG figures have taken place since the original ABG announcement reported to Cabinet on 10 January 2008. In accordance with its desire to minimise the number of separate specific grants the DCLG has incorporated the City Strategy Grant (also known as the Deprived Area Fund) and the Young Persons Substance Misuse Grant into the ABG. These grants were built into the 2008/09 Authority budget as separate specific grants. Therefore there will be no financial impact on the Authority of these changes.
- 3.2. Further alterations have also taken place to the indicative allocation for the Working Neighbourhoods Fund. The originally announced funding was withdrawn and a recalculated funding figure later provided. The revised funding has provided Wirral with an additional £33,000 of ABG funding in 2008/9 compared to the original allocation and a provisional increase of £112,000 and £160,000 for 2009/10 and 2010/11 respectively.
- 3.3. The ABG was announced on a three year basis with 2008/09 being the first year. The DCLG whilst intending to provide firm figures has however reserved the right to alter allocations should exceptional circumstances make this necessary.
- 3.4. The consequence of the above changes is that ABG for 2008/9 has increased from £28,357,000 to £28,984,000. Details of how this is allocated over the indicative areas provided by the DCLG are shown within Appendix 1.

4. AREA BASED GRANT 2009/10 and 2010/11

- 4.1. The inclusion of Supporting People Grant within ABG from 2009/10 as reported to Cabinet on 10 January 2008 results in a significant increase in the total ABG to be received. Supporting People is a specific grant for 2008/09 and therefore this is merely a switch between two grant sources resulting in a nil bottom line impact.
- 4.2. The total ABG figures for 2009/10 and 2010/11 have increased from those originally announced and reported on 10 January 2008. The 2009/10 ABG has increased by £216,000 due to the switch of Young Persons Substance Misuse Grant into ABG from specific grant (£104,000) and through the increase in Working Neighbourhoods Funding (£112,000). Similarly the 2010/11 ABG figure has increased on that reported in January by £264,000. This comprises £104,000 due to the Young Persons Substance Misuse Grant and an additional £160,000 of Working Neighbourhoods funding.

- 4.3 The total value of ABG for 2009/10 is £41,371,000 and for 2010/11 the figure is £41,006,000. The Government has provided indicative allocations on which specific areas this funding is derived from. These allocations reflect the funding of Government priorities. With the emphasis by the Government on areas such as worklessness there is likely to be a strong correlation between Government and Wirral priorities.
- 4.4 The indicative allocations for the three years 2008/09, 2009/10 and 2010/11 provided by the DCLG are contained within Appendix 1. Although some indicative allocations are frozen between the three years there are a number of areas where there are variations between the years. Full details are within the appendix but the most significant include:
- Preserved Rights. The indicative amount for this grant has reduced by £156,000 in 2009/10 and a further £133,000 in 2010/11.
 - Connexions: reduction of £187,000 in 2009/10 on 2008/9 figure and then by a further £203,000 in 2010/11. This grant was 'passported' to the Greater Merseyside Connexions Partnership in 2008/09.
 - Extended schools set up costs. Indicative funding increases by £620,000 in 2009/10 to £1,216,000 before reducing to £500,000 in 2010/11. The increase in 2009/10 reflects the programmed increase in the extended schools initiative.
 - Positive Activities for Younger People. Indicative funding increases by £243,000 in 2009/10 and then by a further £174,000 in 2010/11.
 - Supporting People. The programme grant is incorporated into ABG for the first time in 2009/10 leading to the large increase in ABG as discussed in paragraph 4.1. The Supporting People Administration Grant was included from 2008/09 and the indicative allocations show a reduction each year. The reduction in 2009/10 is £21,000 with a further reduction in 2010/11 of £36,000.
 - Working Neighbourhoods Fund (WNF). Indicative funding increases by £1,732,000 in 2009/10 and then by a further £445,000 in 2010/11. The WNF increase incorporates Deprived Areas Funding which was shown separately only in 2008/09 when the indicative allocation was £489,000.
 - Safer Stronger Communities DCLG allocation. This reduces by £155,000 in 2009/10 and by a further £258,000 in 2010/11. This allocation relates to the two neighbourhood schemes in Tranmere and Woodchurch and is in accordance with the original pre ABG grant announcement of £258,000 being provided to Woodchurch in 2009/10 with no indication for subsequent years and £350,000 being provided for Tranmere in 2009/10 and 2010/11.

5 ALLOCATION OF AREA BASED GRANT

- 5.1 As the ABG is a non-ringfenced general grant the Authority has full discretion as to how to use this grant. Under the Comprehensive Area Assessment (CAA), the use of all of the Authority resources and not just ABG will be judged against the new national performance indicator set, other statutory targets and the success of the Local Area Agreement. The CAA assessment will focus on the priorities for improvement that are agreed as part of Local Area Agreement.
- 5.2 The ABG funds a number of time limited projects and initiatives. An early decision as to whether funding will continue is desired to mitigate against operational staffing issues and to aid the continuation of activities between financial years on these initiatives.
- 5.3 The DCLG has previously indicated its intention not to provide indicative allocations across workstreams after 2010/11. Only a total ABG figure will be provided. The Authority will therefore have to consider the future methodology for allocating its ABG and other resources against its priorities. This could be by a business case methodology but such an approach would require additional development time and would not this year provide the certainty of funding required by a number of existing initiatives.
- 5.4 The current indicative allocations from the Government reflect its priorities and it could be argued that the areas shown within the indicative allocations correlate with the agreed Corporate Plan priorities. The allocation of ABG in accordance with Government indications may therefore be the most suitable option for 2009/10 and possibly for 2010/11. The allocation of ABG on this basis would support economic regeneration and job creation, assist the creation of a pleasant, safe and sustainable environment, assist and improve the participation of those needing support to participate in mainstream society and help raise the aspirations of young people.

6. FINANCIAL AND STAFFING IMPLICATIONS

- 6.1 The Authority will receive £28,984,000 of Area Based Grant in 2008/09, £41,371,000 in 2009/10 and £41,006,000 in 2010/11. The 2009/10 and 2010/11 figures are still subject to final confirmation although the DCLG should only alter the indicative figures in exceptional circumstances.

7. EQUAL OPPORTUNITIES IMPLICATIONS

- 7.1. The Working Neighbourhoods Fund is a significant driver in supporting the most deprived communities in Wirral.

8. COMMUNITY SAFETY IMPLICATIONS

- 8.1. There are none arising from this report.

9. **HUMAN RIGHTS IMPLICATIONS**

9.1. There are none arising from this report.

10. **LOCAL AGENDA 21 IMPLICATIONS**

10.1. There are none arising from this report.

11. **PLANNING IMPLICATIONS**

11.1. There are none arising from this report.

12. **MEMBER SUPPORT IMPLICATIONS**

12.1. There are none arising from this report.

13. **BACKGROUND PAPERS**

13.1. Department for Communities and Local Government – Local Government Finance Settlement January 2008. Area Based Grant Determination March 2008.

