



# Cabinet

<b>Date:</b>	<b>Thursday, 19 June 2014</b>
<b>Time:</b>	<b>6.15 pm</b>
<b>Venue:</b>	<b>Committee Room 1 - Wallasey Town Hall</b>

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

---

## AGENDA

### 1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

### 2. MINUTES

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

RECOMMENDATION: That the minutes be approved and adopted.

## CHILDREN AND FAMILY SERVICES

### 3. DAY NURSERY PROVISION (Pages 1 - 8)

#### LEADER

### 4. FUTURE COUNCIL (Pages 9 - 30)

### 5. NON DOMESTIC RATES DISCRETIONARY RATES RELIEF AND RE-OCCUPATION RELIEF (Pages 31 - 44)

### 6. COMMITTEE REFERRAL - LOCAL WELFARE ASSISTANCE SCHEME 2014/15 AND FUTURE SUPPORT OPTIONS (Pages 45 - 68)

At its meeting on 14 April, 2014, the Transformation and Resources Policy and Performance Committee (minute 36 refers) considered a report from the Head of Business Processes on the Local Welfare

Assistance Scheme 2014/15 and Future Support Options. As part of its resolution, the Committee made a recommendation to Cabinet which the Cabinet is asked to consider.

The minute and report are attached.

## **7. INWARD INVESTMENT MARKETING**

Emma Degg, Head of Neighbourhoods and Engagement, will give a presentation on this item.

## **ADULT SOCIAL CARE AND PUBLIC HEALTH**

### **8. TRANSFORMATION OF DAY SERVICES (Pages 69 - 180)**

## **SUPPORT SERVICES**

### **9. STRATEGIC ASSET MANAGEMENT PLAN (Pages 181 - 214)**

### **10. THE WIRRAL BOROUGH COUNCIL (GRANGE ROAD, BIRKENHEAD) COMPULSORY PURCHASE ORDER 2008 (Pages 215 - 218)**

### **11. UNITS 1, 2 AND 3, TARRAN INDUSTRIAL ESTATE, TARRAN WAY WEST, MORETON (Pages 219 - 224)**

### **12. ALEXANDER HALL, ROCKY LANE, HESWALL (Pages 225 - 230)**

## **LEISURE, SPORT AND CULTURE**

### **13. LOCAL COMMUNITY LIBRARY INITIATIVE (Pages 231 - 236)**

## **NEIGHBOURHOODS, HOUSING AND ENGAGEMENT**

### **14. WIRRAL COUNCIL AND MAGENTA LIVING - COMMUNITY FUND (Pages 237 - 242)**

## **ENVIRONMENT AND SUSTAINABILITY**

### **15. NOTICE OF MOTION - NO TO NUISANCE CALLS (Pages 243 - 244)**

Following consideration of the Notice of Motion, 'No to Nuisance Calls' (referred from Council on 10 March, 2014) by the Regeneration and Environment Committee (minute 46 (9 April 2014) refers) the Cabinet is requested to consider the final part of the Committee's resolution which reads, 'That the Cabinet be requested to write to local MPs, encouraging them to support the Private Members' Communications (Unsolicited Telephone Calls and Texts) Bill.'

The minute of the Regeneration and Environment Committee is attached.

## **GOVERNANCE, COMMISSIONING AND IMPROVEMENT**

### **16. FREEDOM OF INFORMATION SCRUTINY REVIEW (Pages 245 - 268)**

The Freedom of Information Scrutiny Review has been referred to the Cabinet by the Transformation and Resources Policy and Performance Committee at its meeting on 14 April, 2014.

Attached are the minute, report and Scrutiny Review.

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

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

### **18. 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. The Public Interest test has been applied and favours exclusion.

## **ADULT SOCIAL CARE AND PUBLIC HEALTH**

### **19. EXEMPT APPENDICES - TRANSFORMATION OF DAY SERVICES (Pages 269 - 296)**

Appendices D, F and G to agenda item 8.

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

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

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

This page is intentionally left blank

## WIRRAL COUNCIL

### CABINET

19<sup>TH</sup> JUNE 2014

<b>SUBJECT:</b>	<b>CHILDREN &amp; YOUNG PEOPLE'S DEPARTMENT DAY NURSERY PROVISION</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF CHILDRENS SERVICES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR TONY SMITH</b>
<b>KEY DECISION?</b>	YES

### 1.0 EXECUTIVE SUMMARY

This report updates members on the position regarding savings to day nursery provision of £772,000 - agreed as part of the Council's Budget options. This report seeks a decision from Cabinet on the following recommendations:

- 1.1 That Cabinet approves the recommendation to stop delivering day nursery provision as soon as is practicable. Arrangements for carefully managing transitions for families, staff and services will be discussed later in the report.
- 1.2 That Cabinet approves the day nursery at the New Brighton setting becoming a Social Enterprise model of delivery in partnership with *New Brighton Day Nursery Ltd*, and that there is an initial 5 year contract and a target date of transfer of 1<sup>st</sup> September 2014.
- 1.3 That negotiations with relevant co-located primary schools and partners in the other 5 settings for the delivery of the 2, 3 and 4 year old offer are progressed. Due regard will be given to HR arrangements for staff that are fair, equitable and transparent.
- 1.4 That subject to appropriate agreements being secured facilities and resources are transferred to schools and partners to deliver the extended 2 year old offer.
- 1.5 That work with families accessing day nursery provision begins in order to ensure a smooth transition of care, using a phased approach if necessary in order to minimise the need for multiple transfers and disruption to children and their parents and carers.
- 1.6 That a contingency plan (funded from existing resources), is detailed in order to secure sufficiency of the early education offer at the affected settings.  
The plan will consider:
  - Direct delivery (by the Council), of two, three and four year old early education places on a term-time only basis and for a period of time until other partners can be identified
  - Any HR implications as a consequence, for childcare staff
  - How to best meet any transitional arrangements for the 2, 3 and 4 year old offer as changes to service delivery are implemented.

## **2.0 BACKGROUND AND KEY ISSUES**

### **2.1 Daycare/Day Nurseries**

The report submitted to Cabinet on 13<sup>th</sup> June 2013 recommended that Day Nursery provision – (childcare paid for by parents and carers) directly delivered in 6 locations be externally commissioned. The saving represents the removal of a subsidy of £772,000 per annum, used to financially support childcare for children aged 0 – 5 years. The subsidy is reflective of a shortfall between fees and charges collected from service users (parents) and full running costs for the provision.

2.2 The day nurseries offer paid for childcare and are required to operate on a commercial basis in the open childcare market place. Childcare fees and charges are based on the average market rate for Wirral. The day nurseries are part of the wider childcare provision operating across Private, Voluntary and Independent sector settings in Wirral.

2.4 Any subsidies that families are eligible for are applied at a family level in the form of child care tax credits or employee voucher schemes, as tax relief at source. These are used by parents to offset childcare costs.

### **2.5 Childcare Background - Sure Start**

Originally there was a requirement for local authorities to ensure childcare was available to support parents and carers to take up training and/or employment. The position has now shifted to requiring local authorities to act as a **brokering** service to support families to find and secure the right type of childcare.

2.6 The Children and Families Act (2014) amended the requirement for the Local Authority to produce and publish details of its childcare sufficiency assessment. However, understanding the local childcare position and supporting it to reach and sustain a high-quality offer is still a requirement and in all our interest, as we continue to progress school readiness and narrowing the gap.

2.7 Since work began to consider the Councils future arrangements for childcare, the Government's ambition for the 2 year old offer to be more closely aligned to schools has become more evident.

2.8 As a point of note; four of the six day nurseries are based on or adjacent to Local Authority Community Primary School Sites. One (St Werburgh's) is on the site of a Catholic Aided Primary School. The sixth, Miriam Place is sited within the St James Centre which is owned and managed by North Birkenhead Development Trust (NBDT).

### **2.9 Tendering Exercise for the Day Nurseries**

A tendering exercise ran from 13<sup>th</sup> August 2013 to the 10<sup>th</sup> October 2013 and gave the opportunity for interested parties to submit a tender on The Chest (the North West Procurement Portal). Tenders were invited from interested parties in running the day nursery (childcare) provision, for up to a 5 year period in the first instance.

- 2.10 In summary; 65 suppliers registered an expression of interest. 23 completed a confidential information agreement (to release statistical information to them to inform their bid). The process resulted in only 2 completed applications being submitted (1) North Birkenhead Development Trust - to manage and deliver Miriam Place day nursery (2) New Brighton Day Nursery Ltd - to manage New Brighton Day Nursery.
- 2.11 Both these applications met the necessary tender requirements and subsequently progressed to interview. Interviews with both organisations took place on 23rd October 2013 and initial offer letters (subject to Cabinet approval) were issued in November 2013 to both organisations.
- 2.12 In December and January 2013/14 further work in respect of confirming the financial position for the two potential providers was progressed, this was to ensure that any future handover position would ensure a robust position for service users, staff (a transfer position for staff would need to be considered) and local communities.
- 2.13 During this period North Birkenhead Development Trust identified a sustainable position could not be reached for their organisation and chose not to progress any further. North Birkenhead Development Trust continues to be open to progress partnership working with the council and relationships remain strong. They have expressed a tentative expression of interest in developing as a social, not commercial model for the 2, 3 and 4 year old education offer.
- 2.14 Four of the six day nursery settings did not attract any tenders. Co-located schools although interested in the tendering process, did not submit tenders citing sustainability issues. This was largely due to school staff rates of pay and conditions. The risks to the wider school community and associated school budgets were deemed too great. However schools remain strong partners and have a keen interest in the Boroughs future development of its Early Year's Services. This can be seen in the opportunities now presenting for the for the 2, 3 and 4 year old offer to potentially be delivered by partners, (including schools) at five of the settings.
- 2.15 **New Brighton Day Nursery**
- The application to run New Brighton Day Nursery has been developed by staff with external support. Using a social enterprise model, a new company has been established called *New Brighton Day Nursery Ltd*. The staff continue to be interested in progressing with their proposal to deliver childcare on a commercial model. Several meetings have been held with representatives of the company to further clarify sustainability issues which have been raised by the Council. The current facility operates with an estimated subsidy of £72,000 (actual 2013-14 £21,000). The model proposed by *New Brighton Day Nursery Ltd*. anticipates a surplus from the first year of operation based on additional income from greater occupancy. These increases in children are reflected in the centre's latest census returns, income sheets and numbers of eligible 2 year olds. However this will need to be sustained and developed further in the future to ensure the continuing viability of the provision.
- 2.16 The facility currently has an establishment of 17 staff, with 14 currently in post. *New Brighton Day Nursery Ltd* have stated that they intend to transfer staff under Transfer of Undertakings for the Protection of Employment (TUPE) for all existing Wirral Council staff working in New Brighton Nursery on their current terms and

conditions of employment. In addition Brighton Day Nursery Ltd have stated that they intend to seek admitted body status from the Local Government Pension scheme, in line with the principles outlined in TUPE legislation. The business plan for *New Brighton Day Nursery Ltd.* anticipates additional increases in occupancy in year 2 and further developments/investment in the services offered. The contract would be for a five year period. As a social enterprise surpluses would be re-invested within the business.

2.17 The original ambition for the day nursery provision was designed for all six settings to operate independently and without the need for any subsidies, to ensure parity and a consistent childcare offer for local parents across the Borough. This now sees only one of the six setting with the potential to deliver in this way.

#### 2.18 **Early Years provision on School Sites**

The remaining four day nurseries are all co-located on school sites and there are ongoing interdependencies through buildings and partnership arrangements. Following the tendering process, procurement and legal services advised that discussions with the schools could take place to elicit whether there was any interest by the schools in taking on the running of elements of the provision, alongside the school provision. To date all four headteachers and their respective governing bodies have expressed an interest in developing formal partnership arrangements to extend the current school offer (from 3 to 11 years) to include the two year old offer. This is in line with the direction of travel by central government which strongly suggests that schools play a significant role in offering two year old places.

2.19 All the schools currently deliver three and four year old places. Unlike the proposal by New Brighton Day Nursery Ltd, the schools have made it clear that they are not interested in delivering full paid for childcare and will only consider any extension to their offer on a school basis.

2.20 With the exception of the Head teacher at Mount Primary School linked to the New Brighton setting (who has not been approached), the remaining four headteachers have been working with the local authority and have indicated an agreement in principle, to explore options to extend the current school early education offer to include two year olds. The ambition would be to offer provision on a school day and school term basis and seek to register with OfSTED to admit two year olds. The schools have indicated that they are willing work with the local authority to offer new employment opportunities (but not under a TUPE arrangement) for the current associated day nursery staff. However the new posts in the school's would have revised terms and conditions reflecting the needs of the school e.g. term time contracts.

2.21 There is a shared and genuine drive across our schools and the local authority to narrow the gap and improve school readiness and a preparedness to work differently to improve outcomes for children, their families and our communities.

2.22 Some building reordering to accommodate children and afford a flow across the school will likely result.



### **3.0 RELEVANT RISKS**

- 3.1 There is a risk from the disruption to services required to achieve the necessary changes. This will be mitigated wherever possible through close partnership working. The Family Information Service will ensure that information, advice and guidance is available and effective.
- 3.2 There is a risk for families in that they may not be able to access or choose to use alternative childcare. In order to minimise this, each family will be offered an individual brokerage plan and support to identify and access childcare which meets their needs and supports smooth transitions.
- 3.3 Staff have been 'at risk' for a considerable period of time and will be impacted by any subsequent changes. These could involve changes to terms and conditions, transfer implications, moving to term time only conditions, annualised hours or compulsory redundancy.
- 3.4 The Council is open to challenge if it continues to directly deliver (or subsidise) childcare when other providers are willing and able to do so (Childcare Act 2006 and the Apprenticeships, Skill, Children and Learning Act 2009).
- 3.5 Contingency planning to protect against service failure and future proof the service will be required.

### **4.0 OTHER OPTIONS**

- 4.1 The following options have been considered:
  - 4.1.1 The Local Authority continues to directly deliver the day nursery provision. Whilst this would ensure the continuation of locally valued service, the cost implications would be significant to the Council (circa £772,000 per annum) and the budget savings would be compromised. It would also challenge our legal responsibility to only provide childcare where others can not or will not and leave the council open to challenge. The childcare sufficiency assessment does not currently indicate a need and vacancies across the borough are over and above the level of places being offered in the six day nursery settings currently.
  - 4.1.2 The Local Authority re structures its services, ceasing to deliver the day nursery provision (for children 0-5 years for 51 weeks a year across a 10 hour day), to refocus childcare delivery on the 2,3 and 4 year old early education offer (based on a term time and sessional basis). This option has the potential to challenge the ability of schools and other providers to sustain their own provisions.
  - 4.1.3 The Local Authority re structures its services ceasing to deliver the day nursery provision (for children 0-5 years for 51 weeks a year across a 10 hour day), to refocus childcare delivery on the 2 year old early education offer only (based on a term time and sessional arrangement). This position may still likely require some financial support albeit in line with the Council's responsibility to deliver services to the most disadvantaged children in the Borough.
  - 4.1.4 In 2013 the Department of Education published amended guidance to ensure services for young children pre birth to 5 are targeted to the most disadvantaged

(the inference is those in the 20 – 30% most disadvantaged groups), to improve outcomes and reduce inequalities for children and families in greatest need, in;

- Child development and school readiness
- Parenting aspirations and parenting skills
- Child and family health and life chances

## **5.0 CONSULTATION**

- 5.1 Earlier public consultation has taken place though the Council's "What Really Matters" Budget consultations which have included the role of Children's Centres.
- 5.2 Formal HR consultation will be undertaken with staff and recognised trade unions on the decisions and likely impact of this report.
- 5.3 Consultation will take place with a range of partners – particularly schools
- 5.4 Consultation with each family currently accessing day nursery services to plan and support their ongoing childcare needs as childcare brokerage will also take place

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 The service works closely with the local voluntary, community and faith sector organisations. Particularly in respect of delivering services and working with vulnerable local children, young people and families. Services offered going forward will focus on the needs of the most disadvantaged and be targeted to narrow the gap.
- 6.2 Voluntary, Community and Faith groups have a significant role in the delivery of childcare across the Borough. Future plans will ensure that partnership arrangements with the Voluntary, Community and Faith sector are maintained.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; STAFFING AND ASSETS**

- 7.1 The commissioning or restructuring of the six day care settings was anticipated to reduce overall costs by £772,000 per year. This was being delivered from September 2013 but has not yet occurred as the procurement process failed to attract the desired response. The Council is aiming to cease direct provision from September 2014.
- 7.2 For 2013/14 the part year saving target was £453,000. As contracts have not been awarded this has not been achieved. This saving has been offset by the use of a number of underspends within the Children and Young People's Department.
- 7.3 For 2014/15 the full year saving target of £772,000 will not be achieved. The exact saving will be determined by the length of time required to consult and transfer facilities. It is intended that any shortfall will be met from the Department's Budget and an Early Years Reserve.
- 7.4 All current staff (circa 70 – 80 individuals in post) who are employed in the six settings will be affected, options and legalities surrounding this are currently being considered with HR.

- 7.5 School colleagues have agreed that any future recruitment to cover any changes to the school structures as a result of this work will be ring-fenced to those staff displaced, in the first instance.
- 7.6 Staff at New Brighton Day Nursery will be subject to a TUPE transfer.
- 7.7 Work to mitigate the impact on other staff in terms of establishing additional posts in schools and at the North Birkenhead Development Trust would be considered.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 Staff employed in day nursery posts will be afforded equal opportunity to register an interest in any applicable TUPE or employment transfer.
- 8.2 Staff employed in day nursery posts will be afforded equal opportunity to register an interest in posts created as a result of any developments.

## **9.0 EQUALITIES IMPLICATIONS**

- 9.1 The priority and service areas have been based upon assessment and analysis of local need and available provision. A specific focus for future delivery will be to target vulnerable and at risk children, young people and families' e.g. eligible two year olds, teenage and young parents, children at risk of poor outcomes.
- 9.2 Equality Impact Assessment (EIA)
- (a) Is an EIA required? Yes
- (b) If 'yes', has one been completed? Yes (14/8/12) Refreshed May 2014

## **10.0 CARBON REDUCTION IMPLICATIONS**

- 10.1 None identified

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

- 11.1 None identified

## **12.0 RECOMENDATIONS**

- 12.1 That Cabinet approves the recommendation to stop delivering the day nursery provision as soon as is practicable. Consideration, for carefully managing transitions for families, staff and services will be made explicit.
- 12.2 That Cabinet approves the day nursery at the New Brighton setting becoming a Social Enterprise model of delivery in partnership with *New Brighton Day Nursery Ltd*. That there is a 5 year contract and a target date of transfer of 1<sup>st</sup> September 2014
- 12.3 That negotiations with relevant co-located primary schools and partners in the other 5 settings for the delivery of the 2, 3 and 4 year old offer are progressed. Due regard will be given to HR arrangements for staff that are fair, equitable and transparent.

- 12.4 That subject to appropriate agreements being secured facilities and resources are transferred to schools and partners to deliver the extended 2 year old offer.
- 12.6 That work with families accessing day nursery provision begins in order to ensure a smooth transition of care, using a phased approach if necessary in order to minimise the need for multiple transfers and disruption to children and their parents and carers.
- 12.7 That a contingency plan (funded from existing resources), is detailed in order to secure sufficiency of the early education offer at the affected settings. The plan will consider;
- Direct delivery (by the Council), of two, three and four year old early education places on a term time only basis and for a period of time until other partners can be identified
  - Any HR implications as a consequence, for childcare staff
  - How to best meet any transitional arrangements for the 2, 3 and 4 year old offer as changes to service delivery are implemented.

### 13.0 REASONS FOR RECOMMENDATIONS

- 13.1 The recommendations will support the targeted delivery of services to meet the needs of children and families in communities and in particular those most in need of them.

**REPORT AUTHORS:** **Deborah Gornik**  
**Head of Targeted Services**  
 Telephone: (0151) 666 4331  
 Email: [deborahgornik@wirral.gov.uk](mailto:deborahgornik@wirral.gov.uk)

### HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
Q&A information from Public Consultation	<b>15<sup>th</sup> May 2013</b>
Council Budget Meeting	<b>February 2013</b>
Cabinet Report - Commissioning of 6 Day Nursery Provisions	<b>13<sup>th</sup> June 2013</b>

## WIRRAL COUNCIL

### CABINET

19 JUNE 2014

<b>SUBJECT:</b>	<b>FUTURE COUNCIL: PROJECT UPDATE</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>CHIEF EXECUTIVE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>LEADER OF THE COUNCIL</b>
<b>KEY DECISION?</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Cabinet with an update as to the progress of the Future Council project, and an outline of the emerging budget options which are coming out of the project, as well as the principles upon which these options have been developed.
- 1.2 The emerging options will be further developed and then published by the Chief Executive, as officer budget options, for full public, staff and service user consultation in September 2014.
- 1.3 The appendices provided with this report, together with a summary of the universal, cross cutting budget options which are also in development, are also in the process of being discussed by all four Policy and Performance Committees, in accordance with the Cabinet recommendation from April 2014.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 Local Government is changing at the most rapid pace in living memory. Significant reductions in the grant funding we receive from Central Government combined with increasing demand for our services, present an unprecedented challenge. It is essential the Council approaches this challenge in a planned and considered way to ensure we protect, as far as possible, the delivery of Council policies and spend our remaining budget in line with Council priorities.
- 2.2 The programme also drives forward a business-case approach that will see every Council service being reviewed in order that a series of options can be developed to re-shape how we best deliver services. The options developed will be the subject of wide-ranging stakeholder engagement and public consultation.

- 2.3 The Council's Corporate Plan is clear in that the Council budget – in terms of investment decisions and budget savings – should be set according to three key priorities;
- Tackle health inequalities, poverty and disadvantage - narrow the gap between our richest and poorest communities
  - Protect the vulnerable, making sure people are safe and feel safe – and can remain independent as long as possible
  - Driving economic growth – investing in Wirral's future
- 2.4 The Council is also committed to ensure that savings are identified and delivered based on the following principles where possible:
- Spend less on the cost of running the Council
  - Broadest shoulders to bear the greatest burden
  - Mitigate the impact of savings on frontline services
- 2.5 The Council, as is the case with many other authorities, is dealing with a budget position which remains extremely stark. We have consistently forecasted the savings required and made substantial savings already. However, the funding gap for the next two years is at least £45 million (as reported to Council in Feb 2014) with further savings required as we add in the likely grant figures for subsequent years (2017/18 and beyond). The outturn position in 2013/14 has been positive and will enable a further contribution to be made to fund the restructuring costs. It is important that we focus on the outcomes we want to see for Wirral by investing the on going net budget which is still forecast to be £250 million per year. It is, or course, vitally important that we focus on ensuring we use those resources in the right way.

#### **4.0 UPDATE ON PROGRESS**

- 4.1 The Future Council project has completed a full review process across every Council service. The information collected is now being analysed and work is ongoing to produce options for service transformation and immediate savings.
- 4.2 The emerging options are presented within this report and associated Appendices for consideration by Cabinet. Options will continue to be worked on, with business cases and impact assessments produced, before they are published for full consultation by the Chief Executive in September 2014.
- 4.3 In April 2014 Cabinet requested that, in accordance with the Council's policy framework, Members are fully engaged and able to participate with the development of budget options through pre-decision scrutiny. Members on policy and performance committees are currently in the process of debating the emerging budget options and the principles upon which they have been developed.
- 4.4 During autumn of this year, Members will have the opportunity to conduct more detailed scrutiny of the options which are published by the Chief Executive, before making recommendations to Cabinet.

## 5.0 EMERGING OPTIONS

5.1 Services have been considered and are being presented to Members according to themes, which were developed based on shared outcomes which services work to. These themes are;

- Support Services
- Community and Neighbourhood Services
- Specialist and Targeted Services

5.2 Emerging options within each of these themes are provided to Cabinet within three position papers. The position papers provide:

- The proposed future direction of travel for services within the theme
- Proposed principles upon which budget options are and will be developed
- Emerging options for consideration

5.3 To enable wider scrutiny and participation in developing options, these papers will also be presented to external boards and stakeholders for consideration, including health and wellbeing board, investment board and the public service board.

5.4 In addition to this, universal options which cover all services and themes are also in development, which will drive savings for the authority. More work is being completed on these projects in advance of the publication of all budget options in autumn but a summary is provided for Members within this report for early consideration and views;

- Charging, income and collection; making sure the Council has effective and efficient processes for collecting income.
- Commissioning, procuring and contracting; reviewing all contracts and service level agreements which are in place to ensure the best value for money is being achieved.
- Reshaping customer contact; making sure access to Council services is appropriate, and is offered through the most cost effective channels, and ensuring a full review of all information, advice and guidance provision is completed to target resources effectively.
- Efficient approach to transactions; making sure administration is streamlined, and combining similar functions and processes wherever possible to improve efficiency and save money.
- Flexible and mobile working; ensuring the Council workforce can work as flexibly and efficiently in the field as they can in the office to increase productivity.
- Asset Management; getting the best value out of the Council's assets throughout the borough
- Out of Hours provision; combining our various out of hours services into one multi-functional division

5.5 Feedback from Members through policy and performance committees on the principles and emerging options provided will form part of the budget

development process. Officers will continue to develop options and the Chief Executive will publish his proposals in September.

- 5.6 In September, Members will have further opportunities through the policy performance committee structure, among others, to debate and influence the options in advance of the budget setting process.

## **6.0 RELEVANT RISKS**

- 6.1 A full programme risk register has been developed and is regularly updated and reviewed in line with the programme governance arrangements for the Future Council approach.

## **7.0 OTHER OPTIONS CONSIDERED**

- 7.1 Council has made a commitment that all decisions related to the budget setting process should be underpinned by comprehensive, genuine and robust consultation with all stakeholders. Therefore, no further options have been considered.

## **8.0 CONSULTATION**

- 8.1 The Future Council process will include a comprehensive programme of stakeholder engagement and consultation in the development of a series of budget and service delivery options. These will be the subject of a wide ranging Member, staff, stakeholder and public consultation process which will commence in September 2014.
- 8.2 Ongoing, fortnightly briefings are being held with Trade Union colleagues specific to this project, and briefings are ongoing with political parties and Council staff.

## **9.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS**

- 9.1 All actions related to this project are either complete or in process.

## **10.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 10.1 Effective partnership working with organisations within the voluntary, community and faith sector will be vital to ensure the Council can meet its financial challenges while still ensuring the right outcomes are being achieved for Wirral residents. Comprehensive engagement and discussions with organisations from the sector is ongoing and will continue throughout this process.

## **11.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 11.1 None arising as a result of this report.

## **12.0 LEGAL IMPLICATIONS**

- 12.1 None arising as a result of this report.



### **13.0 EQUALITIES IMPLICATIONS**

13.1 Yes. An Equality Impact Assessment was developed and reported to Cabinet on 13 March 2014.

### **14.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS**

14.1 None arising directly as a result of this report.

### **14.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

14.1 None arising directly as a result of this report.

### **15.0 RECOMMENDATION/S**

15.1 Cabinet is requested to:

- Note and provide feedback on the principles described within the Position Papers upon which budget options and investment proposals are being developed.

### **16.0 REASON/S FOR RECOMMENDATION/S**

16.1 Council has made a commitment that all decisions related to the budget setting process should be underpinned by comprehensive, genuine and robust consultation with all stakeholders and the Future Council process is vital to ensuring this commitment is delivered.

**REPORT AUTHOR:** Emma Degg  
Head of Neighbourhoods and Engagement  
Email: emmadegg@wirral.gov.uk

### **APPENDICES**

- **Appendix 1: Enabling Services**
- **Appendix 2: Community and Neighbourhood Services**
- **Appendix 3: Specialist and Targeted Services**

### **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Cabinet</b>	<b>10 April 2014</b>
<b>Cabinet</b>	<b>13 March 2014</b>

This page is intentionally left blank

## ENABLING SERVICES

### ENABLING SERVICES

#### 1.0 INTRODUCTION

The Council's Corporate Plan is clear in that the Council budget – in terms of investment decisions and budget savings – should be set according to three key priorities;

- Tackle health inequalities, poverty and disadvantage - narrow the gap between our richest and poorest communities
- Protect the vulnerable, making sure people are safe and feel safe – and can remain independent as long as possible
- Driving economic growth – investing in Wirral's future

The Council is also committed to ensure that savings are identified and delivered based on the following principles where possible:

- Spend less on the cost of running the Council
- Broadest shoulders to bear the greatest burden
- Mitigate the impact of savings on frontline services

This document is designed to provide Members and stakeholders with concise, relevant information related to the challenges and opportunities influencing the future delivery of enabling services.

#### 1.1 Overall Context

The Leader of the Council has been, and remains, unequivocal in his position that the savings we implement should focus on the support services of the Council first and should protect, as far as possible, front line services.

All of our back office services will be completely streamlined; processes will be reviewed, combined and made more efficient. These back office services are ones which Wirral residents rarely see but which are essential to the running of the organisation – things such as finance, IT, human resources and procurement. We will make these functions more efficient and ensure that they provide the best value for money possible.

We are continuing to make sure Council management is stripped down and streamlined and make sure that as much resource as possible is directed to front line service delivery.

We also need to make sure that the Council has an effective, strategic corporate centre able to drive continuous improvement in what is an extremely challenging financial landscape.

## ENABLING SERVICES

### 1.2 Purpose of Session

The purpose of this session is to enable Members to debate the future direction of service provision as described within this document, particularly in relation to the principles which are provided. Members are also provided with a summary of the emerging options within this theme for consideration.

Further work will be completed on developing these options, alongside more, before they are published by the Chief Executive for public, staff and stakeholder consultation in September 2014.

## 2.0 FUTURE DIRECTION

The design for the enabling services reflects the ambition to create a strong strategic centre whose purpose is to support Members to make choices about the priorities of the organisation, develop strategy and set direction and manage resources through a top-down flow of decision making

This ambition is driven in part by the knowledge gained from work with the Improvement Board and others as to where the focus of the Council's improvement efforts should be placed. Therefore proposals and developments within enabling services will ensure that areas of excellence within services are identified and built upon, and corporate coordination is improved.

Support functions will need to be focussed and more effectively targeted in order to enable and support the wider transformation ambitions and challenges the Council faces. The proposals also form part of the ongoing response to the recommendations of the Improvement Board, which focussed on the strengthening and rebuilding of the corporate centre and senior management capacity.

### 2.1 Principles for Change

Therefore the future design and delivery model for enabling services will focus on driving the following benefits from the new approach;

- Increased corporate and strategic thinking
- Stronger external focus, able to influence at a local, regional and national level
- Stronger strategic financial planning and forecasting
- Greater internal control and compliance
- Improved quality of professional support and advice

Critically, the proposals will also drive tangible efficiency savings in line with the organisation's overall principle of ensuring maximum value from support functions in order to protect front line services. Key areas where savings are likely to be realised are; centralisation of

## ENABLING SERVICES

transactional resources, for example standardisation of processes and increase in automation and self serve; and secondly increased control and compliance around 3<sup>rd</sup> party spend in order to maximise full value from supplies and services

### 3.0 EMERGING OPTIONS

The following points and examples have been developed as a guide to inform the future model for enabling services;

- Increase self-sufficiency of all employees and managers in order to reduce demand on enabling services
- Identification of specialist skills and capabilities which require strategic focus, and in some cases investment, through the realignment of existing resources, and the grouping together of generic roles and processes in order to drive value and economies of scale
- Central management and coordination of all resources and budgets relating to support and transactional functions;
- Bringing together of all transactional activities, i.e. all rule driven and process led activity
- Strengthen the corporate core and reduce duplication by bringing together policy, strategy and business planning under the leadership of the Chief Executive and CESC

Options are in development across all services within this theme that fit within the principles described. Initial, emerging options are provided within this report in advance of the fully prepared budget options being published by the Chief Executive in September.

- An increase in self-serve capability and automation of systems, and improved access to management information
- No additional departmental resources or budgets carrying out enabling activity – all support or enabling functions to be centralised
- The centralisation of all delivery of services, resources may still be deployed at a departmental/service level on an exception basis where agreed
- In the short term, all Finance, HR and Revenues and Benefits transactional services will be brought together within one unit, with a view to migrating additional services in the future. This unit will prepare services for potential alternative delivery model, e.g. shared services with other organisations, or transfer of delivery to a 3<sup>rd</sup> party
- Establishing a single shared services with Cheshire West and Chester for schools traded services, but also working with schools to fundamentally transform the relationship to one based on outcomes delivery through the Children's Trust

## ENABLING SERVICES

### 4.0 SERVICES IN SCOPE

The services below are considered within this theme;

- Business Intelligence
- Transformation and Change
- Health, Safety and Resilience
- Equality and Diversity
- Knowledge Management
- Marketing and Communications
- Neighbourhoods
- Commissioning & Transformation
- CYP Commissioning
- Market Transformation & Contracts
- Procurement
- Call Centre
- Customer Services
- One Stop Shops
- Committee Services
- Coroner
- Electoral Services
- Information & Central Services
- Land Charges
- Legal Services
- Policy & Scrutiny
- Registrar Services
- School Admissions
- Asset Management
- Asset Management : PFI
- Facilities Management
- Human Resources
- Information Technology
- Organisational Development
- Professional Standards
- Benefits
- Finance
- Internal Audit
- Revenues
- School Traded Services
- Integrated Transport

## COMMUNITY AND NEIGHBOURHOOD SERVICES

### 1.0 INTRODUCTION

The Council's Corporate Plan is clear in that the Council budget – in terms of investment decisions and budget savings – should be set according to three key priorities;

- Tackle health inequalities, poverty and disadvantage - narrow the gap between our richest and poorest communities
- Protect the vulnerable, making sure people are safe and feel safe – and can remain independent as long as possible
- Driving economic growth – investing in Wirral's future

The Council is also committed to ensure that savings are identified and delivered based on the following principles where possible:

- Spend less on the cost of running the Council
- Broadest shoulders to bear the greatest burden
- Mitigate the impact of savings on frontline services

This document is designed to provide Members and stakeholders with concise, relevant information related to the challenges and opportunities influencing the future delivery of community and neighbourhood services.

### 1.1 Overall Context

Wirral's local environment and the economy are arguably the two biggest factors in driving the quality of life, health and levels of achievement for our residents.

Every year, the Council invests huge resources in both maintaining and improving the local environment, and in stimulating the local economy – through helping our local businesses to succeed and expand, and encouraging businesses to start up or relocate in Wirral.

We have had, and are working towards, huge successes. Projects such as the New Brighton development, the revitalisation of Birkenhead Park, the International Trade Centre, and International Golf Resort and, particularly, Wirral Waters are significant on a national and global scale.

We are determined that Wirral be a place where businesses flourish and people have access to good jobs, and quality, affordable homes in a pleasant, safe and clean environment.

The current funding reductions are the biggest challenge Councils, particularly northern Councils, have ever faced. Put simply, the demand for our services will soon outstrip the funding we have to

## COMMUNITY AND NEIGHBOURHOOD

provide them. Overcoming this challenge is difficult, and means we have to think radically and find new ways of working with our communities, with our businesses, and with our residents.

We need to focus our resources into areas that will have the most impact; we have to make difficult decisions as we simply do not have the resources to continue spending the same amounts to reach our goals.

We should not, and will not, be discouraged by this. The opportunities we have within our grasp are huge. Our regeneration projects are underway and will transform our economy, and our physical landscape and location are the envy of the country – proven by the numbers of visitors to Wirral rising at a faster rate than anywhere in the North West.

### 1.2 Purpose of Session

The purpose of this session is to enable Members to debate the future direction of service provision as described within this document, particularly in relation to the principles which are provided. Members are also provided with a summary of the emerging options within this theme for consideration.

Further work will be completed on developing these options, alongside more, before they are published by the Chief Executive for public, staff and stakeholder consultation in September 2014.

## 2.0 FUTURE DIRECTION

The services within the Community and Neighbourhood theme have been grouped as such due to their shared or similar outcomes for residents. Given a number of the services involved are also delivered from physical locations throughout the borough to look for synergies and where constituency committees can be more involved in influencing and designing service provision in their local areas.

### 2.1 Principles for Change

The challenge now is to take our current service model, in the context of our current and future demographic challenges and our vastly reduced financial resources, and redesign it completely – ensuring we deliver the outcomes residents need effectively and within budget in accordance with the Corporate Plan. To help inform that transformation, a series of principles have been developed which will be used to guide service re-design and potential budget options.

- Increasing Income; making sure that full cost recovery is achieved where practical and review all service level agreements with partners to ensure charging is appropriate.



## COMMUNITY AND NEIGHBOURHOOD

- Being More Efficient; making our workforce more flexible and able to work across current department and service boundaries, and investing in technology to reduce the dependence on expensive access channels for services.
- Targeting Resources; reviewing the levels of services provided against the legal requirements, and increasing the devolved resources allocated to constituency committees to direct services in their local area.
- New Models of Delivery; involving people who use services in their redesign, their commissioning, their procurement and evaluation.

### 3.0 EMERGING OPTIONS

Initial, emerging budget options have been identified which will continue to be worked on, to develop full business plans and impact assessments before they are published for full consultation by the Chief Executive in September.

- Ensure resources are allocated appropriately, through a full review of all service provision against their statutory requirement, as well as reviewing all fees and charges to ensure full cost recovery is delivered.
- Invest in the right technology, to ensure accessing Council services is efficient and effective through online channels – thereby reducing the dependency on expensive face to face channels.
- Drive a culture change in our workforce, ensuring that where appropriate a commercial culture exists to identify and maximise income opportunities.
- Streamline administrative processes, removing all wasted effort and duplication from services
- Create more generic functions where outcomes, process and skill sets are similar to drive efficiencies and provide a more joined up service to residents.
- Maximise the devolvement of budgets to constituency committees to create efficiencies

### 4.0 SERVICES IN SCOPE

The services below are considered within this theme, which primarily fall between four 'blocks';

#### **Looking after the Environment:**

Services which have a direct impact on the Borough's environment, and whose primary function is to work with either partners or commissioned providers to ensure work is delivered across a range of areas through similar processes.

## COMMUNITY AND NEIGHBOURHOOD

- Highways Management
- Traffic and Transport
- Waste and Environment

### **Regulation and Enforcement:**

Services in which the primary function is either regulatory or related to enforcement; although the services within this theme are substantially different the skill set, general approach and resource requirement is generally similar across the following functions.

- Building Control
- Development Management
- Environmental Health
- Housing Standards & Renewal
- Trading Standards
- Licensing

### **Neighbourhood Services:**

Services which are based upon a physical location, and therefore have the potential to be delivered based on a geographical or neighbourhood model.

- Day Services
- Libraries
- Lifelong and Family Learning
- Parks and Open Spaces
- Sports and Recreation
- Sports Development Unit
- Youth and Play

### **Cultural Services:**

Services that have been grouped together due to the similar functions of being cultural, leisure based visitor attractions within the borough.

- Floral Pavilion
- Museums

### **Driving Economic Growth:**

Services that are designed to stimulate the local economy, either through working with businesses already here, driving up skills or encouraging inward investment.

- Regeneration and Economic Development
- Invest Wirral
- Destination Marketing
- Forward Planning

## COMMUNITY AND NEIGHBOURHOOD

- Housing Strategy

This page is intentionally left blank

## **SPECIALIST AND TARGETED SERVICES**

### **1.0 INTRODUCTION**

The Council's Corporate Plan is clear in that the Council budget – in terms of investment decisions and budget savings – should be set according to three key priorities;

- Tackle health inequalities, poverty and disadvantage - narrow the gap between our richest and poorest communities
- Protect the vulnerable, making sure people are safe and feel safe – and can remain independent as long as possible
- Driving economic growth – investing in Wirral's future

The Council is also committed to ensure that savings are identified and delivered based on the following principles where possible:

- Spend less on the cost of running the Council
- Broadest shoulders to bear the greatest burden
- Mitigate the impact of savings on frontline services

This document is designed to provide Members and stakeholders with concise, relevant information related to the challenges and opportunities influencing the future delivery of targeted and specialist services.

#### **1.1 Overall Context**

The challenges we are facing, both in a financial and demographic sense, mean that we must change, we must adapt, and we must innovate to ensure that we continue to deliver services which are relevant to those who need them.

We have an ageing population, and more vulnerable adults needing our help. We have more and more children needing our care, and we have growing levels of child poverty. At the same time, the aspirations of the people we work with are, quite rightly, rising – as are their expectations of us. However, we have less money than ever to support them. Our challenges are clear – they are significant, but not insurmountable.

We will continue to fulfil our duties to safeguard those who are most vulnerable whilst targeting the resources we have to ensure we achieve maximum value for the Wirral pound. We will continually adapt and find innovative solutions to make certain the financial restraints being placed on the Council do not impact on our residents' ability to live full lives and achieve their aspirations.

To do this we must adopt a new way of thinking – working with and supporting individuals and communities to become more resilient,

## SPECIALIST AND TARGETED

thereby reducing dependency and encouraging greater independence. This will require residents, people using our services and also our workforce to think and work differently.

It will also mean we will work much more closely with partners looking at how we can deliver services better together. We will be looking out whether other organisations can deliver services on our behalf.

We will shift focus, proactively involving service users in the design, procurement, delivery and evaluation of services. Every penny we spend will be scrutinised – this will include who is funded for what as well as how that funding is provided. We will commit public resources only where it will have most impact – and ensure that impact is targeted, evaluated and substantial.

### 1.2 Purpose of Session

The purpose of this session is to enable Members to debate the future direction of service provision as described within this document, particularly in relation to the principles which are provided. Members are also provided with a summary of the emerging options within this theme for consideration.

Further work will be completed on developing these options, alongside more, before they are published by the Chief Executive for public, staff and stakeholder consultation in September 2014.

## 2.0 FUTURE DIRECTION

The majority of services within this theme fall within the directorate of Families and Wellbeing, which is part way through the delivery of its 2013-2016 Improvement Plan.

The plan works to four key themes; managing the money, delivering differently, working together and transforming the business. The transformation of the directorate is designed to ensure that, within a reduced financial envelope, the Council is able to deliver the following key outcomes:

- Children are ready for school
- Young people are ready for work and adulthood
- Young people have their needs met as early as possible
- Young people feel safe and are safe
- Vulnerable adults are safe and protected from avoidable harm
- Adults can access the widest possible options for care and support close to where they live
- Adults who use services have a positive experience of care and support
- Adults can choose the care they need from a range of high quality support services and options for care

## SPECIALIST AND TARGETED

- The need for care and support is delayed and reduced
- Less people living with preventable ill health and dying prematurely, with a focus on reducing the gap between communities
- The population's health is protected from major incidents and other threats

To deliver these outcomes for Wirral people we will focus on the four key themes of change, identified within the Families and Wellbeing directorate plan. These being;

### Managing the Money

The quality of financial and performance data will be strengthened to make sure it effectively informs intelligent business decisions. A robust internal challenge process will be established so that all budget related activity is clearly understood by all managers and staff.

### Delivering Differently

The key is to move away from dependence based, institutionalised approaches to care and services to an approach which is based on early intervention and prevention. A greater focus will be placed on engagement with service users, carers and local communities to enable us to focus on services which support them to become more resilient and foster more responsibility for themselves and their families, and where the Council is not the sole provider.

### Working Together

We must work more closely with partners to meet shared objectives and to get the best value for the Wirral pound. Particularly important in this area will be joint commissioning between health and social care, and working closely with schools and colleges. The role of the community, voluntary and faith sector is also vital – we will work with them to maximise opportunities for new delivery models and collaborative investment agreements.

### Transforming the Business

To transform the way we delivery services successfully we must also transform our workforce; how we think and how we act. To achieve this we will improve systems and processes, policies and procedures and invest in effective training and development opportunities.

## 2.1 Principles for Change

The challenge now is to take our current service model, in the context of our current and future demographic challenges and our vastly reduced financial resources, and redesign it completely – ensuring we deliver the outcomes residents need effectively and within budget. To help inform that transformation, a series of principles have been developed which will be used to guide service re-design and potential budget options.

## SPECIALIST AND TARGETED

- Maximising the totality of public resources available to ensure innovative approaches to delivering outcomes which transform people's lives
- Putting the child and people at the centre of everything we do
- Solving challenges in partnership
- Removing all wasted effort and duplication
- Managing demand at the earliest opportunity through asset based delivery models
- Consider innovative options against dividend and risk through a strengthened commissioning approach in conjunction with partners
- Consider the most appropriate delivery vehicle for all services
- Drive a commercial culture which maximises opportunities to generate income

The change activity to reach the future operating model will be predicated on driving the right level of demand across specialist and universal services. The key factors that need to be addressed to transform the current model of services to one that is able to achieve the right outcomes, within the remaining financial resources, include:

- Exploring and implementing alternative delivery models for universal services, and influencing behaviour change to encourage self assessment, self help and community resilience.
- Maximising the role of communities, social networks and individual people – ensuring people are well informed and empowered to be able to support themselves.
- Reducing the reliance on high cost, complex packages of care for children and a reduction in residential placements for adults – working to make sure people can be supported to be safe and independent at home.

### **3.0 EMERGING OPTIONS**

Initial, emerging budget options have been identified which build on the platform of the Families and Wellbeing improvement plan, but drive fundamental shifts in the operating model for these services.

The new operating model will be based on whole systems redesign of the care pathway or child's journey, which will bring a series of benefits both in terms of finances and outcomes for residents, including:

- Reducing demand by delivering outcomes through partners, e.g. schools, health, voluntary community and faith sector providers
- Integrated commissioning with Health and through the Children's Trust
- Exploring a range of new delivery models for services such as a local authority trading company for Day Services, the



## SPECIALIST AND TARGETED

- commissioning of Children's Centre provision and working with schools to deliver services for two year olds
- Developing integrated working arrangements with colleagues in Health
- Reducing the need for specialist services through early intervention and prevention
- Targeting capacity around charging, collections and contracts – driving a commercial culture, maximising income opportunities

Through the Future Council Programme we will drive a number of approaches and projects to deliver this vision through a series of emerging budget options, including:

- Maximise opportunities to work across the spectrum of children's and adults services, for example the establishment of an all age disabilities service, and an integrated approach to assessment
- Scaling up and embedding what works, such as learning from the Intensive Family Intervention Programme
- Strengthening safeguarding practice and generating potential efficiencies through building on corporate safeguarding and the multi agency hub
- Establishing a single shared services with Cheshire West and Chester for schools traded services, but also working with schools to fundamentally transform the relationship to one based on outcomes delivery through the Children's Trust

### 4.0 SERVICES IN SCOPE

The services below are considered within this theme, which fall within two blocks.

#### **Specialist Services:**

Those services, primarily within social care, which are provided to residents due to those residents having an assessed need for them, either due to having a disability or being otherwise vulnerable.

- Specialist Services
- Adoption and Permanence
- Children in Care
- Children's Social Work
- Fostering Service
- Integrated Disability Service
- Neighbourhood Teams
- Pathways Services
- Safeguarding Adults
- Safeguarding Children's
- SEN and Children with Disabilities

## SPECIALIST AND TARGETED

### **Targeted Services:**

Services which are provided which aim to achieve early intervention, to prevent or correct problems in health, lifestyle or aspirations and achievement at an early stage to reduce the need for more costly, specialist services in the future.

- 14-19 and participation
- Anti Social Behaviour
- Community Safety
- Early Years (Children's Centres)
- Family Intervention
- Independence
- Property Pool Plus
- Public Health
- School Improvement
- Supported Housing & Homelessness
- Youth Offending

## WIRRAL COUNCIL

### CABINET

JUNE 2014

<b>SUBJECT:</b>	<b>NON DOMESTIC RATES DISCRETIONARY RATES RELIEF &amp; RE-OCCUPATION RELIEF</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>HEAD OF BUSINESS PROCESSES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR PHIL DAVIES</b>
<b>KEY DECISION</b>	<b>YES</b>

#### **1.0 EXECUTIVE SUMMARY**

1.1 This report seeks approval to amend the authority's current discretionary rates relief policy to adopt additional criteria as set out in the government's guidance to its Non Domestic Rates Reoccupation Relief for it to be appropriately awarded in 2014/15 and 2015/16 the period in which it is fully funded by central government.

#### **2.0 BACKGROUND AND KEY ISSUES**

2.1 National Non Domestic Rates are the contribution to Council income from non domestic properties. Sums payable are set by nationally set rate poundages against each property value. This system has been in place since 1990. However as successive national revaluations have been delayed or cancelled the system has been augmented by a series of support measures. These include discretionary relief for charitable, non profit making and sporting organisations, rural relief for single shops in designated areas, small business relief to reduce the payable sum, hardship relief for exceptional cases and most recently the addition of Retail Relief. These measures are largely funded by central government with some elements proportionately funded by local authorities. Administration of the scheme including collection and recovery is undertaken by each local authority,

2.2. Wirral's policy for awarding discretionary rate relief for non domestic rate payers is based on Section 47 of the Local Government Finance Act 1988 and the NNDR (Discretionary Relief) Regulations 1989. Central government has periodically issued guidance urging local authorities to exercise their power of granting relief generously to organisations which satisfy the criteria and this has broadly been adopted by the Authority and is reproduced in the appendix to this report.

- 2.3. The Government announced in its Autumn Budget statement (5 December 2013) that it is to provide a further funded temporary relief in respect of Non Domestic Rates for retail properties. This is where previously empty retail premises which are occupied between 1 April 2014 and 31 March 2016 then a 50% business rates discount will be provided up to State Aid De Minimis limits for a maximum period of 18 months from re-occupation. The government issued its guidance on the operation of this relief in March 2014.
- 2.4. The government has chosen to introduce this not by changing non domestic rates legislation but by asking authorities to amend their discretionary rates relief policy to include this as a criteria for relief, then record it separately for which authorities will be fully reimbursed.
- 2.5. The qualifying property criteria are that it was previously occupied as a wholly or mainly retail property which has been empty for 12 months or more on re-occupation but it can be re-occupied for any use bar those specified. There is no rateable value limit but state aid de minimis rules continue to apply.
- 2.6. In the government guidance is set out what central government views as retail use and what it views as uses that should not be supported upon re-occupation. These include betting shops, pay day loan shops and pawn brokers. Authorities can add to these categories or decide if any local conditions exist that are such that relief should not be awarded as it would go against the authority's wider objectives or where it be viewed that it would not help an area thrive. No such suggestions are made at this time to include these but Members may wish to consider if they wish to add any of their own.
- 2.7. To award this relief the conditions should be adopted as part of the local scheme, under Section 47 of the Local Government Act 1998. It is therefore recommended that Wirral's policy mirrors the government's guidance issued in March 2014 and the Retail Reoccupation Relief policy is adopted. The current policy with the additional section (the Department for Communities and Local Government guidance) will then allow the authority to award this relief for relevant reoccupations from April 2014.
- 2.8. The policy requested to be approved is attached as an appendix to this report which shows both retail relief approved in March 2014 and the additional retail reoccupation relief conditions here and will be amended to show award levels Members agree to from the main section of this report.