14. **RECOMMENDATION**

14.1. That the allocation of Area Based Grant for 2009-10 and 2010/11 be on the indicative basis identified by the Government.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/237/08

REVENUE SUPPORT GRANT 2008-11**Appendix 1****SPECIFIC GRANTS TO BE DELIVERED VIA AREA BASED GRANT**

Grant	Service	Govt. Dept	2008-09 Announcement	2009-10 Announcement	2010-11 Announcement
Adult Social Care Workforce (Formerly HRDS & NTS)	DASS	DH	1,048	1,076	1,104
Carers	DASS	DH	1,399	1,492	1,585
Learning Disability Development Fund	DASS	DH	360	359	358
Local Involvement Networks	DASS	DH	200	199	199
Mental Capacity Act & Independent Mental Capacity Advocate Service	DASS	DH	191	240	230
Mental Health	DASS	DH	1,150	1,206	1,261
Preserved Rights	DASS	DH	2,737	2,581	2,448
Sub-Total			7,085	7,153	7,185
14-19 Flexible Funding Pot	CYPD	DCSF	100	99	97
Care Matters White Paper	CYPD	DCSF	346	442	496
Carers	CYPD	DH	349	373	397
Child & Adolescent Mental Health Services	CYPD	DH	685	716	748
Child Death Review Process	CYPD	DCSF	53	54	56
Children's Social Care Workforce (Formerly HRDS & NTS)	CYPD	DCSF	134	133	133
Children's Fund	CYPD	DCSF	1,241	1,241	1,241
Choice Advisers	CYPD	DCSF	52	52	52
Connexions	CYPD	DCSF	3,689	3,502	3,299
Education Health Partnerships	CYPD	DCSF	108	108	108
Extended Rights to Free Transport	CYPD	DCSF	43	98	152
Extended Schools Start up Costs	CYPD	DCSF	596	1,216	500
Positive Activities for Young People	CYPD	DCSF	339	582	756
Secondary National Strategy – Behaviour & Attendance	CYPD	DCSF	68	68	68
Secondary National Strategy – Central Co-ordination	CYPD	DCSF	196	196	196
Primary National Strategy – Central Co-ordination	CYPD	DCSF	185	185	185
School Development Grant (LA Element)	CYPD	DCSF	2,716	2,716	2,716
School Improvement Partners	CYPD	DCSF	143	143	143

School Intervention Grant	CYPD	DCSF	90	90	90
School Travel Advisers	CYPD	DCSF	39	39	39
Sustainable Travel General Duty	CYPD	DCSF	25	25	25
Teenage Pregnancy	CYPD	DCSF	185	185	185
Young People Substance Misuse	CYPD	HO	104	104	104
Sub-Total			11,486	12,367	11,786
Youth Taskforce (Respect)	Regeneration	DCSF	40	40	40
Supporting People Administration	Regeneration	DCLG	273	252	216
Supporting People	Regeneration	DCLG	0	10,341	10,341
Working Neighbourhood Fund	Regeneration	DCLG	8,221	9,953	10,398
Stronger Safer Communities Fund	Regeneration	HO	318	318	318
Stronger Safer Communities Fund	Regeneration	DCLG	763	608	350
Sub-Total			9,615	21,512	21,663
Detrunking	Technical	DFT	283	290	297
Sub-Total			283	290	297
Cohesion	Corporate	DCLG	26	49	75
City Strategy Grant (Deprived Areas Fund)	Corporate	DWP	489	0	0
Sub-Total			515	49	75
Grand Total			28,984	41,371	41,006

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WIRRAL COUNCIL

CABINET – 6 NOVEMBER 2008

REPORT OF THE DEPUTY CHIEF EXECUTIVE AND DIRECTOR OF CORPORATE SERVICES

REGIONAL SPATIAL STRATEGY FOR THE NORTH WEST – IMPLICATIONS FOR WIRRAL

EXECUTIVE SUMMARY

The Secretary of State published the North West of England Plan Regional Spatial Strategy to 2021 (RSS) on 30 September 2008, replacing Regional Planning Guidance for the North West (RPG13, March 2003). The new RSS will provide the framework for development and investment in the region over the next fifteen to twenty years. It will form part of the statutory Development Plan for Wirral alongside the Council's Unitary Development Plan and will have implications for the determination of individual planning applications and other decisions under the Planning Acts, with immediate effect.

This report summarises the main content of the new RSS and sets out the implications for future decisions, policies and initiatives in Wirral. This report recommends that the policies of the new RSS are used in development control decisions for all planning applications determined after 30 September 2008; that the principles and priorities of the new RSS are incorporated into the Council's Local Development Framework; that the Council's Interim Planning Policy for New Housing Development is reviewed subject to the outcome of a public inquiry at Rockybank Road; and that a Strategic Housing Land Availability Assessment for Wirral is prepared as part of a joint commission with Liverpool City Council to reflect the arrangements already agreed for the Mersey Heartlands Growth Point.

1 Background

- 1.1 The Secretary of State published the North West of England Plan Regional Spatial Strategy to 2021 (RSS) on 30 September 2008. The new RSS replaces Regional Planning Guidance for the North West (RPG13, March 2003). It also replaces many of the policies previously contained within the Structure Plans for Lancashire, Cheshire, Cumbria and the Lake District. It sits alongside other regional strategies for housing, transport and the economy. In the next two years, it is expected that the RSS and the existing Regional Economic Strategy will be redrafted as the Single Regional Strategy.
- 1.2 The new RSS forms part of the statutory Development Plan for Wirral alongside the Council's Unitary Development Plan and the emerging Local Development Framework. It will have implications for the determination of individual planning applications and other decisions under the Planning Acts, with immediate effect.
- 1.3 Cabinet considered the previous stage in the preparation process, consultation on the Secretary of State's Proposed Changes to the Regional Spatial Strategy, on 14 May 2008 (Minute 8 refers).

- 1.4 A full copy of the documents associated with the publication of the new RSS can be viewed at <http://www.gos.gov.uk/gonw/Planning/RegionalPlanning/?a=42496>

2 Summary of Content

- 2.1 The new RSS is intended to be more than just a land use planning document, as part of the Government's commitment to the wider concept of spatial planning, to achieve a more integrated approach to policy development and decision making across the North West of England. It will provide the framework for development and investment in the region over the next fifteen to twenty years (paragraph 1.1).

Vision

- 2.2 By 2021, the region is expected to have acted to deliver sustainable development, leading to a higher quality of life and reduced social, economic and environmental disparities, with Liverpool and Manchester firmly established as world class cities at the centre of their respective City Regions and with the Central Lancashire City Region established as an additional focus for growth and development.

3 Spatial Principles

- 3.1 Policy DP1 introduces the eight spatial principles that underpin the new RSS, which will be applied to all other regional, sub-regional and local plans and strategies as well as all individual proposals, schemes and investment decisions:

- building **sustainable communities** where people want to live and work by addressing disparity and improving quality of life (Policy DP2);
- promoting **sustainable economic development** to improve productivity and close the gap in economic performance and inequality (Policy DP3);
- **make the best use of existing resources and infrastructure** by using existing buildings and previously developed land within settlements first, followed by other suitable infill within settlements, followed by other land well-located in relation to housing, jobs, services and infrastructure (Policy DP4);
- **manage travel demand, reduce the need to travel and increase accessibility** with an emphasis on reducing the need to travel by car, enabling people to meet their needs locally and genuine accessibility by public transport, walking and cycling. Major growth should, as far as possible, be located in urban areas where strategic networks connect and public transport is well provided (Policy DP5);
- using locational choices and investment decisions to **marry opportunity and need** (Policy DP6);
- **promote environmental quality** by respecting setting, character and distinctiveness, maximising opportunities for regeneration and addressing impacts on biodiversity, air and water quality, noise and health and the impact on sites of international importance for nature conservation (Policy DP7), including sites in Wales (paragraph 4.11 and paragraph 11.6);

- **mainstreaming rural issues** (Policy DP8); and
- **reduce emissions and adapt to climate change** which the Government believes is the greatest long term challenge facing the world today (Policy DP9).

4 Regional Spatial Framework

4.1 The overall spatial framework for the region is set out in four key policies:

Spatial Priorities

- 4.2 Policy RDF1 is the cornerstone of the new RSS, setting out a series of spatial priorities to guide decision making and the targeting of resources and investment (paragraph 5.1). However, whilst RDF1 is the cornerstone, Government makes it clear that RSS policies should be read together.
- 4.3 The first priority for growth and development will be the regional centres of Manchester and Liverpool. The second priority will be the inner areas surrounding these regional centres with the emphasis on areas in need of regeneration and Housing Market Renewal Areas. Towns and cities elsewhere within the City Region, like Ellesmere Port, Chester, Runcorn, St Helens, Southport, Warrington and Widnes are third priorities.
- 4.4 Birkenhead has been deleted from the list of third priority towns, as requested by the Council (Cabinet 14 May 2008, Minute 8 refers), to reflect its location within the second priority inner area. Policy RDF1 has also been amended to indicate that development in larger accessible suburban centres would be acceptable. Development may be acceptable elsewhere, if it satisfies Policies DP1 to DP9, but the emphasis should still be on addressing regeneration and housing market renewal and restructuring.
- 4.5 Further guidance on these spatial priorities is provided in the more specific policies for the Liverpool City Region (summarised in section 5 of this report).

Rural Areas

- 4.6 Plans and strategies should concentrate development within Key Service Centres with good transport links to fulfil the needs of local communities for housing, employment and services and to enhance quality of life (Policy RDF2). Text has been added to clarify that Green Belt policies will continue to take precedence in the open countryside (paragraph 5.11).

Coast

- 4.7 Plans and strategies should enhance the economic importance of the coast and the regeneration of coastal communities in ways that safeguard natural, built and cultural assets and address environmental and socio-economic decline (Policy RDF3). West Kirby (paragraph 5.19), the Mersey Waterfront (paragraph 5.20), the Port of Liverpool, the Manchester Ship Canal and the potential of disused areas of dockland to provide significant opportunities for regeneration, bringing new employment (paragraph 5.21) are specifically mentioned.

Green Belts

- 4.8 The general extent of the Green Belt will be maintained and no substantial change will be required in Merseyside before 2011 (Policy RDF4). Any subsequent change should be brought forward through a future review of RSS, following a strategic study carried out by the Regional Planning Body and relevant stakeholders (paragraph 5.25).
- 4.9 Local detailed changes can, however, be made to Green Belt boundaries through Local Development Frameworks, subject to the agreement of the Regional Planning Body and the Government's commitment to maintain or increase the amount of Green Belt in every UK region (paragraph 5.25). Special provision has already been made to allow Green Belt boundaries to be amended at Liverpool John Lennon Airport (paragraph 5.26).

5 Liverpool City Region

- 5.1 The principal objective for the City Region is to maximise economic potential and promote urban renaissance and social inclusion within the Regional Centre and its surrounding Inner Area. The Inner Area is defined by the Newheartlands Housing Market Renewal Area, which includes parts of east Wirral (Policy LCR1).
- 5.2 Policy LCR2 deals with **the Regional Centre and Inner Areas**. Plans and strategies should support and enhance the role of Liverpool as the primary retail centre, main employment location and primary economic driver of the City Region. Residential development should be focussed into the adjacent Inner Areas to secure a significant increase in population and to support major regeneration activity. This will include enhancing the role of Birkenhead, revitalising the housing market by providing a good range of quality housing with a high quality environment, supporting the maritime economy, sustained investment in the Mersey Waterfront Regional Park and the provision of local facilities and employment.
- 5.3 Policy LCR3 deals with **the Outer Parts** of the Liverpool City Region. This includes the remaining areas in east Wirral, outside Newheartlands, to the east of the M53 Motorway (paragraph 11.9). Here, the focus should be on expanding the quality and choice of housing, providing employment, addressing worklessness, enhancing the role of existing centres and supporting any further housing market restructuring.
- 5.4 Ellesmere Port has been included within West Cheshire (paragraph 11.9 and Policy LCR5 refers) but text has been added to promote joint working with the Outer Parts of the Liverpool City Region to address common challenges (paragraph 11.14).
- 5.5 Policy LCR4 deals with **the remaining Rural Parts** of the Liverpool City Region. This includes west Wirral, to the west of the M53 Motorway (paragraph 11.13). Development in this area should be focussed on key service centres to improve access to services, support and diversify the rural economy and provide housing to address barriers to affordability and to meet identified local needs, consistent with other regeneration programmes and policies. The Secretary of State has added the word "identified" for clarification.

6 Thematic Policies

- 6.1 The remainder of the new RSS sets out a series of thematic policies related to the economy, housing, transport and the environment:

Economy

- 6.2 The principal economic objective is to strengthen and regenerate the regional economy and address worklessness, the latter added to the final RSS following the Secretary of State's Proposed Changes (paragraph 6.1).
- 6.3 Advanced manufacturing and engineering, financial and professional services, media, creative and cultural industries, biomedical, ICT/digital and communications, high value added knowledge based industries and services sectors, are identified as key targets for the Liverpool City Region (Policy W1). Regionally significant sites should be located within urban areas, well related to areas of worklessness, close to sustainable transport nodes (Policy W2).
- 6.4 A regular review of employment land will be required every three years to ensure that the future supply reflects the actual scale of economic growth (Policy W3). This review should be "stringent" (paragraph 6.18). In between reviews, there should be a presumption against the release of allocated employment sites for other uses (Policy W4). Office development should be focussed in regional centres or in or adjacent to town centres (Policy W2 and Policy W3).
- 6.5 Table 6.1 shows a shortfall of employment land across Merseyside and Halton to 2021 of between 206 and 494 hectares. District level figures have not been provided and there is a requirement for joint working to agree the distribution of land across the sub-region (paragraph 6.12).

Retail

- 6.6 Retail development should be located to assist the regeneration of town centres. It should not undermine any other centre or create unsustainable shopping patterns. Birkenhead is listed alongside Chester, Southport and St Helens as a centre where comparison retailing should be encouraged. There is a presumption against new or large scale extensions to out-of-centre regional or sub-regional comparison retail facilities (Policy W5).

Tourism

- 6.7 Tourism development should seek to deliver improved economic growth and quality of life, focused on Liverpool, Chester, Birkenhead and coastal resorts. In rural areas, development should be of an appropriate scale (Policy W6). Attractions and services should be easily accessible, reflect natural attributes and environmental sensitivities, facilitate regeneration, improve the public realm and harness the potential of sport and recreation (Policy W7), including major events such as the Open Golf Championship (paragraph 6.32).