### **3.0 RELEVANT RISKS**

- 3.1 If the authority does not adopt the retail re-occupation relief as part of its policy then locally based businesses will be adversely affected with increased rates liability than is otherwise necessary.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 The option to not adopt the Retail Reoccupation Relief scheme as part of the authority's discretionary relief scheme is not considered appropriate as the relief is fully funded by the government and will assist qualifying businesses meet rates liability.

## **5.0 CONSULTATION**

5.1 None has been undertaken on this.

## **6. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 The Reoccupation Relief scheme would benefit local groups where a property is reoccupied and meets the criteria.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 Small Business Rates Relief, Retail Relief and Retail Reoccupation Relief costs are all met in full by central government. The first is set to end 31 March 2015 the latter two on 31 March 2016.

7.6. Our staff have additional responsibility in administering the Reoccupation Relief scheme making decisions on eligibility based on the above criteria.

7.8. The IT system is being changed by the software supplier to accommodate the Reoccupation Relief amendment.

7.9. There are no asset implications arising from this change.

## **8.0 LEGAL IMPLICATIONS**

8.1 There are none arising directly from this report.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 The original Equality Impact Assessment for all discretionary relief is at the link shown;

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

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 There are none arising directly from this report.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 There are none arising directly from this report.

## **12.0 RECOMMENDATION**

12.1. That the authority's Discretionary Rates Relief Policy is extended to include eligibility for Retail Reoccupation Relief and will adopt the eligibility criteria as set out by government and award this relief in 2014/15 and 2015/16.

12.4. The updated policy shown at appendix 1 is approved for use for 2014/15 and later years until amended including Retail Reoccupation Relief criteria.

## **13.0 REASON FOR RECOMMENDATIONS**

13.1 To allow members to agree the authority's current relief policy is added to its Discretionary Rates Relief Policy to ensure Retail Reoccupation Relief can be appropriately awarded in 2014/15 and 2015/16.

**REPORT AUTHOR: Malcolm Flanagan**

Head of Business Processes

[malcolmflanagan@wirral.gov.uk](mailto:malcolmflanagan@wirral.gov.uk)

(0151) 666 3260

**APPENDIX**

Proposed Discretionary Rate Relief Policy 2014/15 (including Re-Occupation Relief)

**REFERENCE MATERIAL**

Department for Communities & Local Government

Reoccupation Relief Guidance March 2014

**SUBJECT HISTORY**

<b>Meeting</b>	<b>Dates</b>
<b>Cabinet (minute 306)</b>	<b>3 February 2011</b>
<b>Cabinet (minute 202)</b>	<b>18 February 2013</b>
<b>Cabinet (minute 165)</b>	<b>13 March 2014</b>

### DISCRETIONARY RELIEF POLICY 2014

The following is an extract of Policy and Resources Committee Report (FNCE/4/90) approved by min 386 (P&R) of 24 January 1990 as amended by minute 185 (P&R) of 15 December 1992, then by Cabinet 3 February 2011 (minute 306) which details the criteria that has been used to assess applications.

#### 1. **ACCESS**

- 1.1. Is membership open to all sections of the community? There may be legitimate restrictions placed on membership which relate for example to ability in a sport or the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited. Clubs or organisations should not be considered if they have membership rates set at such a high level as to exclude the general community. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.
- 1.2. Does the organisation actively encourage membership from particular groups in the community e.g. young people, women, older age groups, persons with disability, ethnic minorities, etc? An organisation which encouraged such membership might expect more sympathetic consideration than one which made no effort to attract members from groups which the Authority considered to be particularly deserving of support.
- 1.3. Are the facilities made available to people other than members, e.g. schools, casual public sessions etc? The wider use of facilities should be encouraged and rate relief might be one form of recognition that an organisation was promoting its facilities more widely.

#### 2. **PROVISION OF FACILITIES**

- 2.1. Does the organisation provide training or education for its members? Are there schemes for particular groups to develop their skills e.g. young people, the disabled, retired people? An organisation providing such facilities might deserve more support than one which did not.
- 2.2. Have the facilities available been provided by self-help or grant aid? The fact that a club uses or has used self-help for construction or maintenance or had facilities funded by grant aid might be an indicator.
- 2.3. Does the organisation run a bar? The mere existence of a bar should not in itself be a reason for not granting relief. The Authority should look at the main purpose of the organisation. In sports clubs for example the balance between playing and non-playing members might provide a useful guide as to whether the main purpose of the club is sporting or social activities. A social club whose main aim is to bring together people with similar interests should not be excluded from relief just because of the existence of a licensed bar.

- 2.4. Does the organisation provide facilities which indirectly relieve the Authority of the need to do so, or enhance and supplement those which it does provide? Authorities should not refuse relief on the grounds that an organisation is in competition with the Authority itself, but should look at the broader context of needs of the community as a whole. A new need, not being provided by the Authority itself but identified as a priority for action, might be particularly deserving of support.

### 3. **OTHER CONSIDERATIONS**

- 3.1. Is the organisation affiliated to local or national organisations e.g. local sports or arts councils, national representative bodies, i.e. are they actively involved in local/national development of their interests?
- 3.2. If the organisation is a sporting club, whose main activities are a recognised eligible sport, has it registered with the Inland Revenue as a Community Amateur Sports Club (CASC). If not the club should be encouraged to do so.
- 3.3. Is the membership drawn from people mainly resident in the charging authority's area? Although authorities will have in mind that 25% of the cost of any relief given will be borne by the Council Taxpayers in their area, particular difficulties may arise with hereditaments which straddle local authorities boundaries and which under Regulation 6 of the Non-Domestic Rating (Miscellaneous Provisions) Regulations 1989 (S.I. 1989 No. 1060) will now fall to be shown in one list. In these cases and in those where hereditaments are situated close to an authority's boundary, a proportion of the membership may come from another charging authority area. Also for geographical reasons, or because of the nature of the terrain, particular facilities may be the only ones available for a wide area. In such cases the joint use of facilities by one or more similar organisations is not uncommon. In most cases there will be a measure of reciprocity between the memberships of organisations from different areas.
- 3.4. Authorities may wish to add further criteria or substitute relevant alternative criteria, which are appropriate to the furthering of their policies and the needs of the community such as development programmes. They should also bear in mind the need to encourage new activities in the wide range of organisations for which relief from rates is available.
- 3.5. The manner in which charities or organisations are funded should also be considered. In cases of full or substantial funding from central government; either directly or through an agency, council or similar body, which is funded or established by central government, consideration should be given to the merit of awarding relief.
- 3.6. Are members paid to participate? The Authority may wish to consider whether to award relief where payments or other significant benefits are provided to players. Exceptions may be the reimbursement of reasonable travel expenses or reasonable provision and maintenance of club owned equipment. The Authority may look favourably on clubs whose paid players



contribute more to the club than just playing e.g. by coaching younger members.

- 3.7. The Authority may wish to consider the extent to which the organisation's activities contribute to local community strategies or authority objectives for developing neighbourhood identity, community building or social inclusion.
- 3.8. Housing Associations, universities, further education colleges and independent schools are specifically excluded from receiving discretionary rate relief as per Cabinet decision dated 10 January 2008.
- 3.9. All future discretionary rate relief applications in respect of properties with a rateable value of less than £18,000 are accompanied by a Small Business Rate Relief (SBRR) application to encourage SBRR take up and to continue to reduce the reliance on the Discretionary Rate Relief budget.
- 3.10. Community Interest Companies and social welfare organisations that occupy properties with rateable values under £7,000 be entitled to full discretionary rate relief and those occupying properties of £7,000 or more be considered by Members on a case by case basis.
- 3.11. **RETAIL RELIEF PROVISIONS**

Retail relief eligibility from 1<sup>st</sup> April 2014 will be administered in line with the Department for Communities and Local Government Retail Relief Guidance of January 2014 as set out below.

**How will the relief be provided?**

1. As this is a measure for 2014-15 and 2015-16 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to grant relief to qualifying ratepayers.
2. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for 2014-15 and 2015-16. Central government will provide payments of the local authorities' share to authorities over the course of the relevant years.

### **Which properties will benefit from relief?**

3. Properties that will benefit from the relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

4. We consider shops, restaurants, cafes and drinking establishments to mean:

#### **i. Hereditaments that are being used for the sale of goods to visiting members of the public:**

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, chemists, stationers, off licence, newsagents, hardware stores, supermarkets)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

#### **ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

#### **iii. Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:**

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

5. To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
6. The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide for authorities as to the types of uses that government considers for this purpose to be retail. Authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.
7. As the grant of the relief is discretionary, authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area. We would encourage councillors to be consulted on the final scheme that the local authority adopts, so there is a clear line of accountability in case of a dispute on the final local scheme that is adopted.
8. The list below sets out the types of uses that government does not consider to be retail use for the purpose of this relief. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

**i. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting office

**ii. Hereditaments that are not reasonably accessible to visiting members of the public**

**How much relief will be available?**

9. The total amount of government-funded relief available for each property for each of the years under this scheme is £1,000. The amount does not vary with rateable value and there is no taper. There is no relief available under this scheme for properties with a rateable value of more than £50,000.

### 3.12. BUSINESS RATES REOCCUPATION RELIEF

Government Guidance used as Eligibility Guidance for Wirral Council award of relief for 2014/15 and 2015/16

1. This guidance is intended to support local authorities in administering the “Reoccupation Relief” announced in the Autumn Statement on 5 December 2013. This Guidance applies to England only. This guidance sets out the detailed criteria which central government will use to determine funding in respect of Reoccupation Relief. The Guidance does not replace existing legislation on retail properties, any other relief, or development control.
2. The government wants to encourage thriving and diverse town centres and wants to see the number of vacant shops decrease. This relief is intended to encourage reoccupation of shops that have been empty for a long period of time and reward businesses that make this happen.
3. The government announced in the Autumn Statement on 5 December 2013 that it would provide a 50% business rates discount for 18 months for businesses moving into previously empty retail premises between 1 April 2014 and 31 March 2016, up to State Aid De Minimis limits.

#### **How will the relief be provided?**

4. As this is a temporary measure that applies to ratepayers moving into previously empty retail premises between 1 April 2014 and 31 March 2016 only, the government is not changing the legislation around the reliefs available to properties. Instead the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended), to grant relief. It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The government expects local government to grant relief to qualifying ratepayers.
5. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. Local authorities will provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for 2014-15, 2015-16, 2016-17 and 2017-18. Central government will provide payments of the local authorities’ share to authorities at the end of the relevant years.

#### **Which properties will benefit from the relief?**

6. Properties that will benefit from the relief will be occupied hereditaments that:  
When previously in use, were wholly or mainly used for retail as set out in paragraph 11 below

- ~ Were empty for 12 months or more immediately before their reoccupation
  - ~ Become reoccupied between 1 April 2014 and 31 March 2016
  - ~ Are being used for any use (ie not just retail use) except as set out in paragraph 10 below
7. There is no rateable value limit for the hereditament in respect of either the previous or reoccupied use. However, State Aid De Minimis limits may limit the amount of relief given.

**What is retail use?**

8. In relation to a premises' previous use for the purposes of Reoccupation Relief we consider retail to mean:

*i. Hereditaments that were being used for the sale of goods to visiting members of the public:*

Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets)

~ Charity shops

~ Opticians

~ Post offices

~ Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)

~ Car/ caravan show rooms

~ Second hand car lots

~ Markets

~ Petrol stations

~ Garden centres

~ Art galleries (where art is for sale/hire)

*ii. Hereditaments that were being used for the provision of the following services principally to visiting members of the public:*

~ Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops)

~ Shoe repairs/ key cutting

~ Travel agents

~ Ticket offices e.g. for theatre

~ Dry cleaners

~ Launderettes

~ PC / TV / domestic appliance repair

~ Funeral directors

~ Photo processing

~ DVD/ video rentals

~ Tool hire

~ Car hire

*iii. Hereditaments that were being used for the provision of the following services principally to visiting members of the public:*

~  
Financial services (e.g. banks, building societies, bureaux de change, payday loan shops, betting shops, pawn brokers)

~  
Other services (e.g. estate agents, letting agents, employment agencies)

*iv. Hereditaments that were being used for the sale of food and/ or drink to visiting members of the public:*

~  
Restaurants

~  
Takeaways

~  
Sandwich shops

~  
Coffee shops

~  
Pubs

~  
Bars

9. The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide for authorities as to the types of uses that government considers for this purpose to be retail. Authorities should determine for themselves whether particular properties not listed were broadly similar in nature to those above and, if so, to consider them to be retail. Conversely, properties that were not broadly similar in nature to those listed above should not be considered to be retail.

#### **Reoccupied use**

10. The new use of the reoccupied premises can be for any use (i.e. not just retail uses) except for hereditaments wholly or mainly being used as betting shops, payday loan shops, and pawn brokers

In the context of the public debate about the cumulative impact of betting shops, payday loan shops and pawn brokers the Government does not consider it the best use of public funds to offer tax relief that would encourage and incentivise the proliferation of these types of uses.

11. As the grant of the relief is discretionary, authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area or where it would not help a shopping area to thrive. We would encourage councillors to be consulted on the final scheme that the local authority adopts, so there is a clear line of accountability in case of a dispute on the final local scheme that is adopted.

#### **How much relief will be available?**

12. Relief will be available for 18 months from the first day the hereditament becomes occupied as long as the first day falls between 1 April 2014 and 31 March 2016, subject to the hereditament remaining continuously occupied.
13. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
14. Under this scheme the relief available for each property is 50% of the business rates liability after any mandatory or other discretionary reliefs (other

than retail relief) have been applied, up to State Aid De Minimis limits. The relief should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.

15. Councils may use their discretionary powers to offer further discounts outside this scheme (and under local rate retention, 50 per cent of the cost would be locally funded and 50 per cent funded by central government).

### **State Aid**

16. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However Reoccupation Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013).

Detailed State Aid guidance can be found at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/15277/National\\_State\\_Aid\\_Law\\_Requirements.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf)

17. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)3) and the requirement to convert the aid into Euros<sup>4</sup>.
18. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Section 3 of this guidance contains a sample De Minimis declaration which local authorities may wish to use. Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance<sup>5</sup>.

### **Splits, mergers, and changes to existing hereditaments**

19. Where a new hereditament has been created by a split or merger of hereditament(s), the new hereditament will be eligible for the Reoccupation Relief where at least half of the floor area of the new hereditament is made up of retail hereditaments that have been empty for 12 months or more (subject to meeting the other criteria in paragraphs 9 and 13).
20. Where a hereditament in receipt of Reoccupation Relief splits or merges to form new hereditaments, the new hereditaments will not be eligible for the remaining term of Reoccupation Relief.
21. Where a hereditament in receipt of Reoccupation Relief becomes unoccupied for any period of time less than 12 months it will not be eligible for any further Reoccupation Relief on occupation. However, if a hereditament that has

previously received Reoccupation Relief becomes empty for 12 months or more it will be eligible for an additional 18 months Reoccupation Relief if the criteria are met.

#### **Change of ratepayer**

22. The relief will run with the property rather than the ratepayer. So if a hereditament is in receipt of Reoccupation Relief and a new ratepayer becomes liable for the property they will benefit from the remaining term of the relief, subject to the new ratepayer's State Aid de minimis limits.

#### **How will the relief work in Enterprise Zones?**

23. Where a property is eligible for Enterprise Zone relief, that relief should be granted and this will be funded under the rates retention scheme by a deduction from the central share. If a property in an Enterprise Zone is not eligible for Enterprise Zone relief, or that relief has ended, Reoccupation Relief may be granted in the normal way, and this would be reimbursed by grant under section 31 of the Local Government Act 2003. Local authorities should not claim funding for Reoccupation Relief on properties which would otherwise qualify for Enterprise Zone government funded relief.



## TRANSFORMATION AND RESOURCES POLICY AND PERFORMANCE COMMITTEE – 14 APRIL 2014

### 36 LOCAL WELFARE ASSISTANCE SCHEME 2014/15 AND FUTURE SUPPORT OPTIONS

The Head of Business Processes presented a report on the Local Welfare Assistance (LWA) Scheme for 2014/15 and future support options. Cabinet had approved the updating of Wirral's local discretionary support scheme "Local Welfare Assistance" introduced in April 2013 on 13 March 2014 (minute 164 refers). Wirral's scheme was approved by Cabinet on 24 January 2013 and a small number of specific scheme amendments for 2014/15 were made.

This specific grant funding was only available for 2014/15 and would not be available thereafter. An authority had no statutory requirement to have a scheme and could locally specify its own scheme. The Committee were asked to consider if they wished to propose options for the future given the short term period now available with this grant.

In response to questions from Members the Head of Business Processes made the following comments:

- It would be a matter for Members what assistance could be offered to try and mitigate for the fact that the scheme would not be available from 2015/16 onwards.
- Any future scheme would have to be funded directly by the authority, other systems of support could be made such as working with foodbanks and local credit unions.
- More staff had been taken on to help with the administering of the scheme, with an administrative grant of £230,000 but this would disappear from 2015/16.
- The authority would have to decide in the 2015/16 year how much, if any they should set aside out of the general grant settlement to continue funding the scheme. The Local Government Association had been pressing the DWP to maintain in some form this extra resource for authorities.
- It was possible to apply for more than one award, such as furniture and white goods, the majority of applications were for food and utilities, but claimants were only allowed one from each element within a two year period.
- With regard to loan sharks, this was more of a long term issue, whereas LWA was only a one off payment. Applications could be made online but applicants did have to appear in person to receive a payment. Immediate advice could be given in respect of loan sharks and more detailed advice was available from other agencies, such as the CAB.
- With the grant funding of £1,345,925 per annum for the years 2013/14 and 2014/15 there would be a probable spend of approximately £800,000 in 2014/15. The surplus balance could be put in for future years, if the authority decided to do so.
- Family composition was taken into account when deciding upon whether awards were made or not.
- Weekly payments were currently averaging £24,000 a week as at February, 2014 having risen from £4,500 in April, 2013 when the scheme was introduced.

- He gave details of the support available for one stop shop staff who were dealing face to face with customers experiencing financial hardship or who had been refused an LWA award.
- The average payment made was approximately £60 excluding payments for 'white goods' but he would circulate these figures, payments made for 'white goods' and the average payment.
- He would also supply the figure for appeals and those which had been successful.
- The card system which was used for payments was explained and those which had been used incorrectly could be blocked.
- The DWP hardship payments scheme was also explained to applicants for LWA but it was up to the individuals whether they applied or not.

The Head of Business Processes further stated that he would be happy to respond to any specific questions from Members, whether immediately after the meeting or by email.

A Member suggested that with £561,913 having been spent by the end of February, 2014 there would be £2.1m left which should be enough to have a scheme in place beyond 2014/15 for the 2015/16 year.

On a motion by the Chair, seconded by Councillor Williamson, with two additional recommendations by Councillor Johnston, seconded by Councillors Mountney and Gilchrist, it was –

**Resolved –**

- (1) That this Committee sets up a Task and Finish Group to examine future options for the Local Welfare Assistance Scheme as a potential piece of work in the new municipal year recognising that the timing of this is critical.**
- (2) That this Committee recommends to Cabinet the establishment of a reserve to include the unspent grant funding so the Authority could review spending on welfare assistance and that it would be disheartened to see this unspent funding subsumed into general reserves rather than go towards extending the lifetime of the LWA scheme.**
- (3) That the Chief Executive be asked to write to the appropriate Government Minister and request that the Government rethink its position on this grant funding for 2015/16 and beyond.**

## WIRRAL COUNCIL

### TRANSFORMATION AND RESOURCES POLICY AND PERFORMANCE COMMITTEE

14 APRIL 2014

<b>SUBJECT:</b>	<b>LOCAL WELFARE ASSISTANCE SCHEME 2014/15 &amp; FUTURE SUPPORT OPTIONS</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>HEAD OF BUSINESS PROCESSES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER</b>	<b>COUNCILLOR PHIL DAVIES</b>

#### 1.0 EXECUTIVE SUMMARY

- 1.1 Cabinet approved the updating of Wirral's local discretionary support scheme "Local Welfare Assistance" introduced in April 2013 on 13 March 2014 (minute 164). Wirral's scheme was approved by Cabinet on 24 January 2013 and a small number of specific scheme amendments for 2014/15 were made. The background to the scheme and those changes are set out below from the March Cabinet report.
- 1.2 This specific grant funding is only being available for 2014/15 and will not be available thereafter. An authority has no statutory requirement to have a scheme and locally specifies its own scheme. Members are asked to consider if they wish to propose options for going forward given the short term period now available with this grant.

#### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Government published the White Paper "Universal Credit: welfare that works" on 11 November 2010 which set out proposals to reform the welfare system and which included reform plans for the Social Fund. The subsequent Welfare Reform Act 2012 included powers to end the discretionary elements of the Social Fund. From April 2013 the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund administered by the Department of Work and Pensions were abolished. Funding was transferred to Local Authorities for them to provide a replacement local scheme.
- 2.2 Crisis Loans were intended for people unable to meet their immediate short term needs in an emergency or as a consequence of disaster, and were awarded for immediate living expenses in order to avoid serious damage to the health and safety of the applicant or a member of their family. Community Care Grants were primarily intended to help vulnerable people live as independent a life as possible in the community and were dependant on receipt of income related benefit.
- 2.3 The Department for Work and Pensions (DWP) continues to administer the discretionary Crisis Loan Alignment and Budgeting Loans which they are gradually replacing with new national schemes for Short Term Advances and Budgeting Advances. The DWP also continues to administer the regulated elements of the Social Fund (such as Funeral Payments, Cold Weather Payments, Winter Fuel Payments and Sure Start Maternity Grants).

2.4 Following consultation Wirral Council developed a policy for the provision of a Local Welfare Assistance Scheme aimed at supporting those most in need. The Policy was approved by Cabinet on 24 January 2013 (minute 168) and the scheme in place aims to meet the presented needs of the applicant through provision of goods or items rather than cash. A longer term aim of the scheme is to support applicants in identifying and addressing the underlying causes giving rise to the application, such as drug or alcohol abuse or poor budgeting skills.

#### **LOCAL WELFARE ASSISTANCE SCHEME 2013/14**

2.5 Residents apply for Wirral's LWA scheme via on-line application available on the Council's website. Whilst it was anticipated that many potential applicants may have difficulties in accessing the scheme in this way, and the service made provision to support those needing assistance, in reality an overwhelming majority of applicants have been able to complete the application process unassisted.

2.6 Two self access kiosks have been installed in the Conway Centre in central Birkenhead, the busiest one stop shop. 3,971 people have used these kiosks to find out about the scheme, and 2,946 people have used a kiosk to make an application. Most other one stop shops have ready access to the library public access PC's, and there are plans to install kiosks in Seacombe and Bebington to provide access to the scheme from these sites.

2.7 The call centre recruited a small number of temporary staff to help respond to telephone enquiries relating to the scheme and at the same time promote self access via online application. Over 5,500 calls have been received since the scheme's inception and 95% have been handled at the first time of offering.

2.8 The assessment and processing part of the scheme is administered by housing benefit staff, and there have been significant advantages to placing the scheme within this service including:

- Staff are experienced in making discretionary assessments, have a key knowledge of the benefits system and can establish what benefits should be in payment and when they are likely to be due.
- Staff have access to benefits information so they can establish identity and residency without the need for the customer to provide additional supporting documentation which minimises complexity and delay.
- Staff consider other awards such as a discretionary housing payment and council tax discount where appropriate, which helps the applicant with a view to maximising any other support or entitlement not being accessed or claimed.
- Staff identify anomalies in applications when reviewing the information held in housing benefit claims, and can ensure that LWA funds are protected from abuse and focussed on those in real need. This was shown in a prosecution which resulted in an LWA applicant pleading guilty to the offence of fraud, and being sentenced to 60 hours' unpaid work plus costs.
- Staff similarly identify anomalies in housing benefit applications arising from information provided in the LWA application and are thus able to detect fraud and error in housing benefit claims.

- 2.9 Assessment staff give consideration to a number of factors in determining whether an award should be made. These are;
- Whether the support requested is available under the scheme
  - Whether the criteria outlined in the policy have been met
  - Whether a benefit payment is due and, if so, when
- 2.10 Where it is considered a LWA award is appropriate to the applicant's circumstances, an arrangement will be made to either;
- Deliver the item(s) requested to the person's home, or
  - Provide a purchase card for collection at a one stop shop of the applicant's choosing. The card is used to purchase the item(s) required.
- 2.11 The scheme has been successful in meeting the needs of the most vulnerable, and has received a number of positive comments and thus far no complaints have been received about the scheme and its administration.

### **FINANCIAL REVIEW**

- 2.12 The Department for Work and Pensions (DWP) allocated Wirral Council programme funding of £1,345,925 for the provision of awards under this scheme. This was less than the amount spent by the DWP on awards under the Social Fund scheme for the elements no longer administered by them. In spite of this, and in common with other local authorities, significantly less has been awarded under the scheme in the first nine months than had been predicted. This has enabled us to redefine 'essential items' to include more items such as floor covering, clothing and footwear.
- 2.13 Financial support has also been extended to the Emergency Duty Team based in Families & Wellbeing, as well as the use of supermarket vouchers issued to support vulnerable people outside of normal office opening hours. Closer working with the Supporting People team in Regeneration & Environment has been developed to ensure applications from hostel dwellers are processed quickly and effectively. This allows residents to be moved on more quickly and reducing the service's expenditure on hostel accommodation.

### **ANALYSIS OF APPLICATIONS**

- 2.14 In the first nine months of the scheme, the Council received 5,552 applications for support. This compares to 12,880 Social Fund applications for crisis loan items, crisis loan living expenses, crisis loan alignments and community care grants made to the DWP for the same period in 2011. The figures for 2012 are not available although our figures show an increase in applications with figures at the end of February 2014 having risen to 7,308. It is also noteworthy that the DWP scheme was a loan which was then repaid through ongoing benefit whereas the authority scheme is an award.
- 2.15 This significant reduction in numbers of applications is not easy to explain given the increasingly difficult economic situation and the impact of the welfare reforms. This may reflect the work of local authority's looking at a wider range of options that people making claims have available rather than under the previous scheme of cash payments. It is evident that a non cash system has proven to be not as attractive to

a number of previous applicants alongside the more robust checking and verification process the authority undertakes that better identifies real need as well as alternative options. The scheme is applied in such a way that applicants are offered access to longer term solutions on financial difficulties and are pointed to money debt advice which the authority has actively supported through the Voluntary Sector.

2.16 However, this experience has been mirrored across the country, and the anticipated numbers of applications have not materialised to the same level as under the DWP loan scheme. An informal comparison on Merseyside shows that this is a similar picture in neighbouring authorities. An updated figure for Wirral shows 41% of grant spent with others reporting between 15% and 39%. As this report later highlights a number have looked to now support options wider than a direct support scheme. These are hoped to provide a base for ongoing support infrastructure once this government grant funding is withdrawn in 2015 and this options needs to be considered for its relevance in Wirral.

2.17 The age brackets of applicants closely relate to the age demographic of Wirral applicants under the old scheme administered by the DWP, which would indicate that the majority of applicants are still those that would have qualified under the old scheme.

Age Band	% of Applicants Wirral LWA Scheme	% of Applicants DWP Social Fund Scheme
65+	1	1
55-64	5	5
45-54	15	16
35-44	21	22
25-34	31	27
18-24	26	28
16/17	1	1
u/16	0	0

2.18 88% of the applications received have been from single applicants and only 12% from couples. 45% of applicants have dependant children and 55% do not.

2.19 17% of applications came from people living in hostels or homeless, with a further 2% living with parents or friends. 36% of applications came from tenants of registered social landlords, and 40% from private tenants. Only 3% were owner occupiers and the remaining 2% classified themselves as 'other'.

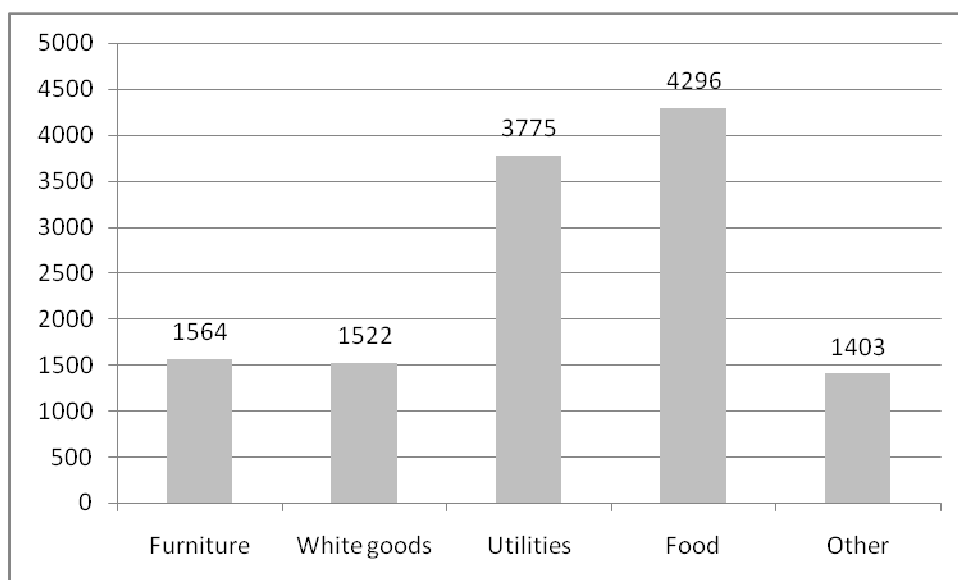
2.20 The reasons behind the applications are requested in the application process. The reasons provided by the applicant have been analysed, and identified as:

Reason for application	%
Interruptions or delays to DWP benefit payments	17
Crisis	59
Disaster	1
Homeless or leaving care / detention	4
Other	18

2.21 A significant number of applications for support are due to benefit suspensions or delays in getting benefits into payment. The DWP does make some provision for those who are adversely affected in this way, but access to this provision is very severely restricted and the majority of people affected are not able to access any of the DWP hardship payments.

2.22 A further analysis of the reasons in the table above under the title “crisis” shows that the majority of applicants need support as they are struggling to cope with the limited budget available to them. Many of these people are at risk of exacerbating their financial problems by accessing funds at very high interest rates, either from legitimate or illegal money lenders. Some have already used loan sharks. Repayment has left them with no money to buy food or heat or light their homes. 77% of the applicants requested help to buy food, and 68% needed help to pay for gas and / or electricity.

The table below shows a breakdown of the reasons for application in the first nine months of the scheme;



#### **DETAILS OF AWARDS MADE**

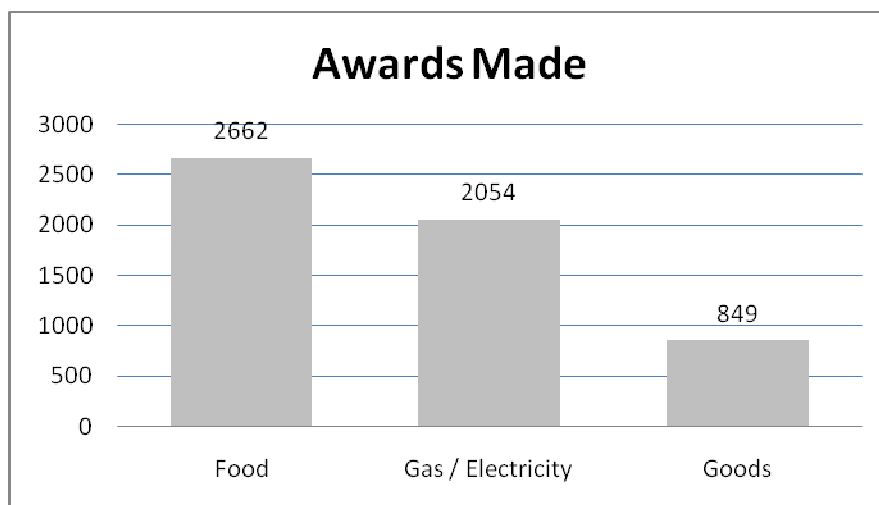
2.23 During the first nine months of the scheme 59% of applications were successful and 41% were refused because they did not meet the basic criteria set out in the policy.

2.24 An analysis of awards made against the support requested shows that;

- 62% of applications that included a request for help with the provision of food were successful,
- 54% of applications that included a request for help with gas and electricity costs were successful,
- 61% of applications that included a request for help with the provision of essential items were successful.

2.25 Of the awards made for the period April to December;

- 82% included an amount for food,
- 63% included an amount for gas and / or electricity, and
- 26% included the provision of essential items (eg of furniture)



2.26 These awards reflect the general principles of the scheme; that awards are to be made where there is a risk to the health or wellbeing of the applicant and/or any dependants.

2.27 84% of applications are being processed within a day, and this includes awards where there is no eligibility and non urgent awards, for example for furniture items required for a person to move out of hostel accommodation.

2.28 234 applications were reviewed on appeal in the first nine months of the scheme. These appeals are handled internally within Housing Benefits by separate officers. A significant number of appeals result from a refusal for a budgeting advance from the DWP.

### **ADMINISTRATIVE AND STAFFING IMPACT**

2.29 The implementation and ongoing administration of the scheme has had a significant impact on the Housing Benefit assessment function, at a time when handling a significant increase in work via the massive changes under Welfare Reform. This has seen Benefits work increase and at the same time additional support has been focused in addressing the requirements of the Personal Finance Unit assessment and recovery work.

2.30 Customer Service staff have also been significantly impacted upon by the cumulative effects of all welfare reforms. LWA applicants awarded a payment card collect it from a one stop shop. Those who are not eligible for support from the LWA scheme may also be referred to one stop shops for a food bank voucher in certain circumstances. Food Bank voucher issues have increased massively since these changes and we continue to work closely with the charity for the benefit of people who need to access this service.

2.31 The successful implementation of the scheme has been due to the flexibility and commitment shown by staff in these areas.



- 2.32 The application process, mainly on line, has proven to be accessible and easy to use.
- 2.33 The number of applicants each week has increased as the year has progressed. Weekly payments starting at around £4,500 per week in April 2013 and are now up to an average £24,000 per week in February 2014. This is as a result of the ongoing publicity work targeting potential claimants and partners in the voluntary and housing sectors who work with likely applicants.

#### **COMMUNICATION OF THE SCHEME**

- 2.34 In common with other local authorities, the launch of the Local Welfare Assistance scheme was low key in year one. We did ensure that partner organisations were aware of the scheme and made information available on the Council's website. We also liaised closely with the Job Centre Plus, so they could signpost social fund applicants in the right direction.
- 2.35 Analysis has shown that there are few applications from older people, who may be struggling financially but are unaware of the scheme. Similarly the majority of applications come from those out of work, whilst we know many low paid employees also find it difficult to make financial ends meet. We will look to work more closely with key partner organisations to ensure as many vulnerable residents are aware and can access the scheme to be supported through difficult times.
- 2.36 Funding is only guaranteed for 2014/15 and government have reviewed this and this funding is not to be maintained after this. The authority will have to decide what if any support scheme is in place in 2015/16 and from where it is funded. Therefore, it is imperative that the grant funding is used to maximise ongoing support that will allow the most vulnerable to be best supported going forward.

#### **POLICY REVIEW**

- 2.37 Following a review of the policy in the light of the first nine months' of the scheme, a revised policy has been drafted for 2014/15 and is appended to this report (Appendix 1). Only a small number of amendments have been made to the scheme and the main changes are;

For a request for support to remain or become established in the community:

- There is no longer a requirement for a referral from an organisation which supports vulnerable people
- There is no longer a requirement that the applicant is due to leave a care home, hospital or prison within six weeks

- 2.38 These amendments allow the scheme to be used to support people moving out of hostel or other temporary accommodation, thus reducing the cost to the Council of temporary accommodation.

- 2.39 There is also an amendment in Section 3 of the policy, adding paragraph 3.5 which outlines action to be taken in the event of an under spend of the budget, looking at wider ways of supporting the principles of the scheme.

- 2.40 Cabinet approved these revisions to the policy for 2014/15.

## **FUTURE OPTIONS AND PROPOSALS**

- 2.41 The grant that has been given to the authority is guaranteed for this year and 2014/15, after which central government have formally made clear that it will not be separate and will form part of settlement considerations. No specific sum will be identifiable and all authorities will have to consider what if anything they do in this regard from within reducing resources from 2015/16. 2014/15 is therefore an opportunity to identify and decide on support for any initiatives that may in the long lasting in supporting Wirral's most vulnerable residents.
- 2.42 Recent benchmarking activity has identified a number of examples of innovative practices and partnership working already being put forward elsewhere. This includes possible support for families and/or the homeless, working closer with Job Centre advisors, working with the Voluntary sector on budgeting advice & support and added to this is potential support for local Credit Unions, Food Banks or other such organisations:
- 2.43 There is no obligation on an authority to have a scheme and it can decide not to extend its activity and use the grant for other authority purposes. If Members are minded such areas could be reviewed corporately and reported on which offer a feasible proposal, the implications of each and how best any could be implemented. Cabinet is asked to support a further report detailing which, if any, options can best be proposed to taken forward.

### **3.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 3.1 The authority continues to engage with partner organisations to provide a scheme that responds to immediate crises and helps address underlying issues identified.

### **4.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

#### **4.1 FINANCIAL:**

- 4.1.1. The grant funding is only available for the years 2013/14 and 2014/15 and is £1,345,925 per annum. This was £229,575 less than the DWP full year expenditure against Crisis Loans and Community Care Grants in 2011/12 however the DWP scheme was largely a loan scheme reclaimed back through ongoing benefits. It is not a legal requirement to have an assistance scheme of this type and the grant is not ring fenced to this specific area, thus any under spend remains in the authority. Given the uncertainty of demand levels the policy as amended allows for prioritisation of applications in order to protect the finite funding available for the scheme.
- 4.1.2. As at 31<sup>st</sup> December 2013 £389,815 had been spent in respect of 3,489 awards. As at the end of February 2014 this had increased to £561,913 in respect of 4,417 separate awards which reflects the ongoing increase in awards and applications being handled. Awards may include elements for one or more of the scheme areas (food fuel or white goods).

- 4.2 IT: There are none arising out of this report.

#### 4.3 STAFFING:

- 4.3.1. To ensure this scheme was properly and fully administered Housing Benefits have had two experienced team leaders manage the scheme, one undertaking reviews under the appeals process, and the other addressing day to day operational arrangements. The Housing Benefits Operational Manager has also had to give considerable time to ensure this totally new scheme was up and running in time and that it continues to work effectively. Supporting this there are two full time equivalent assessors undertaking assessment and award functions and includes liaising with suppliers, customers and partners. As scheme applications continue to increase this has required additional support which has been by utilising housing benefit staff.
- 4.3.2. There have been a number of practical issues for staff to contend with, spending considerable time in contact with many applicants, supporting them through their crises and helping explore alternative options for support.
- 4.3.3. One stop shop staff report an increase in customers who are upset, angry or worried and they face increasing hostility from customers who are struggling to meet escalating financial commitments or who are refused an LWA award. It is anticipated that this trend is likely to continue as staff contend with an increasingly difficult role as the adverse impacts of welfare reform are seen. Training is being organised to support staff while we keep under review the balance of security in place to support our staff whilst not impacting on the overall environment at sites.

4.4 ASSETS: There are none arising out of this report.

#### 5.0 LEGAL IMPLICATIONS

5.1 There is no specific duty on local authorities as to how or if they meet this provision as government views authorities need to be able to be flexible to provide this support in a way that is suitable and appropriate to meet the needs of local communities.

#### 6.0 EQUALITIES IMPLICATIONS

6.1 A specific Equality Impact Assessment (EIA) has been undertaken as part of Wirral's scheme development and design, and is accessed through the following link <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

6.2 A national EIA for Welfare Reform can be assessed through the following link: - <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/welfare-reform-act-2012/impact-assessments-and-equality/>

#### 7.0 CARBON REDUCTION IMPLICATIONS

7.1 There are none arising out of this report.

#### 8.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

8.1 There are none arising out of this report.

## 9.0 RECOMMENDATIONS

9.1 That Members consider the Cabinet approved authority Local Welfare Assistance Scheme for 2014/15 as outlined in Appendix 1 and consider proposing other measures that may be used to support vulnerable residents for proposals to be brought before a future meeting as to how they may be progressed.

## 10.0 REASONS FOR RECOMMENDATIONS

10.1 Members can view the changes to the policy and consider if additional areas of support for vulnerable people should be considered in the light of the ending of this specific grant from central government at the end of this financial year.

**REPORT AUTHOR:** Malcolm Flanagan  
Head of Business Processes  
0151 666 3260  
[Malcolmflanagan@wirral.gov.uk](mailto:Malcolmflanagan@wirral.gov.uk)

**APPENDIX:** Wirral Local Welfare Assistance Scheme Policy 2014/15

**REFERENCE MATERIAL:** None

### SUBJECT HISTORY:

Council Meeting	Date
Cabinet (min 164)	13/03/14
Cabinet (min 168)	24/01/13
Council Excellence Overview & Scrutiny (min 42)	27/11/12
Cabinet (min 51)	19/07/12
Council Excellence Overview & Scrutiny (min 98)	26/03/12
Council Excellence Overview & Scrutiny (min 138)	17/11/11
Cabinet (min 118)	22/09/11
Council Excellence Overview & Scrutiny (min 64)	16/03/11

**WIRRAL LOCAL  
WELFARE ASSISTANCE  
SCHEME  
POLICY  
2014/15**

## **CONTENTS**

- 1. Introduction**
- 2. Purpose of the Scheme**
- 3. Financial Constraints**
- 4. Eligibility & Assessment Criteria**
- 5. Accessing the scheme**
- 6. Methods of award**
- 7. Appeals**

## **1. Introduction**

- 1.1 The discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund administered by the Department of Work and Pensions (DWP) were abolished with effect from April 2013. Funding has been allocated to Local Authorities for the provision of a replacement local scheme.
- 1.2 Crisis Loans were intended for people who were unable to meet their immediate short terms needs in an emergency or as a consequence of disaster, and they were awarded for immediate living expenses in order to avoid serious damage to the health and safety of the applicant or a member of their family. Community Care Grants were primarily intended to help vulnerable people live as independent a life as possible in the community and were dependant on receipt of income related benefit.
- 1.3 The DWP continues to administer the discretionary Crisis Loan Alignment and Budgeting Loans which are being replaced with new national schemes for Short Term Advances and Budgeting Advances. The DWP also continues to administer the regulated elements of the Social Fund (Funeral Payments, Cold Weather Payments, Winter Fuel Payments and Sure Start Maternity Grants).
- 1.4 The DWP intended that Local Authorities would need to consider the scheme's original purpose when developing local schemes, and that they would develop schemes that were flexible to meet the needs of local communities.
- 1.5 The funding provided for the scheme was less than the previous DWP spend on Crisis Loans and Community Care Grants, and the new local schemes therefore need to address issues of reliance on the scheme and prioritise those most in need. The DWP expected the funding to be concentrated on those facing greatest difficulty in managing their income and to enable a more flexible response to unavoidable need.
- 1.6 Following analysis and consideration of the issues identified during the first six months of delivering the local scheme, this document sets out the revised year one policy of the Council's provision. This policy will continue to be reviewed and further developed for subsequent years.

## **2. Purpose of the scheme**

- 2.1. The scheme aims to provide emergency support to people who have insufficient resources to meet their own or their family's immediate short term needs, which if not met would pose a serious risk to their health and wellbeing, or would put at risk their ability to remain or establish themselves in the community.
- 2.2. The scheme will not be appropriate where the authority considers that the applicant has alternative means of addressing those needs.
- 2.3. Consideration will also be given to those applicants with an identified immediate need that cannot be met through any other channel, and which the applicant cannot reasonably be expected to fund themselves.
- 2.4. The scheme will only be appropriate where the support required is not available through any other provision. Where we consider it reasonable to expect the applicant to use that alternative provision, the application will be refused and the applicant will be appropriately signposted and supported to access that provision.
- 2.5. The scheme intends to avoid cash payments - the intention is to meet the presented needs through the provision of goods or services rather than with cash awards. Cash will only be considered as a last resort where there is no other way of meeting the need.
- 2.6. Support will be targeted at those most in need through consideration of the circumstances of each application, as explained in section 4.
- 2.7. In the longer term, the scheme will aim to provide long term solutions where applicable by addressing any underlying issues identified during the application process. Working with partner organisations we aim to develop a network of support which can be accessed by referral via the scheme.



### **3. Financial Constraints**

- 3.1 Government funding of the scheme is finite and may not be adequate to support all applications for support through this scheme.
- 3.2 Close and regular financial monitoring of the scheme will take place to understand the pressures on the scheme and to inform the extent to which the scheme can support applications.
- 3.3 The eligibility criteria in section 4 define the basic criteria required in order for an application to be considered. Having met those basic criteria, decisions on support or awards which can be provided from this scheme will be dependant on the level of resources available.
- 3.4 Should the levels of applications meeting basic eligibility criteria significantly outweigh available funding then the basic eligibility criteria may need to be amended.
- 3.5 In the event of an under-spend of the LWA budget, consideration will be given to extending financial support to third party partner organisations whose work supports the principles and intentions of this scheme.

## 4. Eligibility & Assessment Criteria

4.1 The eligibility criteria for support under this scheme is focused upon the circumstances, presenting need and level of risk rather than focusing on eligible groups of people.

4.2 To be eligible for access to the scheme **all** of the following criteria must be met:

- Aged 16 or over
- Be a Wirral resident or, in the case of those who are homeless or leaving an institutional establishment, have established links with Wirral
- Support is required to address essential needs of yourself and/or your dependants
- It is demonstrated that there are no other resources or other ways of meeting this need which are considered reasonable

4.3 In order to be eligible for essential immediate support the applicant would also need to be able to demonstrate that there would be a serious risk to the health and wellbeing of the applicant and/or his or her dependants if those needs are not met.

4.4 Examples of essential immediate support needs are:

- Essential food
- Heat/electricity
- Essential supplies associated with infants/children

This list is not exhaustive and applications for other needs claimed as essential and immediate will be considered.

4.5 To be eligible for support to remain or become established in the community where the applicant cannot reasonably be expected to fund items themselves, the following criteria must be met:

- The applicant has essential items or costs associated with establishing or maintaining residence in the community, **and**
- It is demonstrated that there are no other resources or other reasonable ways of meeting this need
- If funding constraints apply, priority will be given to applicants who are supported or who have been referred to the scheme by an organisation which supports vulnerable people

**Or**

- The applicant has to replace essential items (this could be following a disaster or unforeseen event), **and**
- It is demonstrated that there are no other resources or other reasonable ways of meeting this need

4.6 Examples of items or costs that would be considered are:

- Essential domestic appliances<sup>1</sup>
- Essential domestic furniture<sup>2</sup>
- Essential bedding

This list is not exhaustive and applications for other items or expenses claimed as being required to maintain health and wellbeing in the home or in the community will be considered.

4.7 Applications for support to meet essential travel costs may be considered under this scheme. Travel costs will only be considered for travel within the United Kingdom; overseas travel will not be considered due to the financial constraints of this scheme. Examples of travel that would be considered are:

- Travel to attend the funeral of a close relative<sup>3</sup>
- Travel to visit a close relative<sup>3</sup> in care or another institution

This list is not exhaustive and applications for other travel costs will be considered.

4.8 The scheme will not be considered for the following:

- Those applicants who have an income or savings or a member of their household has an income or savings which could be used to meet their needs
- To buy (or repair) TV or satellite equipment
- To meet contract costs for TV packages, mobile phones, broadband etc

---

<sup>1</sup> ie a microwave or cooker, a washing machine for those with dependant children or a disability which increases laundry requirements, a fridge for those applicants who cannot shop on a daily basis or who need to store medication in a fridge.

<sup>2</sup> A bed and a form of comfortable seating e.g. sofa/arm chair are considered essential, other furniture such as dining table and chairs, and storage will also be considered but will be given a lower priority.

<sup>3</sup> A close relative is defined as a spouse, parent, grandparent, sibling, child or grandchild or the spouse of any of these relatives.

- 4.9 If the basic eligibility criteria are met then an application will be assessed to quantify the level of priority of the need. This assessment will be based upon the severity of the likely impact if the need is not met.
- 4.10 Outcomes from assessments will be utilised if legitimate demand levels for support from the scheme outweigh the finite level of support available through the schemes budget. There may therefore be instances where the basic eligibility criteria above are met but an application may be refused because the priority of that application is lower than the scheme's budget can accommodate.
- 4.11 In the longer term an element of the assessment process will be the identification of the underlying causes of the crisis. Applicants will be offered a range of services to support them including benefit maximisation, energy efficiency, debt management and support in finding work or accessing training.

## 5. Accessing the Scheme

- 5.1 Applications and referrals will be available through a number of channels to maximise accessibility.
- 5.2 Applications to access the scheme will be accepted by referral from a range of partner organisations and Council services where an applicant either has an existing relationship with that organisation, or has approached them for guidance and support.
- 5.3 Applicants will need to provide evidence of their identity and residency and, where appropriate, evidence that they meet the eligibility criteria and presenting circumstances.
- 5.4 Initial screening questions will be asked to determine whether
  - an exceptional need has occurred,
  - the basic eligibility criteria are met, and
  - some support can usefully be put in place
- 5.5 Those applicants who meet the eligibility criteria will have their application reviewed with priority given to those requiring emergency support. The scheme will aim to provide a same day decision and award for such emergency cases.
- 5.6 Where appropriate an appointment will be made to review the application, the circumstances of the applicant and the potential options available.
- 5.7 This service will not be available out of hours. However the Council's Emergency Duty Team will continue to respond to the needs of vulnerable adults and children out of hours, and will be supported to do so through the scheme's funding.

## 6. **Methods of Award**

- 6.1 Where a need is identified that cannot reasonably be met by any other scheme, consideration will be given to the provision of goods and / or services to meet that need.
- 6.2 In order to maximise the number of people that can be supported by this scheme, where goods are required we will look to provide second hand refurbished furniture and white goods where appropriate rather than new items.
- 6.3 Where goods cannot be provided directly, consideration will be given to payment cards or vouchers to enable the purchase of such goods. These payment cards or vouchers must be used for the purpose for which they have been requested.
- 6.4 Where a voucher is issued, this may not offer a choice of providers / stores. However the Council will work to ensure that the goods offered by any provider it specifies are of acceptable quality and offer good value to the customer.
- 6.5 Cash will only be issued where there is no identifiable alternative to meeting the need of the applicant.
- 6.6 Where cash is awarded, the sum provided will be sufficient to meet the minimum needs of the applicant and his or her dependants for the period until the applicant's circumstances can reasonably be expected to have changed. This sum will be calculated according to a schedule of rates determined by the Council and will be reviewed at regular intervals.
- 6.7 Repeat applications within 2 years will generally be denied unless the reason for the application is unrelated to the previous award. Where a repeat application is awarded then consideration may be given to providing the award as a loan rather than grant depending on the applicant's ability to repay the award value. The value of the loan will be the cost of the goods and / or service provided by the Council, or the amount of the cash awarded where applicable.
- 6.8 It is unlikely that any further loans will be made whilst a previous loan has an outstanding balance payable, however we will consider the individual circumstances of the application including whether there has been an effort to repay the loan and the amount outstanding.