Housing

- 6.8 The principal social objective is to ensure that everyone can have a decent home, which they can afford, in a secure environment, with reasonable access to health care, educational provision and recreational facilities (paragraph 7.1). Policy L1 requires the accessible provision of a full spectrum of services, for all members of the community, based on a wide ranging assessment of local needs.
- 6.9 Local housing policies should be based on a regularly updated Strategic Housing Market Assessment, to achieve a better match between supply and need (Policy L2), including specialist provision for older people (paragraph 7.9) and gypsies and travellers (paragraph 7.10). Areas requiring comprehensive regeneration should be identified, with a target of reducing vacancy rates to 3% (Policy L3).
- 6.10 Local authorities should work in partnership with developers and other housing providers to secure a mix of appropriate house types, sizes, tenures and prices to address local needs, using the results of up-to-date Strategic Housing Market Assessments and Strategic Housing Land Availability Assessments, and maximise the re-use of accessible vacant and under-used brownfield land within existing urban areas (Policy L4).
- 6.11 In Wirral, the stated priority of RSS is to provide sufficient new residential development in the eastern part of the district to support the inner area as a priority for economic growth and regeneration, including via the Housing Market Renewal Pathfinder. Elsewhere provision should focus on meeting local and affordable housing needs, with careful monitoring to ensure that new housing does not result in an adverse cumulative impact on local and neighbouring housing markets (paragraph 7.18, item f)
- 6.12 The text that appeared to single Wirral out with regard to the potential impact of future housing development on sites of international importance for nature conservation has been removed.
- 6.13 Wirral will be required to accommodate 9,000 additional homes between 2003 and 2021, at an annual average rate of 500 net new dwellings, with at least 80% provided on previously developed brownfield land (Table 7.1). These figures are not absolute targets and may be exceeded where evidence of need, demand, affordability and sustainability issues fit with relevant strategies. A minimum five-year supply of deliverable land must be maintained, in accordance with national advice in Planning Policy Statement 3 (paragraph 7.19).
- 6.14 Annual average figures for adjoining areas include 1,950 for Liverpool, 400 for Ellesmere Port and 417 for Chester. The figures for Sefton and Halton are both 500, for Knowsley 450 and for St Helens 570. The brownfield requirements for Knowsley, Halton, St Helens and Sefton are at least 65% and for Liverpool at least 90% (Table 7.1).
- 6.15 Policy L5 sets out options for the delivery of affordable housing. Text has been added to reflect growing affordability issues even in areas in low demand.

- 6.16 References to a minimum residential density of 30 dwellings per hectare have been deleted.

Transport

- 6.17 The principal transport objectives are to maintain existing infrastructure, improve journey time reliability, reduce adverse impacts and secure a shift towards more sustainable modes of travel (paragraph 8.1).
- 6.18 Transport problems and issues should be examined on a multi-modal basis, based on making the best use of existing infrastructure (Policy RT1). The emphasis should be on increasing the role of public transport and demand management (paragraph 8.3).
- 6.19 Policy RT2 seeks a co-ordinated approach to managing travel demand, to reduce car-borne commuting and education trips during peak periods, by promoting “smarter choices”, supported by the re-allocation of road space, the greater use of on-street parking controls and maximum parking standards. The Council has already responded to the North West Parking Standards (Table 8.1), in Supplementary Planning Document 4 – Parking Standards, adopted in June 2007.
- 6.20 The focus for public transport should be on reducing overcrowding and enhancing accessibility (Policy RT3), to ensure access to jobs and services especially in disadvantaged areas (paragraph 8.11). Management of the highway network should focus on improving road safety, reducing traffic growth and mitigating the impacts of road traffic (Policy RT4). The economic activity generated and sustained by Liverpool John Lennon Airport should be supported (Policy RT5).
- 6.21 The use of ports and waterways should be optimised. Operational and infrastructure requirements should be identified in Port Masterplans with a strong presumption in favour of safeguarding land close to ports for logistics, transport and port-related development, especially where alternative uses, such as housing, would be difficult to reverse (Policy RT6). Birkenhead is identified as having potential for further port-related development (paragraph 8.25).
- 6.22 Local authorities should work with rail, port and inland waterway operators to increase the proportion of freight moved by water (Policy RT7). The Manchester Ship Canal could play a greater role (paragraph 8.31). Birkenhead Waterfront and Eastham Docks have been identified as broad locations where terminals to facilitate an increase in the movement of freight by rail and/or water should be considered (Policy RT8).
- 6.23 New proposals should incorporate high quality pedestrian and cycle facilities. Integrated networks of continuous, attractive and safe routes should also be developed to widen accessibility, with priority given to linking residential areas with employment areas, transport interchanges, schools, hospitals and other community services (Policy RT9).
- 6.24 Policy RT10 explains how general priorities for transport investment and management will be determined, in line with the need to consider the full range of policy options (paragraph 8.35).

Environment

- 6.25 The principal environmental objectives are to conserve and enhance valued assets, address climate change, promote low carbon and renewable energy technologies and tackle waste (paragraphs 9.1 to 9.3).
- 6.26 Policy EM1 provides for assets to be identified, with a foundation of no net loss as a minimum requirement. Plans and strategies should in particular protect distinctive landscape features, increase biodiversity, support conservation-led regeneration and encourage a steady expansion of tree and woodland cover as part of a more integrated approach.
- 6.27 Other policies provide for contaminated land (Policy EM2), green infrastructure (Policy EM3), Regional Parks, for which the Dee and Mersey waterfronts have been identified as areas of potential (Policy EM4 and Table 9.1), integrated water management (Policy EM5) and a strategic integrated approach to managing the coastline (Policy EM6).

Minerals

- 6.28 Policy EM7 seeks to secure a steady and adequate supply of minerals (Policy EM7) including land-won aggregates (Policy EM8) and secondary and recycled aggregates (Policy EM9).

Waste

- 6.29 Policy EM10 sets out the approach to meeting regional targets by providing for alternative facilities for reprocessing, treatment and disposal to reduce the reliance on landfill (paragraph 9.22). Policy EM11 sets out an eight stage sequence consistent with national policy for waste management beginning with minimisation, re-use, composting and recycling, intermediate treatment, production of refuse derived fuels, energy recovery and ending with residual disposal to landfill as a final resort. Areas with limited capacity for landfill will need to pursue additional facilities further up this sequence (paragraph 9.35).
- 6.30 Policy EM12 sets out locational principles, in accordance with national policy. Communities should take more responsibility for their own waste and final disposal should be at the nearest appropriate installation. The unnecessary carriage of waste over long distances should be avoided. Policy EM13 requires facilities to be identified to deliver capacity to 2020. There is a preference for using established sites, wherever possible. Primary reception, treatment and transfer facilities should be located near to the source of arisings with secondary treatment and disposal located on a sub-regional strategic level, identified on the basis of joint working. Sites for existing, proposed and allocated facilities should be safeguarded (paragraph 9.34).
- 6.31 Table 9.3 sets out the indicative annual capacities required to deal with non-hazardous commercial and industrial wastes. Table 9.5 sets out the indicative capacities for municipal waste.

6.32 Members will be aware that the Council has been working with other local authorities in Merseyside and Halton to prepare a Joint Merseyside Waste Development Plan Document. The latest stage will be considered by Cabinet on 27 November 2008.

Renewable Energy

6.33 Sustainable energy production and consumption should be promoted (Policy EM15) alongside energy conservation and efficiency (Policy EM16). New renewable energy capacity (Policy EM17) including decentralised energy supplies (Policy EM18) should be promoted, supported by regional generation targets for five year periods from 2010 to 2020 (Tables 9.6 and 9.7 refer).

7 Implementation, Monitoring and Review

7.1 The effectiveness of RSS will be regularly monitored against its main objectives and national core indicators (paragraph 14.6). An annual monitoring report will be produced by the end of February each year, with the cooperation of regional stakeholders including local authorities (Policy IM1). The Council has contributed local data for the NW annual monitoring report since 2004/05.

8 Directors Comments

8.1 The new RSS effectively divides Wirral into three spatial areas:

- The Inner Area (Policy LCR2) – the first priority for investment in Wirral – is defined by the Newheartlands Housing Market Renewal Pathfinder Area, which includes Wirral Waters, Birkenhead Town Centre, Woodside, Hind Street and Cammell Lairds.
- The Outer Area (Policy LCR3) – the second priority for investment in Wirral – includes the remainder of the eastern area of Wirral to the east of the M53 Motorway (paragraph 11.9). The associated key diagram (RSS, page 136) excludes Leasowe and Woodchurch, which were previously contained within the North West Metropolitan Area identified under RPG13 (March 2003).
- The Rural Areas (Policy LCR4) – the lowest priority for investment in Wirral – includes the remainder of Wirral to the west of the M53 Motorway, including Leasowe and Woodchurch (paragraph 11.13).

8.2 The regional priorities for the sub-region are clearly focussed on the Regional Centre of Liverpool and the surrounding Inner Area. The focus on the Inner Area, as the second priority within the sub-region outside Liverpool City Centre and the first priority within Wirral, means that major regeneration schemes at the heart of the urban area are still given a very high level of support.

8.3 As the objectives for the Outer Area include economic development, addressing worklessness and maximising the employment potential of the Strategic Investment Areas, employment-related projects such as Wirral International Business Park could also continue to be supported by RSS. Projects related to the regeneration of

coastal resorts could be supported by RSS, subject to their relationship to key service centres (Policy RDF2) and environmental impacts (Policy RDF3).

- 8.4 The Inner Area, defined by Newheartlands, excludes some of the areas identified as Regeneration Priority Areas in the Council's Interim Planning Policy for New Housing Development (October 2005). A plan showing the difference between these two areas is provided as an attachment to this report. The excluded areas include New Brighton and Leasowe, a small part of Seacombe, part of Liscard, part of Bidston and St James including Beechwood, parts of Birkenhead and Tranmere, part of Rock Ferry, all but a small part of Bromborough and the Unilever Research Complex in Clatterbridge.
- 8.5 The priority given to the Inner Area suggests that it will no longer be appropriate to apply the same level of priority in housing policy terms to areas falling outside Newheartlands, unless these areas are identified as being in need of regeneration in the Wirral Housing Strategy (part of the Sustainable Community Strategy). Relevant indicators include vacancies, poor environment, poor housing stock condition, a lack of quality community facilities, worklessness and inequalities in health and skills (paragraph 11.12).
- 8.6 One of the objectives for the Outer Area is to expand the quality and choice of housing (Policy LCR3). In the Rural Areas housing is to be provided to address barriers to affordability and to meet identified local needs (Policy LCR4).
- 8.7 This will have implications for the extent and content of the Interim Planning Policy for New Housing Development, which will need to be reviewed pending inclusion in the Council's emerging Local Development Framework.
- 8.8 The Council supported the increase of the housing requirement to 500 net new dwellings each year, to accelerate regeneration at the heart of the urban area and to support wider opportunities, including the potential for up to 25,000 new jobs at Wirral Waters, as part of the Council's wider Investment Strategy. The delivery of an appropriate level of housing within Wirral Waters, which is now identified as part of the proposed Mersey Heartlands Growth Point, will be critical to the Borough's ability to meet this new requirement.
- 8.9 A report setting out a programme of development for the Mersey Heartlands Growth Point was considered by Cabinet on 16 October 2008 (Minute 234 refers). The acceptance of the Growth Point would raise the housing requirement for Wirral to 600 net new dwellings each year, with up to 400 net new dwellings each year being provided within the Growth Point between 2008/09 and 2016/17. Were new dwellings to come forward at a slower rate, the Council's response would need to be determined by the wider housing land supply.
- 8.10 A summary of the current housing land supply is provided as an attachment to this report. Wirral's gross housing land supply at March 2008 was 3,494 dwellings with extant planning permission, including an allowance for net conversions and changes of use. The net supply taking account of demolitions is 2,244 dwellings.
- 8.11 The need to back date the calculation to reflect actual performance since March 2003 reduces the net supply further to 1,530 dwellings, as net completions have

only exceeded the target of 500 by 6 dwellings in 2006/07 and by 15 dwellings in 2007/08. This is currently 970 dwellings short of the five year supply target of 2,500 net dwellings at 500 per annum or 1,470 dwellings short of a five year supply target of 3,000 net dwellings at 600 net dwellings per annum. This means that the Borough will need to see an annual average of 555 net new dwellings completed over the next thirteen years to meet the RSS target of 9,000 dwellings by 2021.

- 8.12 The housing trajectory submitted with the Mersey Heartlands Growth Point bid Programme of Development on 27 October 2008 shows that over the period to 2016/17, housing land supply is in balance and the shortfall of the early years is compensated by the higher rate of development from Wirral Waters at the end of the Growth Point period. However, this is dependent upon the Wirral Waters project delivering up to 400 new dwellings per year.
- 8.13 On 7 October 2008, the Council presented evidence to a public inquiry into the refusal of planning permission for eight flats in Rockybank Road, Prenton, which is located in the Outer Area, at the edge of the Newheartlands Housing Market Renewal Area, just outside the boundary to the Interim Planning Policy Priority Area. The decision is expected to be available from the Planning Inspectorate during the week commencing 24 November 2008. This will be the first indication of how the new policies, including the new housing land requirement, will be interpreted.
- 8.14 The new RSS encourages cross boundary working in the consideration of issues related to housing markets and housing land supply in line with national policies (paragraphs 7.20 to 7.21). Cabinet on 16 October 2008 resolved to use the first tranche of Growth Fund monies to jointly commission a Strategic Housing Land Availability Assessment for the Growth Point area with Liverpool City Council (Minute 234 refers). It is proposed to extend this into a single study for the whole of the Borough area, jointly commissioned with Liverpool City Council to reflect the arrangements already agreed.

9 Next Steps

- 9.1 A Partial Review of RSS is already underway to provide additional guidance on matters related to gypsies and travellers, travelling showpeople and regional parking standards. This now excludes issues related to housing, waste management and renewable energy (Cabinet 26 June 2008, Minute 94 refers).
- 9.2 In the longer term, the North West of England Plan is expected to be replaced by a Single Regional Strategy (SRS). Consultation on the evidence base for the SRS began in July 2008 with a view to submitting a final document to the Secretary of State by mid-2010. As the statutory status of the SRS will need to be clarified by new primary legislation, the new RSS may continue to remain in force beyond this point.

Local Development Framework

- 9.3 The principles and priorities set out within the North West of England Plan will need to be incorporated into the Council's own Local Development Framework, which must be developed in conformity with the Regional Spatial Strategy subject to a

more locally specific assessment of the impact on sites of international importance for nature conservation (paragraph 4.11).