- 6.9 Where a loan has been made to a couple, both partners will be deemed to be liable for the repayment of the loan.
- 6.10 Where it is likely that an applicant's circumstances will quickly and significantly improve (e.g. a person whose access to bank funds has been temporarily suspended), the first award may be designated as repayable.
- 6.11 Awards may be made to a person other than the applicant where they are:
- Enduring Power of Attorney
  - Lasting Power of Attorney for Property and Affairs
  - Department for Work and Pensions Appointee
  - Housing benefit appointee provided there is no conflict of interest

## **7. Appeals**

- 7.1 Applicants will have a right of appeal if they do not agree with a decision made as to their eligibility. They will also be able to appeal against a decision not to make an award due to budgetary constraints.
- 7.2 All appeals will need to be made at the time of receiving the decision, and will be considered by a more senior member of staff.
- 7.3 Those appeals of decisions where the need is immediate (i.e. food, essential provisions or heating) will be prioritised, and we will aim to make decisions within one working day of receipt of the application.
- 7.4 Where the need is for essential items of furniture or support with travel costs, we will aim to review the decision within 5 working days.
- 7.5 There will be no further right of appeal. However any complaints received by the Council about this process will be handled according to the Council's complaint policy, and used to inform future amendments to arrangements, training and communication requirements with our staff, partners and partner services.
- 7.6 Applicants will not be able to appeal against the amounts laid down in the schedule of rates, or about any other matter laid out in this policy. Any disputes relating to the content of this policy will be treated as a complaint and handled according to the Council's complaint procedure.



**WIRRAL COUNCIL  
CABINET  
19 JUNE 2014**

<b>SUBJECT:</b>	<b>TRANSFORMATION OF DAY SERVICES</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF ADULT SOCIAL SERVICES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR CHRISTINE JONES</b>
<b>KEY DECISION</b>	<b>YES</b>

## **1.0 EXECUTIVE SUMMARY**

1.1 Cabinet on 14 March agreed the following recommendations:

1. Agree to the establishment of a Wirral Local Authority Trading Company (LATC) model.
2. Agree for officers to progress the development of the Co-design Project Group with key stakeholders including staff and parent/carers.
3. Agree to receive a further progress report in June 2014 that will include the full project plan and implementation timeline.

This report brings forward the Strategic Business Case, Implementation and Project Plans and a report in relation to the Due Diligence undertaken.

It also gives Cabinet an update on progress in relation to recommendation 3, the development of the Co-Design Project Group.

### **Exempt Information**

- 1.2 This report contains exempt information at Appendix D, F & G as defined in Schedule 12A of the Local Government Act 1972. It is in the public interest to exclude the press and public under **Paragraph 3** *'Information relating to the financial or business affairs of any particular person (including the authority holding the information'* the information contained in the appendix is commercially sensitive.

## **2.0 BACKGROUND AND KEY ISSUES**

### **The Case for change**

- 2.1 The Families and Wellbeing Directorate, Department of Adult Social Services (DASS) identified that there may be a significant opportunity to improve outcomes, achieve efficiencies and create sustainability of service provision by implementing a new approach to delivering its Day Services for people with a learning disability. With a continued national focus on personalised services and more specifically, offering more choice through Direct Payments, the Council needs to ensure the sustainability of a range of services within this changing environment. Moreover, personalisation is driving councils to become commissioners rather than providers of services and the Council needs to consider a delivery model that will strategically meet this impetus.

- 2.2 A decision was made by Cabinet in December 2012 to consider a wide range of options for the delivery of day services. As a result, the council has undertaken a review of new service delivery models for Day Services.
- 2.3 The review recommended that the preferred model of a Local Authority Company with an expanded scope beyond day services could be viable.
- 2.4 The Local Authority Company was recommended as the most viable option because it:
- Can achieve savings and can generate income from other sources such as direct payments, private funders and potentially other contracts from outside of the Council. This will drive services to become more viable and more efficient.
  - Has potential to provide leadership in a relatively disparate market which could help to manage quality issues in the external market. This ensures that the Council can continue to meet its legal obligations in the event of market failures.
  - Would be wholly owned by Wirral Council and therefore subject to democratic scrutiny.
- 2.5 A decision was made by Cabinet in March 2014 to develop a Strategic Business Case for a Local Authority Company, setting out a clear rationale for the establishment of a Company that will deliver sustainable services whilst meeting Medium Term Plan (MTP) savings.
- 2.6 Wirral Council, like other councils, faces the challenge of ensuring the quality of adult social care provision amid increasing and more complex demand and severe financial constraints. There are a number of reasons why the current model of provision is not sustainable. These are listed and briefly outlined below:
- Demographic pressures means services such as day care cannot remain the same;
  - Financial constraints means that these services have high MTP commitments; and
  - Income generation cannot be tapped into without a new delivery model.
- 2.7 This business case aims to provide the evidence that a Local Authority Company is the optimum solution for alternative delivery of the services in scope through evidencing the ability to achieve the following objectives:
- Improving performance and productivity, thereby enhancing the quality of services and outcomes for people in Wirral
  - Ensuring future sustainability of services – through a viable marketable approach
  - Managing financial pressures – through efficiency and additional revenue generation.
  - Supporting the council's strategic ambition and objectives.

## **The services in scope for the Local Authority Company**

2.8 There are a number of options in terms of scope for the Company. These are labelled as 'levels' in order to capture the concept that each level builds upon the one below it.

**Level 1** service areas are in scope now. These are able to be transferred by the intended go-live date and provide a critical mass of services necessary. The review has included some services that whilst not being included in the first phase of implementation could potentially form part of the future model

**Level 2** service areas are potentially in scope for consideration during implementation. These are those services that offer real opportunity for expansion and focussed on other support service areas. These would enable the council to commission services from the company on a more cost effective basis and would enhance the market availability and choice.

**Level 3** service areas are out of scope but can be seen as future opportunities. These are wider Council services that could join a broader company once established. The exception to this is Leisure Services which is a current opportunity that could be considered now.

2.9 Full rationale is contained in the Strategic Business Case which can be found at Appendix A of this report.

2.10 It is important that the delivery of day services and other support services for people with a disability is aligned with the Council's strategic ambition. In particular it provides for:

- An alignment to the Corporate Plan 2014-2016
- Assists delivery of the Families Wellbeing Improvement Plan
- Assist the achievement of the council's commissioning intentions

## **Governance and Structure**

2.11 In order to create a Local Authority Company there are a number of key governance and contractual matters which will need to be addressed by both the Council and the new Company. There are four main relationships that the Council will have with the Company are:

- As the shareholder;
- Through the commissioning relationship with the contract for service delivery;
- Through operational links related to the delivery of strategically important services that form part of the Council's access pathway; and
- Through a contract for the Council to deliver support services to the Company.

## **Company Board Structure**

2.12 There are some important considerations to be made when appointing the Board. For example, if the Council is considering other services for inclusion in the Company the Board would need to have a skill set that can manage diversity within the portfolio. There may also be opportunities in the future to include health services within the company.

## **Shareholder Governance and the Council's control and influence**

- 2.13 From experience with other companies, this business case recommends that the Council exerts its controlling powers through the creation of a Shareholder Scrutiny Group (SSG). Members could potentially sit on the SSG and therefore if this option was agreed, it would be necessary to select Members with business experience and commercial acumen on the SSG will help to provide constructive challenge to the new company board. However, this will require further discussion and agreement early in the implementation.
- 2.14 The fundamental purpose of the SSG is to act on behalf of the shareholder in scrutinising performance against the contract and Business Plan, review investment plans and review risks.
- 2.15 The Shareholder Scrutiny Group would typically have the following membership:
- Five Members including a Chair and possibly an opposition Member;
  - Section 151 Officer;
  - Director of Adult Services;
  - Strategic Commissioner;
  - Director of Public Health;
  - Health and Wellbeing Board representative; and
  - Senior Contracts Manager.
- 2.16 It is suggested that the SSG would meet on a quarterly basis with one of these meetings acting as the Annual General Meeting.
- 2.17 If the company were to decide, at a future date, to widen its membership or develop a trading arm providing services on a commercial basis, the governance arrangements would need to be reviewed so that the Council has an arm's length arrangement with the company.

## **The Board structure and business operations**

- 2.18 The company will require a Management Board which oversees the business. The Board structure will reflect the commercial nature of the company. The proposed composition of the Board at set-up of the Company could consist of:
- Independent Chair (part time);
  - Managing Director
  - Finance Director
  - Business Development Director
  - Two part-time Non-Executive Directors.
- 2.19 The structure of the company Board has to be future proof. For example, if the Council is considering other services for inclusion in the company, the Board would need to have a skill set that can manage diversity in the portfolio. There may also be opportunities in the future to include health services within the company and therefore the board structure may want to reflect partner representations.

## **Shareholder / Commissioner Relationship**

- 2.20 Whilst the focus of the implementation of a Local Authority Company will be on the forming of the company, it is also important to ensure that the relationship between the shareholder and the commissioner is clearly articulated as there could be potential for conflict of interest.
- 2.21 The strategic business case sets out the vision, operational remit and financial plan that aims to overcome this context through establishing a Local Authority Company. The strategic business case can deliver:
- An increase in flexibility and viable nature of way the services are run
  - An ability to trade and generate new income
  - The required MTP savings
  - Establishment of new preventative services
  - Maintenance of 'provider of last resort'
- 2.22 The business case will also provide the evidence that the company will deliver the following desired objectives:
1. Improving performance and productivity - the company delivers improved performance in service delivery. It will provide the current services in a more flexible and viable manner. In relation to the staff, productivity will improve and as such performance will be further enhanced. The viable approach to workforce management will deliver improved service outcomes being delivered.
  2. Ensuring future sustainability of services - the company will secure the need to reshape and size services without the need for wholesale decommissioning. Through adopting a viable approach it allows new services to enter the market and existing ones to be protected.
  3. Managing financial pressures - through efficiency and additional revenue generation - the company provides the mechanism that means over £1.2m savings from MTP can be identified and delivered. This is the only way the services in scope could deliver this target without decommissioning.
  4. Supporting the council's strategic ambition and objectives – through alignment of corporate principles, the delivery of priorities and milestones set out in the Families and Wellbeing Directorate Plan and by strengthening the Council's role as a commissioning body.
- 2.23 The business case demonstrates a clear rationale for the establishment of a Local Authority Company that will deliver sustainable services whilst meeting MTP savings. There is also significant potential to include other services, generate greater revenue and deliver services more innovatively.

## **Impact of the Local Authority Company on the Council**

- 2.24 Setting up a wholly owned Company will have a number of impacts on the Council including:
- An additional requirement on commissioning / contract monitoring through the Shareholder Scrutiny Group.

- It is understood that the services remaining with the Council are already managed within the current Families and Wellbeing portfolio and will therefore not require any additional management capacity.
- A contract will be required that specifies the Council support services that will be supplied to the Company, defining cost and volume and creating a commercial arrangement between the two. It would be anticipated that this arrangement may lead to improvements in customer focus and a more viable ethos to these services. This should not require additional capacity as it will be 'business as usual'. There may be an impact over the longer term if the Council agrees to the Company being able to review the sourcing of these services in a more competitive manner.

## Transition

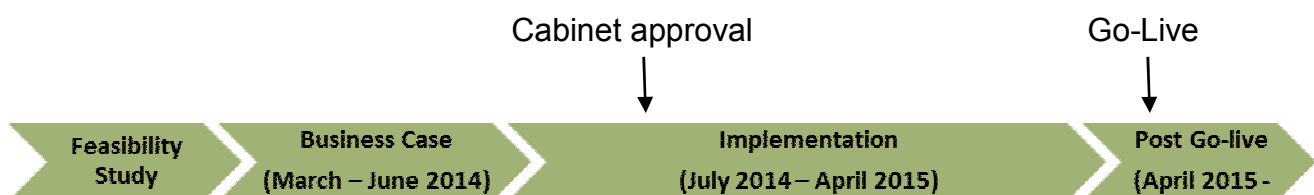
2.25 It is recommended that in the period between approval of the business case and go-live of the company, some form of 'shadow' arrangements should be put in place to oversee the setting up of the company. Key to these arrangements will be negotiation with the Council's support services on the level of service and associated costs.

## Performance Management

2.26 A benefit for the Council of establishing a Local Authority Company is the opportunity to put in place new service specification arrangements which define the required contractual relationship between the Council (Commissioning, Assessment and Care Management) and the company. Central to the service specifications will be the creation of a Key Performance Indicator (KPI) regime to monitor the activity and delivery targets for the services.

## The Implementation of the Local Authority Company

2.27 Subject to Cabinet approval the establishment of the company would take approximately nine months. Therefore, company go-live is anticipated to be April 2015. The diagram below outlines the timeline from feasibility study to post go live.



## Benchmarking

### Examples of service mix successfully applied in Local Authority Companies

COMPANY	Established	Turnover	Core Service
Essex Cares <sup>1</sup>	2009	£33m	Reablement, LD Employment and Inclusion, Older People's Day Services, Extra Care, Equipment
Optalis (Wokingham)	2011	£9m	Reablement, OP and LD Residential, OP and LD Day Services, Sensory Services, Brokerage and Long Term Social Work support
Your Choice <sup>2</sup> (Barnet)	2011	£6.5m	LD Services, MH Services (part of Barnet Group LATC)
Olympus Care (Northamptonshire)	2012	£32m	Residential Homes, Reablement / Enablement Day Services, Community Opportunities, EADS
Buckinghamshire Cares	2013	£9m	Reablement, OP and LD Day Services, Respite Care, Home Care, Employment, Laundry and Prevention Matters

### Co-design reference group work

- 2.28 The work around the Co-design of the company is gathering pace, and excitement, to date there have been four group meetings for people who use services consisting of 41 individuals from across the service. The meetings have been very productive, discussions have included the Vision of the company, the objectives, the offer of services and the scope of them. Staff groups have met on three occasions and have 37 members to date; once again these meetings have been positive, energetic and producing plenty of ideas and support for the company. Groups for Carers commenced on 22 May and we have representatives from all services and the group is very diverse in terms of the ages of their sons and daughters who attend the services.
- 2.29 Two other groups consist of volunteer organisations, and young people who have disabilities and their Carers, as well as social workers working with people in transition from children's services into adulthood. These groups commenced 3 June and will feed into the process as it develops. Meetings are very structured and all information is being collated and fed back in to the company infrastructure development work, this will continue throughout the implementation phase of the project.

<sup>1</sup> Currently the most successful enterprise with a £33 million turnover

<sup>2</sup> This model is the closest to the Wirral LATC model

### 3.0 RELEVANT RISKS

3.1 As the only shareholder, the Council will retain the ultimate financial risk associated with the company as it currently does in providing these services from within the Council. Whilst this would be the beginning of an exciting new era for these services it is important to recognise that business failure is always a possibility and not always directly within the control of the organisation. Therefore mitigation actions are required to deal with the risk of failure and include:

- Proper scrutiny of the business plan - the first mitigation has to be through the robustness of a realistic and achievable Business Plan where assumptions are understood and acceptable. Scrutiny of the Business Plan through the governance of this project will provide challenge and confidence if the challenge is able to be withstood or improvements achieved to the satisfaction of Members and Officers.
- Proper scrutiny and oversight of the Board - should the Council believe that the Board are failing the Company, the position of the Council as sole shareholder entitles it to remove members of the Board and replace them through their own recruitment process.
- Ensure the Company is truly viable - as with any new enterprise the company will need to have suitable insurance in place. The company, with agreement of the shareholder, can also create a reserve from surplus generated to mitigate significant unforeseen financial losses.

3.2 It is important to recognise that the company as a model of provision is tested and successful elsewhere and this is therefore not a leap of faith. There are two fundamental reasons to consider an exit strategy:

- Transition of Local Authority Company services into the independent market - whilst it has been accepted that it is not appropriate at this stage to transfer these services to a fully independent state, the alternative options will continue to be available at a later date. This could mean that the Council sells some or all of the services within the company after an initial contract(s); thereby transferring a successful enterprise to independence. Fundamentally all of the options explored in the initial options appraisal will still be open to the Council and different market conditions or policy requirements may lead the Council to choose one of these at a future date.
- Failure of the company to deliver the proposed business plan - in the event of business failure or poor performance, the Council would need to consider alternative arrangements.

3.3 There are two solutions:

1. Bringing the services back in to the Council - this would be a relative quick and inexpensive solution. Whilst it would be a retrograde step it may provide confidence to service users, carers, staff and unions and help to manage risk.
2. Move services to the independent sector - alternatively the Council could look to the market to take on these services although this would take some time to achieve and incur significant procurement costs. The reasons for the potential failure of the company as a business may also have an impact on the interest and response of the market and push up the costs. Therefore, an analysis of the costs of either bolstering the services or the Board versus making them attractive to independent providers would need to be undertaken.



## **4.0 OTHER OPTIONS CONSIDERED**

4.1 Wirral Council, like other councils, faces the challenge of ensuring the quality of adult social care provision amid increasing and more complex demand and severe financial constraints. There are a number of reasons why the current model of service delivery for the services within scope is not an option. These are listed and briefly outlined below:

- a) Demographic pressures means that services cannot stay the same
- b) Financial constraints means these services have high MTP commitments
- c) Income generation cannot be tapped into without a new delivery model that offers greater scope

4.2 Cabinet in December 2013 considered a number of different delivery models including a shared services unit with a neighbouring authority. Other options considered were the establishment of a Local Authority Company or form of social enterprise.

4.3 However, restricted Council control, limited access to generated income and unfavourable procurement regulations for a social enterprise means that the Local Authority Company is the most viable option.

4.4 Outsourcing is also an option, with the potential to reduce cost and ensure a financially sustainable service. However, the aggressive MTP savings attached to the services in scope makes outsourcing them unviable.

## **5.0 CONSULTATION**

5.1 Stakeholder engagement is critical to the success of the company. Ensuring operational staff, service users and carers and trade unions are engaged with and support the company not only lends itself to an easier transition but also to a more successful Company. There will be a full consultation aligned to the Future Council consultation; this will include staff, people who are directly impacted who use services, Carers, Trade Unions and key stakeholders.

5.2 A clear change management strategy will be designed at the beginning of the implementation phase. Service areas should feel engaged with the process and operational managers need to have ownership of programme. Articulating clear goals and delivery plan as well leadership from above are critical success factors.

5.3 The transfer of staff under TUPE will require an appropriate staff consultation period and will also require dedicated HR project resource.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 Through engagement with Voluntary Community Action Wirral (VCAW) the company will be working to create real partnerships and approaches with voluntary, community and faith groups and organisations to achieve the best outcomes for the people who live and work locally.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

### **Post Go Live**

7.1 The Company is not expected to begin trading immediately. Services and staff will need time to grow accustomed to their new identity and relationship to the Council. At post go-live the Company may wish to consider the potential for future income generation in terms of business planning and measuring additional capacity requirements. This timeline has been assumed in the financial case for the company

### **Financial benefits of the Local Authority Company**

7.2 The company as a new delivery vehicle provides many benefits to services, two of these can be classed as financial benefits:

- More viable and efficient way of working
- The ability to provide services to all sectors of the local community

## **8.0 LEGAL IMPLICATIONS**

8.1 The recommendation involves the formation of a 100% Council controlled Company (not for profit) to enter into an agreement with the Council to operate day care services. The Company needs to be established carefully to ensure that it is recognised by HMRC as being 'not for profit' and it also needs to be able to meet the Council's discretionary rate relief policy. If the new Company is structured as a Teckal 'in-house' Company, as recommended by this report, then it will qualify as a 'body governed by public law' and will have to comply with public procurement law when letting contracts on behalf of the Council.

8.2 The Teckal case established that where a contracting authority enters into arrangements for the supply of services with a distinct legal entity but with which it is closely connected, this can be classed as an in-house arrangement which does not need to be procured. This is provided two conditions are satisfied:

8.3 The control test – the entity must be subject to the same or similar level of control as an in-house unit. This means control over the strategic and operational direction of the Company, therefore the members must be contracting authorities not private sector bodies.

8.4 The activity test – the entity must operate so it provides the essential part of its activities with its members. Some peripheral third party trading activity is permitted but if it exceeds 20% this will cause the Teckal exemption to be breached and all services to the Company would then be subject to competitive tendering.

8.5 It is recommended that the Council take further detailed advice once its longer term plans are clearer.

8.6 If the Council wishes to explore the possibility of future private sector participation, this will not on its own undermine the application of the Teckal exemption, however care must be taken about the circumstances under which private interests could be brought in and when this could happen.

## **9.0 EQUALITIES IMPLICATIONS**

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

Yes and impact review is attached.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 The Local Authority Trading Company/Wholly Owned Company will aim to minimise the local authority's overall carbon footprint, through better use of shared partner resources e.g. Leisure and Culture centres. This should lead to a reduction in the use of energy and water resources. The environmental performance of existing buildings will be improved through complying with new Building Regulations requirements. Where buildings require refurbishment the Company will adhere to sustainable building techniques and technologies.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 N/A

## **12.0 RECOMMENDATION/S**

12.1 The business case demonstrates a clear rationale for the establishment of a Local Authority Company that will deliver sustainable services whilst meeting MTP savings. This will be subject to a robust challenge process.

12.2 Consideration will be given to the potential to include other services to generate greater revenue and deliver services more innovatively.

12.3 It is therefore recommended that:

1. The Council approves the formation of a Local Authority Company.
2. The Council agrees to the transfer Day Services and Daytime opportunities into the Local Authority Company and then further defines the Company's strategic ambitions to plan to move towards an expanded commercial scope.
3. The Council considers its Council-wide strategic approach and aligns appropriate other work to maximise the benefits of an expanded scope.
4. An implementation programme is established to oversee the transition of services to the new Company.
5. Cabinet receives regular updates on progression commencing in mid-September.

## 13.0 REASON/S FOR RECOMMENDATION/S

13.1 The Council is in a situation whereby it:

- Cannot continue the provision of services in-house without significant change
- Is unable to outsource the provision and meet its objectives
- Does not want to simply decommission services that are required and wanted by people
- Needs to establish key early intervention and preventative services

13.2 Therefore it is vital that the recommendations above are agreed in order to:

- To enable the establishment of the new business model and function of the Local Authority Company
- To enable the company's strategic ambitions to be established and ensure these meet with the future direction of travel of the wider council and achievement of the corporate plan strategic objectives
- To ensure that the implementation programme is progressed within a timely and appropriate timescale to oversee the transition of services to the Local Authority Company and deliver the required savings.

**REPORT AUTHOR:** Christine Beyga  
Head of Delivery  
telephone: (0151 666 3624)  
email: [christinebeyga@wirral.gov.uk](mailto:christinebeyga@wirral.gov.uk)

## APPENDICES

Appendix A – Strategic Business Case for a Local Authority Company

Appendix B – Stakeholder Engagement including initial feedback from Co-design Project Reference Group

Appendix C – Options for scope of the Company

Appendix D – Local Authority Company Implementation Plan (**exempt**)

Appendix E – Risk Management

Appendix F – The Implementation of the Local Authority Company (**exempt**)

Appendix G – The Financial Plan for the Local Authority Company (**exempt**)

## REFERENCE MATERIAL

N/A

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	20 December 2012
Health & Wellbeing Overview & Scrutiny Committee	4 December 2012
Health & Wellbeing Overview & Scrutiny Committee	14 January 2013
Cabinet	18 February 2013
Council (Budget)	5 March 2013
Cabinet	10 December 2013
Cabinet	13 March 2014



Wirral Council

Appendix A  
Strategic Business Case for a Local  
Authority Company

by  
V4 Services

4 June 2014



## Copyright

**Author:** Helen Hayes  
Peter Kilkenny  
Steve Morton

**Mobile:** 07885 964449

**Quality Assurance:** Tim Frondigoun

**Office:** 01733 686063

**Date:** 04.06.2014

**Email:** helen.hayes@v4services.com



### Quality Management

As an ISO9001 certified company, we always apply strict quality assurance methodologies to maintain our exceptionally high standards.

### Confidentiality

This document was prepared for Wirral Council to provide a Strategic Business Case for a Local Authority Company to provide day services and day opportunities. The contents are subject to commercial confidence and may not be used for any other purpose without the prior consent of V4 Services Limited.

### Copyright Statement

Copyright on the content of this document is owned by V4 Services Limited. This document shall not be copied in the whole or in part without prior consent.



## Contents

<b>1.0</b>	<b>Executive Summary</b> .....	<b>4</b>
<b>2.0</b>	<b>The Case for Change</b> .....	<b>13</b>
<b>3.0</b>	<b>The Services in Scope of the Company</b> .....	<b>18</b>
<b>4.0</b>	<b>The Operation of the Company</b> .....	<b>24</b>
<b>5.0</b>	<b>The Implementation of the Company</b> .....	<b>31</b>
<b>6.0</b>	<b>The Financial Plan for the Company</b> .....	<b>33</b>
<b>7.0</b>	<b>The Risk of Failure and Proposed Exit Strategy</b> .....	<b>34</b>
<b>8.0</b>	<b>Summary and Recommendations</b> .....	<b>37</b>

## Appendices

Appendix B	Stakeholder Engagement
Appendix C	Options for Scope of the Company
Appendix D	Company Implementation Plan (exempt)
Appendix E	Risk Management
Appendix F	Implementation of the Company (exempt)
Appendix G	The Financial Plan of the Company (exempt)
Appendix H	Equality Impact Assessment

## 1.0 Executive Summary

### 1.1 The Case for Change

A decision was made by Cabinet in March 2014 to develop a Strategic Business Case for a Local Authority Company, setting out a clear rationale for the establishment of a Company that will deliver sustainable services whilst meeting Medium Term Plan (MTP) savings.

Wirral Council, like other councils, faces the challenge of ensuring the quality of adult social care provision amid increasing and more complex demand and severe financial constraints. There are a number of reasons why the current model in the services within scope is not an option. These are listed and briefly outlined below:

- Demographic pressures means services such as day care cannot remain the same;
- Financial constraints means that these services have high MTP commitments; and
- Income generation cannot be tapped into without a new delivery model.

This business case aims to provide the evidence that a Local Authority Company is the optimum solution for alternative delivery of the services in scope through evidencing the ability to achieve the following objectives:

1. Improving performance and productivity – thereby enhancing the quality of services and outcomes for people on the Wirral;
2. Ensuring future sustainability of services – through a viable marketable approach;
3. Managing financial pressures – through efficiency and additional revenue generation; and
4. Supporting the Council's ambition and objectives – through alignment of corporate principles.

Although not all challenges can be addressed at the Strategic Business Case stage, it is important that some of the key areas are addressed:

- Is the proposed Company being created too small to succeed?
- Can the Company grow in size and importance for other Council services?
- Would transferring more services into the Company lead to greater benefits?
- Can the Company generate the income required?
- Can the Council implement the viable approach in-house?
- Can the required MTP savings be delivered through outsourcing?

### 1.2 The services in Scope for the Company

The diagram below outlines the options in terms of scope for the Company. These are labelled as



'levels' in order to capture the concept that each level builds upon the one below it.



Level 1 service areas are in scope now. These are able to be transferred by the intended go-live date and provide a critical mass of services necessary. This includes some services that whilst not being included in the first phase of implementation could potentially form part of the future model.

Level 2 service areas are potentially in scope for consideration during implementation. These are those services that offer real opportunity for expansion and focussed on other support service areas. This would enable the Council to commission services from the Company on a more cost effective basis and would enhance the market availability and choice.

Level 3 service areas are out of scope but can be seen as future opportunities. These are wider Council services that could join a broader Company once established. The exception to this is Leisure Services which is a current opportunity that could be considered now.

The table below indicates the number of service users and the gross cost of the services in 2013-2014 where these are available. These are the services that form Level 1.

	<b>Client Count</b>	<b>Gross Cost</b>
Day Services and Opportunities	456	£6,295,510

Local Area Co-ordination figures have been included in the day service and opportunities as this

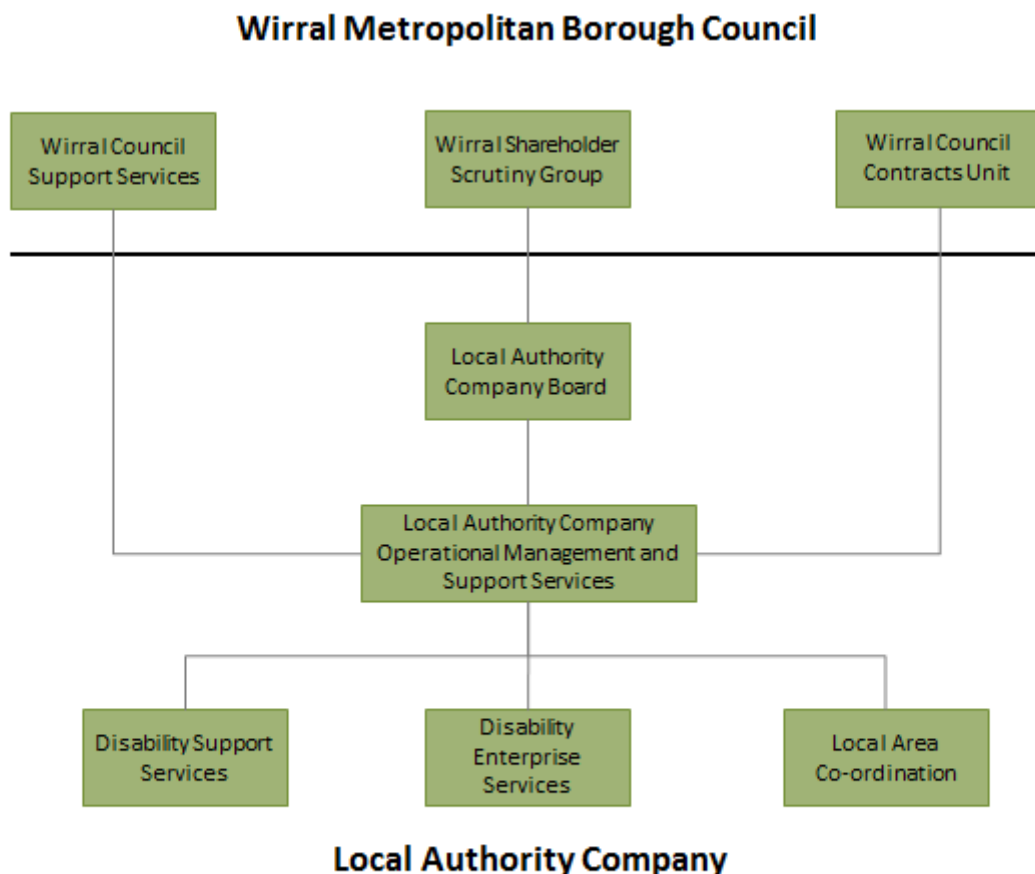
currently forms part of these services.

### 1.3 The Operation of the Company

It is important that the delivery of day services and other support services for people with a disability is aligned with the Council's strategic ambition. In particular it provides for:

1. An alignment to the 'Corporate Plan 2014-2016'
2. Assists delivery of the 'Families and Wellbeing Directorate Plan 2013-2016'
3. Assist the achievement of your commissioning intentions

It is proposed that the Company will have a structure and relationship to the Council as set out in the diagram below.



This structure has been tried and tested in Northampton with Olympus Care Services and in Buckinghamshire with Buckinghamshire Cares and involves the creation of a company managed by a Board.

This structure would also allow new businesses or existing services that may come from for example, the acquisition of health related services to be created as separate companies under a group company structure. The key parts of the new company are outlined below:

### **Shareholder Governance**

From experience with other Companies such as Essex Cares and Olympus Care Services it is recommended that the Council exert its controlling powers through the creation of a shareholder scrutiny group (SSG). Members will sit on the SSG and therefore selecting Members with business experience and commercial acumen on the SSG will help to provide constructive challenge to the Company Board.

There are other examples of other variants that have been used elsewhere, such as Optalis, where Members are appointed to the Board. Whilst this may be an appealing option for Members, it is not recommended as there are significant conflicts of interest in that they are both the shareholder and commissioner.

### **Company Board Structure**

There are some important considerations to be made when appointing the Board. For example, if the Council is considering other services for inclusion in the Company the Board would need to have a skill set that can manage diversity within the portfolio. There may also be opportunities in the future to include health services within the Company.

### **Shareholder / Commissioner Relationship**

Whilst the focus of the implementation of a Local Authority Company will be on the forming of the company, it is also important to ensure that the relationship between the shareholder and the commissioner is clearly articulated as there could be potential for conflict of interest.

### **Company Structure and Relationship to the Council**

It is suggested at this stage that the Company will have a structure and relationship to the Council as set out in the diagram above. This structure has been tried and tested elsewhere and involves the creation of a company managed by a Board.

### **Impact of the Company on the Council**

Setting up a wholly owned Company whilst owned by the Council, will have a number of impacts on the Council including:

- An additional requirement on commissioning / contract monitoring through the Shareholder Scrutiny Group.
- It is understood that the services remaining with the Council are already managed within the current Families and Wellbeing portfolio and will therefore not require any additional management capacity.
- A contract will be required that specifies the Council support services that will be supplied to the Company, defining cost and volume and creating a commercial arrangement between the two. It would be anticipated that this arrangement may lead to improvements in customer focus and a more viable ethos to these services. This should not require additional capacity as it will be 'business as usual'. There may be an impact over the longer term if the Council agrees to the Company being able to review the sourcing of these services in a more competitive manner.

### **Transition**

It is recommended that in the period between approval of the business case and go-live of the company, some form of 'shadow' arrangements should be put in place to oversee the setting up of the Company. Key to these arrangements will be negotiation with the Council's support services on

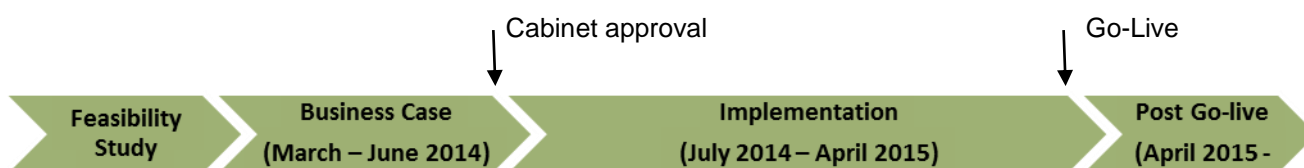
the level of service and associated costs.

### Performance Management

A benefit for the Council of establishing a wholly owned Company is the opportunity to put in place new service specification arrangements which define the required contractual relationship between the Council (Commissioning, Assessment and Care Management) and the Company. Central to the service specifications will be the creation of a Key Performance Indicator (KPI) regime to monitor the activity and delivery targets for the services.

## 1.4 The Implementation of the Company

Subject to approval from Cabinet in June, establishment of the Company would take approximately nine months. Therefore, company go-live is anticipated to be April 2015. The diagram below outlines the timeline from feasibility study to post go live.



Establishment of the Company may involve additional Cabinet approval before final transfer takes place.

Other consideration for implementation should be given to the following:

- Stakeholder engagement is critical to the success of the Company. Ensuring operational staff, service users and carers and trade unions are engaged with and support the Company not only lends itself to an easier transition but also to a more successful company.
- A Market Impact and Equalities Impact Assessment has begun and will be completed during the Implementation phase. This will ensure that the creation of a Local Authority Company does not discriminate against any disadvantaged or vulnerable people.
- A clear change management strategy will be designed at the beginning of the implementation phase. Service areas should feel engaged with the process and operational managers need to have ownership of programme. Articulating clear goals and delivery plan as well leadership from above are critical success factors.
- The transfer of staff under TUPE will require an appropriate staff consultation period (usually between 6 weeks and 3 months) and will also require dedicated HR project resource.

## 1.5 The financial plan for the Company

The summary of the financial plan are:

- The new company is a small/medium enterprise (SME) employing approximately 180 staff and turning over £5.3m per annum.
- The Local Authority Company is the only corporate vehicle that allows the Company to develop its trading income through increased commercial activity and business development focus. Any profits can be reinvested by the Council as the 100% shareholder.
- The new company would achieve £368k savings at point of go-live, increasing to £909k in 2016-17 contributing to the required savings that have been requested of the services in scope.
- The Company will achieve an additional £77k of savings in addition to MTP savings. This is against a context that no other route (except decommissioning the service) is possible to deliver the MTP budget reduction.
- Additional income through increased trading will be achieved in part through the Managing Director capability, business development focus and a marketing function tasked with service innovation (to be calculated during implementation).
- The Company can achieve savings and generate income from other sources such as direct payments, private funders and potentially other contracts from outside of the Council. This has not been included as a primary financial driver in the financial plan to ensure that it is prudent.

## 1.6 Mitigating the 'Risk of Failure' and potential 'Exit Strategy'

As the only shareholder, the Council will retain the ultimate financial risk associated with the Company as it currently does in providing these services from within the Council. Whilst this would be the beginning of an exciting new era for these services it is important to recognise that business failure is always a possibility and not always directly within the control of the organisation. Therefore mitigation actions are required to deal with the risk of failure and include:

- Proper scrutiny of the business plan - the first mitigation has to be through the robustness of a realistic and achievable Business Plan where assumptions are understood and acceptable. Scrutiny of the Business Plan through the governance of this project will provide challenge and confidence if the challenge is able to be withstood or improvements achieved to the satisfaction of Members and Officers.
- Proper scrutiny and oversight of the Board - should the Council believe that the Board are failing the Company, the position of the Council as sole shareholder entitles it to remove members of the Board and replace them through their own recruitment process.
- Ensure the company is truly viable - as with any new enterprise the Company will need to have suitable insurance in place. The Company, with agreement of the shareholder, can also create a reserve from surplus generated to mitigate significant unforeseen financial losses.

The Council and the Local Authority Company also face the risk of reputational damage, particularly as expectations around corporate behaviour change and public scrutiny of business is heightened. Reputational risk is difficult to manage as it can emerge from anywhere within the Company or its supply chain, making it difficult to predict. The Company can mitigate this by engaging in more frequent dialogue with stakeholders to understand their views and monitor the external environment more systematically to identify the emerging reputational threats that put their relationships at risk.

It is important to recognise that the Company as a model of provision is tested and successful elsewhere and this is therefore not a leap of faith.

There are two fundamental reasons to consider an exit strategy:

- Transition of Local Authority Company services into the independent market - whilst it has been accepted that it is not appropriate at this stage to transfer these services to a fully independent state, the alternative options will continue to be available at a later date. This could mean that the Council sells some or all of the services within the Company after an initial contract(s); thereby transferring a successful enterprise to independence. Fundamentally all of the options explored in the initial options appraisal will still be open to the Council and different market conditions or policy requirements may lead the Council to choose one of these at a future date.
- Failure of the Company to deliver the proposed business plan - in the event of business failure or poor performance, the Council would need to consider alternative arrangements.

There are two solutions:

1. Bringing the services back in to the Council - this would be a relative quick and inexpensive solution. Whilst it would be a retrograde step it may provide confidence to service users, carers, staff and unions and help to manage risk.
2. Move services to the independent sector - alternatively the Council could look to the market to take on these services although this would take some time to achieve and incur significant procurement costs. The reasons for the potential failure of the Company as a business may also have an impact on the interest and response of the market and push up the costs. Therefore, an analysis of the costs of either bolstering the services or the Board versus making them attractive to independent providers would need to be undertaken.

## 1.7 Summary and Recommendation

The Council is in a situation whereby it:

- Cannot continue the provision of services in-house without significant change
- Is unable to outsource the provision to meet its objectives
- Does not want to simply decommission
- Needs to establish key preventative services

This strategic business case sets out the vision, operational remit and financial plan that aims to overcome this context through establishing a Local Authority Company. This strategic business case can deliver:

- An increase in flexibility and viable nature of way the services are run
- An ability to trade and generate new income
- The required MTP savings
- Establishment of new preventative services

- Maintenance of 'provider of last resort'

The business case will also provide the evidence that the Company will deliver the following desired objectives:

1. Improving performance and productivity - the Company delivers improved performance in service delivery. It will provide the current services in a more flexible and viable manner. In relation to the staff, productivity will improve and as such performance will be further enhanced. The viable approach to workforce management will deliver improved service outcomes being delivered.
2. Ensuring future sustainability of services - the Company will secure the need to reshape and size services without the need for wholesale decommissioning. Through adopting a viable approach it allows new services to enter the market and existing ones to be protected.
3. Managing financial pressures - through efficiency and additional revenue generation - the Company provides the mechanism that means £1.277m savings from MTP can be identified and delivered. This is the only way the services in scope could deliver this target without decommissioning.
4. Supporting the Council's strategic ambition and objectives – through alignment to corporate principles, the delivery of priorities and milestones set out in the Families and Wellbeing Directorate Plan and by strengthening the Council's role as a commissioning body.

This business case demonstrates a clear rationale for the establishment of a Local Authority Company that will deliver sustainable services whilst meeting MTP savings. There is also significant potential to include other services, generate greater revenue and deliver services more innovatively.

It is therefore recommended that:

1. The Council approves the formation of a Local Authority Company.
2. The Council defines the Company's strategic ambitions to plan to move towards an expanded commercial scope.
3. The Council considers its Council-wide strategic approach and aligns appropriate other work to maximise the benefits of an expanded scope.
4. An implementation programme is established to oversee the transition of services to the new Company.
5. The Cabinet receives regular updates on progression commencing in mid-September.



# Strategic Business Case for the Company



## 2.0 The Case for Change

### 2.1 Background

The Families and Wellbeing Directorate, Department of Adult Social Services (DASS) identified that there may be a significant opportunity to improve outcomes, achieve efficiencies and create sustainability of service provision by implementing a new approach to delivering its Day Services for people with a learning disability. With a continued national focus on personalisation and more specifically, increasing the volume of Direct Payments, Wirral Council needs to ensure the sustainability of services within this changing environment. Moreover, personalisation is driving councils to become commissioners rather than providers of services and Wirral Council needs to consider a delivery model that will strategically meet this impetus.

A decision was made by Cabinet in December 2012 to consider a wide range of options for the delivery of day services. As a result, Wirral Council commissioned V4 Services Limited to review of new service delivery models for Day Services.

The review recommended that the preferred model of a Local Authority Company with an expanded scope beyond day services could be viable. Widening the scope for the Company creates an efficient critical mass to ensure that support overheads are optimised and the model is more economically viable

The Local Authority Company was recommended as the most viable option because it:

- Can achieve savings and can generate income from other sources such as direct payments, private funders and potentially other contracts from outside of the Council. This will drive services to become more viable and more efficient
- Has potential to provide leadership in a relatively disparate market which could help to manage quality issues in the external market. This ensures that the Council can continue to meet its legal obligations in the event of market failures
- Would be wholly owned by Wirral Council and therefore subject to democratic scrutiny.

### 2.2 Why the 'Current Model' is not an Option

Wirral Council, like other councils, faces the challenge of ensuring the quality of adult social care provision amid increasing and more complex demand and severe financial constraints. There are a number of reasons why the current model of service delivery for the services within scope is not an option. These are listed and briefly outlined below:

#### a) Demographic pressures means services like day care cannot stay the same

There are estimated to be approximately 4,600 people aged under 65 years with a learning disability in the Wirral. People with a learning disability are experiencing increased longevity and the population as a whole is ageing. As the population ages there will be an increasing trend of

older adults with learning disabilities with increased levels of frailty due to age requiring support, including those whose parents have been caring for them but can no longer do so due to their own increasing frailties as they age.

There are a small but significant number of young people who are currently supported by children's services and who are due to transfer to adult social care as they become adults. Estimates for the next 3 years suggest approximately 40 new cases year on year.

Demand for day services has remained relatively high in the Wirral compared with the rest of the UK. This would suggest that the Wirral remains competitive when compared nationally.

### Adults Using Day Services

Period	England Average	North West	Wirral
2008-9	406.14	411.14	281.69
2009-10	364.47	370.30	290.82
2010-11	352.42	357.42	312.50
2011-12	347.20	346.61	313.73

This demand is based on a number of factors:

- The level of people with learning disabilities and / or physical disabilities is rising
- A deprived proportion of the population with little choice but to remain using existing services
- An aging population of care users who have consistently used existing services for an extended period of time
- The relatively low take up of personal budgets / direct payments to date.

There are also continuing changes in the number of people requiring support in the community, with a steady rise in the number of people with the highest support needs who will continue to require specialist centres which can offer skilled therapeutic support and appropriate equipment and facilities. In addition the population that attends day centres is ageing and is likely to require a different range of services into the future.

If the vision of the market over the next ten years is based upon demographic changes solely, then if the status quo were to continue there is a possibility that the demand for places would outstrip that of provision by the council as well as the third sector.

### **b) Financial constraints means these services have high MTP commitments**

Cuts to central government funding are likely to continue into the next Comprehensive Spending Review (CSR). Wirral Council has identified £40.41m of savings that need to be made by 2014-15 and a further £22.06m in 2015-16 and is forecasting a budget reduction of 13.96% over a 3 year period. The Families and Wellbeing net budget (including Sports & Recreation but excluding Schools) is £164.06m, which represents 54.36% of the Council's overall net budget of £301.82m for 2014-15.

Services in scope for this business case have MTP savings attached to them that makes outsourcing them unviable. If MTP savings are required without wholesale decommissioning then

an alternative to in-house and outsourced provision has to be developed – the Local Authority Company.

### c) Income generation cannot be tapped into without a new delivery model

The number of people in receipt of a direct payment is steadily increasing as people chose to arrange their own care and support. Wirral currently provides direct payments to approximately 385 people with learning disabilities, physical disabilities and mental health issues. These people are currently unable to use their direct payment to buy back day services from Council provision. Income generation from direct payments and individual budgets cannot be tapped into without a new delivery model.

#### Number of People in Receipt of a Direct Payment during the Year

Client Group	2009/10	2010/11	2011/12
Older Persons	125	155	190
Physical Disabilities / other	135	175	210
Mental Health	15	15	35
Learning Disabilities	65	95	140

Analysis of the 2013/14 actual and forecast gross expenditure for Wirral Adult Social Services highlights that the expenditure on direct payments is predicted to be £6,502,947.

#### Expenditure on Direct Payments during the Year

Client Group	2012/13 Expenditure (£)	2013/14 Expenditure to 31 Jan 2014 (£)	2013/14 Forecast Expenditure (£)
Older People / Physical Disabilities	4,653,030	3,616,239	3,781,266
Learning Disabilities	2,388,620	2,417,423	2,603,919
Mental Health	132,656	116,016	117,762
<b>Total</b>	<b>7,174,306</b>	<b>6,149,678</b>	<b>6,502,947</b>

It will be the case that service users, carers and parents with personal budgets will increasingly become the commissioners of their own services, purchasing the largest share of the social care market.

Self-directed support represents a real opportunity for income generation. Currently, the Council is unable to receive payments for services delivered to users in receipt of direct payments. However, this is not the case for the Company. Moreover, the Company would be able to receive payments from private funders. This opens up additional revenue streams outside of the Council's contracts. It also follows the direction of central government policy and could go some way to alleviate any funding pressure.

Whilst increases in service demand for the day care may be constrained in the short term by the capacity of the Day Opportunity Centres, it is possible to expand services which are not restricted by assets Local Area Co-ordination and community outreach, for example, through opening these up to those with moderate or lower levels of need. This could generate income for both the Company and the Council. However, with the introduction of market forces, the Company will need to deliver services that meet user expectations and that are competitively priced.

## 2.3 Key Objectives for the Company

This business case aims to provide the evidence that a Local Authority Company is the optimum solution for alternative delivery of the services in scope.

This will be evidenced through testing the business and financial case against four primary objectives of establishing the Company:

1. Improving performance and productivity - thereby enhancing quality of services and outcomes for people on the Wirral;
2. Ensuring future sustainability of services - through a viable marketable approach;
3. Managing financial pressures - through efficiency and additional revenue generation; and
4. Supporting the Council's strategic ambition and objectives – through alignment of corporate principles.

Additional objectives that will be evidenced are:

- a) Services which are more flexible and adaptable so that they remain sustainable within the context of personal budgets and direct payments.
- b) Promotion of choice and the potential to generate additional income through trading for example with private individuals and other public bodies.
- c) Improved value for money achieved through a formal contractual relationship that incentivises services to improve and enables the Council to hold managers to account for quality and financial performance.
- d) Efficiency savings, providing the Council with year-on-year 'like for like' reduction in costs.
- e) Providing the workforce with an opportunity to secure a stake in their own future and to develop an entrepreneurial culture that rewards improved performance and drives productivity.
- f) Retaining the vital function of being the provider of 'last resort' in cases of emergency or market failure and allow Wirral Council to satisfy its statutory duties.

The business case will also aim to provide a broad view of major stakeholders to underpin the decision to proceed with the implementation of a Company. These groups will include:

- Operational and commissioning staff
- Council officers
- Elected Members
- Service users and carers
- Other service areas in the Council
- Partners and providers (where possible)

Appendix B provides greater detail to the stakeholder engagement undertaken during the business case.

## 2.4 Key Challenges for the Company

Although not all challenges can be addressed at the business case stage, it is important that some key areas are addressed at this stage.

This document aims to provide the direct consideration of the key areas of challenge for this option to assist in effective decision making. These have been summarised as:

1. Is the proposed Company being created too small to succeed?

The Company will essentially be a relatively small business at the outset. Compared to existing Local Authority Companies, the size of the services being transferred is at the smaller end, sitting close to a critical mass.

2. Can the Company grow in size and importance for other Council services?

Within DASS services overall, the scope of the Company represents a small but significant opportunity. Is there real potential for this to become much larger for the Council both financially and strategically?

3. Would transferring more services into the Company lead to greater benefits?

Would transfer of additional services both within and outside of DASS lead to greater efficiency savings, greater potential to generate income and greater integration of services?

4. Can the Company generate the income required?

Can the Company successfully trade and generate income with a small starting scope of services and limited additional capacity?

5. Can the Council implement the viable approach in-house?

Could the Council drive the performance improvement on workforce management and organisational savings through improved management of an in-house service?

6. Can the required MTP savings be delivered through outsourcing?

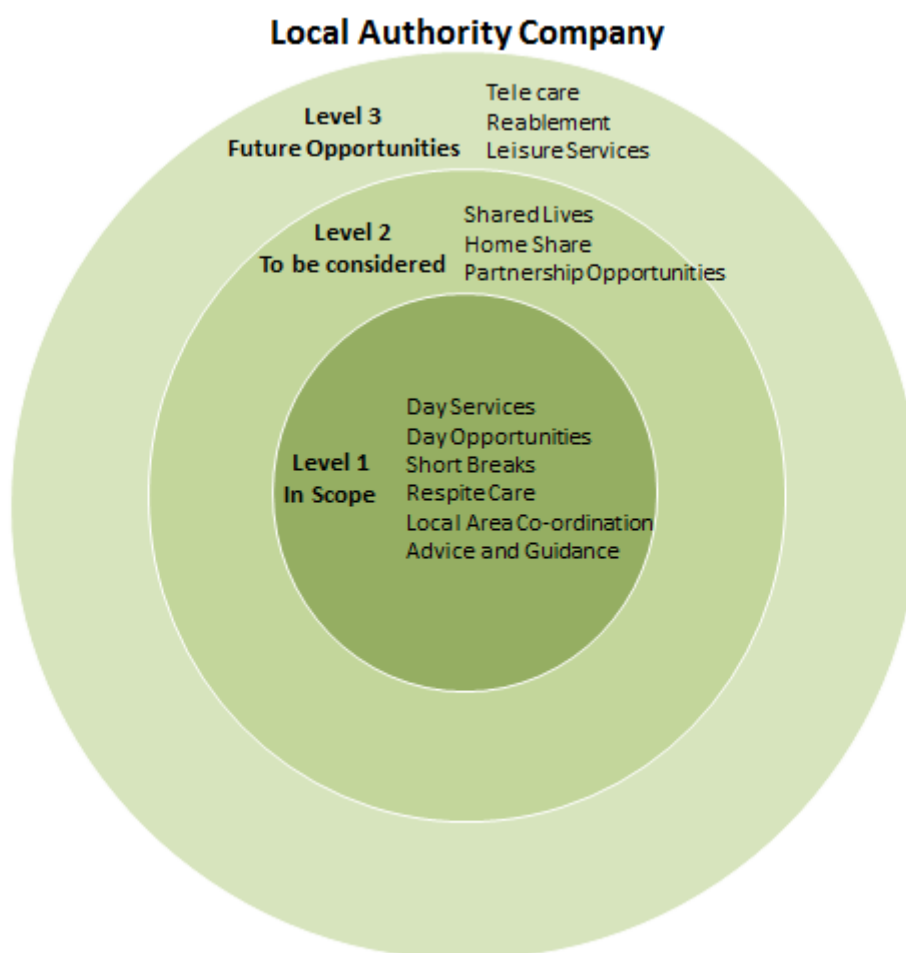
Would it be safer, easier and less expensive to outsource the services in order to make the aggressive savings required?

Each of these challenges along with the factors set out in section 2.3 will create the overall assessment and recommendation of this business case.

### 3.0 The Services in Scope of the Company

#### 3.1 Service Scope

The diagram below outlines the options in terms of scope for the Company. We have labelled them as “levels” in order to capture the concept that each level builds upon the one below it. For example, Level 2 also incorporates those in Level 1.



The analysis of scope is supported by Appendix C.

##### 3.1.1 Level 1 – In scope

The services in Level 1 are:

- Able to be transferred by the intended go-live date
- A critical mass of services necessary to deliver sustainable services
- Located within one Directorate which will make transfer and implementation easier than services which sit across several; and

- A more natural grouping of services that allow a consistent brand and ethos at the outset of the company.

These services are further outlined in sections 3.2 below.

### **3.1.2 Level 2 – Adult social care services to be considered**

Level 2 considers those services in Level 1 as well as the inclusion of Shared Lives, Home Share and Partnership Opportunities. Level 2 offers concrete opportunities to expand services to include other adult social care services. It includes services that could be transferred into the Local Authority Company either during its establishment or at a later date.

Some additional adult social care services will be more feasible to transfer into the Local Authority Company than others. For example, this will be easier for services such as Shared Lives whereas the partnership opportunities will need to be considered more closely.

The Shared Lives service has significant synergies with Day Services as short breaks within a family setting can enhance quality of life and prolong independence. Shared Lives has an annual budget of £605,100 and is used by 40 people. This synergy also extends to increasing efficiency between the two services as visits, short breaks and holidays can be coordinated more easily. This service should be considered for early transfer to the Local Authority Company.

These services are not currently included in the base case for the Local Authority Company but should be considered during detailed implementation or early trading period.

### **3.1.3 Level 3 – Other opportunities**

There is potential within other services to consider alternative service delivery models. There is an opportunity to adopt a Council-wide approach to exploit the synergies and economies of scale of expanding the scope of the Company's services.

Whilst this level is currently difficult to define, Leisure Services is just one example of other areas of the Council considering new ways to deliver services including a Local Authority Company. Leisure Service's operational expenditure for 2013-14 was £8.5m with user income generating £5.5m from all its operations. There is a strategic fit with the Local Authority Company development and a recent options appraisal identified this as one of the preferred models of delivery. Therefore, we strongly recommend that the potential synergies be considered if a Local Authority Company moves to implementation.

The transfer of services beyond adult social care into the Company requires a Council-wide strategic approach. This would require significant work to redesign the Council's operating model and vision. Moreover, any ambition to make the most of the opportunities to align with Health through the Company requires a substantial amount of work and time to build and redesign health and social care pathways, establish and strengthen relationships and to shape governance arrangements.

These services are not included in the base case for the Local Authority Company but could be considered on a case by case basis through the usual Council governance process.

## 3.2 Summary of Services in Scope

The table below indicates the number of service users and the gross cost of the service in 2013-2014.

	Client Count	Gross Cost
Day Services and Opportunities	456	£6,295,510

In total, 456 people access these services at a gross cost of approximately £6.296m.

Local Area Co-ordination figures have been included in the day service and opportunities as this currently forms part of these services.

Set out below are the services in scope and the rationale for their inclusion.

### 3.2.1 Day Services

There are six day centres for people with physical and learning disabilities, three day centres for people with mental health needs and six day services offering “work type” placements for people with a disability. These have close links with their communities, operate increasingly personalised services and carry out a range of trading activities including catering and sale of plants and produce. These centres will provide services to people with learning and / or physical disability, those with mental health issues and also serve as community hubs.

Within the current and future challenging financial climate, continuing internal provision of Day Services was viewed as unsustainable. As a consequence, popular and vital services could be at risk. Personalisation means that there will be increasing numbers of Self-Directed Support (SDS) service users. Services need also to respond and adapt as people increasingly commission their own services. The feasibility study on the future of Day Services Opportunities recommended a Company as the preferred model of delivery. It allows for both the flexibility and the receipt of Direct Payments, responding to the changes in the adult social care market. It also has the potential to generate income for both the service and the Council.

Day services are required to meet MTP savings of £1.2 million over 2 years. These savings have not been allocated to particular services within day services. The Company will have options to change that the Council does not have. The Company will be able to trade with other public and private bodies, including self-funders. The Council does not have the legal ability trade at a profit.

### 3.2.2 Day Opportunities

Wirral Council’s Day Opportunities support people with disability or mental health issues achieve goals through training and employment. Best Bites, Dale Farm, Royden Park and Star Design illustrate Day Opportunities provided by Wirral Council:

- Best Bites is a supported employment project offering support to adults with learning and / or physical disabilities. It currently operates across a number of Council services, such as Mendell Court and Willow Bank, Williamson Art Gallery, Tam O’Shanter Farm and The Oval



leisure centre. It provides support for people to gain skills, knowledge and qualifications in a working environment and supports the search for suitable employment.

- Dale Farm is a training centre for adults with learning disabilities and / or mental health issues. Trainees help run the farm which covers a three acre site situated alongside Heswall Dales. All aspects of horticulture are used to create a working environment, including the cultivation of organic fruit and vegetables and bee keeping. It provides support for people to learn life skills and gain work training and experience.
- Royden Park is a training centre for adults with learning disabilities. The site is situated in Royden Park which is a large area of parkland adjacent to Thurstaston Common and the centre has a well-established relationship with the Parks and Countryside department. Horticulture and arboriculture activities both on and off-site are used to create a working environment. It provides support and work-based training in horticulture, conservation and woodwork.
- Star Design is part of the Community Recovery Service and supports with mental health issues and people with learning and / or physical disabilities. It is a woodwork project enabling people to work in a workshop environment producing a wide array of wood products for local parks and schools as well as bespoke items made to customer's specifications. It provides support in establishing work routines and supports the search for suitable employment.

Training services are particularly popular and therefore it is important that these services are sustainable. The Company will enable the services to trade with individuals and with other organisations. Moreover, there are synergies between day opportunities and the day services offered and would therefore fit well in the Company.

### **3.2.3 Short Breaks and Respite Care**

Short Breaks and Respite Care are widely recognised as an important service and the Company will bring commercial expertise and instil a culture of creativity and innovation that will lead to the development of new services more aligned to individual aspirations.

Our short break and respite care services will provide flexible support services for people with a learning and / or physical disability. Our aim is to provide an integrated space that allows people who use services, their carers and family to receive the support they need to maintain / improve the quality of their lives. The Company will provide the innovation and commercial expertise to ensure that any assets are also available for use by the local community.

### **3.2.4 Local Area Co-ordination**

Local Area Co-ordinators provide support, information, guidance and a place to socialise in a friendly environment where people have the opportunity to develop life skills. They can provide support for people with a learning disability their carers, professionals and parents. Local Area Co-ordinators build up and maintain knowledge of information resources on all aspects of daily life in order to signpost people to the information they need. Collating, updating and producing information on local opportunities, groups and other support services.

The Local Area Co-ordination service will help to ensure that Wirral Council can maximise the use of limited resources, vital at a time of demographic change and pressured budgets. This will mean that they are more able to manage increasing demands. Local Area Co-ordination can offer

significant reductions in long term care and support cost for both the Council and Health services.

The timing of the consideration of a Local Authority Company for day services presents an opportunity for this to include Local Area Co-ordination. There is also an opportunity to expand trade in Local Area Co-ordination services to health, insurance companies and self-funders (those who may be viewed as having a low to moderate level of needs). Whilst the Local Area Co-ordination service can be delivered internally, the ability to trade provides a rationale for delivering through the Company. Moreover, it would become part of a holistic group of services, facilitating greater integration or alignment of services and improving the customer journey.

### 3.2.5 Other Services in Scope

#### Early intervention and preventative services

The purpose of early intervention is to work in partnership to improve outcomes for individuals with disabilities and their families. Early intervention requires a shift in focus onto the causes rather than the symptoms of problems. Investment in prevention and early intervention has been proven to reduce the demand on specialist services in the longer term. Early intervention and regular breaks help to keep families together and sustain carers in their long term caring role. Without this care, many people would be at risk, their quality of life would be poor and they may require admission to permanent care.

#### Advice and guidance

The right information, advice and guidance enables people to clarify options about their future and move forward in their personal development. The types of information, advice and guidance available range from health, activities and relationships to work, benefits, volunteering and personal budgets. People can be supported to safely access the internet and advocacy can be provided as necessary.

The Care and Support Bill highlights the importance of preventing and reducing needs putting people in control of their care and support. As part of assessments of needs and care and support plans, local authorities must consider whether support is available that could contribute to the outcomes identified and provide information on how to prevent or delay future needs. Local authorities must also provide a universal advice and information service for people who do not have eligible needs about reducing, preventing or delaying needs for care and support.

### 3.2.6 Examples of service mix successfully applied in Local Authority Companies

COMPANY	Established	Turnover	Core Service
Essex Cares	2009	£33m	Reablement, LD Employment and Inclusion, Older People's Day Services, Extra Care, Equipment
Optalis (Wokingham)	2011	£9m	Reablement, OP and LD Residential, OP and LD Day Services, Sensory Services, Brokerage and Long Term Social Work support
Your Choice (Barnet)	2011	£6.5m	LD Services, MH Services (part of Barnet Group LATC)
Olympus Care	2012	£32m	Residential Homes, Reablement /

(Northamptonshire)			Enablement Day Services, Community Opportunities, EADS
Buckinghamshire Cares	2013	£9m	Reablement, OP and LD Day Services, Respite Care, Home Care, Employment, Laundry and Prevention Matters

## 4.0 The Operation of the Company

### 4.1 'Strategic Fit' with the Council

It is important that the delivery of day services and other adult services is aligned with the Council's strategic ambitions. The Local Authority Company as a delivery model furthers a range of these ambitions, embodying many of the Council's priorities particularly through providing services that place citizens at the heart of delivery.

In particular it provides for:

#### 1. An alignment to the 'Corporate Plan 2014-2016'

The Corporate Plan for 2014-2016 sets out the vision that will drive the Council's work over the coming two years. It will ensure a robust approach to the Council's business planning; ensuring that our vision, priorities and spending decisions are based on sound evidence, through analysis and understanding of community needs.

Crucially, it will ensure that the priorities identified in the Corporate Plan will be underpinned by a sustainable budget over the next two years and can be delivered within resources available to us.

The proposed Company is aligned to the following principles:

*'Local Solutions, Local Decisions'* – the Company will make the best use of resources in local communities, inspiring local communities and the third sector to come together to find the right solutions to address local need and improve people's quality of life.

*'Promoting Independence'* – the Company will strive to ensure that the people it serves are recognised for the talents and assets they have. It will work to equip them with the right tools and knowledge to enable them to make the choices that are right for them and their families.

*'Driving Growth and Aspiration'* – the Company will work with local voluntary and community organisations, encouraging them to hold the same level of ambition for Wirral as we have; driving growth in the economy and with it aspiration, achievement and employment.

#### 2. Assists delivery of the 'Families and Wellbeing Directorate Plan 2013-2016'

The Families and Wellbeing Directorate Plan 2013-2016 sets out the priorities and delivery milestones over a three year period. It clearly sets out the changes the Directorate needs to make to its position as a commissioner and deliverer of services at a time of very challenging fiscal constraint.

The Company will support Families and Wellbeing Directorate to achieve its priorities:

*'Managing the Money'* – the Company will deliver the MTP savings of £1.2m within two years, enabling the Directorate to deliver 2014-15 and 2015-16 services on budget. Establishing a Company will result in new, robust service specification arrangements which define the contractual relationship between the Council and the Company.

*'Delivering Differently'* – the Company itself is an alternative service delivery model that ensures the future sustainability of services through a viable marketable approach. It will reconfigure services to focus on early intervention and prevention, providing greater choice and control for users and carers. It will continually engage people who use these services, their families and local communities to shape its future and their services.

*'Working Together'* – the Company will work closely with voluntary and community sector organisations to maximise opportunities, meet shared objectives and deliver best value for the Wirral. It will work in collaboration with NHS partners and seek out opportunities for health and social care service integration. This will enable the Company will provide a new conduit to deliver community health services and enable greater integration of health and social care services.

*'Transforming the Business'* – the contract with Company will include quality assurance framework targets and requirements together with an explicit financial formula that relates capacity and demand levels. A Key Performance Indicator (KPI) regime will be established to monitor the activity and delivery targets for the services alongside required outcomes which the contract must deliver. Both KPIs and outcomes could also be linked to a payment mechanism whereby payments can be adjusted for good or poor performance.

### **3. Assist the achievement of your commissioning intentions**

The Local Authority Company crucially allows Wirral Council to strengthen its role as a commissioning body rather than a provider whilst maintaining both quality and control of service provision. Personalisation is anticipated to play an even greater role in adult social care.

With a continued national focus on the increasing the volume of Direct Payments, Wirral Council will need to turn its focus from provision to commissioning. Currently, local authorities are unable to receive direct payments resulting in double running costs as councils disburse direct payments yet continue to provide services.

The Company supports Wirral Council to strategically place itself as a commissioning body whilst maintaining control of the services. Moreover, it mitigates some of the risks around quality and democratic scrutiny that may come with this shift in role.

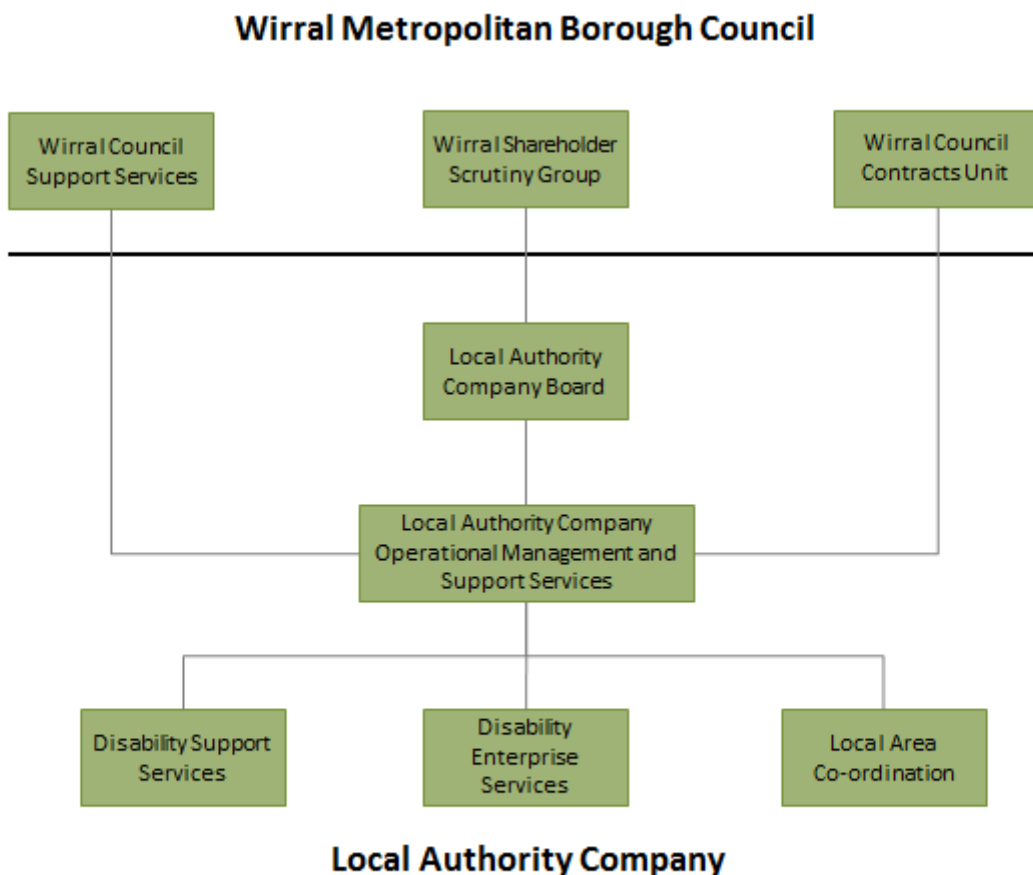
## **4.2 Governance and Structure**

In order to create a Local Authority Company there are a number of key governance and contractual matters which will need to be addressed by both the Council and the new company. There are four main relationships that the Council will have with the Company:

- As the shareholder;
- Through the commissioning relationship with the contract for service delivery;

- Through operational links related to the delivery of strategically important services that form part of the Council’s access pathway; and
- Through a contract for the Council to deliver support services to the Company.

#### 4.2.1 Recommended company structure and relationship to the Council



There will be a contractual relationship between the Council and Company for the services provided to the Council but also a contract for any support services provided by the Council to the Company.

The underlying nature of these contracts will be determined during the implementation planning stage where assumptions will be agreed with the various parties. Any services provided by the Council to the Company have to be provided at a commercial rate in order to avoid issues of State Aid.

#### 4.2.2 Shareholder Governance and the Council’s control and influence

Shareholder governance is an essential component in creating a Company in order to ensure that the requirements of the Teckal Exemption are satisfied (i.e. the need for the Council to exert control and influence over the Company).

There is a need however, to achieve a balance between the Council’s control and influence and the space the Company needs to be able to develop. It is possible that too close control and

influence will create the risk of recreating a Council Directorate and not enough may mean that the Council cannot demonstrate the control required.

From experience with other Local Authority Companies, this business case recommends that the Council exerts its controlling powers through the creation of a shareholder scrutiny group (SSG).

The fundamental purpose of the SSG is to act on behalf of the shareholder in scrutinising performance against the contract and Business Plan, review investment plans and review risks.

The Shareholder Scrutiny Group would typically have the following membership:

- Five Members including a Chair and possibly an opposition Member;
- Section 151 Officer;
- Director of Adult Services;
- Strategic Commissioner;
- Director of Public Health;
- Health and Wellbeing Board representative; and
- Senior Contracts Manager.

Selecting Members with business experience and commercial acumen on the SSG will help to provide constructive challenge to the Company Board. It is suggested that the SSG would meet on a quarterly basis with one of these meetings acting as the Annual General Meeting.

There are examples of other variants that have been used elsewhere, where Members are appointed to the Board. This option is not recommended as:

- There are significant conflicts of interest as they would be both the shareholder and commissioner.
- Legally Board Members have to do what is in the best interests of the Company which may place them in conflict with the Council.
- It is suggested that Members are best placed to scrutinise and hold the company to account rather than have a role in managing services, which is similar to the role that is defined in other outsourced or internally provided relationships.
- This can be most appropriately achieved through involvement with ongoing commissioning and contract management and the shareholding governance exerted through the SSG – rather than direct board membership.

#### **4.2.3 The Board structure and business operations**

The Company will require a Management Board which oversees the business. The Board structure will reflect the commercial nature of the Company. The proposed composition of the Board at set-up of the Company consists of:

- Independent Chair (part/time);
- Managing Director;
- Finance Director;

- Business Development Director; and
- Two / three part-time Non-Executive Directors.

The structure of the Company Board has to be future proof. For example, if the Council is considering other services for inclusion in the Company, the Board would need to have a skill set that can manage diversity in the portfolio. There may also be opportunities in the future to include health services within the Company and therefore the board structure may want to reflect partner representations.

The hybrid nature of the Company, independent but owned by the Council, means that it may be helpful that one or more members of the Management Board provide a combination of previous experience from both commercial and local authority backgrounds.

This will assist in the transition of moving the business from a Local Authority culture to providing the commercial focus that will be required and will be achieved by external appointment and internal transfer. However providing the Company with a commercial focus will facilitate the significant culture change that is required for the Company to succeed.

Company governance will be set out in the Memorandum and Articles of Association. This will be an important document to ensure that the Council's expectations of the Company are clearly articulated.

#### **4.2.4 The Shareholder / Commissioner relationship**

Whilst the focus of the implementation of a Local Authority Company will be on the forming of the Company it is also important to ensure that the relationship between the shareholder and the commissioner is clearly articulated as this is where the value will be secured for the Wirral.

Some examples of key considerations that will need to be agreed at implementation are:

- Ensuring that there is prior agreement as what happens to any dividend payments that are returned to the Council
- Should they be paid to commissioning Directorate or to the Council as a whole?
- Which part of the Council / commissioning body will manage the service contract?
- Which part of the Council will provide and manage the support services contract provided to the Company?

It is recommended that the terms of reference for the SSG will determine the parameters of this relationship through implementation.

#### **4.2.5 Expected impact of the Company on the Council**

Setting up a wholly owned Company whilst owned by the Council, will have a number of impacts on the Council as follows:

- Increased commissioning / contract monitoring - an additional requirement on commissioning/contract monitoring which may result in the need for an additional part time post for contract management.



- Restructure of Families and Wellbeing service management - the transfer of the services in scope will mean that there will be retained services within the Family and Wellbeing Directorate. It is understood that as these services are already managed within the current Families and Wellbeing portfolio they will not require any additional management capacity but a restructure will be required.
- A redefined relationship for support services - a contract will be required that specifies the Council support services that will be supplied to the Company defining cost and volume and creating a commercial arrangement between the two. It would be anticipated that this arrangement may lead to improvements in customer focus and a more viable ethos to these services. This should not require additional capacity as on many levels it will be business as usual.
- A test to the value for money of support and customer services - there may be an impact over the longer term if the Council agrees to the Company being able to review the sourcing of these services in a more competitive manner. An opportunity to ensure support is provided in the most efficient manner will ensure that the Company's overheads are minimised so that it can compete for work in the social care market.

#### **4.2.6 Transition**

It is recommended that in the period between approval of the business case and go-live of the Company, some form of 'shadow' arrangements should be put in place to oversee the setting up of the Company.

Key to these arrangements will be negotiation with the Council's support services on the level of service and associated costs and to consider alternative provision of these within the open market. It is recommended that at the appropriate point in implementation period that an interim or 'shadow' Director and Finance Director oversee this work.

It is important that during the initial transition period the Company has stability and resource to undertake the due diligence required in transferring both staff and resources of a significantly sized business.

#### **4.2.7 Performance Management**

A benefit for the Council of establishing an Local Authority Company is the opportunity to put in place new service specification arrangements which define the required contractual relationship between the Council (Commissioning, Assessment and Care Management) and the Company (former direct services). Within the changing climate of developing Self Directed Support, specific targets relating to efficiencies, service reshaping and day to day relationships and pathways can be reviewed and updated.

An expectation will be the inclusion of any Council quality assurance framework targets and requirements for a new provider business and, within the contract, an explicit financial formula that relates capacity and demand levels.

Central to the service specifications will be the creation of a Key Performance Indicator (KPI) regime to monitor the activity and delivery targets for the services. Alongside this, will be the specification of required outcomes which the contract must deliver. Both KPIs and outcomes could also be linked to a payment mechanism whereby payments can be adjusted for good or poor

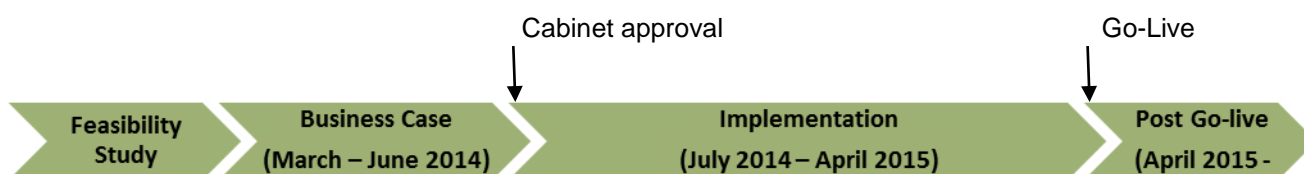
performance. This mechanism acts as commercial protection for the Council against consistent under-performance by the Company.

Experience elsewhere has shown that the scrutiny placed on services transferred to a Local Authority Company tends to be much greater than it ever was whilst they were in the Council. This scrutiny will be ensured through the shareholder governance agreement and from the scrutiny of a robust performance-managed contract that these services have not previously been party to.

## 5.0 The Implementation of the Company

### 5.1 Timeline for establishment

Subject to approval from Cabinet in June 2014, establishment of the Local Authority Company would take approximately nine months. Therefore, company go-live is anticipated to be April 2015. The diagram below outlines the timeline from options appraisal to post go live.



Establishment of the Company may involve an additional Cabinet approval before final transfer takes place.

This section outlines the key activities and high level approach for implementation. It is subject to Cabinet approval of the full business case. This section is supported by the Implementation Plan in Appendix D and key information in Appendix F (exempt information).

### 5.4 Key considerations for implementation

#### 5.4.1 Stakeholder Engagement

Stakeholder engagement is critical to the success of the Company. Ensuring operational staff, service users and carers and trade unions are engaged with and support the Company not only lends itself to an easier transition but also to a more successful company.

During the development of this business case, the views of a wide range of stakeholders have been considered. Appendix B provides greater detail to the stakeholder engagement undertaken during the strategic business case.

The implementation phase will also need to engage with key stakeholders, including external partners.

#### 5.4.2 Market Impact and Equalities Impact Assessment

A Market Impact Assessment (MIA) assesses the extent of any likely impact on markets relevant to the proposed creation of a Local Authority Company.

An Equalities Impact Assessment (EIA) although not required by law, will be conducted as a way of facilitating and evidencing compliance with the Public Sector Equality Duty.

The Council will conduct an EIA focused on fairness, access and inclusion and will consider whether the creation of a Local Authority Company does or does not discriminate against any disadvantaged or vulnerable people. The EIA will also help the Council to open up services to new groups and make services better and they also help to get services right first time, saving money and time.

Wirral Council will consider the outcome of the MIA and EIA, which will be published, and reach its provisional conclusions regarding the creation of a new Company during the implementation phase. The Council will consult on its provisional conclusions before reaching a final decision. The Council must be satisfied that any likely adverse impact on the market or individuals is justified by the likely public value of the new Company.

#### **5.4.3 Change Management**

A clear change management strategy will be designed at the beginning of the implementation phase. Service areas should feel engaged with the process and operational managers need to have ownership of programme. Articulating clear goals and delivery plan as well leadership from above are critical success factors.

Equally, the current transformation of day services coupled with the implementation of the Company means that service users and carers are facing a significant amount of change. Communication activities with service users and carers will involve regular briefings and opportunities for service users and carers to voice any concerns. As the success of the Company depends on its ability to deliver services which meet the needs and demands of its users, the implementation phase will provide opportunities for service users and carers to shape the services that affect them.

#### **5.4.4 TUPE**

The transfer of staff under TUPE will require an appropriate staff consultation period (usually between 6 weeks and 3 months) and will also require dedicated HR project resource.

In transferring the workforce a decision will be needed on whether the newly formed Company will offer the same terms to new employees post-transfer or look to amend to 'broadly comparable' including the possibility of implementing alternative pension arrangements.

#### **5.4.5 Post Go Live**

The Company is not expected to begin trading immediately. Services and staff will need time to grow accustomed to their new identity and relationship to the Council. At post go-live the company may wish to consider the potential for future income generation in terms of business planning and measuring additional capacity requirements. This timeline has been assumed in the financial case for the Company.

## 6.0 The Financial Plan for the Company



This section is supported by key information in Appendix G (exempt information).

## 7.0 The Risk of Failure and Proposed Exit Strategy

With a complex programme such as establishing the Company it is vital that the risks are identified and agreed as being manageable. This will require a high degree of management and mitigation. This can be achieved through adopting a systematic approach to risk management so that:

- Risks are quantified on a consistent basis;
- Mitigation actions are identified that reduce their potential impact;
- Individuals responsible for ownership are clearly identified; and
- The risk register is reviewed in its entirety on a regular basis.

Appendix E provides full details of the possible risks and mitigating actions for the establishment and the success of the Company as well as those identified regarding to the development of the business case.

An impact analysis for the market and equalities of establishing a Local Authority Company is underway.

This section focuses on the perceived risk of failure and the exit strategy if this was to arise.

### 7.1 Risk of failure

As the only shareholder the Council will retain the ultimate financial risk associated with the trading arm as it currently does in providing these services from within the Council. It is worth noting that:

- All the solutions considered in the Options Appraisal carry risk and the Company was seen as the option with the most manageable risk profile as the Business Plan is satisfactory.
- Transferring services to independent providers does not isolate the Council from the risks of failure of these businesses or completely transfer these risks to the provider.
- Most councils will have experienced having to 'bail out' failing operators and provide additional in-house support to manage those organisations. This ultimately leads to engaging in costly retendering or re-provision exercises as it is the Council that has the statutory obligations to provide care where this has been assessed at required.

Whilst this is potentially the beginning of an exciting new era for these services it is important to recognise that business failure is always a possibility and not always directly within the control of the organisation.

Therefore mitigation actions are required to deal with the risk of failure and include:

**Proper scrutiny of the business plan** - the first mitigation has to be through the robustness of a realistic and achievable Business Plan where assumptions are understood and acceptable. Scrutiny of the Business Plan through the governance of this project will provide challenge and

ultimately confidence if challenge is able to be withstood or suitable improvements are achieved to the satisfaction of Members and Officers. Should the Business Plan not 'stack-up' to the satisfaction of the decision makers then these services should not be transferred to a Local Authority Company at this point.

**Proper scrutiny and oversight of the board** - should the Council believe that the Board are failing the Company the position of the Council as sole shareholder entitles it to remove one or members of the Board and replace them through their own recruitment process.

Appropriate and quality governance structures and processes will also help to mitigate risk of failure and these are described in section 8. Experience with other Local Authority Companies indicates that the level of scrutiny of the Company as a Council owned business provides opportunities, not available within external contracts, to identify in a timely manner, when and where performance is below that expected in order to put a plan in place to rectify any issues.

**Ensure the company is truly viable** - as with any new enterprise the Company will need to have suitable insurance in place. Estimates for this are included in the financial case and the Council will need to consider the requirements to provide indemnity for the Directors of the company. The trading arm, with agreement of the shareholder, can also create a reserve from surplus generated to mitigate significant unforeseen financial losses; for example, insurance excesses, or significant employment tribunal settlements.

The Council and the Local Authority Company also face the risk of reputational damage, particularly as expectations around corporate behaviour change and public scrutiny of business is heightened. Reputational risk is difficult to manage as it can emerge from anywhere within the Company or its supply chain, making it difficult to predict. The Company can mitigate this by engaging in more frequent dialogue with stakeholders to understand their views and monitor the external environment more systematically to identify the emerging reputational threats that put their relationships at risk.

It is important to recognise that the Company as a model of provision is tested and successful elsewhere and this is therefore not just a leap of faith but an evidenced solution for transfer of these vital services.

## 7.2 Exit Strategy

It is possible that for reasons within and outside the control of the Council and Company that failure occurs and an 'exit' decision is taken. Exit strategy options, at this stage, are an important consideration, of understanding the suitability of this option for implementation.

There are two fundamental reasons to consider an exit strategy and both hold different options:

### 1. Transition of Local Authority Company services into the independent market

Whilst it has been accepted that it is not appropriate or conducive at this stage to transfer these services to a fully independent state, the alternative options will continue to be available at a later date. This could mean that the Council sells some or all of the services within the Company after an initial contract(s); thereby transferring a successful enterprise to independence.

This can be achieved by a tender process to either a private or third sector organisation or by

transferring it to an increased level of independence through the creation of a Community Interest Company. This would still allow some Council influence of these strategically and statutorily important services.

There is also an opportunity to create a partnership with another organisation/company in the form of a public or private joint venture.

## 2. Failure of the Local Authority Company to deliver the proposed business plan

In the event of business failure or poor performance, the Council would need to consider alternative arrangements.

Whilst the business plan should provide confidence that the Company will be successful, it is important to recognise the risks of unforeseen circumstances undermining the success of the business.

There are two solutions:

- i. *Bringing the services back in to the Council.* This would be a relative quick and inexpensive solution. Whilst it would be a retrograde step it may also be popular with some, providing confidence to service users, carers, staff and unions and help to manage reputational risk.
- ii. *Move services to the independent sector.* Alternatively the Council could look to the market to take on these services although this would take some time to achieve and incur significant procurement costs. The reasons for the potential failure of the COMPANY as a business may also have an impact on the interest and response of the market and push up the costs. Therefore, an analysis of the costs of either bolstering the services or the Board versus making them attractive to independent providers would need to be undertaken.

### *What would be the impact of failure for Wirral Council?*

It is highly unlikely that business failure and the need to implement an exit strategy would occur overnight. The Company and Council as shareholder will have plenty of warning if the Company is not achieving its planned performance or is likely to become unviable. There will therefore be an opportunity to implement an improvement plan to bring the performance back in to line or if it is felt that this is unlikely, to look at the other alternatives discussed above.

The timing of any potential failure will be crucial though will be most likely to become apparent later in the contract. This should mean that the local market would be in a better position to take the transfer of any services than is currently the case. Alternatively there may be a need for the Council as shareholder to subsidise the Company whilst implementing an improvement plan.



## 8.0 Summary and Recommendations

### 8.1 Summary of the business plan

The Council is in a situation whereby it:

- Cannot continue the provision of services in-house – this is due to the need to take radical reductions in cost out of the Day Opportunities services over the medium term.
- Is unable to outsource the provision – this is due to the unattractiveness of the services being offered with the extreme cuts.
- Does not want to simply decommission – due to the impact on service users and the political decision as a result of consultation.
- Needs to establish key preventative services – needs to establish Local Area Co-ordination services that are vital to contributing to the future viability of the Families and Wellbeing budget.

This strategic business case sets out the vision, operational remit and financial plan that aims to overcome this context through establishing a Local Authority Company. This will be wholly owned by Wirral Council but be put into a commercial environment in order to thrive and compete.

This strategic business case demonstrates the potential for the Company to deliver:

- An increase in the flexibility and viable nature of way the services are run – being caused through a new identity and top management team that is focussed on the commercialisation of the provider services with a public sector ethos.
- An ability to trade and generate new income – this is a legal obligation gained through the new legal ownership structure created.
- The required MTP savings – this will be delivered without the need to decommission services that would have had to happen in the context of in-house or outsourced provision.
- Establishment of new preventative services – the supporting environment to set up and grow a new Local Area Co-ordination service that is crucial for the future sustainability of Families and Wellbeing directorate and Wirral Council commissioning.
- Maintenance of ‘provider of last resort’ – the ability to maintain a crucial statutory role in a commercial environment.

It will financially deliver:

- The achievement of £1.2m savings over a two-year period, contributing to all of the required savings that have been requested of the services in scope.
- It will achieve an additional £77k of savings in addition to MTP savings. This is against a context that no other route (except decommissioning the service) is possible to deliver the MTP budget reduction.

- Additional income through increased trading will be achieved in part through the Managing Director capability, business development focus and a marketing function tasked with service innovation (to be calculated during implementation).
- The Company can achieve savings and generate income from other sources such as direct payments, private funders and potentially other contracts from outside of the Council. This has not been included as a primary financial driver in the financial plan to ensure that it is prudent.

## **8.2 Assessment of the business plan against objectives**

### **8.2.1 Does it deliver the desired objectives?**

#### **1. Improving performance and productivity**

The Local Authority Company delivers improved performance in service delivery. It will provide the current services in a more flexible and viable manner.

In relation to the staff, productivity will improve and as such performance will be further enhanced. The viable approach to workforce management will deliver improved service outcomes being delivered.

#### **2. Ensuring future sustainability of services - through a viable marketable approach**

The Local Authority Company will secure the need to reshape and size services without the need for wholesale decommissioning. Through adopting a viable approach it allows new services to enter the market and existing ones to be protected whilst still delivering the financial challenges that it has been set.

#### **3. Managing financial pressures - through efficiency and additional revenue generation**

The Local Authority Company provides the mechanism that means over £1.2m savings from MTP can be identified and delivered. This is the only way the services in scope could deliver this target without decommissioning.

#### **4. Supporting the Council's ambition and objectives – through alignment of corporate principles**

The Local Authority Company will support the delivery of priorities and milestones set out in the Families and Wellbeing Directorate Plan and by strengthening the Council's role as a commissioning body.

### **8.2.2 Does it overcome the key challenges identified?**

This strategic business case has highlighted the importance of the challenges that have been raised to date in relation to this. This case provides comfort in the ability for these challenges to be overcome:

#### **1. Is the proposed Company being created too small to succeed?**

The turnover for the Company is estimated at £5.3m. This is a slightly smaller size to another successful Company that delivers similar services (Your Choice for LB Barnet).

#### **2. Can the Company grow in size and importance for other Council services?**

The strategic business case is not predicated on other services coming into the Local Authority Company. However, the proposed ownership and management structure would mean that it can easily provide for that kind of growth and would benefit from it. Our analysis to date identifies other Families and Wellbeing services that should be explored in implementation.

3. Would transferring more services into the Company lead to greater benefits?

Yes. The additional services assist in managing overhead and support costs in the most effective way. Where service delivery synergy exists further benefits can be delivered.

4. Can the Company generate the income required?

The project team believe it can, and this level of income raising is unambitious in relation to what has occurred elsewhere. All the service managers have been consulted on the level of ambition for the income and are confident that this can be delivered.

5. Can the Council implement the viable approach in-house?

In some areas the Council can hypothetically deliver this approach – for example in more effective workforce management. However, the evidence suggests that it cannot do so to the same extent as a separate entity would through a more viable and entrepreneurial approach particularly through the dedicated management expertise of the new entity. In other areas it cannot implement the same approach notably, the ability to trade.

6. Can the required MTP savings be delivered through outsourcing?

All market research has strongly provided the answer that it would not be able to in the timescales of the current MTP. The only manner at which the savings could be delivered is by outsourcing and reducing contract volumes or by decommissioning services.

### 8.3 Recommendations

This business case demonstrates a clear rationale for the establishment of a Local Authority Company that will deliver sustainable services whilst meeting MTP savings. There is also significant potential to include other services, generate greater revenue and deliver services more innovatively.

There is widespread support from key stakeholders including service users and carers for the Local Authority Company. There are multiple benefits, as reflected in the main body of this business case including:

- Increased flexibility of services
- Ability to trade and generate new income
- Ability to invest so that services can be reshaped
- Improving value for money
- Efficiency savings through improved workforce management and productivity
- Retaining the vital function of being the provider of 'last resort'
- Working collaboratively with other partners

It is therefore recommended that:

1. The Council approves the formation of a Local Authority Company
2. The Council defines the Company's strategic ambitions to plan to move towards an expanded commercial scope
3. The Council considers its Council-wide strategic approach and aligns its alternative service delivery models maximising the benefits of an expanded scope
4. An implementation programme is established to oversee the transition of services to the new Company
5. Cabinet receives regular updates on progression commencing in mid-September



This page is intentionally left blank



Wirral Council

Appendix B  
Stakeholder Engagement

4 June 2014



## Appendix B

### Stakeholder Engagement

Wirral Council values the experience and expertise of staff employed in Health and Social Care Services and the people who use these services, together with their parents and carers and wish to hear their collective voice and involvement to inform future direction. We believe that their involvement is essential to developing the personalised and responsive services we want to develop.

Here in the Wirral, there has been a considerable shift over the past few years to ensure that key stakeholders are involved in the planning, commissioning and delivery of health and social care.

For people to effectively contribute to the design and commissioning of services, they must feel that their input is valued. This can be achieved in a number of ways: being thanked, positive feedback and acknowledgement, practical assistance, training or personal development.

Whichever way we choose to reward and recognise their contribution, we will:

- Recognise the barriers to involvement and try to overcome them
- Try and include the broadest spectrum of staff, people who use services and their parents and carers
- Let their views and expertise be heard and influence what we do

Co-production is central to achieving our objectives of personalising services and increasing choice and control for people who use services and their carers. It will help Wirral Council to ensure that it meets their priorities and will be key to the quality and improvement of services.

### Co-design Project Reference Group

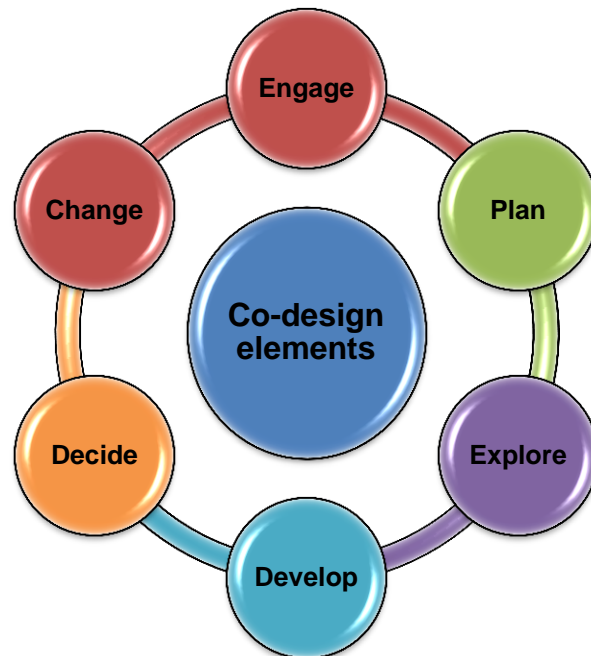
Wirral Council have sought a range of contributions from the community, people who use services, parents and carers and Council staff, including those who have been regularly involved in co-production and those who have never contributed before and individuals of both genders from a range of ethnicities, ages and socio-economic backgrounds to develop day services and day opportunities in the Wirral.





## Co-design Elements

There are six elements of co-design that will form the structure of the group working and providing the guiding principles of the project. A diagrammatic representation is shown below.



- **Engagement** - Establishing and maintaining meaningful relationships with people to understand and improve health and social care services. This critical element underpins all improvement work and is continuous throughout.
- **Plan** - Working with people and staff to agree the goals and establish how we will go about achieving them.
- **Explore** - Learning about and understanding people's experiences of services and identifying improvement ideas.
- **Develop** - Working with people to turn ideas into improvements that will lead to better experiences for people who use services
- **Decide** - Choosing what improvements to make and how to make them. Its success depends on an understanding of the customer journey and the insights about service improvement this offers.
- **Change** - Turning our joint improvement ideas into action. We will ensure that we make as many improvements in partnership with other stakeholders as we can.

## Co-design Roles

In order to shape and design an alternative delivery company for day services, the Council have sought out a diverse group of people who use services, parents and carers, Council staff and members of the community. We have sought individuals who possess a variety of the following qualities:

- 1. Results driven** – individuals with a ‘getting stuff done’ mind set, who want their actions to generate major positive impact. This means actively doing, not deliberating.
- 2. Passionate professionalism** – individuals with a mix of professionalism and passion. People bring their best to work, so they should bring their best to their co-production effort.
- 3. Collaborative co-operation** – individuals who understand the shared goals, identify with and are able to develop a highly added value partnership.
- 4. Dedicated contributors** – individuals who stick to their commitments. If they say they will contribute something specific, they do their absolute best to make it happen. They are problem solvers and find ways forward.
- 5. Constant champions** – Individuals who find ways to spread their collective ambition. The purpose and passion for the project integrates into their daily lives.
- 6. Energisers** – Individuals who provide energy for themselves and others. They collaborate, form friendships and have fun achieving their collective aims.
- 7. Group investors** – Individuals who think less about what they can get from the experience and more about what they can contribute and achieve as a group.

In shaping the new delivery company we also required some specific skills in:

- Service re-design
- Operating models
- Commerce
- Communications
- Marketing

The above were suggested skills but in addition we welcome any innovative practice to complement these.

## Co-design Responsibilities

The Co-design Project Reference Group is jointly responsible for two primary tasks:

- Representation of the people who use services, parents and carers, and staff who work in the services to develop ideas and alternative options for provision and delivery of services in order to produce a co-designed model



- Working in small groups to discuss stages of development of the delivery model, reviewing progress and providing information and feedback into the Co-design Project Reference Group following each meeting

This work includes the following:

1. Determine the vision, priorities and outcomes for the service
2. Undertake any analysis of the current service, including opportunities for the service
3. Outline suggested future service offers (service specifications)
4. Analyse the proposed new operating model, including partnerships with other services and organisations in the local community
5. Review progress against the goals, objectives, milestones and priorities of each phase of activity

The Council expects Individuals to bring a wide range of contributions to the table. It could be seasoned skills or raw energy. They could be one-off contributions or on-going commitments. Regardless of the particular contribution or the duration of an individuals' presence, if they want to take on the challenge then we want to hear from you.

All participants of the Co-design Project Reference Groups must use health and social care services (people who use services), reside (parents and carers), or work (staff) in the Wirral Borough area.

### Schedule of Co-design Meetings

Co-design Project Reference Groups	April	May	June	July
People who use services	25 <sup>th</sup> 28 <sup>th</sup>	7 <sup>th</sup> 14 <sup>th</sup> 28 <sup>th</sup>	3 <sup>rd</sup>	
Parents and carers		22 <sup>nd</sup>	3 <sup>rd</sup> 6 <sup>th</sup> 20 <sup>th</sup>	4 <sup>th</sup> 18 <sup>th</sup>
Staff	17 <sup>th</sup> 29 <sup>th</sup> 30 <sup>th</sup>	13 <sup>th</sup>	10 <sup>th</sup> 19 <sup>th</sup>	8 <sup>th</sup>
Local Community		8 <sup>th</sup>	9 <sup>th</sup>	

Each of the Day Service Managers received an initial briefing in the week commencing 7<sup>th</sup> April which outlined the scope of the work that would be undertaken as part of this process. Letters were distributed to all those people using services and their parents and carers inviting them to express an interest in participating in the Co-design Reference Group.



The sessions in the table above have been structured to ensure that each of the day centres has a meeting held specifically for their service. Care has been taken to ensure that as reflective representation as possible is achieved from people accessing each service centre. An additional evening session has been scheduled with parents and carers that are unable to access any of the sessions scheduled in the daytime.

### **Initial Work**

A draft vision, principles, strategic objectives and 'core offer' have been produced that will continue to be refined during this process.

### **Draft Vision**

'We believe that people should have opportunities to live the life as they chose and to receive the right support to enable them to be the best that they can and want to be.

We believe people with disabilities should have the lives they want to, and live how they want to live, have choice and access to homes of their own, equal access to education and employment opportunities, be supported to develop positive relationships, and to develop strong sustainable networks within the communities that they live.

Our services will support people to achieve the lifestyle that they chose and provide and receive the support where required. We will enable individuals to celebrate their individual strengths and achievements. We will enabling people to maximise their independence and stay safe, achieve economic well-being, make a positive contribution and become an integral part of their community, by being a valued citizen.'

### **Draft Principles**

- Personal – offering choice and control for individuals; maximising their autonomy
- Flexible – innovative support options; responding to people's needs and aspirations
- Local – we will support people to get involved in and contribute to their communities
- Trusted – safe, reliable services delivered by skilled staff
- Value for money – cost-effective and sustainable, without compromising on quality
- Collaborative – working with partners and local communities; supporting them to support people

### **Draft Strategic Objectives**

- Continue to deliver high quality services for people with disabilities that can change and respond to meet people's needs



- Offer services to a wider market, including people who do not meet current eligibility criteria, enabling services to grow and respond to the needs of their local community
- Successful transition of services to a commercial environment, promoting innovation and further developing a culture of continuous improvement
- Support the transformation of Adult Social Care, by promoting the Personalisation Agenda and complementing commissioning strategies that ensure people with disabilities have high expectations about what they can achieve and ensuring that we work to reduce inequalities.

### **Initial Feedback**

Our first meeting with parents and carers took place on Thursday 22<sup>nd</sup> May 2014 at Old Market House, Birkenhead. The meeting was an information sharing exercise to provide parents and carers with a summary of the work that has already been completed, for example the Cabinet report dated 13<sup>th</sup> March 2014 and the planning that is being undertaken in the development of a Local Authority Trading Company. The key points of the meeting are noted as follows:

- Project timeline is approximately 12 months (Apr 2013 – Apr 2014)
- V4 were engaged in January to review a potential shared service partnership with Cheshire West and Cheshire Council. It was determined that a partnership of this type would not be in the best interests of Wirral Council and its citizens.
- V4 were then requested to complete a feasibility study for an alternative delivery model where appropriate influence could be retained. Input from the previous consultations and key groups such as Wirral Carers Association was included.
- The best option recommended was a Local authority Trading Company, wholly owned by Wirral Council.
- Wirral Cabinet accepted this recommendation in March but asked for a full business case to describe the how the LATC could deliver the service sustainably and also deliver the required efficiency savings.
- The business case is currently being written in time for the Cabinet meeting on 19 June.
- If approved by Cabinet, then the project would be formally mobilised and due diligence would start in July 2014. The transition will take nine months, completing in April 2015.
- Health Services will be consulted and collaboration, if applicable, will be during implementation.
- The Co-Design Project Reference Groups can expect the following assurances:
  - We should expect to see our contributions valued and acted upon.
  - We will see changes based on our input.
  - Constructive challenges are welcome.
  - There was a promise to listen and act.