- 9.4 Issues and options for the Core Strategy for the Borough, developed from the results of initial consultation, will be reported to Members towards the end of the year, for public consultation early in the New Year.
- 9.5 Issues related to waste will be dealt with at sub-regional level as part of the emerging Joint Merseyside Waste Development Plan Document being prepared on behalf of the Merseyside districts and Halton. The latest stage in the preparation of the Joint Waste DPD will be considered by Cabinet on 27 November 2008.

10 Financial Implications

- 10.1 The new RSS will be used to guide future investment decisions by both private and public agencies, with particular implications for projects that will require planning permission.
- 10.2 The requirement to undertake a formal review of employment land availability will cost in the order of £50,000 every three years. The Council's latest Employment Land and Premises Study will be reported to Members early in the New Year.
- 10.3 The requirement to undertake an up-to-date Strategic Housing Market Assessment will cost in the order of £100,000 every five years. The Council's latest SHMA was reported to Cabinet on 7 February 2008 (Minute 506 refers).
- 10.4 Funding for these studies will need to be identified as growth items at the appropriate time.
- 10.5 The Council had set aside £25,000 for the preparation of an up-to-date Strategic Housing Land Availability Assessment (Cabinet 7 February 2008, Minute 502 refers).
- 10.6 Cabinet on 16 October 2008 resolved to use the first tranche of Growth Fund monies to jointly commission a Strategic Housing Land Availability Assessment for the Growth Point area with Liverpool City Council (Minute 234 refers).
- 10.7 The delivery of housing and the maintenance of a five-year supply of deliverable housing land are National Indicators (NI154 – net additional homes provided and NI159 – supply of ready to develop housing sites). Following negotiations with the Government, the delivery of housing is now also part of the Local Area Agreement.
- 10.8 The delivery of housing, the maintenance of a five-year supply of deliverable sites, the preparation of up-to-date Strategic Housing Market and Strategic Housing Land Availability Assessments and joint working are also a determinant of Housing and Planning Delivery Grant (Cabinet 25 September 2008, Minute 202 refers).

11 Staffing Implications

- 11.1 There are no staffing implications arising directly out of this report.

11.2 The effective implementation of many elements of the new RSS will rely upon an increase in joint working with neighbouring authorities.

12 Equal Opportunities Implications

12.1 The health and equality impact statement associated with the new RSS can be viewed at <http://www.gos.gov.uk/gonw/Planning/RegionalPlanning/?a=42496>.

13 Community Safety Implications

13.1 There are no community safety implications arising directly out of this report.

14 Local Agenda 21 Implications

14.1 The new RSS has been subject to a statutory sustainability appraisal, including strategic environmental assessment and habitats regulation assessment, which have been used to inform the content of the North West of England Plan. Copies of the documents related to these statutory appraisals and assessments can be viewed at <http://www.gos.gov.uk/gonw/Planning/RegionalPlanning/?a=42496>

15 Planning Implications

15.1 The new RSS will form part of the statutory Development Plan for Wirral alongside the Council's Unitary Development Plan and will have implications for the determination of individual planning applications and other decisions under the Planning Acts, with immediate effect.

16 Anti-Poverty Implications

16.1 Wirral is identified as an area with particularly high unemployment, to reflect the level of employment deprivation indicated in the English Index of Multiple Deprivation (paragraph 6.4). Providing employment and addressing worklessness is one of the stated priorities for the Liverpool City Region (Policy LCR1 and Policy LCR3).

17 Human Rights Implications

17.1 There are no human rights implications arising from this report.

18 Social Inclusion Implications

18.1 Addressing social inclusion is one of the stated priorities for the Liverpool City Region (Policy LCR1).

19 Local Member Support Implications

19.1 The North West of England Plan will set the overall spatial framework for development and investment across the whole Borough over the next fifteen to twenty years. The principal spatial implications for each Ward are set out below:

(i) Inner Area – First Priority

Definition	Policy Approach	Wards Included
Newheartlands Housing Market Renewal Area	Maximise economic potential, urban renaissance, social inclusion, provide sufficient new housing to meet the objectives of housing market renewal, increase the supply of affordable and market housing to address demographic needs, support economic growth and regeneration, focus environmental improvements, enhance the role of Birkenhead and support the maritime economy.	<p>Bidston & St James (E of Wallasey Bridge Road, Stanley Road and Sumner Road)</p> <p>Birkenhead and Tranmere (N of Oxtan Road/ Oakbank; E of Borough Road;/ N of Elmswood Road; E of Derby Road/ N of Elm Road; S of Elm Road/ E of Church Road)</p> <p>Bromborough (N of Thorburn Rd)</p> <p>Clughton (S of Park Road South/ E of Francis Avenue and Osborne Road)</p> <p>Liscard (E of Withens Lane, Serpentine Road, Crescent Road and Water Street)</p> <p>Oxtan (E of Euston Grove)</p> <p>Seacombe (E of Poulton Bridge Road including Roker Avenue)</p> <p>Rock Ferry (N of Victoria Park Road and Inglemere Road; N of Bedford Road/ E of Old Chester Road; S of Bedford Road/ E of railway)</p>

(ii) Outer Area – Second Priority

Definition	Policy Approach	Wards Included
East of the M53 Motorway, (outside Newheartlands)	Maximise the employment potential of the Wirral Waterfront Strategic Investment Area, address worklessness, expand the quality and choice of housing and maintain the role of existing centres, complimentary to other programmes.	<p>Bebington</p> <p>Bidston & St James (W of Wallasey Bridge Road, Stanley Road and Sumner Road)</p> <p>Birkenhead and Tranmere (S of Oxtan Road and Oakbank/ W of Borough Road; S of Elmswood Road; W of Derby Road; S of Elm Road/ W of Church Road)</p> <p>Bromborough (S of former Dell Primary)</p> <p>Clatterbridge (E of M53)</p> <p>Clughton (N of Park Road South/ W of Francis Avenue and Osborne Road)</p> <p>Eastham</p>

Definition	Policy Approach	Wards Included
		<p>Liscard (W of Withens Lane, Serpentine Road, Crescent Road and Water Street)</p> <p>New Brighton</p> <p>Oxton (W of Euston Grove)</p> <p>Prenton</p> <p>Rock Ferry (S of Victoria Park Road and Inglemere Road/ W of Old Chester Road; W of the railway/ S of Bedford Road)</p> <p>Seacombe (W of Poulton Bridge Road excluding Roker Avenue)</p> <p>Wallasey (E of Bayswater Road inc Mockbeggar Drive)</p>

(iii) Rural Area – Lowest Priority

Definition	Policy Approach	Wards Included
West of the M53 Motorway	Concentrate housing, employment and services to meet identified local needs in key service centres with good public transport links, consistent with other regeneration programmes and policies.	<p>Clatterbridge (W of M53)</p> <p>Greasby Frankby and Irby</p> <p>Heswall</p> <p>Hoylake and Meols</p> <p>Leasowe and Moreton East</p> <p>Moreton West and Saughall Massie</p> <p>Pensby and Thingwall</p> <p>Upton</p> <p>Wallasey (W of Bayswater Road excluding Mockbeggar Drive)</p> <p>West Kirby and Thurstaston</p>