It was agreed at the meeting that the parents and carers group would meet every two weeks to complete the following activities:

- Develop the vision, mission and strapline
- Agree the principles, priorities and outcomes
- Analyse the current service
- Develop the core offer
- Develop the supplementary offer
- Develop the peripheral offer and expected partnerships
- Develop the new operating model
- Propose partnerships and collaborations

A schedule of workshops is outlined below:

Date	Time	Venue	Focus
Friday 6 <sup>th</sup> June 2014	9.00am – 1.00pm	Dale Farm	Vision, Mission & Strapline
Friday 20 <sup>th</sup> June 2014	9.00am – 1.00pm	Moreton / Oakenholt	Principles, Priorities & Outcomes
Friday 4 <sup>th</sup> July 2014	9.00am – 1.00pm	Highcroft	Core Offer, including an analysis of the current service
Friday 18 <sup>th</sup> July 2014	9.00am – 1.00pm	Pensby Wood	Supplementary Offer, Peripheral Offer & Partnerships
Friday 1 <sup>st</sup> August 2014	9.00am – 1.00pm	Dale Farm	New Operating Model & Partnerships / Collaborations

At the initial workshops with the Co-Design Project Reference Groups for people who use services, and staff and volunteers a set of questions were asked to gauge the position of the current day service operation. These questions are set out below:

1. What do learning disability support services mean to you i.e. day service, short break service, respite, etc.?
2. What support services have you experienced?
3. What do you think of the support services that you have experienced i.e. good/bad, helpful/unhelpful?
4. What are the things you most like about support services?
5. What are the things you least like about support services?
6. What do you most want for the future from learning disability support services?
7. What qualities do you think it is important for service co-ordinators to have?



8. What skills do you think it is important for service co-ordinators to have?
9. What principles and values do you think support services need to be based on?
10. What do you feel, if anything, needs to change for support services to meet peoples' needs as fully as possible in the future?
11. What could support services do to help people participate more fully in society?
12. What would support services need to offer to help people to have a good quality of life in society?
13. How can we make sure that support services are really accountable to the people who use services and provide the kind of support they want and need?

From the workshops that have been held to date, the following information has been collated:



Co-Design Reference Group – People who use Services			
Question	Dale Farm	Cambridge Road	Eastham Centre
<p><b>What do learning disability support services mean to you i.e. day service, short break service, respite, etc.?</b></p>	<ul style="list-style-type: none"> <li>• Dale Farm could be a wider service beyond / out of Wirral.</li> <li>• Why can't Dale Farm be involved in outside activities?</li> <li>• Dale Farm could link in with other rural projects – we need to identify what is going on outside – e.g. flower shows, festivals and become more involved.</li> <li>• Already we have strong networks and links with local community – but we could make them stronger.</li> <li>• Social and leisure training – we should have more say – we could talk about what we do to e.g. schools.</li> </ul>	<ul style="list-style-type: none"> <li>• We are interested in doing more activities out and about in the community</li> <li>• We come here as it is somewhere to go</li> <li>• When I come in here it gives my mum a break</li> <li>• If I did not come in here I would just sit at home all day</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting friends</li> <li>• Important to have something to do</li> <li>• Going bowling with support staff</li> <li>• Stops you from being bored and gets you out of the house</li> <li>• Here five days a week, going to different places, woodwork, hated college</li> <li>• Eastham is a good centre</li> <li>• Enjoy drama on a Wednesday</li> <li>• Like people to help us to do things</li> <li>• Learning lots of new skills, getting to know new people, drumming on a Thursday, like helping people to communicate</li> <li>• Want to help people to do things</li> <li>• Mum would be fed up with me, gives them and me a break, hair and beauty, sometimes</li> </ul>





			<p>somebody picks on me but staff can help me</p> <ul style="list-style-type: none"> <li>● Like coming to meet lots of people, some friends including a best friend and the staff, helps confidence</li> <li>● Helping people to achieve what they want to do and different activity groups</li> <li>● Bowling and all the people</li> <li>● All the staff and teamwork in the office. Would like to be the next manager</li> <li>● See all your friends, like the centre, lots of different things to do</li> </ul>
<p><b>What support services have you experienced?</b></p>	<ul style="list-style-type: none"> <li>● Day time activity is important to us otherwise I would be at home. I would also like a job.</li> </ul>	<ul style="list-style-type: none"> <li>● Day service and short breaks on holidays, we would like more organised day trips out to interesting places. I also attend Girtrell court and I would love to have holidays away, to places like York</li> <li>● At Girtrell Court I would like to go there when it suits me instead of being given allocated dates to stay</li> </ul>	<ul style="list-style-type: none"> <li>● We go to Girtrell Court to give the family a rest, would like a holiday somewhere else though, like to have more choices</li> </ul>



		there, I have to fit in with the services and it should be the other way round.	
<b>What do you think of the support services that you have experienced i.e. good/bad, helpful/unhelpful?</b>	<ul style="list-style-type: none"> <li>I've tried building based services and was bored. I like to be doing things.</li> </ul>	<ul style="list-style-type: none"> <li>We like the staff team</li> <li>It is somewhere to go, and I like going out in the community</li> </ul>	<ul style="list-style-type: none"> <li>Everybody thinks Eastham Centre is good</li> </ul>
<b>What are the things you most like about support services?</b>	<ul style="list-style-type: none"> <li>I enjoy rural settings and activities, horticulture. Being outdoors with the staff and volunteers.</li> </ul>	<ul style="list-style-type: none"> <li>Sometimes it is very busy and noisy in here and I don't like that</li> <li>I love the hustle and bustle of everyone in the service</li> <li>This should be a local service for local people, it is not designed to develop friendships, my friends go to other services</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>What are the things you least like about support services?</b>	<ul style="list-style-type: none"> <li>There's nothing I don't like about Dale Farm maybe if the weather's bad, although it is not a big issue. More work out and about in the community would be good.</li> </ul>	<ul style="list-style-type: none"> <li>The outside needs to be developed and made larger than it is</li> </ul>	<ul style="list-style-type: none"> <li>It could have better decoration, a place to go where it is quiet when you need to calm down</li> <li>It could open at different times, at weekends and at night time</li> <li>We would come back for a club in the evening</li> <li>Evening classes</li> <li>Open for community clubs at</li> </ul>



			<p>night</p> <ul style="list-style-type: none"> <li>Needs to be more colourful</li> </ul>
<p><b>What do you most want for the future from learning disability support services?</b></p>	<ul style="list-style-type: none"> <li>It is important that Dale Farm and Royden Park continue and develop</li> </ul>	<ul style="list-style-type: none"> <li>Crafts within the services would be great</li> </ul>	<ul style="list-style-type: none"> <li>Rug making</li> <li>Learning how to cook</li> <li>Football</li> <li>Working with the staff</li> <li>Photography</li> <li>Makaton</li> <li>Going to college</li> <li>Computer group</li> <li>Music fever</li> </ul>
<p><b>What qualities do you think it is important for service co-ordinators to have?</b></p>	<ul style="list-style-type: none"> <li>Staff should be patient and understanding as some people can be quite challenging. They should have a positive attitude and be pleasant and respectful.</li> </ul>	<ul style="list-style-type: none"> <li>Staff here are committed to us and they all like their jobs here and are good at them</li> <li>We like lively, fun, (not quiet) staff who will listen to what we say we want and then see things through</li> <li>We should have a choice about what we do when we are at the service</li> </ul>	<ul style="list-style-type: none"> <li>Computers and the internet</li> <li>Sign language</li> <li>Brokerage</li> <li>Listen (some do and some don't)</li> <li>Confidential</li> </ul>
<p><b>What skills do you think it is important for service co-ordinators to have?</b></p>	<ul style="list-style-type: none"> <li>Staff skills should include experience with supporting people, listening skills and be able to give information and advice.</li> </ul>	<ul style="list-style-type: none"> <li>Question answered above</li> </ul>	<ul style="list-style-type: none"> <li>Good sense of humour</li> <li>Training</li> <li>Driving the minibus</li> <li>Health and safety</li> <li>Tolerant</li> </ul>



			<ul style="list-style-type: none"> <li>• Can talk to them</li> <li>• Keep you safe</li> </ul>
<p><b>What principles and values do you think support services need to be based on?</b></p>	<ul style="list-style-type: none"> <li>• It is important to support people with personal care in a dignified way.</li> <li>• Staff should also have a good idea of what the service is doing; specialist knowledge – what and why they’re doing things in certain ways.</li> </ul>	<ul style="list-style-type: none"> <li>• We should have choice about what activities we are offered</li> <li>• We think the service is providing the right support for us when we attend</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
<p><b>What do you feel, if anything, needs to change for support services to meet peoples’ needs as fully as possible in the future?</b></p>	<ul style="list-style-type: none"> <li>• Adaptation – we need wider doorways so all buildings are suitable for people in wheelchairs.</li> </ul>	<ul style="list-style-type: none"> <li>• We need more resources around staff and activities on offer, for example, swimming</li> <li>• The building is OK, smaller groups would be much better as the larger groups in the hall are a bit noisy sometimes, so smaller places may be better</li> <li>• Sometimes people are walking in and out of the rooms when activities are going on and this disturbs us</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
<p><b>What could support services do to help people participate more fully in society?</b></p>	<ul style="list-style-type: none"> <li>• We already do participate in the community. We need more signs to let people know where we are. Dale Farm is 40 this year - this needs some publicity.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistency of staff is very important, we need to make sure there is a mixture of female and male staff here to meet our support needs properly</li> </ul>	<ul style="list-style-type: none"> <li>• Better safe public transport</li> <li>• Open days</li> <li>• Library group</li> <li>• Open for the community to use</li> </ul>



		<ul style="list-style-type: none"> <li>Staff should continue to help us build community links and support us to develop relationships</li> </ul>	<ul style="list-style-type: none"> <li>Going out for lunch</li> <li>Lyndale special school</li> <li>Volunteers</li> <li>Student nurses</li> <li>School children</li> </ul>
<p><b>What would support services need to offer to help people to have a good quality of life in society?</b></p>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Learn to cook and iron, confidence to do things for themselves</li> <li>Helping other people</li> <li>Running errands for friends</li> <li>Posting leaflets through doors</li> </ul>
<p><b>How can we make sure that support services are really accountable to the people who use services and provide the kind of support they want and need?</b></p>	<ul style="list-style-type: none"> <li>We'd be interested in meetings with reps from other day services involved in a monthly group. We can be part of deciding what we can improve on, issues etc. as an advisory board.</li> </ul>	<ul style="list-style-type: none"> <li>If people are happy with things as they are, please listen to them (see and hear the person and not the disability) listen to us!</li> </ul>	<ul style="list-style-type: none"> <li>Nobody knows what the future holds</li> <li>Important to be part of any changes</li> <li>Happy to be part of this group in the future</li> <li>Would like a say in the future for Eastham</li> </ul>



<b>Co-Design Project Reference Group – Staff and Volunteers</b>	
<b>What do learning disability support services mean to you i.e. day service, short break service, respite, etc.?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>To support people in a building based service, although there is some service using community settings this needs to be increased.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>Respite for parents/carers &amp; individuals, oversee individuals well-being, support network, social interactions in a safe environment, place of opportunity, support individuals with what they want to do and to achieve their goals, social settings, supported living enabling individuals to live in their own home and gain some independence back.</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li></li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>Support services should not be only for ‘learning’ disabilities but all disabilities, including those who have multi-disabilities.</li> <li>Disability support services should be to provide the means and environment for the ‘vision’ to be put into practice.</li> <li>Support services should not be separated from the rest of the community.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li></li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>A menu of high quality services that are appropriate to the needs of the client/clients at any given time enabling them to maximise their potential and live as full and active a life as is possible on their own terms</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li></li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>Accessibility close and wider community</li> </ul>
<b>What support services have you experienced?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>Day Services, Respite and residential</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>Social workers, Ashton House (health) sports &amp; leisure, Advocacy, other day services, respite, supported living, other agencies i.e. Mencap, Transport.</li> </ul>



<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>• All working alongside other agencies e.g. multi-disciplinary teams.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>• Day Services, Residential Services (both within Local Authorities and the Private Sector), NHS, Schools</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>• NHS, Wirral Mind, Wirral Autistic Society, CVS, Advocates-regard partnership, Respite, Haven Day Services</li> </ul>
<b>What do you think of the support services that you have experienced i.e. good/bad, helpful/unhelpful?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>• There some excellent things going on but some are still not accessible to all who want different services and activities. We feel services can give more choice and empower people. We agreed some were good / unhelpful</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>• CADT to social work team - poor communication, different standards across day services, transport issues, services not used to full potential i.e. working life</li> <li>• Never ending resolution, limited to CADT and Social Worker Team</li> <li>• Poor transition into supported living</li> <li>• Different standards across day services</li> <li>• Day services offer group activities and not individualised</li> <li>• Transport services not utilised to full potential</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>• Freedom to move between the services</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>• Excellent – being helpful, good quality providing choices and opportunities.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>• There is a great deal of quality and commitment but this isn't consistent across the board</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>• Freedom to move between the services</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>• Natural innovation – terrible to work with, not service user lead</li> <li>• Majority very supportive at point of contact, but then dwindles off</li> </ul>



	<ul style="list-style-type: none"> <li>● Breakdown in communication</li> <li>● CPN, no longer share or hold reviews</li> </ul>
<b>What are the things you most like about support services?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>●</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● The range of activities</li> <li>● Outside agencies i.e. Mencap</li> <li>● Partnership working</li> <li>● Individual choice and control over activities</li> <li>● Different range of groups</li> <li>● Working with and supporting families</li> <li>● Enriching lives</li> <li>● Seeing people achieve their goals</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>● Working with a teams across services Dale Farm and Royden</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Offering flexibility. Accessible services – trusted by people using them. Supporting people to reach their goals, outcomes and potential.</li> <li>● Be innovative and open to improved ideas.</li> <li>● Practice personalisation.</li> <li>● The move to becoming community hubs and work with the community as a whole.</li> <li>● To be known as a friendly welcoming service – have a good reputation.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>●</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● Quality support services should help and encourage greater independence, develop a sense of belonging and community, promote friendship and individuality and allow active participation in decision making</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Working with a teams across services Dale Farm and Royden</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Wide range, out in the community</li> </ul>





	<ul style="list-style-type: none"> <li>• Holidays, respite to do normal things</li> </ul>
<b>What are the things you least like about support services?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>• Stigma attached to the traditional barriers and restrictions</li> <li>• Lack of communication</li> <li>• Lack of resources</li> <li>• Institutionalised</li> <li>• Lack of knowledge on the service by higher management</li> <li>• Educating parents / carers</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>• Restrictions, barriers e.g. transport, financial restraints, bureaucracy, lack of purchase choice.</li> <li>• State of some buildings – lack of maintenance.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>• Transport issues .....</li> <li>• Lack of consistency can also be an issue : people should get the same standard of service wherever they attend/visit</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>• No /Poor internet/telephone connection to remote site such as Royden time wasted undertaking calls outs to IT services and wasted time waiting for communications to be restored. Currently all documentation via internet intranet through one line is completely inadequate. Staff team of 5 sharing one Line phone line through their computers with 0.6 meg of connectivity Internet off more than on currently. Currently on BT Business Package.</li> <li>• New internet provider with high speed connectivity required. Lack of internet has a major and significant impact and the ability to run effectively</li> <li>• Excessive requests for the same information excessive duplication of paperwork numbers statistics</li> </ul>



	<ul style="list-style-type: none"> <li>● Restriction on purchasing goods and services time waiting for goods</li> <li>● Letters sent to parents' carers and users around the changes Transformation of Adult Day services to parents and carers to be understood clearly. Some parents do not fully understand the corporate wording or messages.</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Budget restrictions</li> <li>● Service dictating what the person wants</li> <li>● Not person lead – it is all money lead</li> <li>● Change without thought to people who access services</li> </ul>
<b>What do you most want for the future from learning disability support services?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● To have a holistic approach to supporting an individual. To enable people to have support meeting their aspirations from social activities in the community, independence, living independently (housing links) Employment and Training. Wider choice, equal opportunities to access community events, to participate in committees to promote changes within all community groups. To have input with health care, more advocacy groups. Staff to be registered.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● A job</li> <li>● More standardisation, more opportunities, less silo working</li> <li>● More integration in the local community</li> <li>● Sense of wellbeing – happy service users</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>●</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● To be able to offer our vision. Be an active part of the community. Have more links with community groups and facilities. To offer the community our facilities as well.</li> <li>● Be visible and known. Have use of marketing facilities. Be promoted.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>●</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● High quality services that make an impact and have a positive effect on the lives of everyone involved</li> </ul>



<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Freedom to try new ideas with gradual planned changes with our network of organisations and community partners. Services with similar offers of experience.</li> <li>● The Authority and approval for new builds and explore the asset transfers in terms of buildings to work with Park's and Countryside to develop our innovations highlighted in our business plan and Re-Thinking Park's Bid through VCA Wirral.</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Happy, support, life from worry. People need to feel valued</li> <li>● Service dynamic and tailor made for the person</li> <li>● Fulfil aspirations in life.</li> </ul>
<b>What qualities do you think it is important for service co-ordinators to have?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● A wide knowledge of what's out there and be part of, individualised support on the person not focused on service that is provided. To be approachable, have empathy and understanding. Understand the pressures of carers / parents. Realistic outcomes, excellent communication skills.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● Motivation</li> <li>● Flexibility</li> <li>● Respect</li> <li>● Vision</li> <li>● Patience</li> <li>● Initiative</li> <li>● Communication</li> <li>● Empathy</li> <li>● Challenging injustice</li> <li>● Realistic Goals</li> <li>● Honesty</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>● Team felt that the role of the coordinator position needs to be clarified.</li> </ul>



<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Be pro-active, be open, transparent, honest. Be supportive and listen. Be trust-worthy.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>● What is a service co-ordinator? The Manager?</li> <li>● If the Manager, qualities need to be adaptable, business skills, ability to read the market, consistency and ability and power to make decisions.</li> <li>● We feel that the management teams should be the focus for skill building. Feel that there is a need to undertake something around business networks to help identify local opportunities.</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● Compassion</li> <li>● Understanding</li> <li>● Empathy</li> <li>● Sensitivity</li> <li>● Quick-thinking/decisive</li> <li>● Assertive</li> <li>● Realistic outcomes</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Team felt that the role of the coordinator position needs to be clarified.</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Trained in the area, having a good understanding for wood</li> <li>● Thinking, enthusiastic, able to access range of services, dynamic and flexible.</li> </ul>
<b>What skills do you think it is important for service co-ordinators to have?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● Patience, communication skills, knowledge of organisation, agencies and the backgrounds. Respect different job roles/titles work as part of a wider team to meet needs.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● Confidentiality</li> <li>● Initiative</li> <li>● Open and honest</li> <li>● Good communication</li> <li>● Reliable</li> </ul>



	<ul style="list-style-type: none"> <li>● Good numeracy, literacy and IT</li> <li>● Training</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>● Not sure of the role</li> <li>● Commitment?</li> <li>● This question raised some issues around the restructure and of the staffing prior to start of a LATC</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Good communication skills. Organisation skills. Be able to promote the service. Be able to co-ordinate partnerships. Have full knowledge and awareness of the service.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>● Social Care qualifications / management qualifications to set a standard.</li> <li>● Communication, motivating, business skills, spot talents in others and maximise others skills and abilities. Able to be trusted by stakeholders and encourage engagement.</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● Good listeners/communicators</li> <li>● The ability to build relationships: 1:1, between team/business units, external partners, potential funders, etc</li> <li>● Dynamic team leaders</li> <li>● The ability to be responsive/flexible</li> <li>● The ability to demonstrate an understanding of the principles the empowerment of people who use services and their carers</li> <li>● Awareness of equal opportunity issues</li> <li>● Knowledge of appropriate legislation</li> <li>● Good verbal and written skills</li> <li>● To be effectively proactive as well as reactive</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Not sure of the role</li> <li>● Commitment?</li> <li>● This question raised some issues around the restructure and of the staffing prior to start of a LATC</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Communication, work in multi-disability levels.</li> </ul>



	<ul style="list-style-type: none"> <li>● Having a vision to move people forward</li> <li>● A range of comparison levels – build bridges for relationships in the wider community</li> </ul>
<b>What principles and values do you think support services need to be based on?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● To be honest, provide choice, to promote trust, respect, high standard, be able to assess and provide a quality service. To provide realistic aims and achievements.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● Value for money</li> <li>● Code of practice</li> <li>● Ownership</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>●</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Those already stated.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>● Based on relevant support which is what the person wants, timely and aspirational.</li> <li>● Link up with other services not specifically designed for disabled people to improve opportunities and diversity.</li> <li>● Services giving respect to other cultures and creating an environment where people from other cultures might want to use. Research what this is! The principle of a service for everyone.</li> <li>● The right amount of Support, dignity and respect, flexibility to be innovative, empathy and person centred approaches.</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● Respect</li> <li>● Trust/honesty</li> <li>● Commitment to providing services that enable people to explore their talents and skills and fulfil their potential</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Honesty, as well as timely responses.</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Caring nature, visualisation, good quality, honesty, trust, variety</li> </ul>
<b>What do you feel, if anything, needs to change for support services to meet peoples' needs as fully as possible in the future?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● We looked at the LATC wheel and feel this will meet the needs in the future. We also felt highly motivated</li> </ul>



	<p>flexible staff team</p> <ul style="list-style-type: none"> <li>● Will be able to achieve and meet the aspirations and outcomes of individuals. Not to work in silos and think we know best, work with other agencies that have different knowledge and skills. Stability for staff in job role.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● Consistency</li> <li>● Culture</li> <li>● Less consultations</li> <li>● Resources - access to equipment</li> <li>● Time frames</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>● Better transport links to remote site like Royden / Dale Farm</li> <li>● Dedicated routes for local people to ensure they have access to the variety of activities and experiences all day therefore getting value for money</li> <li>● Links with other organisations such as Wirral Transport and Bus Companies</li> <li>● Marketing selling our services through high speed Internet access</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Flexibility &amp; bureaucracy. Transport and Maintenance of the buildings. Easier access to resources.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>● Less red tape and ability to spend on what's needed, work outside of the box, make business and community partnerships, apply for external funding.</li> <li>● One to one services could be developed as well as holidays provided by staff who people trust.</li> <li>● For staff: Valued Performance incentives to motivate staff and give a feeling of pride and wellbeing towards employer. An annual leave day would be popular or monetary bonus. Letters to staff from Director to staff to congratulate for long service or other achievements – such as no sickness in a year.</li> <li>● Attention to attendance management procedures applied consistently across services - new system that supports managers to obtain support and consistency?</li> <li>● Sharing of resources across sites</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● The courage to take more innovative/creative approaches</li> <li>● Increased awareness of and an openness to new ideas/approaches/opportunities etc.</li> </ul>



<b>Royden Park</b>	<ul style="list-style-type: none"> <li>• Better transport links to remote site like Royden / Dale Farm</li> <li>• Dedicated routes for local people to ensure they have access to the variety of activities and experiences all day therefore getting value for money</li> <li>• Links with other organisations such as Wirral Transport and Bus Companies</li> <li>• Marketing selling our services through high speed Internet access</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>• Tailor made and not dictated from above</li> <li>• Budget, smoother way to get jobs done without red tape</li> <li>• Culture and operation change</li> <li>• Change of mentality</li> <li>• Thought put in systems</li> </ul>
<b>What could support services do to help people participate more fully in society?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>• More community based services accessing community groups, increase peoples profile by supporting them in making decisions within their community, having a voice in planning, working alongside counsellors when making decisions a platform to put their point of view.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>• Engage more with local groups</li> <li>• More accessible disability changing areas</li> <li>• More evening groups</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>• Up to date marketing tools so as we can compete on a level playing field.</li> <li>• Collaborate and join up more closely services offering similar opportunities to Royden / Dale Farm reducing competition and there by strengthening and specialising our offer.</li> <li>• A Link up with transition staff at schools to help to assist parents and users make an informed choice</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>• Open door commitment.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>• Improve mobility / access to transport options.</li> <li>• Promote skills of people with a disability – open days and community participation, charities, local groups.</li> </ul>





	<ul style="list-style-type: none"> <li>• Attendance at LD conferences – educate disabled people about what’s happening in the world – that’s its ok to talk about their disability and get information about it / with support to understand it.</li> <li>• Host regional conferences locally.</li> <li>• Advocacy having more of a presence in services.</li> <li>• Staff taking part in person centred approach training on regular basis</li> <li>• Create opportunities to assist the local community to meet the needs of disabled people e.g. Hoists at the pool side, accessible gardens.</li> </ul>
<p><b>Masque Theatre</b></p>	<ul style="list-style-type: none"> <li>• By pushing the walls out - the increased use of community based facilities (becoming an active and vital resource within the community)</li> <li>• Promoting opportunities to gain confidence, life/social skills</li> <li>• Increasing resources and support to promote greater independence (increased ability to make informed decisions and choices)</li> </ul>
<p><b>Royden Park</b></p>	<ul style="list-style-type: none"> <li>• Full accessible high speed internet in remote sites to sell and market our services</li> <li>• To have more services that are community based with the general public like Royden.</li> <li>• Join up similar services Royden / Dale offering similar training and experience</li> <li>• Assist and support from teams for income generation through ideas.</li> <li>• Allow time for staff teams to develop ideas gradually.</li> <li>• Dedicated Team that specializes in Person Centred Planning from School to working life between the services</li> <li>• Wirral Parks and Open Spaces Strategy 2014-2024 will be undertaking a detailed review of all parks and land this summer. It is important that support services will need the backing to ensure we can have an equitable tendering process for land space and any building transfer and negotiate community right to request for public buildings. We want to expand areas within the walled garden and within identified areas within Royden Park We have researched the possibilities to have new accessible buildings that could help develop our offer of a variety of activities throughout the year for more people and the public. Funding for new builds will help</li> </ul>



	<p>develop ideas within our business plan and (Rethinking Park's bid). Land Reallocation programme will identify sites in Wirral Park's and Open Spaces</p> <ul style="list-style-type: none"> <li>● Negotiate the best terms and conditions for existing services such as Royden Park community transfer in terms of Land Assets and Buildings within all Wirral Parks and Open Spaces there by offering more services to more people in the community . Transport dedicated routes that would assist people access their services locally</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● More integration</li> <li>● More community based services</li> <li>● Better communication</li> </ul>
<b>What would support services need to offer to help people to have a good quality of life in society?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● What would support services need to offer to help people to have a good quality of life in society? Be diverse, think out of the box to meet people's needs, work in partnership with all sectors, discourage silos, work together, work with people's skills looking at what they can do, increase the profile within the community, show case skills and abilities to the general public, encourage participation in front line services, work with private independent sector to achieve this.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● Better transport</li> <li>● More flexible opening hours</li> <li>● Easier access</li> <li>● Improve community awareness to integrate more</li> <li>● Concise information</li> <li>● Sign posting</li> <li>● Evening services</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>● Consistency. Choice, Variety Routine, Planned work training, Skilled trained staff in other areas in addition to Social Care qualifications.</li> <li>● Identify services that cater for people across the autistic spectrum and highlight the developments and</li> </ul>



	<p>innovations already in place at Royden / Dale Farm</p> <ul style="list-style-type: none"> <li>● Access –Affordable Transport</li> <li>● Personal budgets explained to parents and carers during transition from school life to working life</li> <li>● Personal budgets explained to parents and carers of sons or daughters that do not currently pay or have not paid non chargeable in the past</li> <li>● Advocacy advice and support for those that currently have a 5 day service that might not be able to afford a service in the future.</li> <li>● High Quality internet access with Social Media to market the business</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Safe access to the community.</li> <li>● Safe places to meet.</li> <li>● Round the clock services.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>● Capacity to work 1:1 and to involve families and advocates more in reviews.</li> <li>● For social workers to review more often or at all the needs of the person.</li> <li>● To also be able to have access to SW for changing needs such as ageing – access to and support to access more appropriate services.</li> <li>● Person centred approach.</li> <li>● Social Worker to work with services? May be encourage SW to hot desk at the centre - this could be an advice point for service staff to enable quicker more efficient decision making. SW on site might improve reviews and PCP outcomes.</li> <li>● Hours of operation to be reviewed to include evenings and weekends where appropriate.</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● A bridge into the community – informal mentors / 'buddies'; volunteer support; access to appropriate advocacy</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Consistency. Choice, Variety Routine, Planned work training, Skilled trained staff in other areas in addition to Social Care qualifications.</li> <li>● Identify services that cater for people across the autistic spectrum and highlight the developments and</li> </ul>



	<p>innovations already in place at Royden / Dale Farm</p> <ul style="list-style-type: none"> <li>● Access –Affordable Transport</li> <li>● Personal budgets explained to parents and carers during transition from school life to working life</li> <li>● Personal budgets explained to parents and carers of sons or daughters that do not currently pay or have not paid non chargeable in the past</li> <li>● Advocacy advice and support for those that currently have a 5 day service that might not be able to afford a service in the future.</li> <li>● High Quality internet access with Social Media to market the business</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Fully integrated IT system accessible by all services. Linked procurement system, booking systems for service</li> <li>● Staff more interchangeable and flexible to follow demand</li> <li>● Skills match</li> </ul>
<b>How can we make sure that support services are really accountable to the people who use services and provide the kind of support they want and need?</b>	
<b>Best Bites</b>	<ul style="list-style-type: none"> <li>● Regular inspections, registered staff, review services on a regular basis, what outcomes have been achieved, involvement in planning services, participating in service development. Update training for staff, invest more.</li> </ul>
<b>Cambridge Road</b>	<ul style="list-style-type: none"> <li>● Documentation</li> <li>● Reviews that are outcome lead</li> <li>● Committees – service users / carers</li> <li>● Personal plans</li> <li>● Continued monitoring, feedback (both ways) and evaluation from service users / carers to ensure outcomes are being met.</li> </ul>
<b>Dale Farm</b>	<ul style="list-style-type: none"> <li>● By giving them a voice in the decision making.</li> <li>● Offering quality and variety in a setting that is real community asset.</li> </ul>
<b>Eastham &amp; Highcroft</b>	<ul style="list-style-type: none"> <li>● Involve/Include people. Get feedback. Ask them. Support them to answer.</li> </ul>



	<ul style="list-style-type: none"> <li>● Maintain continuity and support people through changes.</li> <li>● What regulatory systems/ boards will be in place. Include them in that and ensure all on the boards, including elected members, are following the needs and wishes of those using the service.</li> </ul>
<b>Heswall &amp; Pensby Wood</b>	<ul style="list-style-type: none"> <li>● Involve people in the design of the service – shift the balance of power.</li> <li>● Yearly evaluations</li> <li>● Real consultation that is accessible for users of services and their carers – attention to wording and non-corporate.</li> <li>● Feedback given after consultations to inform people of the outcome.</li> </ul>
<b>Masque Theatre</b>	<ul style="list-style-type: none"> <li>● Service users need to be an integral part of the decision making process wherever possible/appropriate – to attend management meetings, be part of policy reviews, etc.</li> </ul>
<b>Royden Park</b>	<ul style="list-style-type: none"> <li>● Offering quality and variety in a setting that is real in the community.</li> <li>● Quality for a full days service</li> </ul>
<b>Star Design</b>	<ul style="list-style-type: none"> <li>● Governance from outside body like CQC</li> <li>● Certified and registered external</li> </ul>

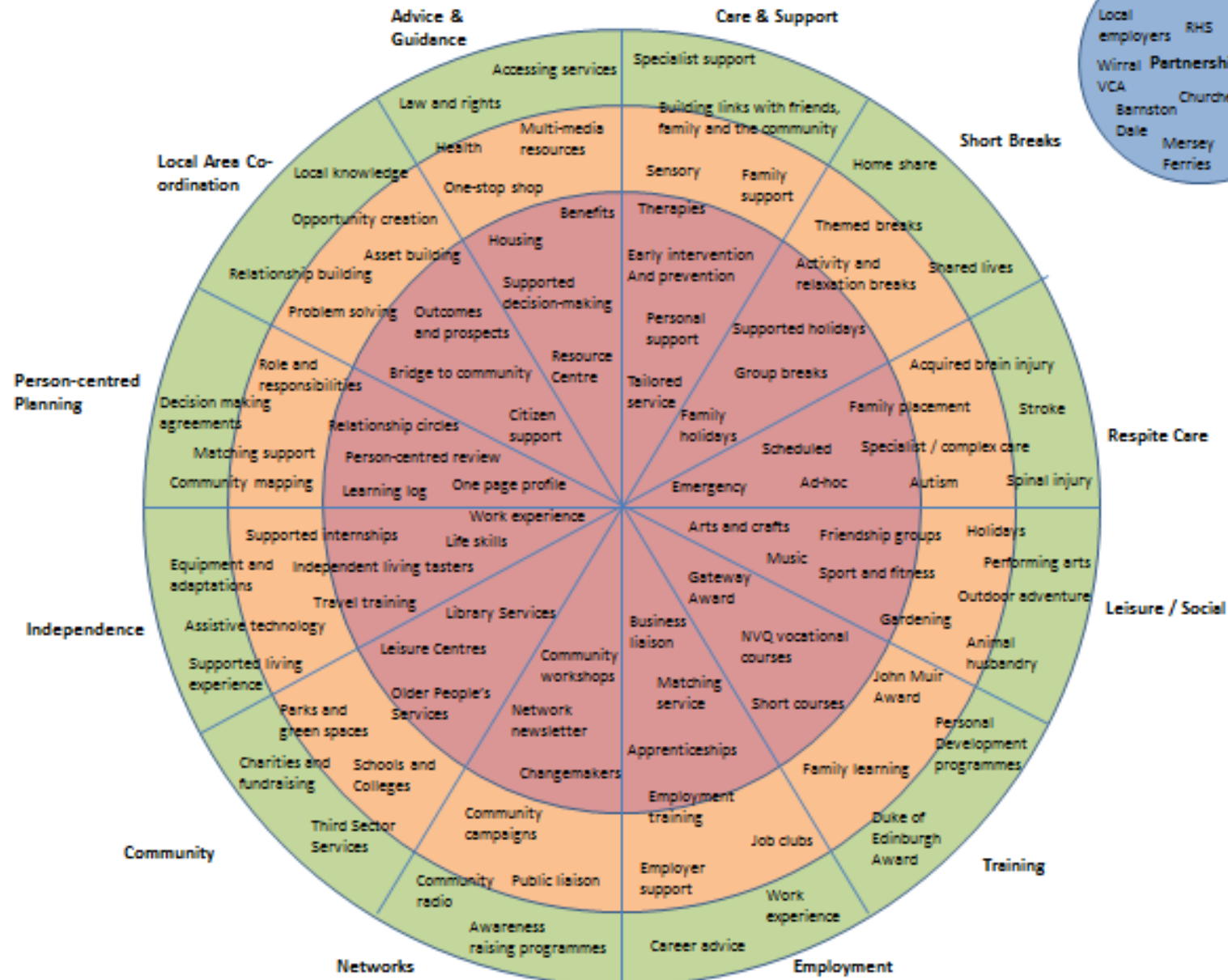


**Draft 'Core Offer'** – see next page

**Draft Day Centre Offers** – see following pages



## Support Services for People with a Disability Local Authority Trading Company



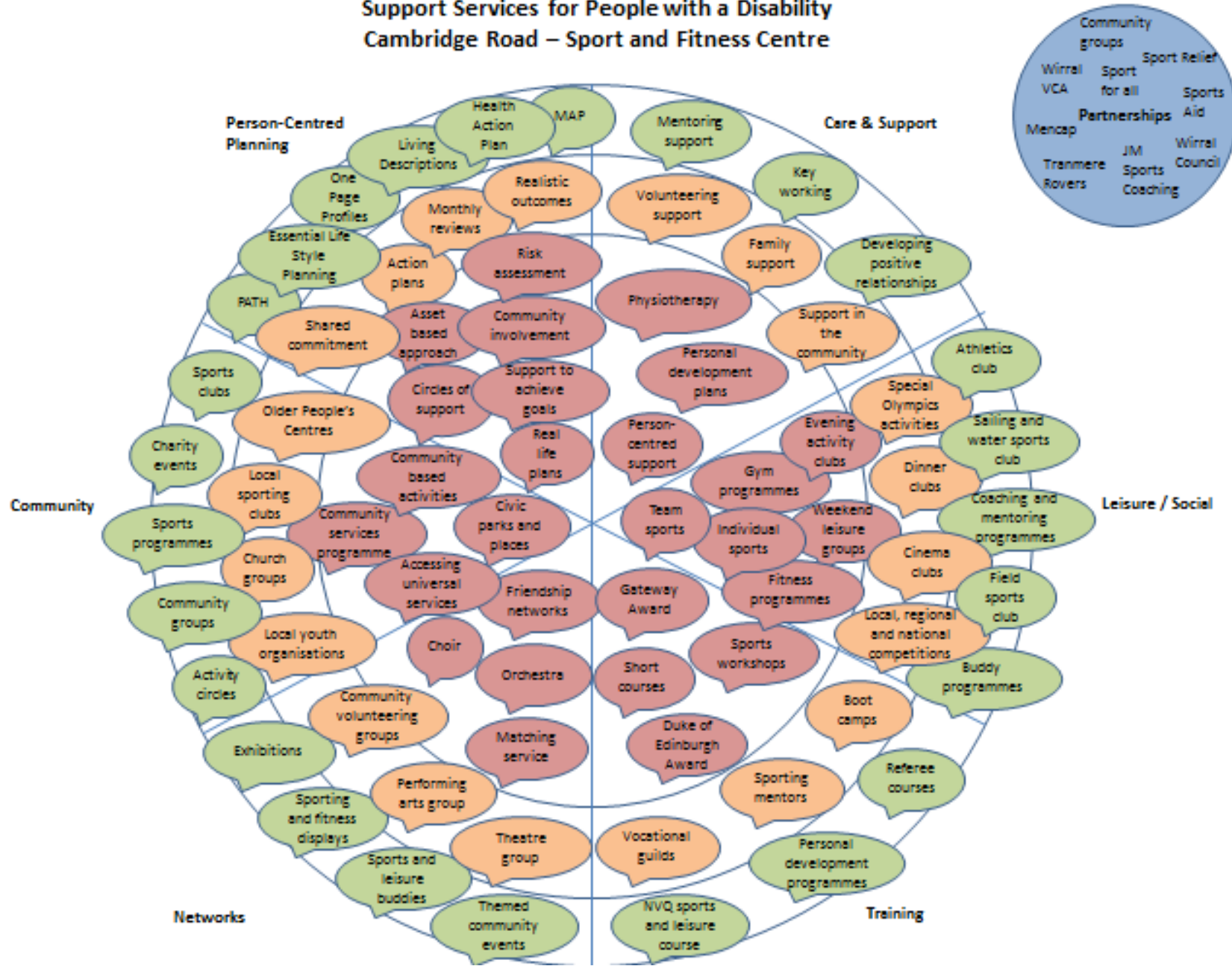
### Support Services for People with a Disability Best Bites – Employment and Training Project (Catering)



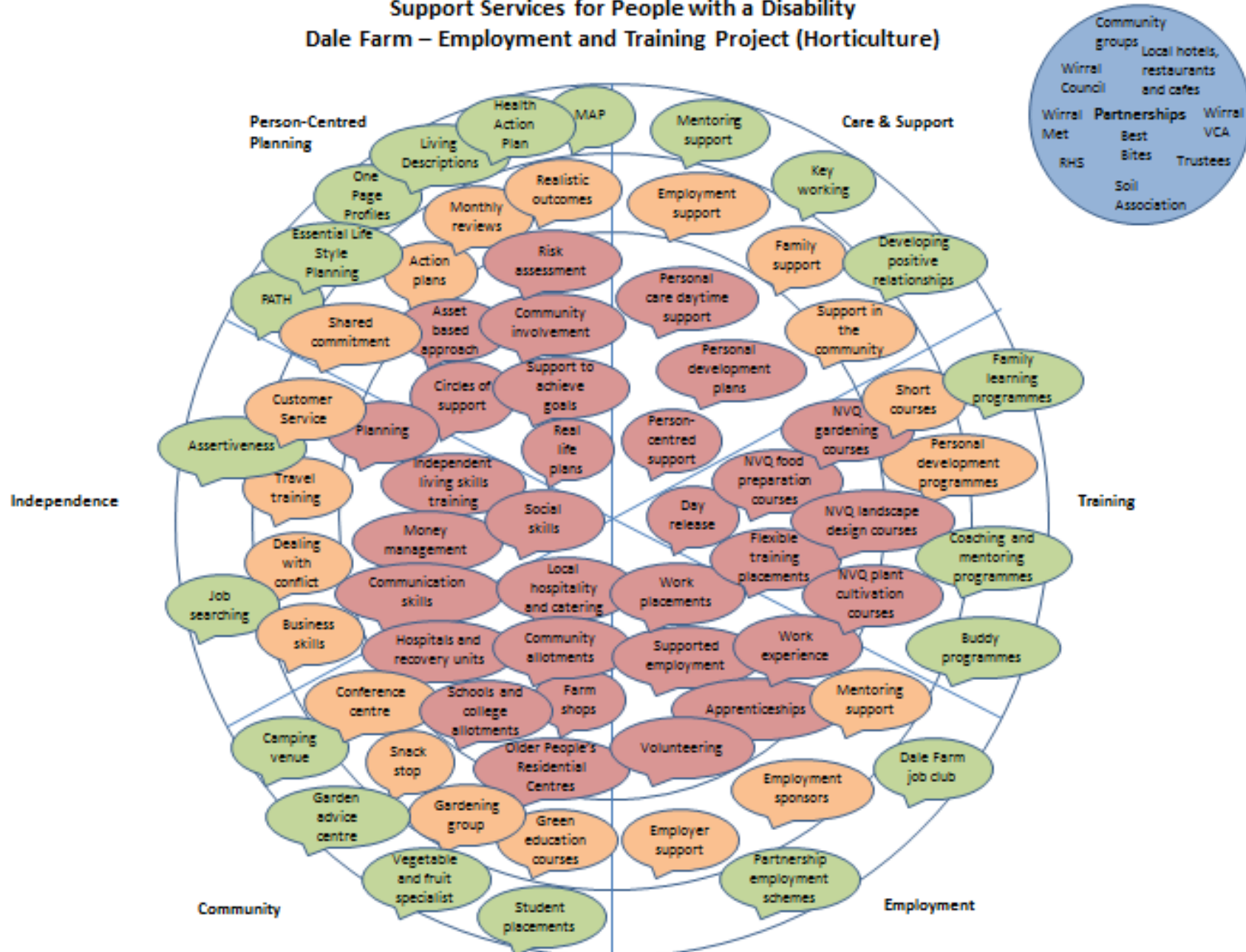
Page 156



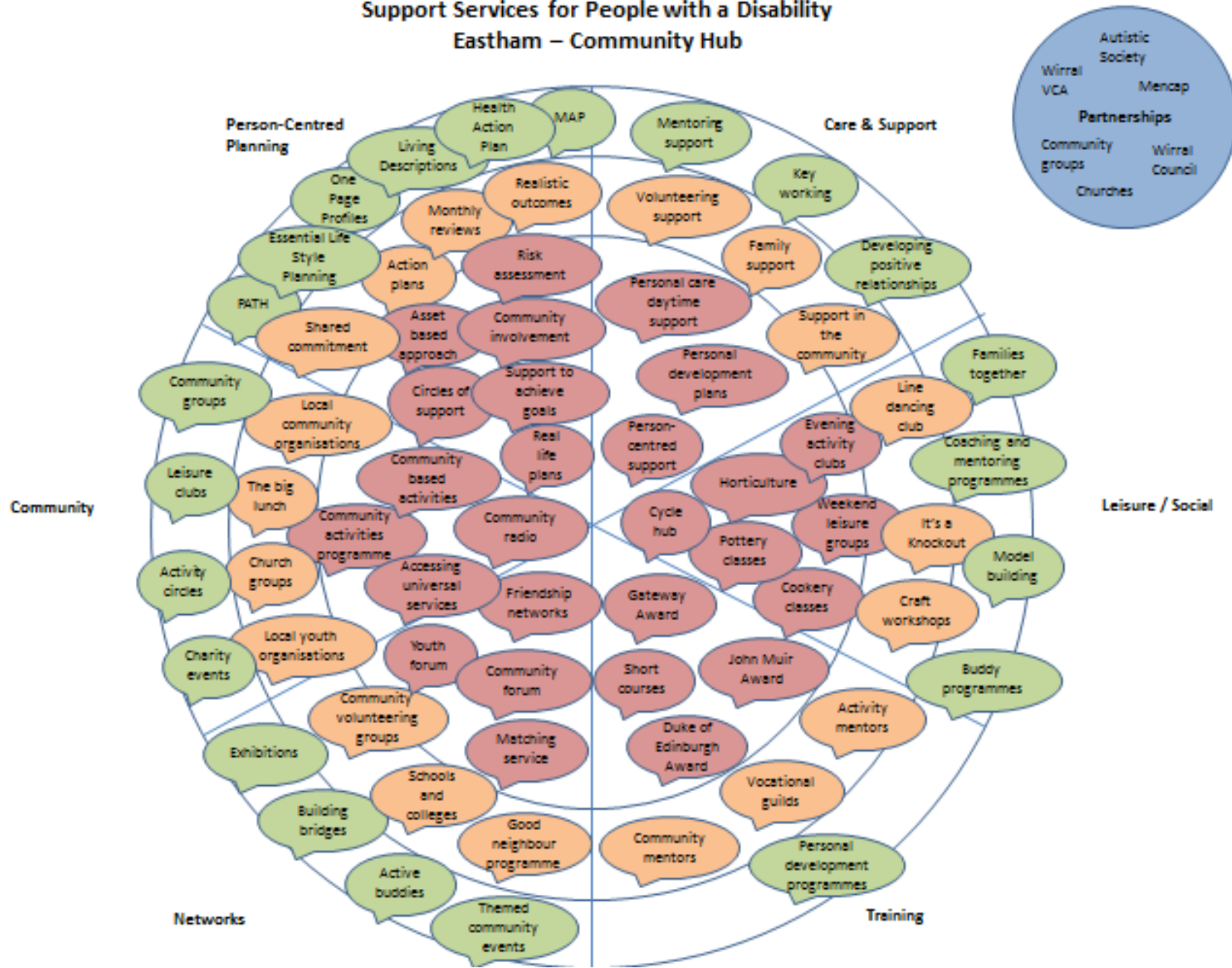
### Support Services for People with a Disability Cambridge Road – Sport and Fitness Centre



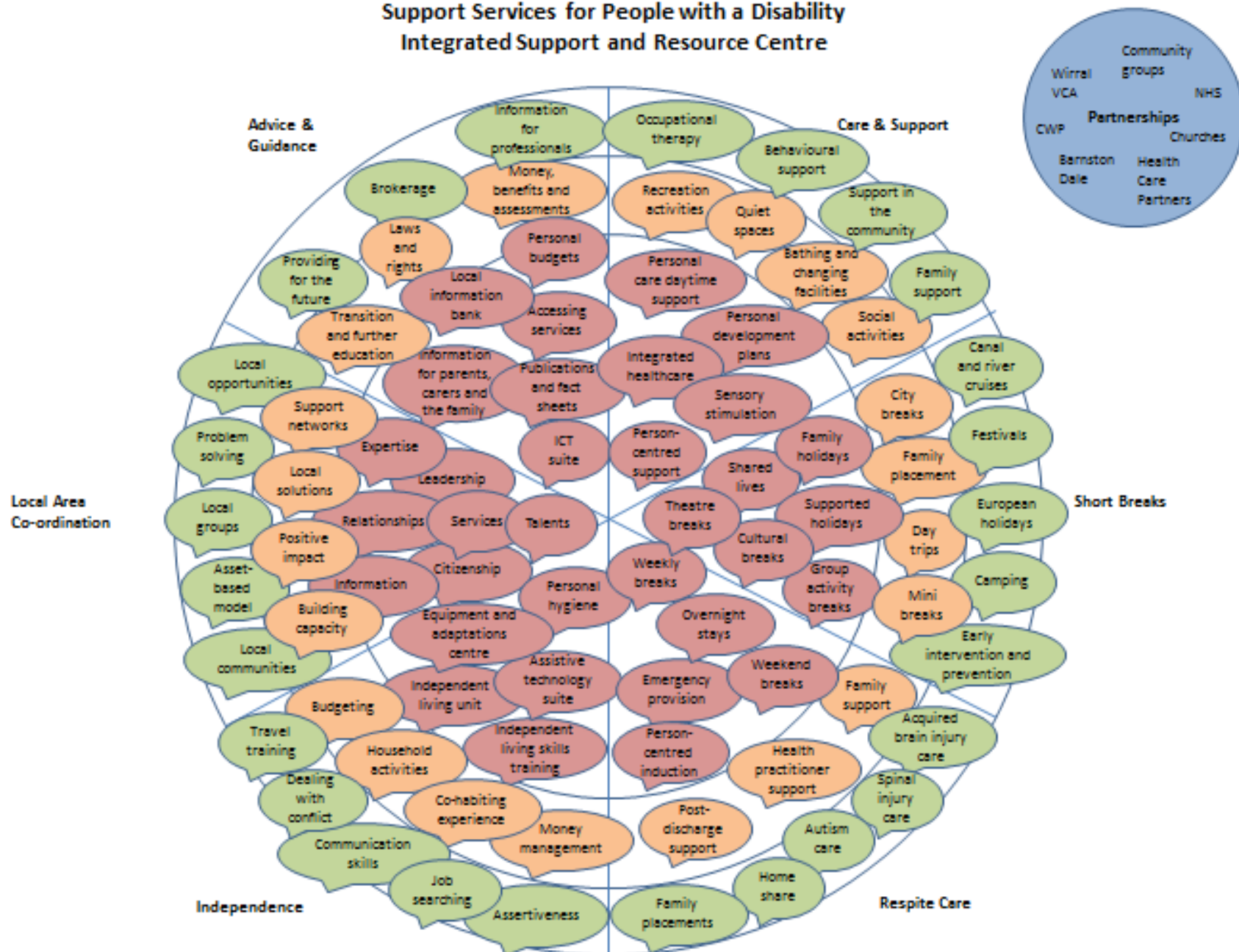
### Support Services for People with a Disability Dale Farm – Employment and Training Project (Horticulture)