20 Background Papers

- 20.1 The text of the new Regional Spatial Strategy – The North West of England Plan (September 2008) can be viewed at <http://www.gos.gov.uk/497468/docs/248821/476846/NorthWestEnglandRSS>
- 20.2 Copies of the relevant additional supporting documentation can be viewed at <http://www.gos.gov.uk/gonw/Planning/RegionalPlanning/?a=42496>

20.3 Cabinet 14 May 2008 – Regional Spatial Strategy for the North West – Secretary of State’s Proposed Changes – Wirral Response, can be viewed at http://www.wirral.gov.uk/minute/public/cabcs080514rep1_27114.pdf

20.4 The Council’s Interim Planning Policy for New Housing Development (October 2005) can be viewed at http://www.wirral.gov.uk/LGCL/100006/200074/485/content_0000039.html

RECOMMENDATIONS

That

(1) the policies of the North West of England Plan be used in development control decisions for all planning applications determined after 30 September 2008;

(2) the principles and priorities set out within the North West of England Plan be incorporated into the issues and options to be addressed by the Council’s Local Development Framework;

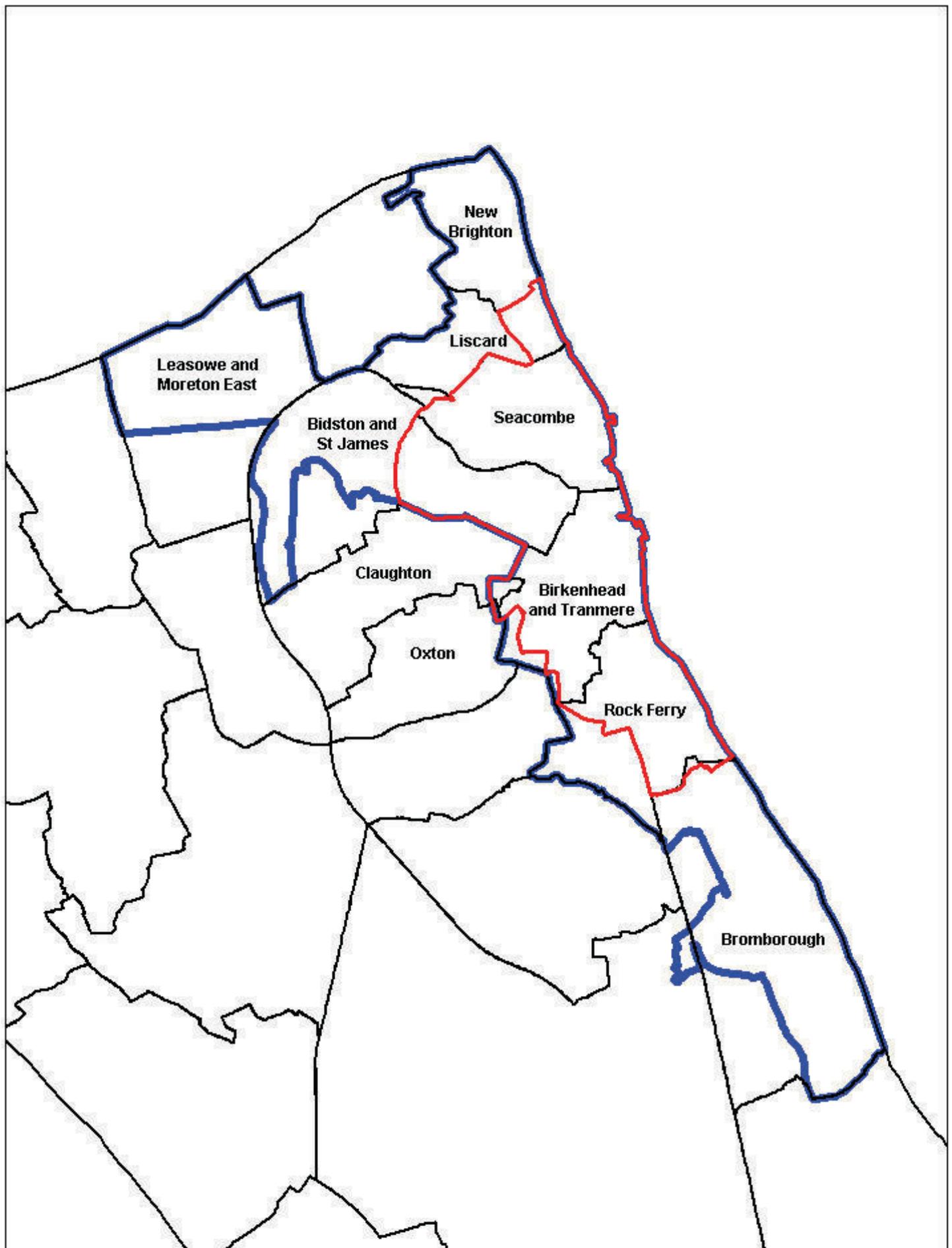
(3) the Council’s Interim Planning Policy for New Housing Development be reviewed following the outcome of the public inquiry at Rockybank Road and that a report on the review be brought back to Cabinet before public consultation is undertaken; and

(4) a Strategic Housing Land Availability Assessment for Wirral be prepared as part of a joint commission with Liverpool City Council to reflect the arrangements already agreed for the Mersey Heartlands Growth Point.

J. Wilkie

Deputy Chief Executive/Director of Corporate Services

This report has been prepared by the Forward Planning Section who can be contacted on 691 8218.

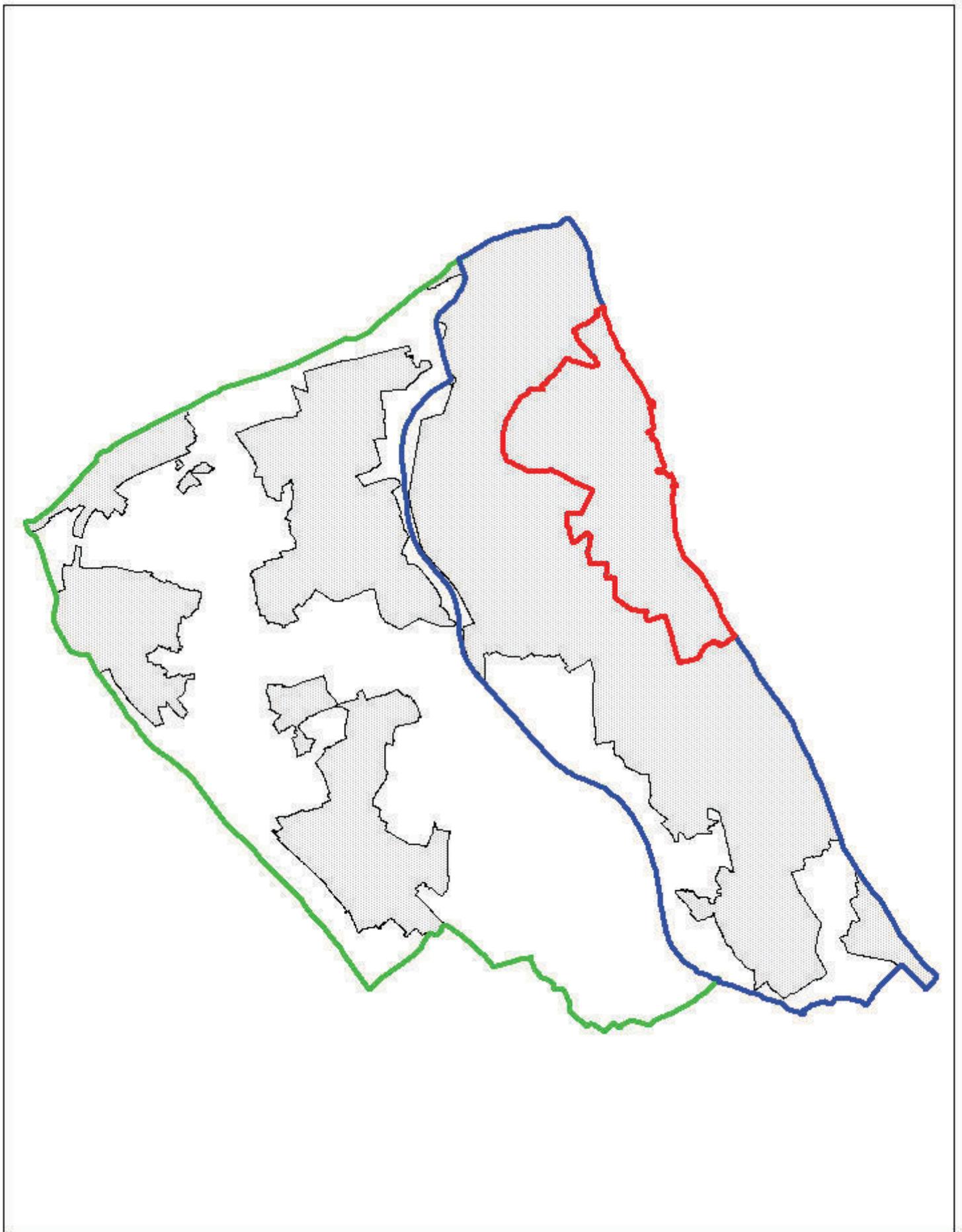


DIFFERENCE BETWEEN SPATIAL POLICY AREAS

- RSS Inner Area
- Interim Policy Priority Area
- Ward boundaries



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REGIONAL SPATIAL STRATEGY SPATIAL PRIORITY AREAS (SEPTEMBER 2008)



-  Inner Areas
-  Outer Areas
-  Rural Areas

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Wirral MBC Housing Land Supply Summary - April 2008

Table 1 - Housing Land Supply at 31 March 2008 (Gross)

	Previously developed	Greenfield	Total
(i) New build sites identified at 31 March 2008			
Sites under construction > 0.4 ha	703	85	788
Units not started + under construction			
Sites not started > 0.4 ha	785	0	785
Units not started (with pp)			
Sites under construction < 0.4 ha	723	1	724
Units not started + under construction			
Sites not started < 0.4 ha	947	0	947
Units not started (with pp)			
Total identified sites	3158	86	3244
(ii) Future net gain from conversions	250	0	250
Total dwelling supply 2008-2013	3408	86	3494
% previously developed land			97.5%

Notes: Source WMBC Housing Land Availability.

Sites in category (i) - New build include greenfield commitments (sites under construction and not started with extant planning permission), together with all previously developed sites with extant planning permission or under construction.

The contribution to be made by net gain from conversions (category (ii)) is set at a rate of 50 units per annum for 5 years. This rate was recommended by the UDP Inquiry Inspector at paragraph 3.81 of his report. Actual rates are shown at Table 3.

Table 1 excludes a number of sites, particularly some allocated in the Council's UDP. The uncommenced UDP housing allocations have been treated as follows:

HS1/4	North of Rose Brae - previously developed - not available (owner currently unwilling to dispose of for housing) - 130 units
HS1/5	Laird Street Bus Depot - previously developed - not available (owner redeveloping for new bus depot) - 100 units
HS1/7	Manor Drive - greenfield - no planning permission therefore discounted - 60 units
HS1/12	SE Social Centre - greenfield - no planning permission therefore discounted - 15 units

Available supply to set against annual RPG13 requirement of 160 net units pa is 3,494 dwellings, representing 21.84 years supply, gross. When set against the Secretary of State's Proposed Changes to RSS figure of 500 net units pa, the supply is 6.99 years, gross.

Wirral MBC Housing Land Supply Summary - April 2008

Table 2 - Recent Demolition Rates

A	B	C	D	E
Year	Total demolitions	Demolitions outside NWMA	Demolitions in NWMA outside HMRI	Demolitions inside HMRI
2001/2002	303	37	11	255
2002/2003	450	52	73	325
2003/2004	212	11	91	110
2004/2005	419	13	150	256
2005/2006	277	11	153	113
2006/2007	215	25	26	164
2007/2008	230	11	14	205
5 year total	1353	71	434	848
5 year annual average	271	14	87	170
Projected demolitions	250	10	40	200

Source Wirral MBC, both local authority and private sector demolitions

Notes: On-site replacement varies widely. One-for-one replacement is assumed, although most sites outside the NWMA are subject of on-site redevelopment proposal.

The figures for projected demolitions are those submitted to the RSS EIP based on an assumption of 200 demolitions pa within HMRI. The planned public sector demolition programme for 2008/09 and 2009/10 is now 92 pa (Housing Strategy Statistical Appendix 2008 refers).

Wirral MBC Housing Land Supply Summary - April 2008

Table 3 - Recent Net Change in Dwelling Stock

A	B	C	D	E	F
Year	Total demolitions	Total net conversions	Total new build	Net change (C+D)-B	Surplus above RPG13
2001/2002	303	104	378	179	(19)
2002/2003	450	43	591	184	24
2003/2004	212	74	581	443	283
2004/2005	419	81	440	102	-58
2005/2006	277	55	442	220	60
2006/2007	215	115	606	506	346
2007/2008	230	106	639	515	355
5 year total	1353	431	2708	1786	986
5 year annual average	271	86	542	357	197

Source: Wirral MBC, both local authority and private sector demolitions

Notes: Surplus figures in brackets relate to period before issue of RPG13

Conversion performance is supported by a current supply of 620 units made up of 96 units from conversions with planning permission not started (net 54 units), 89 units from conversions under construction (net 57 units), 116 units from changes of use with planning permission not started (net 99 units) and 319 units from changes of use under construction (net 310 units) at 31 March 2008.

Wirral MBC Housing Land Supply Summary - April 2008

Table 4 - Windfall Site Generation

A	B	C	D	E	F
Year	Base new build supply	Gross completions (including conversions)	Draft year end residual supply (B-C)	Actual year end new build supply	Derived new build windfalls (E-D)
2001/2002	2,426	525	1,901	2,289	388
2002/2003	2,289	645	1,644	1,580	-64
2003/2004	1,580	686	894	1,764	870
2004/2005	1,764	531	1,233	2,590	1,357
2005/2006	2,590	511	2,079	3,249	1,170
2006/2007	3,249	736	2,513	3,143	630
2007/2008	3,143	771	2,372	3,244	872
5 year annual average	2,465	647	1,818	2,798	980

Source Wirral MBC, annual housing land availability schedules, new build completions, net and gross change from conversions

Note: 205 units discounted from supply from 2002/2003 onwards (see Table 1 above) as they are greenfield allocations without planning permission (PPS3) or previously developed allocations that are no longer currently available.

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