### Support Services for People with a Disability Eastham – Community Hub



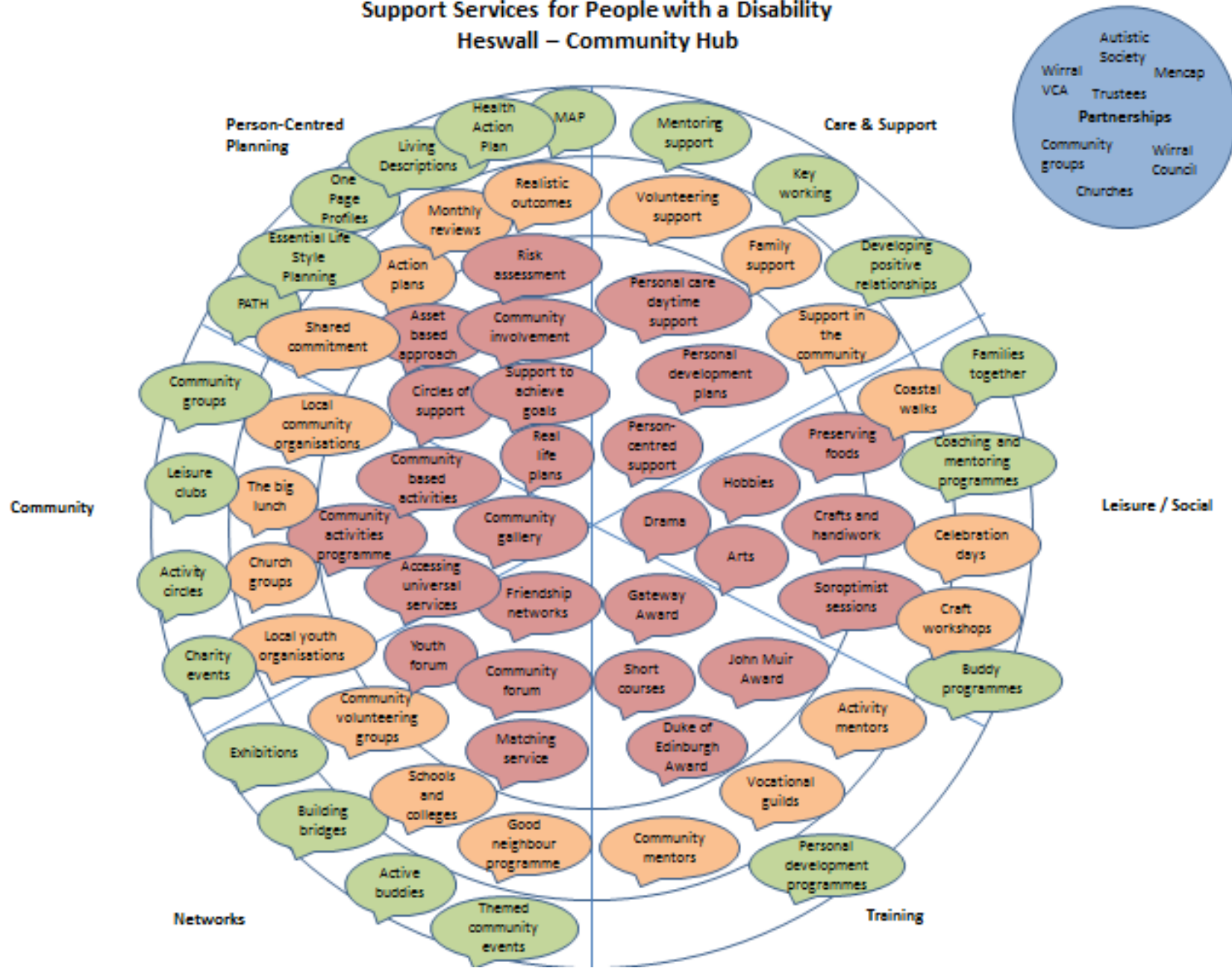
### Support Services for People with a Disability Integrated Support and Resource Centre



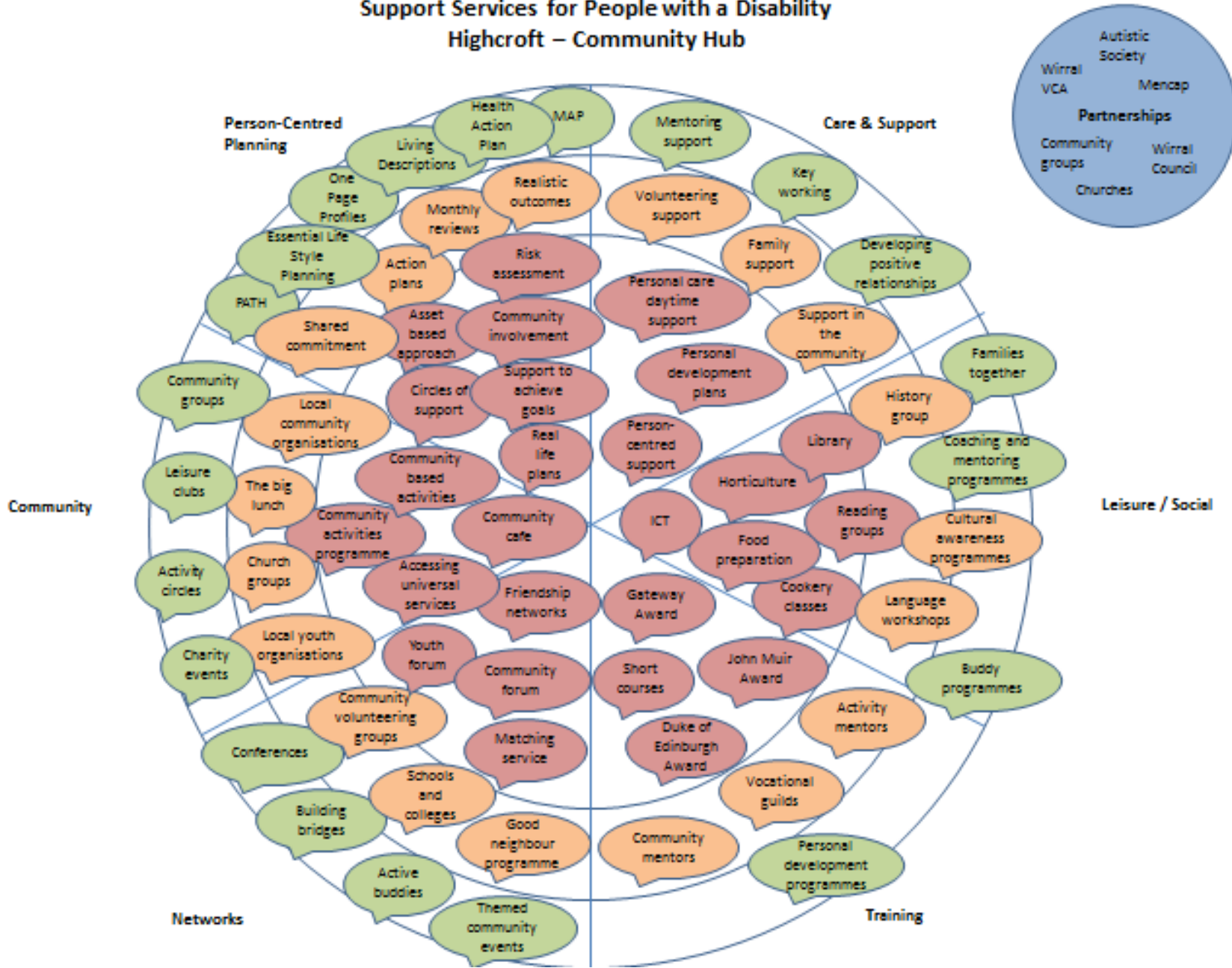
Page 160



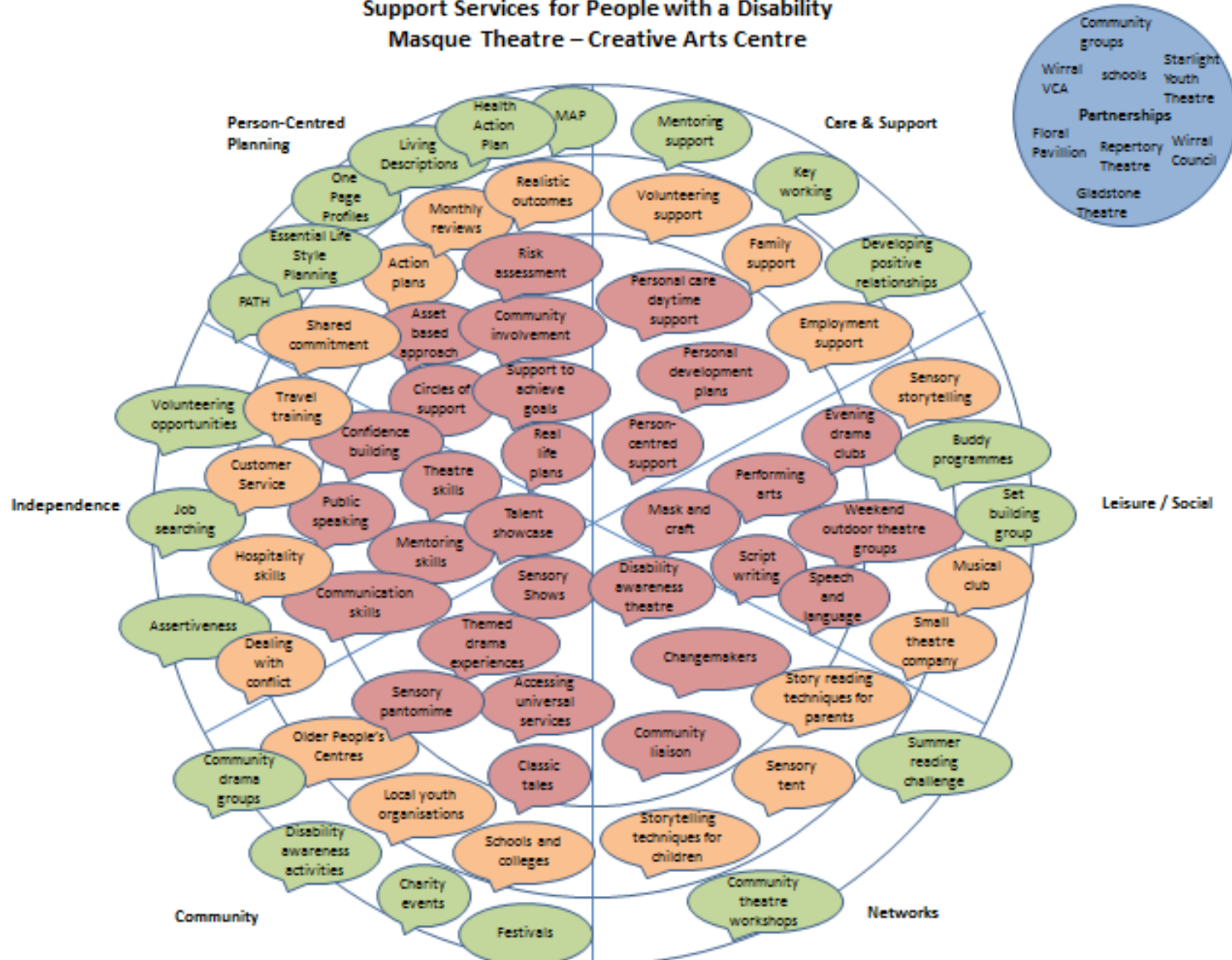
### Support Services for People with a Disability Heswall – Community Hub



### Support Services for People with a Disability Highcroft – Community Hub



### Support Services for People with a Disability Masque Theatre – Creative Arts Centre

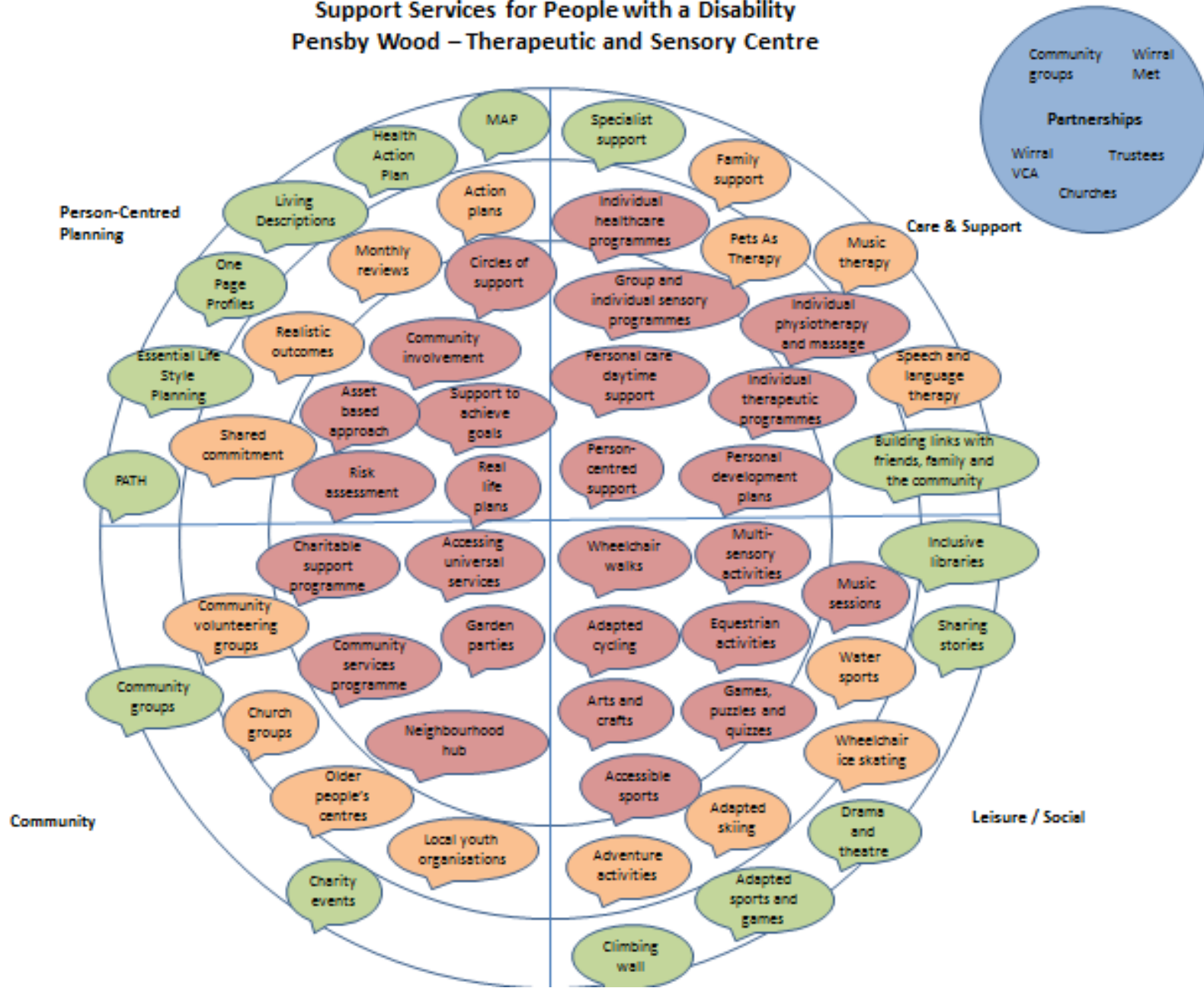


### Support Services for People with a Disability Moreton – Lifelong Learning and Training Centre

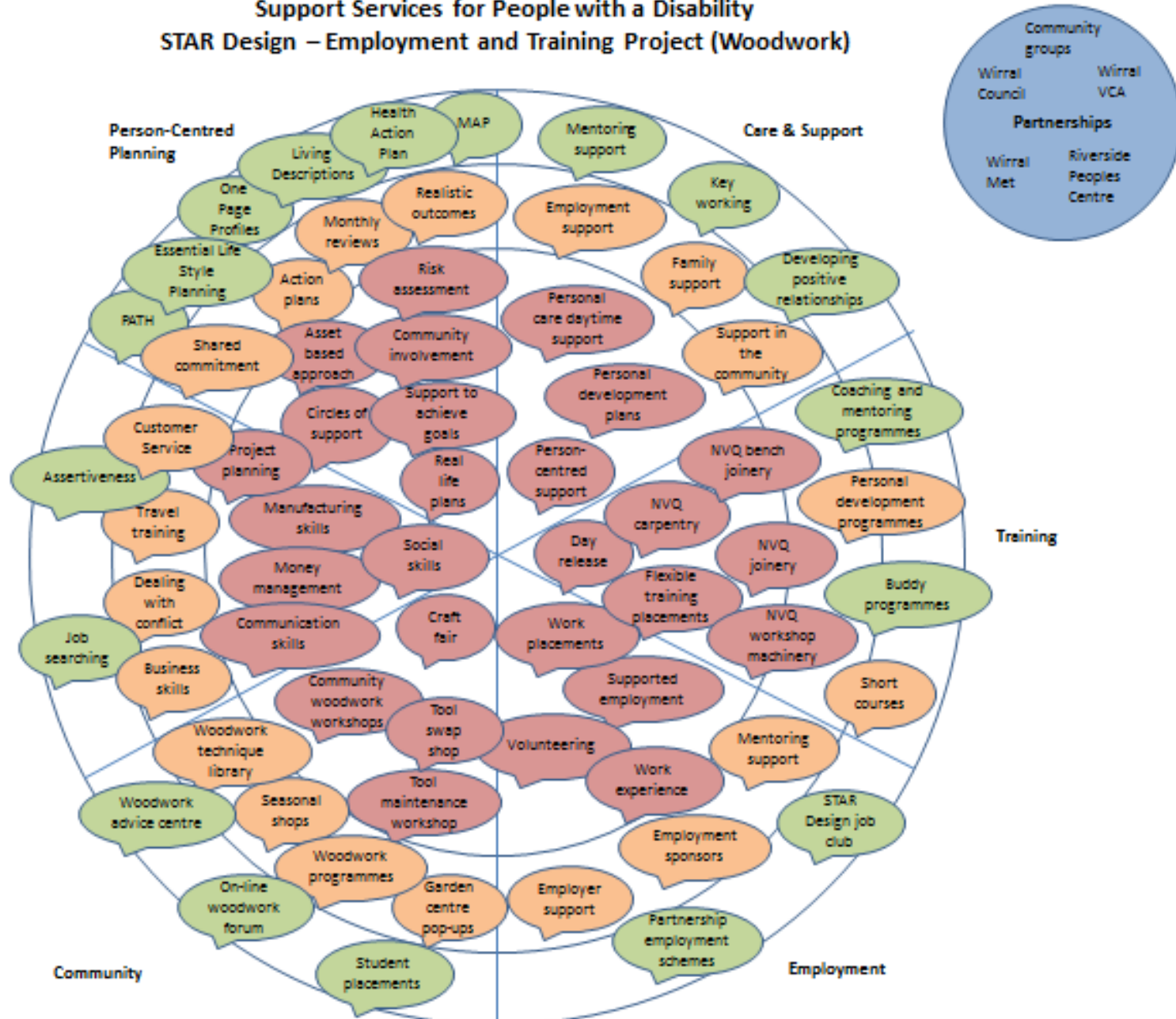




### Support Services for People with a Disability Pensby Wood – Therapeutic and Sensory Centre



### Support Services for People with a Disability STAR Design – Employment and Training Project (Woodwork)





This page is intentionally left blank



## Wirral Council

### Appendix C Options for Scope of the Company

4 June 2014



## Appendix C

### Options of Scope for the Local Authority Company

#### Day Services and Day Opportunities

Learning and physical disability day services will be transformed to a new modernised model of day opportunity provision which includes re-provisioning or refurbishment of some of the day centre buildings to provide an environment fit for purpose and flexible in terms of its use. The new model provides integration of provision for people with a learning disability, physical disability and mental health issues with an emphasis on facilitating integration into their local community wherever possible. This will be focused through an outreach service which will work with clients in the community and therefore will not be limited by building capacity, location and quality.

The Company will enable the modernised services to be sold to people who have been transferred out of the traditional service when they started receiving a Direct Payment for their care. In addition, the service will be opened up to cross-border service users in receipt of Direct Payments.

The building bases will be designed to provide opportunities to have flexible spaces that can be utilised to involve local community use and income generation opportunities.

Revenue opportunities include:

- Cross border sales to neighbouring Authorities or their citizens who hold personal budget holders or direct payments
- Specialist or niche services to help to sustain people within the community or support their carers in continuing to care for them
- Opportunities to 'win back' service users who are now in a receipt of a Direct Payment and currently unable to buy their original service provided by the Council (over 350 service users)
- Renting out of facilities and rooms in to other local organisations

To achieve these objectives the service will need to undertake business case analysis of the opportunities and develop a marketing strategy for chosen options.

Research into comparable day care services shows that the range of charges for half day sessions for day care in set locations varies between £20.00 to £60.00. With acceptable client to staff ratios of 6 to 1, the cost of one half day session would be £18.70 in the Local Authority Company.

## **Short Breaks and Respite Care**

This service currently provides short term respite breaks for learning disability clients. Most people have an indicative number of days per annum allocated by care management that they are allowed to book. As with most traditional residential respite services this service struggles to achieve its available capacity and averages 78% occupancy across the year. Because of the flexibility of the service and carers looking for caring breaks at weekends it tends to achieve capacity at weekends only.

There are opportunities to improve the offer and the overall occupancy rates and thereby improve revenue by:

- Offering short term holiday breaks to people from outside of the Borough and including planned day time activities.
- Introducing differential pricing to attract people at the times when demand is at its lowest
- Introducing evening sitting services that allow carers more flexibility for going out
- Providing day time respite at weekends in the other day service centres which may reduce excessive weekend overnight demand and increase opportunities for additional revenue
- Selling services to neighbouring Authorities and their Personal Budget holders
- 'Skills for life' training courses over a number of days with additional support at home to facilitate transferability of acquired skills – this could link to the Local Area Co-ordination offering.

To achieve these results the service will need to undertake a business case analysis of the opportunities, determine and price its various 'products' and then develop a marketing strategy to advertise and sell its services.

### **Local Area Co-ordination**

This service will be built up out the existing small Local Area Co-ordination team and will be operational as a reablement category service from April 2015. The service will be free for assessed clients and therefore additional income from this initial source is evaluated as not possible.

The service would be delivered by existing and newly employed staff on new terms and conditions with a higher level of training and skills than the private sector, with continuity and certainty of service a priority deliverable.

This service is not competing directly with the in-house reablement service as the client group would consist of 18-64 year olds with a wide range of disabilities and Local Area Co-ordination experience allows the company to offer a higher level service that is seen as an extension of Local Area Co-ordination by the client and their families. This may be for a defined period, or may be indefinite, depending on circumstances.

This is particularly attractive to families who wish to stay away from “Council Services”, but do not trust the commercial providers, and would allow the company to charge a premium for the service compared to the market average.

There is uncertainty of income streams due to the ability of the Company to convert completed Local Area Co-ordination packages into additional support contracts, this conversion will depend on:

- Quality of the original Local Area Co-ordination package
- Price and quality of the additional support offer
- Sense of continuity from Local Area Co-ordination to new support contract
- Perceived quality and standards of the Company as a provider

As the Local Area Co-ordination service is being developed alongside the Local Authority Company it is not possible at this time to provide detailed values and calculations of the phasing of this income stream. Further work will be undertaken whilst developing the Operational Business Plan.





This page is intentionally left blank



Wirral Council

Appendix E  
Risk Management

4 June 2014



## Appendix E

### Risk Management

#### Risks and Mitigating Action

A risk register will be used to ensure risks and issues are owned at the appropriate level but escalated, when relevant, to management in a controlled way. Below is an initial log of the risks and mitigation identified for the Implementation phase.

Ref	Risk	Mitigating Actions
1.	Staff are resistant to change and to TUPE transfer	<ul style="list-style-type: none"> <li>• Full Communication and Engagement Strategy developed</li> <li>• Wirral Council HR department to advise on the process, but process to be managed by the Local Authority Company Project Group</li> <li>• Very clear messaging to support the above and frequent staff briefings</li> <li>• Consultation and engagement with Unions at an early stage</li> <li>• Open management style</li> </ul>
2.	Due diligence on financial forecasts generates an adverse financial impact on forecasts and model	<ul style="list-style-type: none"> <li>• Detailed review and due diligence of financial position of all services, to be undertaken as priority and signed off as an interim deliverable in Transition Planning phase</li> </ul>
3.	Increased MTP savings targets required by the corporate centre resulting in contract price reducing faster than Company is able to reduce costs	<ul style="list-style-type: none"> <li>• Robust Business Plan in place that articulates how costs will be managed and revenue generated</li> <li>• Recruitment of senior management with commercial experience</li> </ul>
4.	Proposed tax efficient structure is not acceptable to HMRC	<ul style="list-style-type: none"> <li>• Begin conversations with HMRC as soon as practicable within Transition Planning phase</li> <li>• Utilise learning from other LATCs where similar tax efficient structures have been established</li> </ul>

5.	Impact of reconfiguration of support services not acceptable at a corporate level	<ul style="list-style-type: none"> <li>Minimise changes at 'point of transfer' to support services to allow a smooth transition</li> </ul>
6.	Accommodation strategy not clarified and therefore an impact on determining lease values	<ul style="list-style-type: none"> <li>Put a Transition Plan in place for accommodation to allow for future changes, and build this into the final contract</li> <li>Ensure that transitional arrangements are in line with state aid requirements</li> </ul>
7.	Negative external press about launch of Local Authority Company	<ul style="list-style-type: none"> <li>Develop an external marketing strategy to engage with local press and media at an early stage and get on front foot</li> <li>Leverage existing links with local press</li> </ul>
8.	Difficulties in recruiting commercially aware / sufficiently skilled senior management to the Board	<ul style="list-style-type: none"> <li>Ensure attractive package in line with market rates</li> <li>Begin recruitment process as early as possible as part of Service Specification phase</li> </ul>
9.	Contract negotiation takes longer than anticipated and impacts on anticipated MTP savings and 'go live' date	<ul style="list-style-type: none"> <li>Agreement on service specifications as a priority in Service Specification phase</li> <li>Submission of deliverables to Programme Board should ensure sign up to fundamental elements of the contract (e.g. contract value, support services valuation etc.)</li> </ul>
10.	Sign-off to progress to next phase not achieved when raised at Cabinet or other relevant authority	<ul style="list-style-type: none"> <li>Regular updates between Programme Manager and Programme Sponsor</li> <li>Programme Sponsor to make members aware of progress and feedback any issues</li> </ul>
11.	Lack of capability within Wirral Council project support	<ul style="list-style-type: none"> <li>Define project roles and provide support and coaching where require</li> </ul>
12.	Project delay impacting on cost and staffing availability	<ul style="list-style-type: none"> <li>Ensure realistic planning and timescales are agreed</li> </ul>
13.	Lack of access to or availability of required Wirral Council data	<ul style="list-style-type: none"> <li>Specific data requests distributed to identified individuals at earliest opportunity with reasonable timescales for response</li> </ul>

14.	Lack of availability of council officers to participate in and support the delivery of the project and lack of officer time at the right moment	<ul style="list-style-type: none"> <li>• Prioritisation of participant's / supporters workload by senior management</li> <li>• Understand the capacity to change and provide change management support as required</li> <li>• Clear project plan with milestones and dependencies on Wirral Council identified</li> </ul>
15.	Interdependency on the progress and deliverables from the Local Area Co-ordination and Day Opportunities projects, that could impact Local Authority Company go live and progression	<ul style="list-style-type: none"> <li>• All workstreams to be managed at a Programme level with interdependencies clearly mapped out</li> <li>• Programme Board to monitor interdependencies and be informed if any issues in meeting deadlines and requirements</li> </ul>
16.	Wirral Council's capacity to manage change process is potentially limited, thereby impacting on the progress of the Local Authority Company project and ability to meet go live date	<ul style="list-style-type: none"> <li>• Ensure that Project Group members are fully aware of their roles and responsibilities in terms of progressing their areas of work to enable the Local Authority Company to go live</li> <li>• Any blockages, hindrances and issues to be escalated to Programme Board</li> </ul>



This page is intentionally left blank



## WIRRAL COUNCIL

**CABINET 19 JUNE 2014**

<b>SUBJECT:</b>	<b><i>STRATEGIC ASSET MANAGEMENT PLAN</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>ALL</i></b>
<b>REPORT OF:</b>	<b><i>ASSISTANT CHIEF EXECUTIVE AND DIRECTOR OF UNIVERSAL &amp; INFRASTRUCTURE SERVICES</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>CLLR ADRIAN JONES</i></b>
<b>KEY DECISION?</b>	<b><i>YES</i></b>

### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report provides members with a strategy document that has been developed to guide the Council's future strategic property decisions and to inform the more detailed asset management strategies of Council Services.
- 1.2 The Strategic Asset Management Plan gives details of key asset priorities and the implementation plan to deliver these priorities from 2014-2017.
- 1.3 The Plan will be supplemented by detailed and specific strategies, which will be published separately and monitored in line with local and national benchmarking.

### **2.0 BACKGROUND AND KEY ISSUES**

- 2.1 As highlighted in the Cabinet report in November 2013, the financial challenges facing the Council require efficiencies in all areas. It is essential that the Council realises efficiencies from its estate, generates capital receipts, and has a clear plan for future accommodation needs across the borough, as the size of its workforce decreases.
- 2.2 Previous asset reviews gave a framework for the management of buildings, assets and land and there have been a number of positive outcomes from this such as Community Asset Transfer and a range of capital receipts have been generated. Since May 2013 the new Asset Management structure has brought focus to Council Facilities Management and Asset Management roles.
- 2.3 In January 2013 an Internal Audit report highlighted a number of "high priority" recommendations including the need to produce a clear Asset Management Plan/Strategy. The attached Strategic Asset Management Plan has addressed these recommendations and provided a platform for other related asset policies and strategies to be reviewed and updated as required.

2.4 It is acknowledged that supporting strategy and policy documents relating to asset management are required to support the Strategic Asset Management Plan, these are highlighted in part 2 of the plan and will be reviewed, updated and shared across the Council, with partners and other interested parties as required.

### **3.0 RELEVANT RISKS**

3.1 The absence of a Strategic Asset Management Plan would severely impact on service delivery as follows:

- The Council fails to generate essential capital receipts necessary to the continuation of Authority services and the setting of a legal budget.
- Funding in support of front-line services is vulnerable as the Council is unable to release funds from sale of assets to re-invest in the Council's highest priorities.
- Lack of dedicated attention has a detrimental effect on the quality of service the Council can provide to local communities because they will run the risk of:
  - Wasting money on assets that are not required to meet service needs or are unnecessarily costly to run
  - Not serving the public well because buildings are of poor physical quality or make services difficult to access
  - Missing opportunities to share property with other public agencies which would otherwise increase customer convenience.
- The Council has no strategic focus for the property estate which has wide ranging implications in respect of inter-dependant disciplines, given that Asset Management enables the delivery of other corporate goals and outcomes e.g. investment and housing. This will have a detrimental impact on economic growth and regeneration by reducing stimulus in job creation and the housing market.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 Internal Audit recommendations to update the previous Asset Management Plan (2008-11).

4.2 Options for land and buildings are considered on a case by case basis and will be informed by the direct strategies listed in the Strategic Asset Management Plan.

### **5.0 CONSULTATION**

5.1 As part of the whole asset review process a range of consultations will be undertaken

- staff, when considering office rationalisation
- community and partners, when undertaking area reviews
- secretary of state, when disposing of education buildings and/or playing fields

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 Where voluntary, community and faith groups use Council assets under consideration they will be fully consulted as part of the asset review process. Where appropriate and feasible, it is proposed to continue the successful Community Asset Transfer programme.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 The value of the Council estate at February 2014 was estimated at £487m.

7.2 IT implications are significant and will be assessed and dealt with as part of the project management of specific changes, rationalisation and disposal of the assets. The introduction of a new asset management system for all asset data (due late 2014) will significantly improve asset knowledge, quality of data and the ability to share information.

7.3 No direct staffing implications, any changes to ways of working for staff will be discussed with HR and unions.

7.4 Asset implications are dealt with within the attached Strategic Asset Management Plan.

## **8.0 LEGAL IMPLICATIONS**

8.1 None arising directly from this report. Individual disposals and development decisions will require legal advice and will need to comply with statutory constraints.

## **9.0 EQUALITIES IMPLICATIONS**

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

(a) Yes and impact review is attached - <http://www.wirral.gov.uk/downloads/6342>

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 Proposals would reduce Carbon usage and will be taken into consideration when identifying key buildings for retention. Other environmental issues will be dealt with as per planning requirements.

10.2 A Climate Change Strategy and Energy & Carbon Reduction Strategy are available as direct strategies written to support the Strategic Asset Management Plan.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 Decisions taken under the Strategic Asset Management Plan will be considered within the Council's Unitary Development Plan (UDP) and its associated policies such as: UDP Policy HS4 'New Housing Development' and Policies WM8 & WM9 in the Joint Waste Local Plan; Development Management Policies in the emerging Core Strategy Local Plan; UDP Policies GRE1 & GR1 'The Protection of Urban Green Space'; the National Planning Framework (paragraph 74); Policies CS31/32 in the emerging Core Strategy Local Plan; listed building consents under UDP Policies CH01 and CH1; tree protection in line with UDP Policies GR5, GR7, and Policy CS30 in the emerging Core Strategy Local Plan.

11.2 Community safety implications will be considered as projects are agreed and drawn up.

## 12.0 RECOMMENDATION/S

It is recommended that:

12.1 Cabinet approves the new Council Strategic Asset Management Plan 2014-2017.

## 13.0 REASON FOR RECOMMENDATIONS

13.1 By approving an updated Strategic Asset Management Plan following best practice this will provide the Council with a considered approach to the management of assets going forward.

**REPORT AUTHOR:** **David Armstrong**  
Assistant Chief Executive  
telephone: (0151) 666 4313  
email: [davidarmstrong@wirral.gov.uk](mailto:davidarmstrong@wirral.gov.uk)

## APPENDICES

Appendix 1 Strategic Asset Management Plan 2014-2017

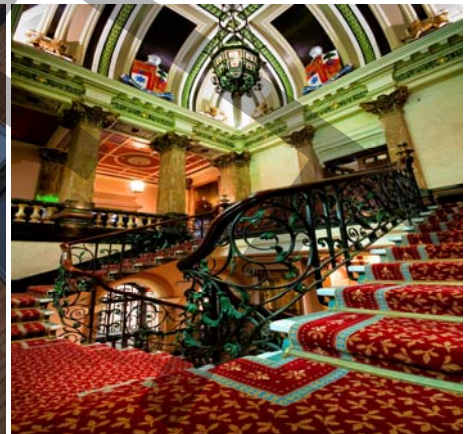
## REFERENCE MATERIAL

### SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
<b>Cabinet</b>	<b>7 November 2013</b>
<b>Council Excellence Overview &amp; Scrutiny</b>	<b>12 July 2012</b>
<b>Cabinet</b>	<b>2 February 2012</b>
<b>Council Excellence Overview &amp; Scrutiny</b>	<b>17 November 2011</b>
<b>Council Excellence Overview &amp; Scrutiny</b>	<b>15 September 2011</b>
<b>Council Excellence Overview &amp; Scrutiny</b>	<b>31 January 2011</b>



# Transforming our Assets and Asset Management



# Contents

---

	Page
Foreword.....	1
Introduction.....	2
 <b>Part One – Asset Management Context and Arrangements</b>	
1. Context for the Plan.....	4
2. Corporate Plans and Government Policy.....	7
3. Asset Management Framework.....	14
4. Self Assessment.....	15
 <b>Part Two – Asset Management Strategies</b>	
1. Strategies Overview.....	19
 <b>Part Three – Asset Management Key Priorities and Implementation Plan</b>	
1. A Vision for the Council’s Assets.....	21
2. Timescales.....	22
3. Developing Client Asset Strategies within a Strategic Framework.....	22
4. Developing a Strategic Framework.....	23
5. Improved Business Performance.....	25
6. Reviewing our Assets.....	26
7. Future Governance and Monitoring.....	26



## Foreword

The Strategic Asset Management Plan has been developed to guide the Council's future strategic property decisions and to inform the more detailed asset management strategies of individual Council services.

The document details strategic actions for the next three years. These measures will allow the Council to manage its assets more effectively and share its property strategies and accommodation needs with other organisations more easily.

The need for efficiencies in the public sector is synonymous, in many peoples' minds, with cuts in services. That need not always be the case. This plan suggests that by improving our property asset base, investing in key assets to provide new or better accommodation and by releasing other assets that are expensive to run and no longer fit for purpose, the Council will be able to save money whilst at the same time improve service delivery.

The plan sets out how the Council wishes to collaborate with other public bodies and with the voluntary sector to ensure more effective use of our combined assets. In time, single points of access for a range of public services will make it easier for our customers to conduct a variety of public service transactions, in easily accessible shared facilities. Sharing our property will no longer be the exception. It will become the norm.

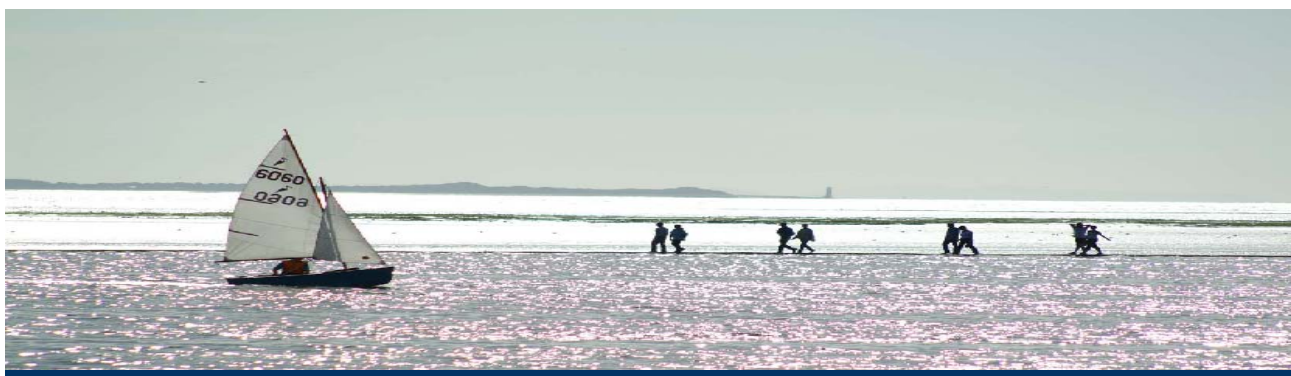
The Council has long recognised the importance of its property assets. Property reviews in recent years have released capital receipts for reinvestment in priority services and this plan will initiate greater rigour in that review process.

A single property database will enable the Council to use and share its property information more easily.

The time is now right to move to a more strategic approach to asset management, which will be achieved through the implementation of this plan. This is necessary for many reasons: in particular, the climate of reduced public spending, the drive for efficiencies and the continuing need to improve services.

The plan considers the property estate holistically, to enable measures to be put in place to achieve required efficiency savings and ensure that the limited funds available, including those from the sale of surplus assets, are applied to the Council's highest priorities.





## Introduction

This plan heralds a wholesale review of all strategies and policies that impact upon Council property assets. For the first time they will be brought together in a single framework. This approach will be enormously beneficial in terms of guiding strategic asset management decision making and in the preparation of detailed asset management strategies for Council services.

The Plan is in three sections:

**Part One** sets the national and local context, in particular linking to other important Council strategies. Key drivers for change are outlined, including protecting and improving services in times of severe financial challenge. A frank self-assessment of how well we currently manage our assets is provided.

**Part Two** identifies our current asset management strategies. In addition to strategies for both the operational estate and non-operational portfolios, a raft of well developed strategies exist for dealing with generic aspects such as procurement, risk management and energy management and more recently those in response to the *Localism Agenda and Community Right to Bid*.

**Part Three** forms the Implementation Plan. Looking forward, it sets out how we will continue to modernise our approach to asset management and to our assets themselves.

The Council wants to take the initiative in terms of working with public sector partners, to deliver better services for all. The Asset Management Plan reflects this, by promoting much closer working and the sharing of premises. Key to progressing this effectively will be the completion of further property reviews, focusing on a thorough appraisal of building performance. The overall approach strongly follows the lead given by Government in its '*Capital and Assets Pathfinder*' programme (an initiative that seeks to maximise efficiencies through a collaborative approach to the use and management of assets across the public sector).

A coherent set of performance measures and targets are being developed to ensure priorities are achieved over the three year period. These will be benchmarked against recognised national indicators and will form the basis of robust performance management and monitoring arrangements.

The plan will be reviewed on a regular basis and progress reports will be published on the Council's website for transparency.





Part One:

# Asset Management Context and Arrangements



# 1.0 Context for the Plan



## The Estate

Wirral Council was formed in 1974, merging the urban district councils of Bebington, Birkenhead, Hoylake and Wallasey. The collective property portfolio is consequently diverse, with multiple civic halls, libraries and museums, schools, parks and leisure centres. The Council also owns and occupies offices and depots while leasing other commercial property to businesses.



Property is held primarily for the delivery of frontline public services and to support the Council's corporate priorities - it has a specific purpose and its suitability for that purpose can be assessed.

The following statistics offer an indication of the scale of the Council's property portfolio as of February 2014:

- a total of 1061 property assets
- a total current value in excess of £487million
- total annual rental income of £1.2million
- annual spend in excess of £11 million a year to repair and maintain the estate (of which £7,500,000 is for heat and water)

Property assets are a valuable resource, but they are also a liability that require revenue and capital funding to maintain and use and so should always be managed as efficiently as possible.

Surplus assets can be sold to generate capital receipts, reduce running costs and allow investment in key priority assets. Targeted investment to ensure high quality assets will be used to create the right physical environment for delivering better services, but equally if assets are unsuited to their current use or are of poor quality, they can detract from the Council's services to its customers.





## A Strategic Approach

In approving this plan, the Council is confirming an intention to take a more strategic approach to the management of its property estate. Property assets have not always been viewed as a corporate resource.

In real terms the use of the asset has been dictated by the historic establishment use and departmental objectives. In order to strengthen the corporate approach the Council has recently adopted the following operating principles for the estate:

- all assets are recognised as Council corporate assets rather than a mixture of departmental and corporate (with the exception of highway infrastructure)
- all office workspace is managed corporately rather than departmentally

This approach will enable corporate asset management to deliver ever greater efficiencies for the organisation.

The adoption of this plan reinforces the corporate approach being taken. It will enable various existing threads of asset policy to be brought together and developed collectively.

It fits with the concept of the '*Capital and Assets Pathfinder*' programme and ensures that capital receipts from disposals can be directly applied to the Council's highest priorities, whether that lies in saving or reinvestment.

It will inform all future decisions about the property estate

## Public Finances

Because assets are generally expensive to run and maintain, efficiencies can be achieved if they can be used more intensively, or their costs in use can be reduced. The drive for efficiencies in the UK public sector has brought this into sharper focus as a means of protecting funding for front-line services. The challenge for councils and their asset managers is to find ways of 'working assets harder', whilst maintaining or creating an environment in which quality services can be delivered.

The Council has previously conducted a series of property reviews including the more recent *Vacant Land & Building Review*. While this activity has generated some value and efficiencies have been made, in order to make assets 'work harder' still there is a need:

- to provide greater challenge to their use based on new ways of working and new ways of delivering services, especially on the back of technological changes that will allow improved communication and less face to - face delivery; and
- to explore the relationship between the Council's assets and those of other public sector organisations within the same geographical area and to find more opportunities for sharing assets and creating efficiencies – not just in offices, but also in front-line services. This is one of the challenges thrown down by the '*Capital and Assets Pathfinder*' programme



## Key Drivers for Change

There are many reasons for adopting a new approach to asset management, including:

### Achieving efficiencies

There is an increasing pressure to create efficiencies from utilisation of existing assets, or from delivering the same services from more cost effective assets. Either way, there is potential to reduce running costs and to generate receipts. Usually asset rationalisation incurs short-term capital and revenue costs, but in the present financial climate this is required to be largely self-generated and any borrowing to finance improvements needs to be underpinned by clear and measurable revenue savings.

### Service Improvements

A key driver for any strategic approach to asset management must be service improvement. This is at the heart of everything we do. It is particularly important in the current financial climate that key services are able to continue and prosper. To this end, asset management has a pivotal role to play. Much will be gained from improved asset management and not just in financial terms. Buildings in the right location, fit for purpose, well used and well maintained can make the difference between a good service and a poor service.

### Climate Change

Climate change presents enormous challenges that call for decisive action. The implications for the Council's land and buildings are considerable. There is a need to plan and manage our assets to reduce energy use – for heat, power and travel – and also for the potential to harness renewable energy from the estate. Both these steps to reduce our carbon footprint present opportunities to limit revenue expenditure. Crucially we must also adjust our approach to managing property to increase resilience to future climatic change. Here we will need to assess the risks and adapt the portfolio accordingly. Severe weather events can damage assets and disrupt service delivery. It will be important to adapt to the prospect of more extreme weather to ensure business continuity.

### Current Repair Liabilities

The Council's backlog of repair is now estimated at £17.5 million. Of this total liability, the backlog associated with the non-education estate is estimated at £10.5million. The Council does not have sufficient resources to bring this backlog down to a level that can be sustained through the budgets available and if the liability is to be reduced substantially then the estate must shrink in size.

## 2.0 Corporate Plans and Government Policy

### Corporate Priorities

The Asset Management Plan aims to define the implications of other corporate policies and strategies on the Council's property assets, to help provide effective support to the delivery of the Council's corporate priorities.

The framework set out in the corporate plan is designed to drive the improvements needed for us to become one of the best local authorities in the country and to communicate our ambitions for the Wirral peninsula.

The Leader of the Council and the Chief Executive, with Members, staff and partners are continuing to develop three principles which underpin and focus the activity of the Council:

#### **Local Solutions, Local Decisions:**

Our members are leaders within their communities, using devolved powers and responsibilities to make the best use of resources in their area. They will inspire communities to come together to find the right solutions to address local need and improve residents' lives.

#### **Promoting Independence:**

We will strive to ensure that all residents, especially the most vulnerable, are recognised for the talents and assets they have. We will work to equip them with the tools and knowledge to enable them to make the choices that are right for them and their families.

#### **Driving Growth and Aspiration:**

We will work with residents, encouraging them to hold the same level of ambition for their communities as we have for Wirral; driving growth in our economy and with it aspiration, achievement and employment, particularly among younger people. This will help to reduce poverty and secure a healthier economic future for our communities.

These priorities guide all the Council's strategic and business plans, including the Asset Management Plan.

The Council's property assets represent a significant resource that contributes to these priorities through:-

- Effective supply of assets that are fit for purpose, efficient to run and compliant
- Reducing carbon footprint/sustainability
- Providing suitable facilities and working environments to support quality service delivery
- Use of land and buildings to enable economic/regeneration schemes or schemes of environmental benefit
- Facilitating community organisations to develop vibrant communities
- Providing facilities for business initiatives and community enterprise to develop
- Working with partner agencies to achieve shared objectives and services
- Provision of investment funding through release of value from the assets

## Medium Term Financial Strategy



The Medium Term Financial Strategy is intended to provide a robust, consistent and sustainable approach to establishing and maintaining a stable and prudent financial basis on which Wirral Council's services can operate. It sets out a broad framework for the Council's future budget and a proposed approach to budget planning.

The Council is facing a challenging financial future. The setting of next and future year's budgets will be difficult. The level of savings required to balance the Council's budget are considerable. Significant savings are expected throughout the next 3 years and beyond, as public sector expenditure is reduced.

It is through the Medium Term Financial Strategy process that the Council sets out how it will respond to the new financial realities it faces over the period 2014 -17. The strategy also links with Wirral's Corporate Plan. It shows how our finances will be structured and managed to ensure that they meet future financial challenges, as well as supporting the priorities of the Council and its partners.

Each year there is the short-term requirement to prepare an annual budget and set the council tax. The achievement of Wirral Council's long-term objectives however, with the planning of new initiatives, capital developments and the allocation of resources in response to changing service needs, requires service and financial planning to be undertaken over more than one year.

In addition to Wirral Council's annual budget, the following are the major strategy documents in support of the Medium Term Financial Strategy:

- Capital Strategy including capital programme
- Asset Management Plan
- Treasury Management Strategy

These strategies lay out the strategic aims of the Council's capital and investment plans. They are integral to the Medium Term Financial Strategy and also the annual budget setting process. The Capital Strategy sets out how capital investment will be prioritised. The capital resources available to the Council play a key role in how services can be transformed in the future, through investing in innovative approaches to service delivery. There are revenue implications to these capital decisions in the form of capital financing costs and on going maintenance costs. There are two way links to the Treasury Management Strategy and the Asset Management Plan.

The Medium Term Financial Strategy and annual budget bring together both revenue and capital so that decisions on the amount of borrowing can be made. The challenging financial environment has resulted in restricted capital investment. There is a difficult mix between capital demands and restrictions on the revenue costs of the demands.





## The Capital Strategy

The Capital Strategy is concerned with and sets the framework for, all aspects of the Council's capital expenditure over the 3 year period 2014/15 to 2016/17 – its planning, prioritisation, management and funding. It is closely related to and informed by the Strategic Asset Management Plan and is an integral aspect of the Council's medium term service and financial planning process as reflected in the Medium Term Financial Strategy. It is also essential that the strategy reflects the wider private sector investment into the overall regeneration of the area.

The key aims of the Capital Strategy are:

- how the Council identifies, programmes and prioritises capital requirements and proposals
- provide a clear context within which proposals are evaluated to ensure that all capital investment is targeted at meeting the Council's Corporate Plan objectives
- consider options available to maximise funding for capital expenditure
- identify the resources available for capital investment over the three year planning period

## Corporate Efficiency

The financial challenges facing the Council, makes it essential that we realise efficiencies from the estate, generate capital receipts and have a clear plan for future accommodation needs across the borough, as the size of our workforce decreases.

Previous asset reviews gave a framework for the management of land and buildings and there have been a number of positive outcomes from this including the *Community Asset Transfer* programme and a range of capital receipts generated by disposals.

The demand for capital receipts is driven by two specific needs:

Firstly, to reduce the impact of annual borrowing costs on the revenue budget. Maximising the use of capital receipts will minimise the council's need to borrow as new borrowing leads to new costs.

The projected capital programme 2014/17 is estimated to be £75.163m, to be funded from £36.417m of borrowing and capital receipts. This will require a maximum of £13.1 million of unsupported borrowing in 2014/15 which, based on current interest rates equates to an increase of £1.2 million in revenue borrowing costs.

Secondly, the Government is considering allowing councils some flexibility from 2015/16 to use capital receipts from asset sales to transfer and reform services. There is the potential in the future that the Council will be able to use part or even the whole of a capital receipt from new asset sales to be used for one off revenue purpose to support organisational change.





## Assessment

In January 2013 Wirral Council commissioned Local Partnerships (jointly owned by HM Treasury and Local Government Association) to conduct a review of the asset management function.

Local Partnerships completed a preliminary report '*Review of Asset Management*' which outlined recommendations for the implementation of a more proactive approach to asset management. Wirral subsequently commissioned them to assist with the implementation of these recommendations, via a '*Driving Value from Assets*' programme.

Alongside these recommendations a new asset management structure brings all the Council's facilities management and asset management roles together.

A key focus for the asset team is the identification and release of surplus land and buildings. The capital receipts resulting from sales will:

- support the council's capital programme
- facilitate new ways of working and
- reduce operating costs.

The '*Driving Value from Assets Programme*' draws together three asset rationalisation activities that over time will ensure efficiencies. These three activities are:

- asset disposals
- office rationalisation
- area reviews

## Asset Disposals

The strategic approach to the management of the Council's assets requires governance arrangements that reflect the corporate nature of this work.

To address this requirement a programme board '*The Capital Working Group (Disposals)*' has been formed, to scope and manage the disposal process. This meets on a monthly basis and the terms of reference are as follows:

- to act as the forum for all decisions relating to surplus and underperforming land and building interests and to manage the Council's governance process in relation to these matters
- to identify, scope and evaluate viable alternative uses, having regard to material considerations and in consultation with stakeholders bring forward proposals to optimise the use and value of property interests
- to procure and manage external agents as required, to support programmes, deal with the larger disposals and advise the council with regard to alternative uses and options including disposal, joint ventures etc.
- to appropriate and manage all surplus council sites for development purposes, to manage the disposal programme and to be accountable for delivery

## Asset Rationalisation

One of the central themes of Wirral's corporate efficiency programme is asset rationalisation. This draws together separate asset rationalisation activities that over time will ensure efficiencies:

- service department rationalisation will capture current service delivery priorities and will identify the implications for property assets
- corporate department rationalisation will capture potential asset rationalisation streams that cross departmental boundaries, such as storage solutions
- a robust investment programme to be developed for all retained assets, linked to an accelerated programme of capital receipts from land and building sales



Administrative property is a particularly expensive overhead, so accommodation of 'back office' functions is an obvious target for savings.

To this end we have instigated a comprehensive review, examining the configuration of office accommodation across the authority while assessing the costs and benefits of introducing agile working arrangements in appropriate areas. The Authority reasonably wants offices that members of the public visit and Council staff work in to meet modern standards while minimising the costs to the public purse.

## Area Reviews

Wirral's operational property is dispersed across the Borough. In addition, there is an array of operational property owned and used by other public sector bodies, including GP surgeries, NHS buildings, police and fire stations, education teaching facilities, job centres, courts and accommodation used by the voluntary and third sectors. Wirral also has office accommodation located outside Birkenhead and Wallasey, the main civic centres used to house adult and children's service teams.

Rationalisation of operational property will lead to savings in revenue and capital receipts for the public bodies concerned. It can deliver better and more coherent access to public services for customers, by making services available from a range of providers at one location and support attempts to more cost-effective means of accessing services. It can also release land for re-use to meet current needs.

As part of the programme of driving more value from assets an area review workstream has been established.

This is to pilot an approach in areas where local people and the public agencies owning property, can collaborate, in order to derive better value for money and wider community benefits by:

- identifying opportunities for shared use of assets
- exploring alternative options for the management and ownership of assets

Collectively these three workstreams will generate the following benefits:

- Empower communities and stimulate debate

- Support growth plans for housing and the economy of Wirral
- Ensure that, once built, assets are correctly maintained
- Introduce new working practices and trigger cultural organisational changes
- Reduce carbon emissions and improve environmental sustainability
- Increase co-location, partnership working and sharing of knowledge
- Improve accessibility of services and ensure compliance with the Disability Discrimination Act 2005
- Generate efficiency gains, capital receipts or an income stream; and
- Improve the quality of the public realm

## Schools



Schools make up a substantial part of the Council's asset portfolio with 3 nurseries, 89 primary schools, 21 secondary schools and 12 special schools; of this total there are an increasing number of academies and 9 PFI schools to date.

Whilst schools have benefitted from significant capital investment from central government (supplemented by local capital investment), it is paramount that sound management of this estate is maintained. Since 2009, 4 schools have been replaced with new facilities and 3 more will be opened in the next three years under the Priority School Building Programme (PSBP).

In December 2013, the Education Funding Agency highlighted the importance of strategic planning at a local level. The Children and Young Peoples Estate Strategy is designed to ensure that pupil places across the borough are sufficient, suitable and in good condition, to enable the delivery of excellent education to all 49,000 pupils in Wirral.

Drawing upon both qualitative and quantitative information from a wide range of sources including condition surveys, legislative compliance, headteachers, governing bodies, education advisers, Diocesan bodies etc, we continue to develop and implement successful Capital Programmes that meet the needs and aspirations of pupils, the foundation for which is a robust asset base.

The Children and Young People's Capital Programme delivers both national and local capital investments, with officers acting as 'intelligent client' to all maintained schools.

The asset strategy for CYP assets can be summarised as follows:

- to ensure the condition of all schools is maintained
- to ensure that schools are suitable for the delivery of excellent teaching and learning
- that all schools meet legislative compliance
- that sufficient pupil places are provided to meet demand and parental choice
- that investment is sought both locally and nationally to continue the investment in Wirral Schools
- provide a community asset which is accessible to all Wirral residents

## Carbon and Energy Cost Control

The Council has operated a carbon budget since 2010/11 in order to reduce emissions of carbon dioxide (CO<sub>2</sub>). CO<sub>2</sub> emissions are in direct proportion to the energy used and the amount paid to energy suppliers.

Reduction in emissions will reduce operating costs and contribute to improving the operational efficiency of assets.

An effective carbon and energy management system is needed to deliver the carbon budget and reduce the impact of energy price rises. Work has started on the introduction of an ISO 50001 compliant energy management system to provide the required framework utilising existing resources.

As of 30 September 2013 Wirral Council has reduced emissions of CO<sub>2</sub> by 10,412 tonnes from a 2008/09 baseline of 45,481 tonnes, a reduction of 22.89% over 3.5 operational years. Carbon budget performance figures are calculated for each department at six monthly intervals and are available at the level of individual energy accounts.

Management information for individual sites is available on the internet direct from the energy database.



## National Adaptation Programme

In accordance with the Climate Change Act 2008 the government has produced a national adaptation programme (*National Adaptation Programme - Making the country resilient to a changing climate*). This envisages that local government will play 'a central role in leading and supporting local places to become more resilient to a range of future risks and to be prepared for the opportunities from a changing climate'.

The programme recognises that councils can help to increase the resilience of local places through decisions about their assets (including buildings, parks and other public spaces) and services. Councils need to manage climate risk to make best use of land, assets, investments and maintenance spending.

A new draft climate change strategy for Wirral recognises this role and advocates that risks, vulnerabilities and priority actions are identified.



## Localism Act 2011

### The Localism Agenda and Neighbourhood Working

The nature of local government is changing at an almost unprecedented pace. Financial challenges, increased demand and increased expectations from our residents mean that we must always look to new and more innovative methods of providing the services people rely on.

The localism agenda means local government has a unique role to coordinate and support local communities to deliver the services they need, and to achieve the outcomes they want. In Wirral, that means an innovative plan to create new models of neighbourhood engagement based within the borough's four parliamentary constituencies.

Alongside these, we will see the establishment of local public service boards whose membership, aside from health, will include representatives from the council, police and education.

By decentralising power from Whitehall and our own Town Hall, and placing it in the hands of local people with local knowledge and understanding, it is expected that communities will be strengthened by the power to develop bespoke local solutions to local problems.

Local neighbourhoods, given their own budget to spend, utilising skills, knowledge and experience of people on the ground, can make better use of their resources because they can redesign them to fit local problems.

### Community Right to Bid

The Localism Act 2011 outlines a scheme that gives community groups the opportunity to identify and list assets of community value. 'The community right to bid' enables any voluntary or community body with a local connection, to nominate an asset for inclusion in a list, which the Council is required to maintain.

The right to bid relates to public and privately owned assets where it can be demonstrated that the asset contributes to the social well being of the local community. Examples could include village shops, pubs, community centres and playing fields.

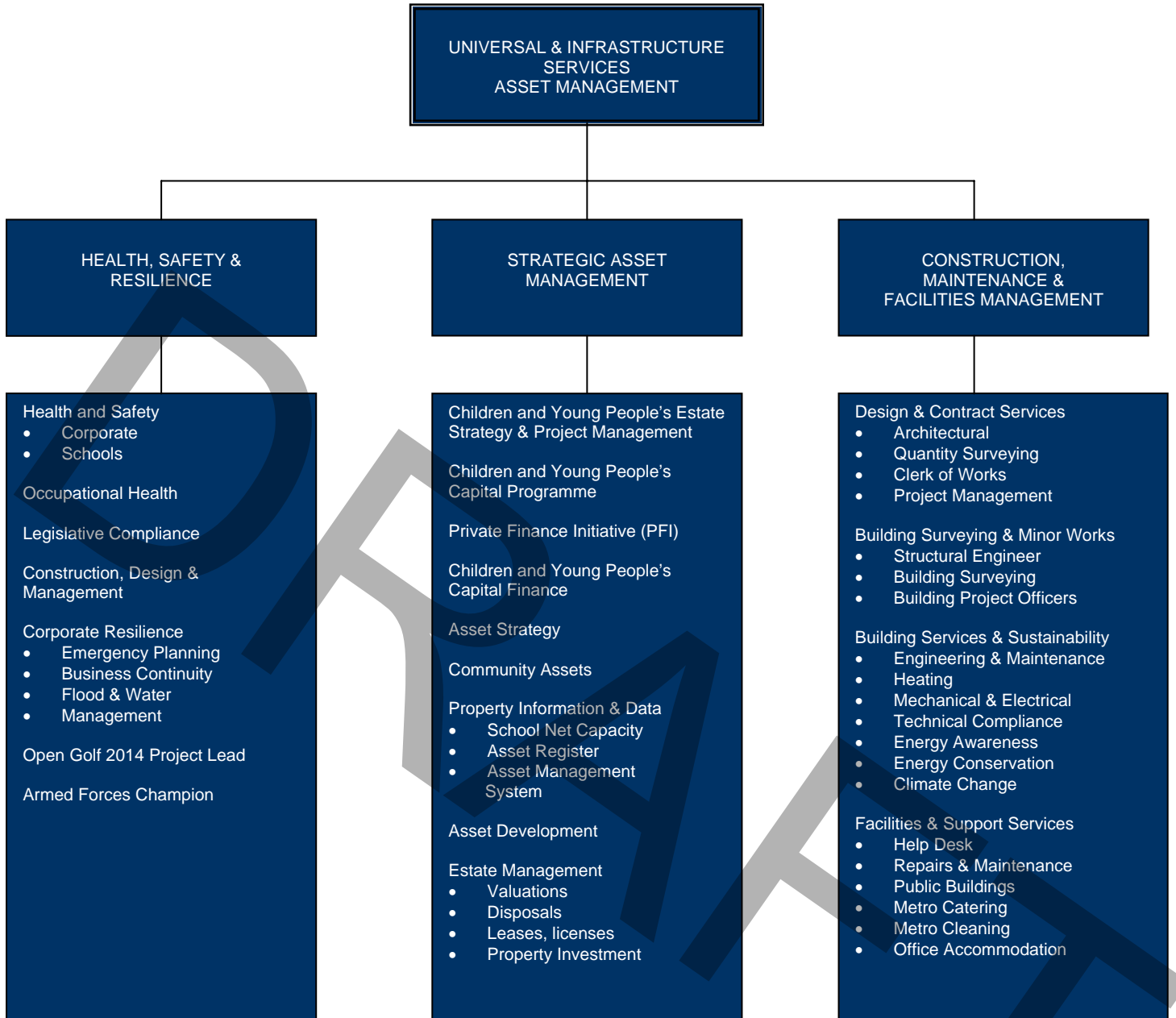
The consequences of a listing will only become apparent when the owner wishes to dispose of the asset. There is a defined time frame in which the asset cannot be sold. This is intended to allow community groups the time to develop a proposal and raise the required capital to bid for the asset when it comes onto the open market.

It is important to emphasise that this is not a right of first refusal. Ultimately the owner of the asset can sell to whomever they choose and at whatever price.

It can be anticipated that some assets held by the Council may feature on the list.



## 3.0 Asset Management Framework Roles and Structures



Council property assets are viewed as a corporate resource and decisions about those assets are the responsibility of the Executive Member for Corporate Resources.

The Assistant Chief Executive has the role of advising the executive member in relation to building maintenance programmes, building and land management policies and strategies for development including acquisitions and disposals.

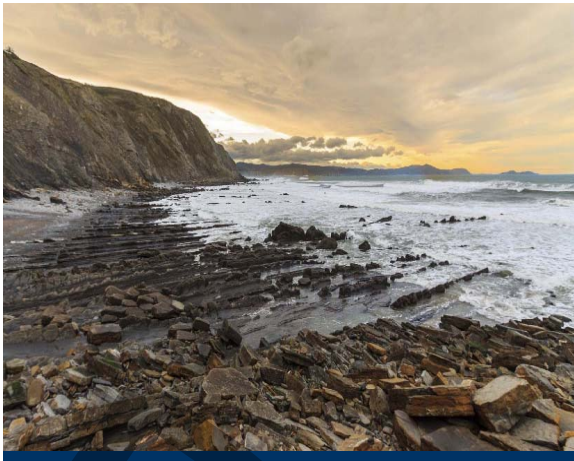
The Assistant Chief Executive is supported by three senior managers who take primary responsibility for all property matters and discharge the duties delegated by the Executive Member for Corporate Services.

Wirral Council's asset management service is currently comprised of three primary disciplines:

- Health, Safety & Resilience
- Strategic Asset Management
- Construction, Maintenance & Facilities Management

The Capital Working Group (Disposals) is the principal forum at which strategic asset management issues are discussed and decisions taken. This meets monthly, and is chaired by the Assistant Chief Executive and attended by the senior asset managers and other senior officers. It is supported by members of the Capital Working Group, which has responsibility for various financial issues related to the property estate.

## 4.0 Self Assessment



### The Approach

In preparing this plan it is considered important to have a management view on our current position and this section is a candid self assessment by management of where the Council is currently. In particular, it identifies perceived strengths and crucially, things that could be done better.

### Where we are now

The Council has a solid understanding of the importance and potential that property can contribute, to both itself as a local authority and also the people of Wirral. It also recognises that as a major holder of public assets, it is in a key position to influence and stimulate change and improvement.

Historically, the Council has viewed its property assets as key to helping it support its operational service delivery and also as a useful catalyst for change when required. Service rationalisations often include related asset changes that are key elements of the strategy; for example, in school rationalisations when new primary facilities are developed out of infant and junior schools e.g. Pensby Primary School.

Both now and for the future, the Council recognises that it must look at how it can engage more fully and openly with other public asset holders and stakeholders. It must also take an exemplary role, in Wirral and on a regional and national stage.

To become an exemplar, its asset management approach needs to become more joined up and more corporate.

### Strengths

The Council is good at identifying and linking up property asset implications from different service requirements across the authority. However, this is largely focused on one or two service areas at a given time due to complexity. In future the need to realise benefits across wider groups of assets will be required.

The productive use of its surplus assets, creating disposal opportunities and generating capital receipts has been consistent (£22.4m has been delivered over the past five years). However, it is acknowledged that the estate requires ongoing rationalisation. In addition, other initiatives such as facilitating the provision of affordable housing are also achieved using the disposals and capital receipt programme.

Energy and Carbon information systems are robust and compare favourably with neighbouring authorities. Information for a number of internal and external reporting streams is processed by a single group from a consistent data source. A programme of staff energy awareness raising and training is in place. Energy purchasing conforms to recommendations from The Pan Government Energy Project.

With regards to statutory, asset related functions such as rating and asset valuations; the authority keeps on top of these showing regular annual rating savings - £231,885 in 2012/13, and maintaining a five year rolling programme of asset valuations.

The Council takes a mature approach to its assets and understands that best value is not just about higher financial return but also that assets have a 'wellbeing' role to play, in helping facilitate social and community improvement. This is evident, for example, in its sales to Registered Social Landlords and Community Groups and the Council is well prepared to meet the aspirations of the Localism Agenda and the Community Right to Bid requirements.

Political approvals in relation to the Council's assets are well focused through the authority's officers to the Executive Member for Corporate Resources in respect of decision making.

This process is well established and flexible enough to respond as required, the majority of property issues being dealt with under delegated authority.

Where financial implications exceed £250,000 and/or are likely to have a strategic implication for the Wirral, Cabinet will determine the outcome.

## Areas for Improvement

Asset management is central to the council's ability to support effective service delivery. Property tends to be expensive to acquire, inflexible in use, time consuming to manage and costly to run. Making the best use of property assets is therefore, a challenge.

Assets are still often viewed as being held departmentally by some service providers and this creates a degree of silo and 'trading' mentality, rather than a more flexible corporate approach that needs to become embedded in asset management culture as this plan is implemented and utilised.

Both members and officers have a good appreciation of the importance and role of asset management and recognise the collective responsibility for ensuring that property is used effectively, to support continuous service improvement to better meet the needs of the authority as a whole. To this end we will continue to actively engage members in policy development for the asset base.

Despite planned investment and a reduction over the past decade, a significant property maintenance backlog remains. This is currently managed on a risk approach basis that is not ideal and is particularly evident in the non-education estate. A re-assessment of this is now underway which includes the re-instatement of a rolling programme of condition surveys. The aim is to develop five-year programmes of preventative works, which will be approached on a consistent basis. This will allow us to accurately predict future funding requirements and ensure that resource is applied to the Council's highest priorities.

Most of the Council's asset systems and processes are well developed both logically and pragmatically.

However, it is acknowledged that they are not as joined up as they should be due to having been developed organically.

Individuals with responsibility for property, from elected members and senior officers to unit managers, require appropriate and timely management information in order to discharge those responsibilities effectively.

The procurement and implementation of a new asset management system will make asset data more accessible, underpinning the decision making process and so significantly improving this situation.

Energy is an operational necessity that must be managed effectively in order to minimise costs and reduce carbon emissions. This can be achieved through the implementation of a robust energy management system and utilising existing resources with minimum impact on the council's ability to deliver core and statutory duties. Reducing the amount of energy supplied from conventional sources will also decrease the number of Carbon Allowances that will have to be purchased to comply with the Carbon Reduction Commitment Energy Efficiency Scheme.

There is an excellent range and high level of professional and technical expertise within the asset management disciplines. However, the Authority's previous approach has meant that some opportunities may have been missed both internally and with partners. A strong and wider awareness of potential linkages between assets and service requirements will need to be a key feature in all future decision making.

Sustained improvement in the value added by property resources will only be achieved if improvement becomes an objective of all property occupiers and users. The Asset Management Plan proposes to form part of wider corporate planning framework. Within this coordinated framework, service managers will be encouraged to articulate their property needs, to develop imaginative ideas and to set themselves targets to reduce space usage and cost.

Successful asset management requires input and effort from across the Authority – it is by no means the sole preserve of property professionals.

## Working in Partnership – The Way Forward

The Council has always recognised that it needs to engage with partners and never before has partnership working in Wirral been more important to the delivery of tangible outcomes for residents and businesses.



The public sector can no longer afford to work in isolation, and we will utilise every opportunity to save time and resources and to improve services for our residents, by removing duplication across agencies wherever it exists, joining up front line delivery and developing a shared understanding of the needs of local people.

The Council will lead by example, bringing together all those with a stake in the future of Wirral to deliver better and more joined up services to our residents.

We will continue to actively seek partnerships in combination with other local authorities, including across Cheshire, the Northwest, North Wales, nationally and internationally with organisations that have the potential to deliver improved and more efficient shared services for our residents.

The Wirral Public Service Board has recently been established to drive this work forward, bringing together senior representatives from the health sector, as well as Merseyside Police, Merseyside Fire and Rescue, Wirral Metropolitan College, Job Centre Plus and Magenta Living.

The board will concentrate on bringing the public sector together, to realise efficiencies and integrate services in order to have a collective focus on outcomes.



**The £60m complex at Marine Point, New Brighton in partnership with Neptune Developments Ltd includes a casino, supermarket and cinema. It has created over 800 jobs since 2012.**

This important work will help to mitigate, where possible, the impact of public sector funding cuts whilst maintaining the best services possible for local people.

The board will ensure that we work closely with partners across all sectors to develop a longer term vision for Wirral, considering all future opportunities for working together.

## The Bigger Picture

Wirral will play an active part in the wider Liverpool City Region, ensuring that the benefits of our proximity to the increasingly vibrant city centre are realised and that the future plans of the Liverpool Local Enterprise Partnership reflect both the needs of Wirral businesses and the massive economic opportunities presented by our investment strategy.

Wirral Waters is a £5 billion investment proposal for Birkenhead Docks. It is the largest regeneration scheme to have received planning permission in the UK. There are several strategic proposals such as the Advanced Manufacturing Supplier Park and International Trade Centre.



Part Two:

## Current Asset Management Strategies



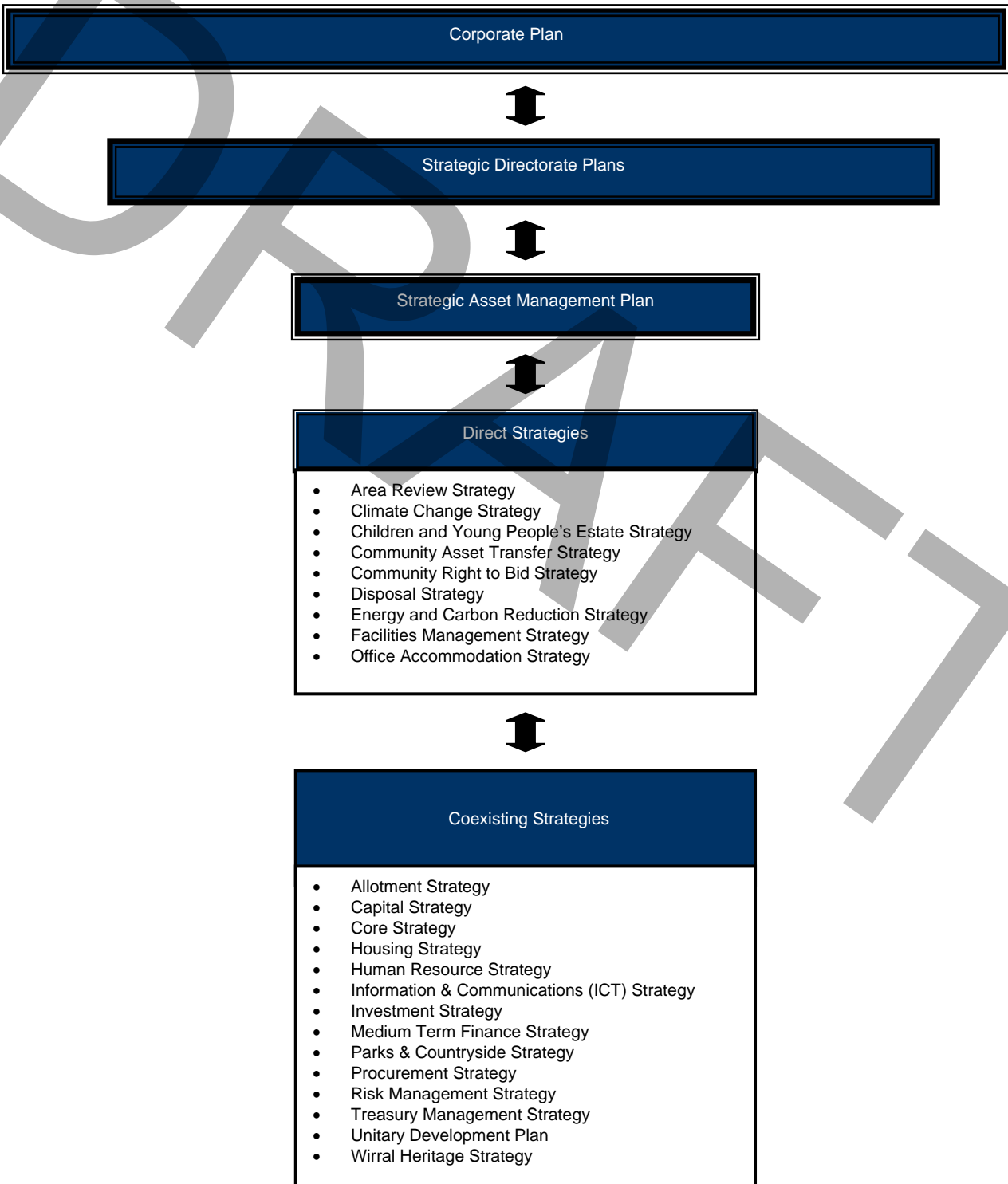


## Strategies Overview

The Council seeks to embed an organisational-wide approach to managing assets as a corporate resource as opposed to a compartmentalised, departmental driven approach. There is a focus on using the asset base to help deliver sustainable social, environmental and economic outcomes for local communities.

Property is a key corporate resource and as such strategic decisions made about assets should originate at the same level in the organisation as other key crosscutting resources e.g. Human Resources and ICT.

The direct strategies underpinning the Asset Management Plan are currently subject to a wholesale review and there are also several client asset strategies either being prepared or updated. They are being developed having regard for the principles set out in this plan, to ensure that asset management planning is fully integrated and coordinated across service boundaries. They will take into account the implications for the asset base in respect of medium and long term service planning. The schedule for this is detailed in part three '*Key Priorities and Implementation*'.



Part Three:

## Asset Management Key Priorities and Implementation Plan



## A Vision for the Council's Assets



### The Vision

Our key assets are fit for purpose and provide quality accommodation to deliver quality services.

We share property with our partners where it makes sense to do so to ensure more effective use of our combined assets and to provide convenient points of access for a range of public services.

Systems are in place to ensure that the capital released from surplus asset sales is re-invested in council priorities.

Decisions about property are made corporately to support corporate priorities. These decisions are based on up-to-date intelligence about both assets and service needs.

There is a single property database which allows the council to use and share its property information more easily.

Assets are managed efficiently. They are well maintained, energy efficient, adapted to climate risks and exploit renewable energy wherever this is feasible.

# Asset Management Implementation Plan

## Timescales

Projected Term	Implementation
Short Term	Up to 1 Year
Medium Term	1 – 3 Years
Long Term	3 – 5 Years

1.0 Developing Client Asset Strategies within a Strategic Framework					
Priority	Objective	Action	Short	Medium	Long
<b>Partnerships</b>	<p>All new client asset strategies will be developed in a joined-up way - both within the Authority and with partners - to enhance awareness of property as a strategic resource.</p> <p>These will be actively managed at both corporate and service levels and as such should be considered in every (relevant) service review.</p>	1.1 Ensure the Council's decisions reflect the strategic framework provided by this plan by raising awareness and establishing a monitoring regime.	✓	✓	✓
		1.2 Ensure client asset strategies are developed within the strategic framework provided by this plan by raising awareness and establishing a monitoring regime.	✓	✓	✓

## 2.0 Developing a Strategic Framework

Priority	Objective	Action	Short	Medium	Long
Efficiency Savings	Continually review assets and challenge whether they need to be retained. Dispose of assets that do not support core service objectives or fail to make an adequate return on investment.	2.1 Develop a robust asset rationalisation work stream, managed through the capital programme, to ensure that agreed efficiencies are delivered.		✓	
	Review office accommodation across the Council and set departmental targets for reduction to be achieved through the adoption of hot desking or other innovative methods.	2.2 Continue to drive forward the Office Rationalisation work stream of the 'Driving Value from Assets Programme'.	✓	✓	
	Drive continual improvement in energy efficiency and reduction in CO <sub>2</sub> emissions.	2.3 Develop and table an ISO 50001 compliant energy policy.	✓		
		2.4 Develop a robust energy management system.		✓	
		2.5 Review, assess and integrate existing energy and carbon related initiatives.	✓	✓	
Finance Model	Ensure asset savings are redirected to support the council's highest priorities and encourage service departments to review assets through appropriate mechanisms.	2.6 Develop a financial model that supports the principle of corporate ownership of assets.		✓	
Capital Receipts	Capital receipts must be maximised and all opportunities for securing capital receipts will be explored.	2.7 Ensure agreed capital receipt forecasts are met through robust monitoring arrangements.	✓	✓	

## 2.0 Developing a Strategic Framework (continued)

Priority	Objective	Action	Short	Medium	Long
<b>Schools Service Level Agreement</b>	Secure major benefit from collective and local purchasing power to effectively maintain and improve the education estate.	2.8 Prepare a new service level agreement offer to schools and academies from April 2015.	✓		
<b>Maintenance Backlog</b>	Reduce backlog repair liability to a sustainable level.	2.9 Implement a five-year rolling programme of condition surveys.		✓	
		2.10 Establish performance indicators to accurately report performance base data on condition in accordance with best practice.		✓	
		2.11 Establish links to national benchmarking schemes in respect of condition data to reliably compare performance against other public sector bodies.	✓		
		2.12 Establish a fundable, cyclical, core maintenance regime for assets remaining following the asset rationalisation programme.		✓	✓
<b>Climate Change Adaptation</b>	Ensure that climate risk is considered in the preparation of any new strategies.	2.13 Develop an approach and timetable for undertaking risk-based assessment of climate related threats and opportunities for each significant Council asset.	✓	✓	

### 3.0 Improved Business Performance

Priority	Objective	Action	Short	Medium	Long
Improved Business Performance	Centralise all asset management information systems and actively promote accessibility for all stakeholders.	3.1 Conduct a wholesale review and develop all direct strategies in respect of council property assets.	✓	✓	
		3.2 Procure a new asset management system that is fit for purpose to unify and modernise the asset management service.	✓		
		3.3 Establish the terms of reference for an asset management system project team to ensure successful implementation and use.	✓		
		3.4 Conduct a wholesale review of all asset management processes to enable workflow to be embedded and responsibilities allocated.	✓	✓	
		3.5 Decommission all redundant data systems.		✓	

## 4.0 Reviewing our Assets

Priority	Objective	Action	Short	Medium	Long
<b>A Strategic Property Review Programme</b>	Conduct thorough analysis of building performance including suitability, costs in use and overall efficiency in a programme of property reviews.	4.1 Develop a set of common performance criteria for all Council assets.	✓		
		4.2 Develop common performance criteria for different asset types.	✓		
		4.3 Develop energy performance assessment methods for individual assets to provide bespoke targets.		✓	
		4.4 Develop a methodology for presenting property information so that strategic and operational decisions can be taken objectively.	✓	✓	
		4.5 Implement phased programmes of property reviews.		✓	

## 5.0 Future Governance and Monitoring

Priority	Objective	Action	Short	Medium	Long
<b>Monitoring and Review</b>	The Asset Management Plan will be reviewed annually and the Implementation Plan rolled forward on a three-year basis.	5.1 Ensure reviews of the plan and associated reporting occur in accordance with the agreed programme.	✓	✓	



DRAFT

Asset Management  
Universal and Infrastructure Services  
Cheshire Lines Building  
Canning Street  
Birkenhead  
CH41 1ND

Tel: 0151 666 3884  
Email: [assetmanagement@wirral.gov.uk](mailto:assetmanagement@wirral.gov.uk)

This page is intentionally left blank

## WIRRAL COUNCIL

**CABINET 19<sup>TH</sup> JUNE 2014**

<b>SUBJECT:</b>	<b>THE WIRRAL BOROUGH COUNCIL (GRANGE ROAD, BIRKENHEAD) COMPULSORY PURCHASE ORDER 2008.</b>
<b>WARDS AFFECTED:</b>	<b>BIRKENHEAD AND TRANMERE</b>
<b>REPORT OF:</b>	<b>HEAD OF UNIVERSAL &amp; INFRASTRUCTURE SERVICES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR ADRIAN JONES</b>
<b>KEY DECISION?</b>	<b>YES</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 The Wirral Borough Council (Grange Road, Birkenhead) Compulsory Purchase Order 2008 (CPO) was confirmed with modifications by the Secretary of State on 28<sup>th</sup> July 2008 and all outstanding legal interests were vested in the Council on 8<sup>th</sup> December 2009.

### 2.0 BACKGROUND

- 2.1 The Council had invoked its compulsory purchase powers in support of a private sector redevelopment to facilitate the new Asda supermarket fronting Grange Road, Birkenhead.
- 2.2 There is an outstanding claim following the making of the CPO, which relates to the relocation of B & M Retail Limited from 238 Grange Road to 117-127 Claughton Road. This is a disturbance claim relating to relocation costs and alleged permanent loss of profits as a consequence of the move. This claim is due to be considered by the Upper Tribunal (formerly the Lands Tribunal) following B & M's application to the Tribunal for the matter to be determined at Tribunal
- 2.3 By way of a Development Agreement ("the Development Agreement") dated 9<sup>th</sup> January 2008 and a bond dated 6<sup>th</sup> October 2008 the Council has been indemnified by the Developer of the Asda site, Pochin Land & Development Limited (Pochin) for all costs associated with the making of the CPO. The Agreement and bond also secures the Developer's obligations to cover the payment of all compensation arising from the CPO.
- 2.4 Following the terms of the Development Agreement dated 9 January 2008 Pochin have appointed Matthews & Goodman (Chartered Surveyors) to negotiate the claim on its behalf for approval by the Council.
- 2.5 The consideration of the claim requires the forensic analysis of trading accounts and therefore an expert witness will need to be appointed to appear at the Tribunal. Pochin have chosen Pricewaterhouse Cooper (PWC) to undertake this work. The Council as

Acquiring Authority will however need to formally appoint PWC to act as expert witness. The Council may also have to formally appoint Matthews Goodman (Chartered Surveyors) as an expert witness to appear at the Tribunal. In addition, appropriate Counsel will be appointed to appear on behalf of the Council at the Tribunal. It may also be necessary to appoint a mediator to assist both parties in working towards a negotiated agreement. All costs incurred by the Council in connection with these appointments will, as agreed in the Development Agreement, be paid for by Pochin.

2.6 The appointment of Counsel expert witnesses (and a mediator if necessary) approved by Pochin is considered to be in the best interests of the Council, be lawful, and provide value for money, and therefore to be an exception to the Councils Contract Procurement Rules.

2.7 The level of compensation payable to B & M could be settled by way of sealed bids, or negotiation either prior to, or at the Tribunal hearing, or may be determined by the Tribunal. Any compensation payment will be met by Pochin, but, as Acquiring Authority, the Council will be required to negotiate and agree any settlement figure.

### **3.0 RELEVANT RISKS**

3.1 The risk to the Authority are minimal as any compensation payment, and the costs of appointing Counsel and experts witnesses, will be met by the Pochin in accordance with the terms of the Development Agreement.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 There are no other options available.

### **5.0 CONSULTATION**

5.1 None

### **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 None

### **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 As the costs of Counsel and any witnesses, including PWC, together with any compensation payments will be met by Pochin there are no financial implications for the Council.

### **8.0 LEGAL IMPLICATIONS**

8.1 As stated above the appointment of expert witnesses is necessary to enable the Council to resist the claim for compensation in the Tribunal.

### **9.0 EQUALITIES IMPLICATIONS**

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

(a) Yes an impact review is attached

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

## 10.0 CARBON REDUCTION IMPLICATIONS

10.1 None

## 11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None

## 12.0 RECOMMENDATIONS

12.1 Cabinet is requested to

- Authorise the Director of Universal and Infrastructure Services to appoint appropriate Counsel and an expert witness (or expert witnesses) and a mediator if necessary to represent the Council at the Upper Tribunal as an exception to the Councils Contract Procedure Rules
- Authorise the Director of Universal and Infrastructure Services, or his representative, to negotiate and settle any compensation payment arising from B & M's application to the Upper Tribunal
- Note that any costs associated with the application to the Upper Tribunal on this matter, including any compensation payments payable to the B & M, shall be met by Pochin.

## 13.0 REASONS FOR RECOMMENDATIONS

13.1 To settle the claim by B & M Retail Limited arising from The Wirral Borough Council (Grange Road, Birkenhead) Compulsory Purchase Order 2008 (CPO).

**REPORT AUTHOR:** **Tony Simpson**  
Asset Manager  
telephone: 0151 666 3892  
email: [tonysimpson@wirral.gov.uk](mailto:tonysimpson@wirral.gov.uk)

## APPENDICES

None

## REFERENCE MATERIAL

None

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date

This page is intentionally left blank

## WIRRAL COUNCIL

### CABINET REPORT 19<sup>TH</sup> JUNE 2014

<b>SUBJECT:</b>	<b><i>UNITS 1, 2 AND 3 TARRAN INDUSTRIAL ESTATE, TARRAN WAY WEST, MORETON</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>MORETON WEST AND SAUGHALL MASSIE</i></b>
<b>REPORT OF:</b>	<b><i>HEAD OF UNIVERSAL &amp; INFRASTRUCTURE SERVICES</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>COUNCILLOR ADRIAN JONES</i></b>
<b>KEY DECISION?</b>	<b><i>NO</i></b>

#### 1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek authority to dispose of the freehold interest of three industrial units on Tarran Way West, Tarran Industrial Estate, Moreton to the current lessee.

#### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 Units 1 to 3 Tarran Way West comprise of three 2,000 sq ft interconnecting industrial units on the Tarran Industrial Estate, Moreton. The three units are held on a 9 year lease from 1<sup>st</sup> February 2007 to M Rogers trading as A1 Autocare at an annual rent of £28,500 p.a. Under the terms of the lease the tenant is responsible for all internal and external repairs and insuring the units. The lease includes a break clause to enable the tenant to terminate the lease on serving six months notice at any time. M Rogers has been a tenant of unit 1 since 1993.
- 2.2 The lessee has enquired about purchasing the freehold interest of the three industrial units. Negotiations have taken place and a figure of £270,000 plus fees has provisionally been agreed for the freehold. These are the only industrial units on The Tarran Industrial Estate owned by Wirral Council although approximately one quarter of the estate is owned by Wirral Council on 99 year ground leases. If the Council retain the units there is a risk that the tenant could serve 6 months notice to terminate the lease and the Council could be left with three vacant industrial units. Due to the layout of the communal access road, units and rear yards the units may be difficult to re-let individually.

#### 3.0 RELEVANT RISKS

- 3.1 The units are held on a 9 year lease from 2007 with the tenant responsible for all repairs and insurance. The lease includes a break clause to enable the tenant to terminate the lease on giving 6 months notice so there is a risk the tenant could give notice or vacate the unit on expiry and the Council would left with three vacant units.

#### 4.0 OTHER OPTIONS CONSIDERED

- 4.1 Retain the units on a lease but there is a risk outlined above that the tenant could vacate the units.

## **5.0 CONSULTATION**

5.1 As the land is already held on a 9 year lease no consultation is required.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 None

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 The sale will generate a capital receipt of £270,000 plus fees but the loss of an annual income of £28,500 p.a.

## **8.0 LEGAL IMPLICATIONS**

8.1 The disposal will require the preparation of appropriate legal documentation related to the disposal.

8.2 The sale price is considered to be the best price obtainable and therefore meets the requirements of Section 123 of the Local Government Act 1972.

## **9.0 EQUALITIES IMPLICATIONS**

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

No because there is no relevance to equality.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 None

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 The site is identified on the Proposals Map with the Wirral Unitary Development Plan (UDP saved by direction of the Secretary of State on 27 September 2007) as being within a Primarily Industrial Area. UDP Policy EM8 permits proposals for uses falling within Classes B1 (business), B2 (general industry) and B8 (storage & distribution) of the Town & Country Planning (Uses Classes) Order 1987, subject to adequate design and use controls.

11.2 The sale of the freehold interest of industrial units by itself does not require planning permission. Under these circumstances no planning implications arise.

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

## **12.0 RECOMMENDATION/S**

12.1 That the freehold of Units 1-3 Tarran Way West, Tarran Industrial Estate, Moreton be sold on the terms reported.

## **13.0 REASON/S FOR RECOMMENDATION/S**

13.1 To make the best use of the council's property assets.



**REPORT AUTHOR:** **David Dickenson**  
*Asset Management Surveyor*  
telephone: (0151 666 3879)  
email: [daviddickenson@wirral.gov.uk](mailto:daviddickenson@wirral.gov.uk)

**APPENDIX**

Location plan

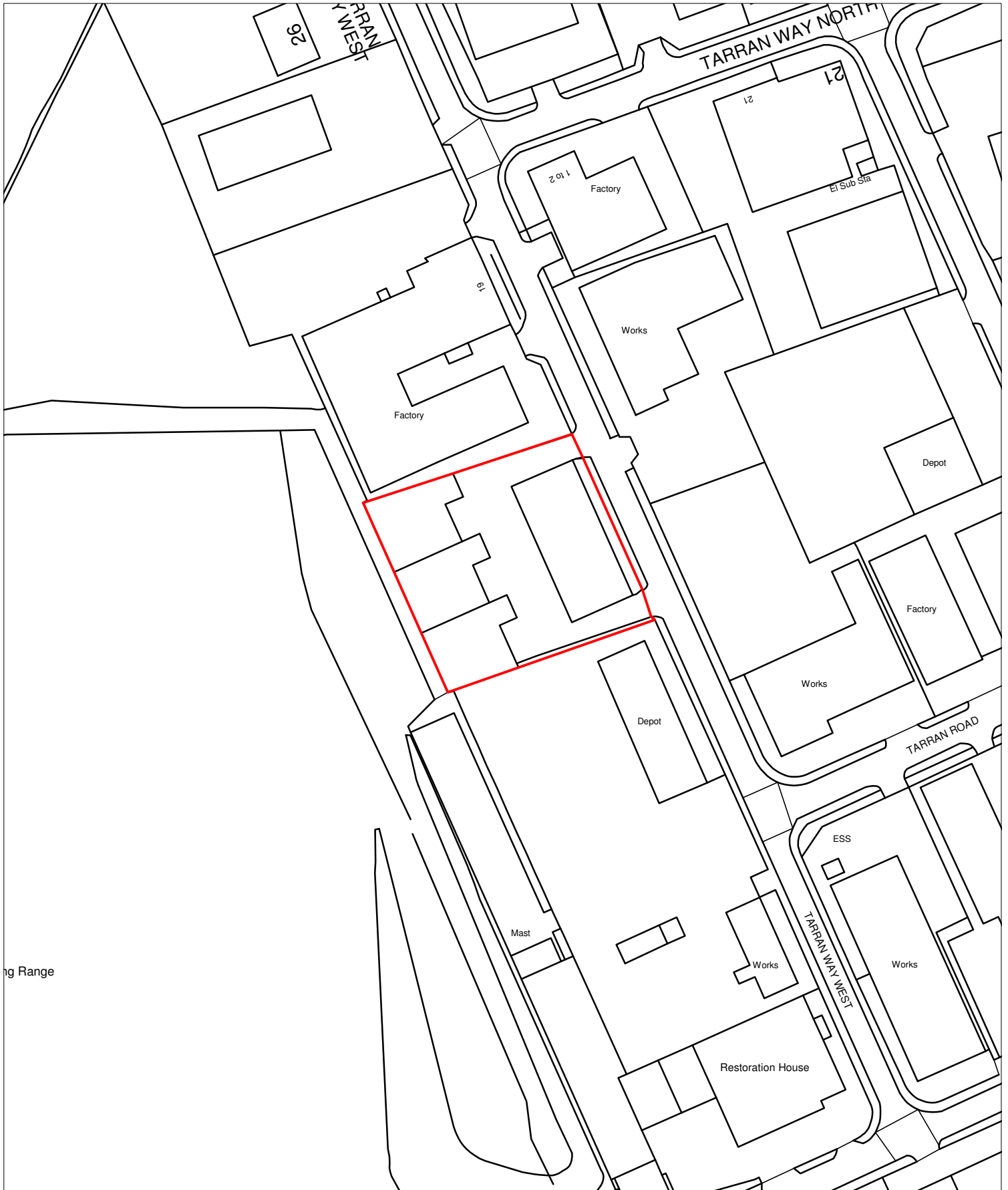
**REFERENCE MATERIAL**

No reference material has been used in the preparation of this report.

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>None</b>	

This page is intentionally left blank



title <b>Units 1, 2 &amp; 3</b> <b>Tarran Industrial Estate</b> <b>Moreton</b>	scale <b>1:1250</b>		
	date <b>7/5/2014</b>	map ref. <b>26NE</b>	

This page is intentionally left blank

## WIRRAL COUNCIL

### CABINET 19<sup>TH</sup> JUNE 2014

<b>SUBJECT:</b>	<b><i>ALEXANDER HALL, ROCKY LANE, HESWALL</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>HESWALL</i></b>
<b>REPORT OF:</b>	<b><i>HEAD OF UNIVERSAL &amp; INFRASTRUCTURE SERVICES</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>COUNCILLOR ADRIAN JONES</i></b>
<b>KEY DECISION?</b>	<b><i>NO</i></b>

#### 1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek authority to dispose of Alexander Hall, Rocky Lane, Heswall.

#### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 Cabinet, at its meeting on 15th January 2009, identified a number of facilities, including Alexander Hall, which should be transferred to community management, where the community expressed an interest.
- 2.2 Alexander Hall is a timber, pre-fabricated building, as shown edged red on the attached plan, which was constructed in the 1960's and has been used as a community hall until recently. The type of construction means it has a limited life which was endorsed by an independent survey.
- 2.3 Alexander Hall, along with the nearby Heswall Hall, was advertised as available for community management in accordance with the Council's Community Asset Transfer policy. A selection process identified a group representing the existing users of the Halls, who organised themselves to form the Heswall Halls Steering Group, who developed a proposal involving both halls, which was approved by Cabinet on 14 October 2010. The steering group then became the Heswall Hall Community Trust (HHCT). Its proposal aimed to take over facilities which, at that time, generated significant losses and to operate them in such a way as to generate a profit. On this basis, the group's proposal revolved around developing Heswall Hall as the main focus of community activities and to gradually relocate users of Alexander Hall to Heswall Hall. This proposal only required the Group's use of Alexander Hall for a short time and was transferred to them on a three year lease, which could be terminated by the group as and when the facility was no longer required. The group successfully relocated activities to Heswall Hall in a much shorter time and handed Alexander Hall back to the Council in December 2011.

- 2.4 As part of the process of transferring Heswall and Alexander Halls, the Heswall Hall Community Trust made it clear that it viewed Alexander Hall as an important community facility and that any receipt from a future sale should, in some way, be made available to fund community activities in the locality. Members therefore agreed that the transfer of Heswall Hall should include provision for the Trust to be able to apply for a portion of a receipt generated by a future sale of Alexander Hall, to fund future community based projects at Heswall Hall. A legal agreement sets out the basis of determining the money available to the Trust, which in essence reflects a share of the proceeds of sale, less monies spent by the Council from its repair and maintenance budget on the refurbishment of Heswall Hall. The amount available to the Trust is capped and the maximum figure which it could apply for is in the region of £25,100.
- 2.5 Alexander Hall is now vacant and unused and, due to its construction and condition, is unsuitable for any long term uses. This background has previously been reported to the Portfolio Holder for Central and Support Services and the property was declared a surplus asset with the resolution to dispose of the property by auction. Subsequently the Council has appointed consultants, Lambert Smith Hampton (LSH), to undertake the marketing for the sale of a number of other significant Council assets. In order to ensure that any receipt for the sale of Alexander Hall is maximised it is considered more appropriate for LSH to undertake a full marketing exercise which would enable purchasers to fully explore the potential of the property, which is preferred in this instance over a disposal by auction. Accordingly LSH have been instructed to commence a marketing exercise with a view to securing a disposal. Their suggestion is to initially seek offers in excess of £300,000 and then assess the response. A disposal at this level requires a Cabinet approval and Members are therefore asked to authorise the disposal of Alexander Hall on terms which LSH, as the Council's consultant, confirm to be the best achievable.

### **3.0 RELEVANT RISKS**

- 3.1 There is a risk that the property will not sell, however, given its location it is felt this method is the best way of identifying a purchaser.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 Consideration has been given to a sale by auction, which would be a quick method of disposal, but a marketing exercise by LSH is considered to be the best method of maximising any potential receipt.

### **5.0 CONSULTATION**

- 5.1 The consultants are undertaking a full marketing exercise to advertise the availability of the property.

### **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 The property has previously been used by the community as a community hall. As outlined in the report, the activities have been relocated to Heswall Hall, along with other community facilities in the area. Consequently it is considered that Alexander Hall, as a community facility, is no longer required. However, any voluntary, community or faith groups interested in the building will be able to submit offers to the consultants.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 7.1 Should the property sell, it will generate a receipt and will also remove any liability for the maintenance/security of the building and the cost of services.
- 7.2 The Council will need to set aside a share of the sale proceeds, up to £25,100, to enable the HHCT to submit a scheme as set out in the report.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 The disposal will require the preparation of appropriate legal documentation.
- 8.2 In accordance with the terms of the agreement with the Heswall Hall Community Trust, the Council will need to make funds available from the capital receipt in order for the Trust to apply for it to fund an approved scheme.

## **9.0 EQUALITIES IMPLICATIONS**

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

The EIA can be viewed by following the link:

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

## **10.0 CARBON REDUCTION IMPLICATIONS**

- 10.1 The sale will result in a reduction in the Council's CO2 emissions.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

- 11.1 The site is designated as part of the Primarily Residential Area in the Unitary Development Plan (UDP), where new housing would be subject to compliance with UDP Policies HS4 'Criteria for New Housing Development' and HS10 'Backland Development'. Other uses would be considered against the criteria in UDP Policy HS15 'Non-Residential Uses in Primarily Residential Areas. Planning applications would also be currently assessed for conformity with the National Planning Framework and Development Management Policies in the emerging Core Strategy, which has been approved by the Council as material consideration in planning decisions.

## **12.0 RECOMMENDATION/S**

- 12.1 That authority be given to a disposal of Alexander Hall on the terms described.

## **13.0 REASON/S FOR RECOMMENDATION/S**

- 13.1 To make the best use of the Council's property assets by disposing of this surplus asset.

**REPORT AUTHOR:** *Steven McMorran*  
*Team Leader asset Management*  
telephone: (0151 666 3891)  
email: [stevemcmorran@wirral.gov.uk](mailto:stevemcmorran@wirral.gov.uk)

## **APPENDICES**

Location plan

## REFERENCE MATERIAL

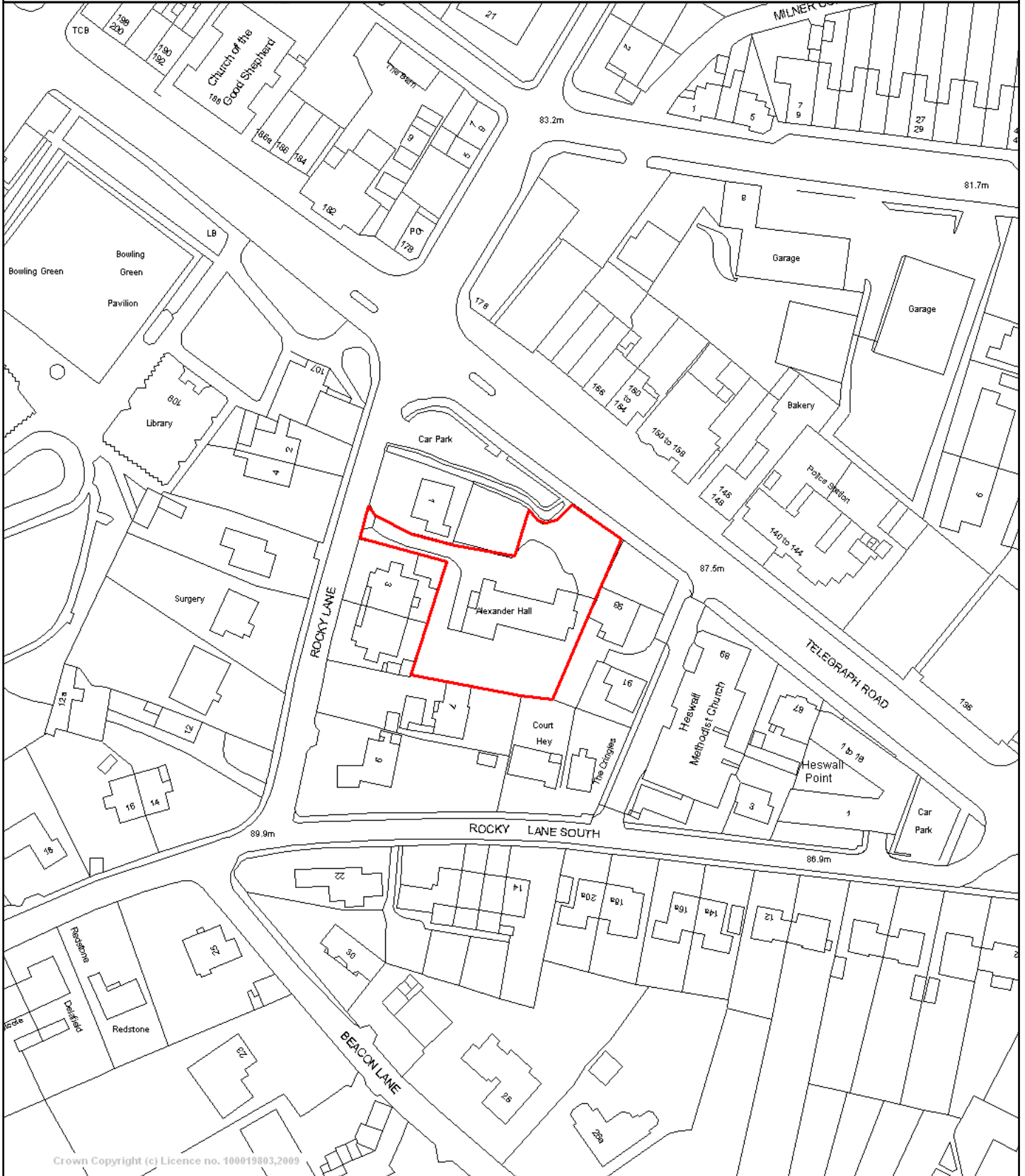
No reference material has been used in the preparation of this report.

## SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
<b>Cabinet - Transforming Wirral - Strategic Asset Review</b>	<b>15 January 2009</b>
<b>Cabinet - Community Asset Transfer - Heswall and Alexander Hall, Heswall</b>	<b>14 October 2010</b>
<b>Delegated Decision - Alexander Hall, Rocky Lane, Heswall</b>	<b>23 July 2013</b>



# Alexander Hall, Rocky Lane, Heswall



Reproduced from the Ordnance Survey mapping with the permission of Her Majesty's Stationery Office. Crown Copyright reserved. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Licence Number: 100019803

Scale 1/1250  
Centre = 327097 E 381659 N

Date 31/3/2011

Dept:  
Section:

Phone:  
Fax:

This page is intentionally left blank

## WIRRAL COUNCIL

### CABINET

**19 JUNE 2014**

<b>SUBJECT:</b>	<b>LOCAL COMMUNITY LIBRARY INITIATIVES COMMUNITY RIGHT TO BID PROCEDURE</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>HEAD OF BUSINESS PROCESSES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR CHRISTINE MEADEN</b>
<b>KEY DECISION</b>	<b>NO</b>

#### **1.0 EXECUTIVE SUMMARY**

1.1 This report details the current situation with regard to Wirral's Library network with specific regard to its smaller Community Library sites. The financial pressures facing the authority sees a review of all of its services and with regard to Libraries, a number of other authorities have reduced their library network due to this ongoing loss in funding. To mitigate such impacts on Libraries Councils have the option to engage with local community groups where there is an interest in voluntarily running part or all of a library site which may be preferable to total loss. This report details a method of dealing with this as a community right to run proposal and seeks Cabinet direction for it to be progressed.

#### **2.0 BACKGROUND AND KEY ISSUES**

2.1 Wirral has a borough wide library network of 24 sites, broadly split into three types. Four main centrals, five sites fully merged with our One Stop Shop service and 15 community based libraries which range in size from the larger Greasby and Bromborough sites to the smallest such as Ridgeway and the unstaffed site at New Ferry. The 15 sites are viewed as Community Libraries, smaller sites than our centrals and not merged with other services. This reflects the national view of the future shape of libraries.

2.2. Wirral's Library strategy was set on 8 December 2011 (minute 219 - Wirral Libraries, A New Chapter). The focus of which is that Libraries should be regarded as both a service and a place. Places would be accessible and welcoming meeting the needs of the local community and as a service focus on providing information, knowledge and reading. To achieve this there were a number of service targets including merging key sites as Library One Stop Shops which is well underway and included re-modelling sites to establish a more open environment.

2.2. The total cost of the combined Library One Stop Shop service is £4.79m in 2014/15. In 2012 the service was given a savings target to achieve of £1.25m savings between 2013 and 2015. This is on course to be achieved

with only £120k for the start of 2015/16 due to be implemented and has been done by merging with one stop shops allowing reduced total staff on site and currently under local consultation is a reduction in opening hours at community libraries. Total opening hours are long in Wirral and there are identifiable quiet periods at many sites. The merging of sites with one stop shops and the inclusion at sites of public service and voluntary sector partners has further enhanced them as natural community / neighbourhood focal points reflecting the authority's focus on neighbourhoods.

- 2.3. There is an ongoing role for Library areas in Health and Advice issues and as a local support for the move towards digital inclusion requirements. This has also seen an increasing role of friends and volunteers with Public Access IT volunteers.
- 2.4. By 2016 overall council funding in excess of 50% will have been lost through government grant reductions in a four year period. The Future Council project is established to help achieve £43m more savings and as all services are reviewed the breadth of the Library network of sites is inevitably under review for potential rationalisation and efficiency.
- 2.5. The expectation of fundamental changes later in 2014 will require a review of our Strategy and associated assessments such as risk, business, health and safety to all be suitably reviewed and agreed. Specifically this would see the Library Strategy reviewed to show how any changes maintain the comprehensive and efficient library service that legislation demands and to show the authority continuing to meet its statutory obligation.
- 2.6. Libraries community role is in offering activities and services such as baby bounce, reading groups and friends and user groups which are now as big a role as that of traditional book lending. Central government, the Local Government Association, the Arts Council and the Society of Chief Librarians all recognise the changing role of libraries and how community libraries will continue to play a role in localities. In the Local Government Association and Arts Council review of Libraries in 2013 they highlighted the need for every library authority to have a positive vision for and a clear statement of public library service based on assessment of local need within available resources which reflects a rounded vision of the whole library service.
- 2.7. Libraries form part of networks and so changes to individual libraries are best viewed from a strategic perspective. The role of communities within the library service should be considered within this strategic and long term framework. In any potential loss of services it is key to look at how the community can support or even replace the current service order to be ready to address any impacts of budget reductions.
- 2.8. Many of our local community groups are aware of the pressure on libraries and have asked how they may help as they appreciate libraries cannot be protected over other services. It is then important the authority agree what officers should do in responding to this community support within the context of the future for libraries.

- 2.9. Local community involvement can offer various benefits including –
- Reduced operating costs to the public sector.
  - Enabling the library to remain open when it might otherwise close or be able to retain opening for longer hours than may be within budget.
  - Community management or involvement bringing renewed energy and innovation to the service, prompting new activities and more flexible use.
  - Increased usage by the local community through an enhanced sense of ownership.
  - Provides valuable experience to the community group and helpful work for volunteers.
- 2.10. Given the likelihood of change it is proposed that officers should engage with all community library sites on a proactive basis that allows us to gauge what can be done and report back to Cabinet and Portfolio Holder. Initially consultation on this could be undertaken locally and relatively quickly as officers have regular meetings with friends and user groups.
- 2.11. This would follow the suggestions of the Arts Council England and Local Government Association to include –
- An open presentation of the financial situation and a formal documented request by the council for help from local communities.
  - The options available including a description and information on Wirral's library services the locality and our needs going forward, the models we would consider and how this would be taken forward.
- 2.12. If any areas were progressed specific public consultation would follow for residents, community groups, local businesses and organisations to work with the council in order to find lower cost ways of delivering sustainable local library services. The Council would also need to hold information meetings to this effect but we are in a strong position due to the previous work over the past two years which has lead to a balanced strategic approach with newly merged refurbished facilities in key locations and busy central libraries.
- 2.13. There have been a number of approaches from community organisations to varying degrees in regard local community support and involvement at local Libraries. If these are pursued this will allow the authority to see how this can best positively support the library service going forward. Thus far as an authority we have not formally adopted the principle that we will engage with our local groups to see the level of interest, support and potential costs this may have.
- 2.14. Cabinet is asked to support this local initial engagement and then for officers to report back to be allow decisions to be made on how the authority may wish to progress further specific local community involvement and community right to run proposals.

### **3.0 RELEVANT RISKS**

- 3.1 If active local community involvement is not engaged and encouraged potential reductions in service may be more than otherwise would be the case within remaining resources and would need to be carefully managed and supported to ensure it is a support to the statutory service or is viewed as extra to that role.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 The options are that the service reviews what it can continue to provide within remaining resources and could include reviewing alternative models of delivery.

### **5.0 CONSULTATION**

- 5.1 The consultation undertaken would be local to each site and to local groups.

### **6. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 Depending on interest and level of commitment this could be considerable but only identified as each area is reviewed.

### **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 7.1 Financial – The total service cost is £4.79m in 2014/15 after previous agreed budget reductions, further savings are to be achieved for 2015/16 of £120,000. Community Involvement has the potential to both help meet savings targets but potentially provide a way of further meeting additional saving targets as Council's overall budgets reduce.

- 7.2. IT – There are none arising directly from this report.

- 7.3. Staffing – Depending on the level of local engagement there is a potential loss of direct control of sites or that volunteers will be present supporting staff. This is already done elsewhere successfully in Library services but is not without significant need to be managed effectively. Initially this impact will only be on a locality level as any community group interest is identified. Local progress in an area would also involve consultation with staff representatives.

- 7.4. Assets – Dependent on the level of local interest this could include the transfer of buildings to a group. Any progress in this would be led by Asset Management.

### **8.0 LEGAL IMPLICATIONS**

- 8.1 There are none arising directly from this report but consequential discussions could lead to legal considerations on local agreements which would be led by the Head of Legal and Member Services.

### **9.0 EQUALITIES IMPLICATIONS**

- 9.1 The Equality Impact Assessment is shown at the link below;

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-april-2014/eias-transformation-res>

### **10.0 CARBON REDUCTION IMPLICATIONS**

- 10.1 There are none arising directly from this report.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 There are none arising directly from this report but consequential discussions could lead to planning issues on a local area basis.

## **12.0 RECOMMENDATION**

12.1 To allow officers to engage in discussion with local groups with regard degrees of involvement in supporting the running of community libraries and report to Cabinet with findings for decision on how this may be taken forward.

## **13.0 REASON FOR RECOMMENDATIONS**

13.1 To allow officer to identify and report on level of community group interest in involvement of supporting library running.

**REPORT AUTHOR:** **Malcolm Flanagan**  
Head of Business Processes  
[malcolmflanagan@wirral.gov.uk](mailto:malcolmflanagan@wirral.gov.uk)  
(0151) 666 3260

**APPENDIX** None

**REFERENCE MATERIAL** None.

## **SUBJECT HISTORY**

<b>Council Meeting</b> <b>Cabinet</b>	<b>Dates</b> <b>8 December 2011</b>
--	--

This page is intentionally left blank



## WIRRAL COUNCIL

### CABINET

19 JUNE 2014

<b>SUBJECT</b>	<b>WIRRAL COUNCIL &amp; MAGENTA LIVING – COMMUNITY FUND</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF RESOURCES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER</b>	<b>COUNCILLOR GEORGE DAVIES</b>
<b>KEY DECISION</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

1.1 This report updates Cabinet on the Community Fund which is administered by Magenta Living (formerly Wirral Partnership Homes). It seeks agreement to the release of the Environmental Warranties set-aside within the Fund so that the sum is available for distribution in accord with the operation of the Fund. The liability for any environmental claims, which is considered a low risk, then rests with the Council for which provision has been made within the Council's Insurance Fund.

### 2.0 BACKGROUND AND KEY ISSUES

2.1 The report to Cabinet on 23 September 2010 provided a comprehensive overview of the management arrangements for the Fund which was established as a consequence of the transfer of the bulk of the Council housing stock to WPH (now Magenta) in February 2005. Subsequent updates have amended the Council representation in managing the Fund and endorsed the representatives to authorise, on behalf of the Council, the release of money from the Fund.

#### COMMUNITY FUND

2.2 The Community Fund Deed sets out the framework of the purposes for which the Fund can be used and states that the Fund would be overseen by a Joint Working Group (JWG). The Fund is administered by Magenta and is managed by the JWG with the final decision on approving the use of the Fund being by Magenta.

2.3 The JWG comprises equal membership from the Council and Magenta. The Council representatives are Councillor George Davies (Cabinet Member for Neighbourhoods, Housing and Engagement), Ian Platt (Head of Housing and Community Safety) and Tom Sault (Head of Financial Services). To comply with banking requirements sums released from the Community Fund require a formal bank mandate and the representative are the Council's authorised signatories.

- 2.4 The Fund was expected to reach £30 million over a ten year period. Income to the Fund increases as the development programme continues with eligible VAT is reclaimed and is dependent upon the rate of progress of the programme. It was initially agreed to set aside £2.5 million to cover any potential environmental warranties and the level of this set aside has now been reviewed (see below). The Fund is allocated 50:50 between the Council:Magenta to support approved schemes.
- 2.5 The approved schemes are subject to a submission to the JWG which is assessed against the purposes of the Community Fund Deed and the charitable objects of Magenta (see the Appendix) with Magenta receiving advice from Anthony Collins their appointed legal advisors. A recommendation is then made to the Magenta Board. Those schemes approved are the subject of a formal grant agreement with progress monitored by the JWG.

### **ENVIRONMENTAL WARRANTIES**

- 2.6 A number of warranties were given to WPH (now Magenta) and its funders under the 2005 agreement to transfer the Council's housing stock. These included Environmental Warranties and the advice of the appointed legal advisors, Wright Hassall, was that in the LSVT (Large Scale Voluntary Transfer) sector funders would expect environmental warranties of at least for the term of the loan (normally 30 years).
- 2.7 In advance of the transfer the Council commissioned a desktop Environmental Survey from WSP Environmental Limited (WSP). The company categorised each parcel of land to be transferred as carrying a potentially low, medium or high risk of environmental pollution. WSP assessed over 95% of the transferred properties to be in the low category and the likely cost of remedial works, should that potential risk be realised, at £1.5 million although commenting that the payments could be above / below this figure.
- 2.8 The Council elected not to obtain insurance as this was not the most cost-effective method of meeting any potential risk as the degree of risk identified in the WSP report was relatively small, Officers were not aware of any previous claims brought against the Council in respect of environmental pollution and the maximum amount of cover (including timeframes) the insurance market could provide was limited.
- 2.9 It was agreed that any liability which might arise would be dealt with through an agreed mechanism under which the Council and WPH would identify whether a potential claim could be met through a claim against a third party, a contingency set out in the Stock Condition Survey, budgets in WPH's business plan, any existing insurance policies or the Community Fund. The Council's then insurance brokers (Aon UK) advised this was a reasonable approach and provided a larger source of potential finance than was available through the commercial insurance market. It was expected that should any liability arise it would most likely be in the first 7 years of the investment programme.

2.10 The arrangement has now been in place for over 9 years. During this period Magenta has implemented a significant programme of investment and re-development. Neither the Council nor Magenta are aware of any claims for environmental pollution having been made.

2.11 It is therefore recommended that the sum held in the Community Fund for Environmental Warranties be released to the Council and Magenta. As a result any potential future claims for environmental impairment relating to the transferred land that might be made during the remainder of the warranty period would have to be met from the Council's resources.

### **3.0 RELEVANT RISKS**

3.1 The Fund is available to meet services which comply with the Objects of Magenta. These submissions provide the opportunity for the Council to access the Fund and are subject to review by the Magenta legal advisors as to compliance.

3.2 The Fund is a time-limited resource and so if services are to continue into the future then consideration will have to be given to building the costs into the Council budget.

3.3 There is a risk that claims for environmental impairment could be made and such claims would have to be met from the Council's own resources. The risk of claims is considered to be low and to mitigate this there is a provision within the Council Insurance Fund there for Contaminated Land claims.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 In respect of services then, if funding is not provided from the Fund the Council would have to either identify additional resources or cease providing the services concerned. The Council Budget Projections anticipate that Community Fund resources will be available until 2014/15 with the Council having to identify funding from 2015/16 if the services are to continue.

4.2 For the environmental warranties a further desktop environmental survey be commissioned to re-examine the risk of environmental pollution. The cost would be in the order of £25,000. As relatively little risk was identified in the original study and if claims were to materialise it is likely that they would have been generated by the works undertaken in connection with the investment programme. A further survey is unlikely to add to the original survey findings so would not represent a good use of resources.

4.3 The retention of £2.5 million, or a lesser sum, in the Fund for the Environmental Warranties. There are significant opportunity costs for both organisations associated with this action measured against the likelihood of potential claims.

## 5.0 CONSULTATION

5.1 The services provided by the relevant Directorates involve consultation with partners and users but are not directly related to this report.

## 6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 The relevant Directorates work with the sector in delivering services but there are no direct opportunities from this report.

## 7.0 RESOURCE IMPLICATIONS

7.1 The Community Fund represents a finite and time-limited resource to support schemes in line with the Community Fund Deed and the charitable objects of Magenta. Income is dependent upon the improvement works undertaken by Magenta. At 31 March 2014 the total receipts to the Fund were £33 million, some £3 million above the initial projections of £30 million. Future income will be minimal in comparison and cannot be guaranteed.

7.2 The Fund position as at 31 March 2014 was:-

COMMUNITY FUND	£m	£m
Income to the Fund		
VAT recovery on eligible works	24.8	
Former Housing Revenue Account balances	5.1	
Interest earned	1.4	
Other including shares of house sales	1.4	32.7
Less:		
Environmental Warranties set-aside	2.5	
Central heating works agreed pre-transfer	1.3	
*Your Wirral Fund	1.8	-5.6
Balance available to Council:Magenta		27.1

\* JWG on 13 May 2014 confirmed the sum allocated in 2013/14 of £250,000 with a decision deferred on any allocation for 2014/15.

7.3 Of the Council share of £13.5 million £12.6 million has been allocated:-

WIRRAL COUNCIL SCHEMES		Grant
Description	Time Period	£000
Community Asset Transfer	*2009/15	4,500
Regeneration Investment	2008/11	2,561
Housing Support	2008/11	1,000
Housing Support Services	2011/14	1,200
Private Sector Housing	2011/14	1,800
Vulnerable Families	2011/14	1,500
Total Grants allocated		12,561

\* extended to 31 March 2015 at JWG on 13 May 2014.

7.4 At the JWG on 13 May 2014 it was agreed to release the Environmental Warranties set-aside, subject to Council approval. As £1 million was set-aside pending resolution of an outstanding taxation issue £1.5 million was released for distribution. The funding available to the Council therefore totalled around £1.5 million and the JWG agreed the following which fully utilises the Council share of the presently available Community Fund resources:-

WIRRAL COUNCIL SCHEMES		Grant
New approvals	Time Period	£000
Housing Support Services	2014/15.	400
Private Sector Housing	2014/15	600
Vulnerable Families	2014/15	500
Total for 2014/15		1,500

7.5 Looking beyond 2014/15 income to the Fund is reliant upon the progression of outstanding eligible works by Magenta and there are presently discussions with Her Majesty's Revenues & Customs over the tax position. At this stage there is no remaining share due to the Council and the services supported through the Community Fund have been identified as potential growth bids in the Council Budget Projections for 2015/16.

7.6 Staff within the Regeneration and Environment Directorate working on the above schemes are funded from this time-limited source of funding.

## **8.0 LEGAL IMPLICATIONS**

8.1 The Council is required to appoint three representatives to the Community Fund Joint Working Group with approval to act as authorised signatories for the release of Community Fund monies.

8.2 Part II of the Environmental Protection Act 2000 places a liability upon the Council in respect of Environmental Warranties notwithstanding that it may have parted with the property.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 There are none arising from this report.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 There are none arising directly from this report.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 There are none arising directly from this report.

## 12.0 RECOMMENDATIONS

- 12.1 The Council position regarding Environmental Warranties is acknowledged and the release of the set-aside in the Community Fund is confirmed.
- 12.2 The liability of the Council in respect of Environmental Warranties is recognised with provision for this liability made within the Council's Insurance Fund.
- 12.3 The availability of Community Fund Grant support of £1.5 million for 2014/15 to finance the services identified in Section 7.4 is noted.
- 12.4 Having regard to the financial position of the Community Fund the services supported by the Fund in 2014/15 it is noted that these services are included as potential growth in the Budget Projections for 2015/16.

## 13.0 REASONS FOR RECOMMENDATIONS

- 13.1 The Community Fund is administered by Magenta and can only be used for activities that comply with the Objects of Magenta. The release of the set-aside for Environmental Warranties places the financial risk, regarded as low, upon the Council. The release of this sum is then available and used to support the funding of £1.5 million of Council services in 2014/15. The Community Fund is a time-limited finite resource and the Council has now utilised its share of the Fund at 31 March 2014.

**REPORT AUTHOR:** Tom Sault  
Head of Financial Services  
Telephone 0151 666 3407  
Email tomsault@wirral.gov.uk

## SUBJECT HISTORY

<b>Council Meeting</b>	<b>Date</b>
Cabinet – Wirral Council and Wirral Partnership Homes – Community Fund	23 September 2010
Cabinet – Wirral Council and Wirral Partnership Homes – Community Fund	3 February 2011
Cabinet – Wirral Council and Wirral Partnership Homes – Community Fund	8 December 2011
Executive Member Decision - Wirral Council and Wirral Partnership Homes – Community Fund	3 May 2013

## REGENERATION AND ENVIRONMENT POLICY AND PERFORMANCE COMMITTEE – 9 APRIL 2014

### 46 NOTICE OF MOTION - NO TO NUISANCE CALLS

The Head of Legal and Member Services advised that at the meeting of the Council held on 10 March 2014 (minute 98 refers), the following Notice of Motion proposed by Councillor Stuart Kelly and seconded by Councillor Alan Brighouse was referred by the Mayor to this Committee for consideration.

#### 'NO' TO NUISANCE CALLS

Council notes:

- (a) the success and popularity of 'No Cold Caller Zones' which have been introduced across Wirral by Trading Standards officers, with support from residents and the Police, and that this work has resulted in the creation of 46 'Neighbourhood/No Cold Calling Zones', which now cover some 900 households;
- (b) that "nuisance" marketing calls and text messages to landlines and mobiles are a growing problem despite the existence of the Telephone Preference Service (TPS), with more than 650 million so-called "silent calls" made every year. These are causing inconvenience and distress, particularly to elderly and vulnerable people.

Council welcomes the 'No to Nuisance Calls' campaign <http://www.no2nuisancecalls.net/about> for more effective regulation of this problem, which seeks to enhance the Information Commissioner's powers to encompass all forms of unsolicited telemarketing contact, increase enforcement activity against transgressors and for there to be a single, simple point of contact for any individual wishing to protect their privacy from unwanted telemarketing calls, texts, and emails.

Council resolves to support the 'No To Nuisance Calls' campaign, to take appropriate steps to promote this campaign via the Trading Standards service and publicity and libraries and other Council buildings and to write to local MPs encouraging them to support the Private Members' Communications (Unsolicited Telephone Calls and Texts) Bill.

In accordance with Standing Order 7 (6), Councillor Kelly was invited to attend the meeting in order for him to be given an opportunity to explain the Motion. In accordance with Standing Order 7 (5), any recommendation from the Committee in relation to the Notice of Motion would be referred to the Council. Any debate at Council should take place upon the recommendation of the Committee and there should be no separate debate upon the Motion itself.

Councillor Kelly referred to the considerable support he had received since submitting his Notice of Motion, which suggested to him that nuisance calls were a significant and growing problem, which caused inconvenience and distress to many people in all areas.

The Council's Trading Standards Strategic Manager gave an outline of the work being done by Trading Standards Officers, who were acutely aware of the scams associated with tele-sales and the dangers, particularly to vulnerable people of ending up on 'suckers lists' and receiving unwanted home visits. He referred to steps that could be taken to eradicate nuisance calls and highlighted Wirral's participation in a number of national campaigns. He reported also upon a local initiative to utilise call-blocking devices, which was soon to be launched. The devices cost approximately £32 per unit and were a very effective way of stopping the majority of nuisance calls. Although only a limited number were available as part of the initiative, they could be purchased from a number of retail outlets.

In response to comments from Members, the Trading Standards Manager acknowledged that there were often legitimate reasons as to why people called upon members of the public and the measures he had outlined were only to combat those who acted unlawfully or sought to take advantage of vulnerable members of society. In response to further comments, he indicated that Neighbourhood/No Cold Calling Zones were created based on the number of complaints received and intelligence gathered to support action in a particular area. However, although they were very effective and were introduced with support from local residents and Merseyside Police, demand outstripped the resources that were available.

Members expressed concern with regard to the financial implications of supporting the Notice of Motion and suggested that the cost needed to be fully evaluated. In addition, it was more difficult to legislate against and combat nuisance calls that originated outside the UK.

The Strategic Director for Regeneration and Environment commented that although his department did not have a significant interaction with vulnerable people, he proposed to discuss the matter of nuisance calls at a senior officer level. He was pleased to explore cross departmental working to get the message across but emphasised that there was no additional funding available for it.

On a motion by Councillor Steve Foulkes and seconded by Councillor Steve Williams, it was –

**Resolved –**

- (1) That the 'No to Nuisance Calls' campaign be supported, and appropriate steps be taken to promote the campaign via the Trading Standards service and through publicity in libraries and other public buildings.**
- (2) That the report of the Trading Standards Strategic Manager be noted.**
- (3) That the proposal of the Strategic Director for Regeneration and Environment to promote cross Departmental working be supported.**
- (4) That the Committee to be appointed for 2014/2015 be asked to consider how best to address the problem.**
- (5) That the Cabinet be requested to write to local MPs, encouraging them to support the Private Members' Communications (Unsolicited Telephone Calls and Texts) Bill.**



## TRANSFORMATION AND RESOURCES POLICY AND PERFORMANCE COMMITTEE - 14 APRIL 2014

### 35 FREEDOM OF INFORMATION SCRUTINY REVIEW

Councillor Sykes introduced a report on the findings and recommendations of the Freedom of Information Scrutiny Review which had been undertaken by three members of the Committee, Councillors Christina Muspratt, Adam Sykes and Stuart Whittingham.

The Freedom of Information Act 2000 provided public access to information held by public authorities. Public authorities were obliged to publish certain information about their activities and members of the public were entitled to request information from them.

In January 2013, Wirral Council was subject to a three month period of monitoring action by the Information Commissioner's Office due to the timeliness of responding to Freedom of Information (Fol) requests. On 14 November 2013, the Information Commissioner's Office notified the Council that it was satisfied performance had improved, resulting in no further monitoring action being taken. The Review Panel acknowledged and commended the Council in ensuring that response times for Fol requests were now over the 85% threshold required by the Information Commissioner.

The Review Panel's report provided a number of recommendations which they believed should assist the Council in managing its requirements to meet the Freedom of Information Act and also to become a more open and transparent Council.

The report contained 8 recommendations which the Committee were requested to consider.

Councillor Sykes thanked the officers involved in producing the report, Jane Corrin, Surjit Tour and Mike Lester.

The Chair echoed the thanks to officers and also thanked the other two Members involved in the Scrutiny Review.

A Member queried what could be done with the search facility on the internet which could help to reduce the number of Fol requests if information was more easily accessed on the internet.

The Strategic Director responded that anything to improve the 'search' facility across the internet would be looked at and the Council was shortly to embark on changes to internet accessibility. This could be picked up by the Committee in the new municipal year.

He also welcomed the positive approach taken by the scrutiny review. It was important to note the number of requests received was around the average for comparable local authorities and that response times had improved significantly. The

aim would be to provide consistency in terms of response times. The more information that the Council could provide upfront then the hope would be to reduce the number of FoI requests. He welcomed the report and was happy to accept all the recommendations.

**Resolved –**

- (1) That the contents of the report be noted and the eight recommendations contained therein, be endorsed.**
- (2) That the Freedom of Information Scrutiny Review be referred to Cabinet.**

# WIRRAL COUNCIL

## Transformation and Resources Policy & Performance Committee

14 April 2014

<b>SUBJECT:</b>	<b><i>FREEDOM OF INFORMATION</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>ALL</i></b>
<b>REPORT OF:</b>	<b><i>MEMBERS OF THE FREEDOM OF INFORMATION SCRUTINY REVIEW PANEL</i></b>

### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report (included as Appendix 1) provides the findings and recommendations emanating from the Freedom of Information Scrutiny Review.
- 1.2 The Freedom of Information Act 2000 provides public access to information held by public authorities. Public authorities are obliged to publish certain information about their activities and members of the public are entitled to request information from them.
- 1.3 Members of the Transformation and Resources Policy & Performance Committee are requested to consider the contents of this report and note the recommendations arising from this review.

### **2.0 BACKGROUND**

- 2.1 At the meeting on 23 September 2013, the Policy & Performance Committee agreed a work programme which included a review of Freedom of Information. Three Members of the Committee volunteered to undertake this work including Cllr Stuart Whittingham, Cllr Adam Sykes and Cllr Christina Muspratt.
- 2.2 At the first meeting of the Review Panel, it was agreed Cllr Adam Sykes would be the Chair of the Panel. The review was conducted over a small number of meetings held with appropriate officers and information was provided as requested by the Review Panel to allow detailed question and answer sessions to be carried out.

### **3.0 SUMMARY**

- 3.1 In January 2013, Wirral Council was subject to a three month period of monitoring action by the Information Commissioner's Office due to the timeliness of responding to Freedom of Information requests. On 14 November 2013, the Information Commissioner's Office notified the Council that it was satisfied performance had improved, resulting in no further monitoring action being taken.

- 3.2 The Review Panel acknowledged and commended the Council in ensuring that response times for Freedom of Information requests are now over the 85% threshold required by the Information Commissioner.
- 3.3 This report provides a number of recommendations which the Review Panel believes should assist the Council moving forward in managing its requirements to meet the Freedom of Information Act and also to become a more open and transparent Council.

#### **4.0 RECOMMENDATION/S**

- 4.1 Members of the Committee are requested to note the contents and consider the recommendations arising from this report.
- 4.2 Members of the Committee are requested to consider whether they wish to refer the report to Cabinet.

**REPORT AUTHOR:** Michael Lester  
telephone (0151) 691 8628  
email [michaellester@wirral.gov.uk](mailto:michaellester@wirral.gov.uk)

#### **APPENDICES**

Appendix 1 – Freedom of Information Scrutiny Review



**Freedom of Information  
Scrutiny Review**

**A report produced by  
The Transformation and Resources Policy & Performance Committee**

**WIRRAL BOROUGH COUNCIL**

**Freedom of Information Scrutiny Review**

**FINAL REPORT**

<b>1.</b>	<b>EXECUTIVE SUMMARY.....</b>	<b>3</b>
<b>2.</b>	<b>INTRODUCTION.....</b>	<b>6</b>
<b>3.</b>	<b>BACKGROUND.....</b>	<b>6</b>
<b>4.</b>	<b>ORIGINAL SCOPE AND METHODOLOGY.....</b>	<b>7</b>
<b>5.</b>	<b>FINDINGS AND RECOMMENDATIONS.....</b>	<b>8</b>
<b>6.</b>	<b>CONCLUSION.....</b>	<b>16</b>
<b>7.</b>	<b>MEMBERS OF THE REVIEW PANEL.....</b>	<b>17</b>
	<b>APPENDIX 1: Scope Document.....</b>	<b>18</b>

## 1 EXECUTIVE SUMMARY

The Freedom of Information Act was passed on 30 November 2000 and came into force in January 2005. It provides individuals or organisations with the right to request information held by a public authority. The main aspects of the Act include:

- Encouraging public bodies to be open and transparent;
- The requirement for requests to be responded to within 20 working days; and
- The requirement to set up and maintain a publication scheme; and

In 2013, Wirral Borough Council came under scrutiny by the Information Commissioner's Office (ICO) for the poor response times in responding to Freedom of Information requests within the 20 working day requirement. Following enforced monitoring action by the Information Commissioner, performance has improved significantly to over 85% and this was commended by the Panel during the review. The scrutiny review was conducted to ensure Wirral Council is moving in the right direction to manage Freedom of Information in compliance with the Information Commissioner's Office.

Despite improved performance corporately, Freedom of Information requests are handled across the Council inconsistently and departmental performance figures for 2013 show that not all departments met the 85% for all requests to be responded to within 20 working days. These departmental performance figures would also have included the first three months of monitoring (January 2013 to March 2013) by the ICO. Significantly poorer performing departments reduce the Council's capability to maintain and improve upon the 85% threshold now currently being met and also exceeded, to comply with ICO requirements. The Council is also faced with the potential challenge of the increasing number of requests being received.

### **Recommendation 1:**

**Council Directorates should appoint and develop Freedom of Information Champions and Deputies to cover all Council services and to act as a single point of contact between those services and the Freedom of Information Team. The implementation of Champions should be driven by Legal and Member Services, including the provision of the appropriate training and support for the role to be fulfilled effectively and consistently across the Council. Council Directorates should, however, determine which officers should carry out these roles based on staffing resources, number of requests received and of services provided. It is expected that this recommendation should be fully implemented by December 2014.**

The Customer Relationship Management (CRM) software application is used for the Council's customer contact records, including recording all Freedom of Information requests received. Only the Freedom of Information Team utilises the software application for recording Freedom of Information requests. If Freedom of Information Champions are to be introduced, the Panel consider that these designated officers should be provided with appropriate access to CRM to ensure that all departmental actions / processes are recorded, including acknowledging the request has been received within an appropriate amount of working days.

### **Recommendation 2:**

**If departmental Champions are to be introduced, they should be provided with appropriate access to CRM. It should then be ensured that all departmental actions / processes are fully recorded within CRM, including acknowledging the receipt of the request within 2 working days to allow the Freedom of Information Team to monitor all requests received effectively.**

90% of all Freedom of Information requests are received by email and are manually input into CRM. The Council's web based form allows requests input by this method to automatically populate CRM. Requests made from the What Do They Know Website are generated as an email but these require manual input.

**Recommendation 3:**

**Legal and Member Services should investigate whether there is an existing technical solution for the CRM to be automatically populated with all requests made via the What Do They Know website and email. If a technical solution is identified, this should be fully tested to ensure all requests are captured before being implemented.**

The review discussed the functionality of CRM in meeting the needs of the Council moving forward. Officers stated that there may be scope for acquiring a case management system that provides more functionality to meet the Council's needs. This was acknowledged by the Panel but the importance of ensuring a proper business case being developed was iterated. This was to ensure that the benefits of any case management system identified are consistent with actual needs of the Council and the cost implications.

**Recommendation 4:**

**Legal and Member Services should determine the desired functionality of the IT software / workflow management system for the Council moving forward in managing Freedom of Information. If the existing CRM system is deemed not fit for purpose or too costly to configure, the feasibility of procuring a new case management system should be investigated. If the Council intends to acquire a new case management system, it should be ensured that a business case, supported by a cost-benefit analysis, is developed accordingly.**

The Panel considered how performance is managed by the Council in relation to Freedom of Information. The review identified specific improvements to the performance information presented to both the Chief Executive's Strategy Group and the Transformation and Resources Policy & Performance Committee.

**Recommendation 5:**

**In order to enhance performance management of compliance against Freedom of Information legislation, Legal and Member Services should:**

- i) Ensure that the percentage of Freedom of Information requests responded to within 20 working days is reported to the Chief Executive's Strategy Group as part of the monitoring reports submitted, with the performance figure broken down at Council directorate and departmental level; and**
- ii) Liaise with the Performance & Business Intelligence Team to develop a solution for providing exception reporting on directorate and departmental performance where an appropriate threshold tolerance has not been met. This recommendation should be implemented in line with the commencement of the new municipal year.**

The Council's publication scheme is based on the model set by the Information Commissioner's Office. The model sets out the minimum requirements on what information should be published. The Panel believes that the Council should do more to publish information as part of the publication where emerging trends and themes have been identified from Freedom of Information requests received.



**Recommendation 6:**

**Legal and Member Services should implement a process for identifying emerging trends and themes of all Freedom of Information requests received by the Council and to then ensure that the Council's Publication Scheme is appropriately updated with the relevant information.**

The Information Commissioner's Office is encouraging public bodies to publish performance information on a regular basis and this has practice has been adopted by a large number of local authorities. Furthermore, other public bodies publish summaries of Freedom of Information requests, such as the NHS. The Panel believes that by adopting these practices, the Council will enhance its directive on being open and transparent.

**Recommendation 7:**

**Legal and Member Services should engage with the Corporate Marketing Team to implement a strategy on using the Council's internet website in order to:**

- i) Publish the Council's performance on managing Freedom of Information requests on a periodic basis, including all relevant statistics such as volume of requests received; and**
- ii) Categorise and publish commonly asked Freedom of Information requests received with their respective responses.**

The Panel was provided with 20 recently made Freedom of Information requests, specifically those where the information was already published on the Council website. The Panel attempted to find the information asked for in these requests but concluded that there were difficulties on locating nearly all of them due to the functionality of the search feature on the website.

**Recommendation 8:**

**Legal and Member Services is requested to note the views of the Panel on the search functionality of the Council's website, when using detailed search criteria. These views should be forwarded to the Corporate Marketing Team to ensure that they can be considered as part of the Council's ongoing development of the Council's website.**

## **2. INTRODUCTION**

At the meeting of the Transformation and Resources Policy & Performance Committee on 23 September 2013, Members approved a work programme which included a review of how the Council manages Freedom of Information. A Scrutiny Review Panel consisting of three Members of the Committee was established and a series of meetings were held. The purpose of the review was for the Panel to receive assurances that the Council is moving in the right direction in managing Freedom of Information.

## **3. BACKGROUND**

The Information Commissioner's Office (ICO) is an independent public body set up to promote access to official information and to protect personal information by promoting good practice, ruling on eligible complaints, providing information to individuals and organisations, and taking appropriate action when the law is broken. The Information Commissioner enforces and oversees the Data Protection Act, the Freedom of Information Act, the Environmental Information Regulations, and the Privacy and Electronic Communications Regulations.

The Freedom of Information Act 2000 is defined as “An Act to make provision for the disclosure of information held by public authorities or by persons providing services for them and to amend the Data Protection Act 1998 and the Public Records Act 1958; and for connected purposes”.

The Act affords any person to make a request for information to a public authority and is entitled to be informed in writing by the public authority whether it holds information of the description specified in the request, and if that is the case, to have that information communicated to him/her subject to any exemptions on disclosure.

## **4. ORIGINAL SCOPE AND METHODOLOGY**

### **4.1 Scope**

A scoping meeting was convened with the Review Panel, the Head of Legal and Member Services and the Information and Central Services Manager in November 2013. The agreed scoping document is included as Appendix 1. It was agreed that the focus of the review would concentrate on the following three key areas:

1. The Council's overall performance in meeting the requirements of the Information Commissioner's Office to respond to Freedom of Information requests.
2. The strategic approach to managing information and making information readily available as part of the Council's Publication Scheme.
3. The review of procedures and processes in place to manage Freedom of Information requests in ensuring that they are efficient and effective.

### **4.2 Methodology**

In order for the Panel to understand the principles of Freedom of Information, a briefing paper was prepared by the Scrutiny Support Officer. This briefing paper provided a summary of the requirements for public authorities to comply with the Freedom of Information Act 2000 and to assist in developing the scope of the Task & Finish scrutiny review. A document entitled Information Commissioner's Office Guidance which provides guidance on request handling was also provided to the Panel.

It was determined that the scrutiny review would fall under the category of a short review with the focus being maintained on a small number of key areas in which Members believed scrutiny could add value. Two detailed 'question and answer' sessions were subsequently held with the Head of Legal and Member Services and the Information and Central Services Manager. To support Members in these sessions, the Panel requested or it was suggested by officers that further information and specific data analysis should be considered as part of the review. Information / analysis included:

- Benchmarking the volume of Freedom of Information requests received by Wirral Council against other comparably sized local authorities;
- An analysis of Council performance since April 2012 and a breakdown of departmental performance;
- Process maps for the lifecycle of a Freedom of Information request; and
- Examples of Freedom of Information requests that have recently been received and closed and where the information was already made available in the public domain.

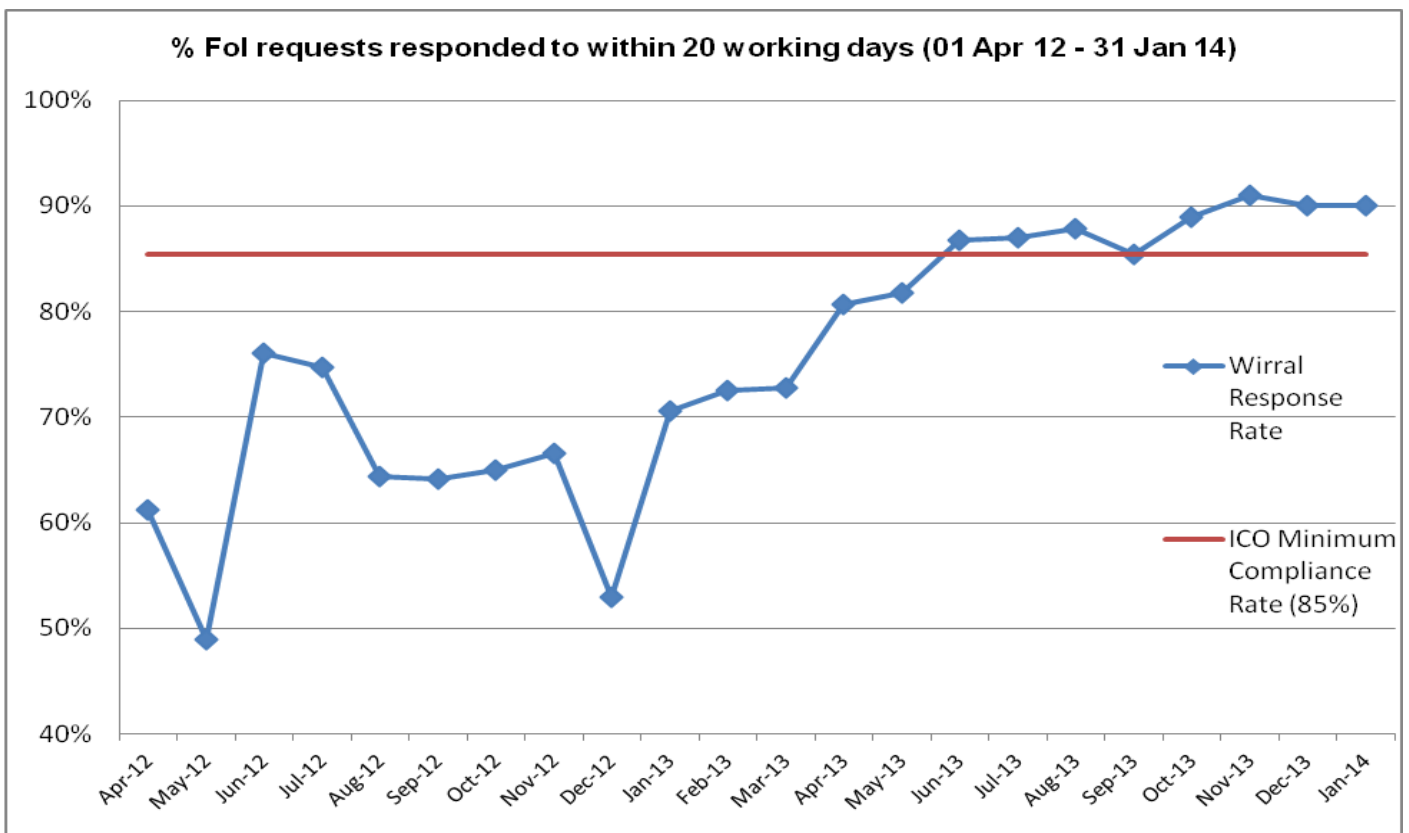
## 5. FINDINGS AND RECOMMENDATIONS

### 5.1 Information Commissioner's Office Monitoring Action

In December 2012, Wirral Borough Council was contacted by the Information Commissioner over the timelines of responding to Freedom of Information requests within 20 working days being consistently under the 85% required. The Council was subsequently monitored over a three month period from 1 January 2013 and it was found that despite improvements, the responses were still less than 75%. Wirral Borough Council was required to formally sign an 'Undertaking' which detailed specific actions that were to be complied with.

A further three month monitoring period was established from 1 July 2013 as one of the terms detailed in the Undertaking. This required Wirral Borough Council to provide the ICO with monthly updates on its performance as well as a list of all overdue Freedom of Information requests, commencing with requests made on 1 July 2013 and ending with those made on 30 September 2013. The Panel was informed that all actions detailed in the Undertaking had been implemented and that, as of 14 November 2013, the ICO was satisfied that performance had improved based on the details of outstanding requests / reviews through receipt of a confirmatory email from the ICO.

The graph below shows the level of performance by Wirral Borough Council on responding to Freedom of Information requests from April 2012 to January 2014. The ICO requires at least 85% of all Freedom of Information requests to be responded to within 20 working days.



Looking at the performance information in the graph, it is clear to see that Wirral Borough Council is now performing significantly better since both monitoring periods were introduced by the ICO (January 2013 – March 2013 and July 2013 September 2013). Members of the Panel were pleased that current performance had now reached 90% (as of January 2014 ) but the Panel conveyed that the Council must continue to identify and manage emerging

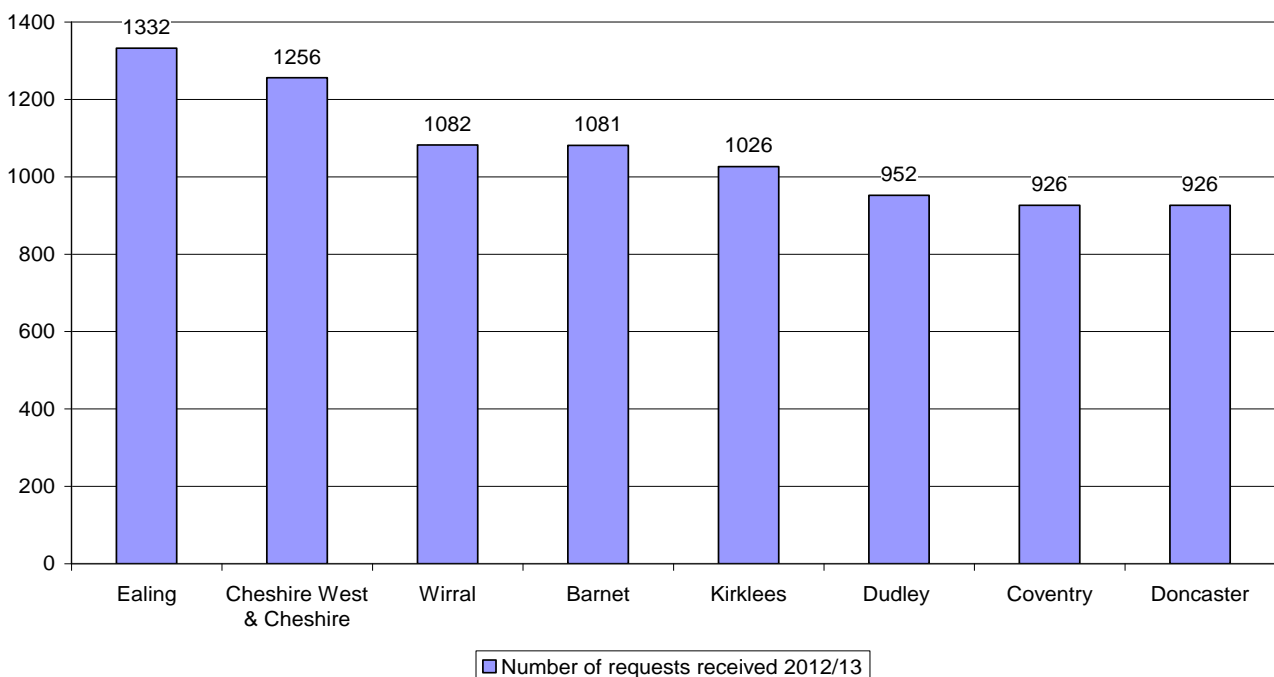
challenges efficiently and effectively to avoid further ICO monitoring action and to also ensure that the Council's desire for openness and transparency is continually realised. Some of these issues and challenges are detailed elsewhere within this report.

## 5.2 Handling Freedom of Information requests

The Panel was informed by officers that previously, responsibility for managing Freedom of Information requests lied predominantly with Legal and Member Services, despite information being held across the Council. There has now been 'buy in' from Council Directorates and resources deployed across the departments to ensure responses are provided as required. This has seen improvement in response rates, resulting in no further monitoring by the ICO. The Panel and officers acknowledged that risks to performance still existed around (i) key officers not being available through sickness, annual leave or other reasons, and (ii) the volume of requests received.

In terms of the volume of Freedom of Information requests made to Wirral Borough Council, a benchmarking exercise was carried out against a number of similar sized local authorities to see if there were any consistencies. The benchmarked local authorities were derived from the Local Government Boundary Commission for England, based on numbers of constituents. The results of the exercise are included below.

**Freedom of Information requests received 2012/13**



From the results of the exercise, The Panel was assured that in terms of volume received, Wirral Borough Council was not receiving significantly more or less requests than the comparable local authorities, with the average number of requests coming in as 1073. Wirral Borough Council received 1082 requests in the 2012/13 financial year which is around the average amount received for all eight local authorities benchmarked.

It was stated by officers that there is a 30% increase in requests received by the Council from last year, averaging out at about 5-6 requests per day. An increase in requests received would impact resources within the Freedom of Information Team and across the Council to respond efficiently and effectively in line with ICO requirements.

To put the cost of the Council dealing with Freedom of Information into context, an exercise was carried out for this purpose. A template was sent out to Council departments asking

them to provide details of staff in their structure who deal with Freedom of Information and what hours were spent on average per week dealing with them. Responses were received and the Council's Finance Section calculated actual costs against hours stated based on pay grade. These costs also included an additional 20% to include employers pension costs (12%) and Employers N.I. contributions (8%). A table showing the results of the exercise is shown below.

<b>Service Area</b>	<b>Total hours per week dealing with Fol (Average)</b>	<b>Total Cost per week (Average)</b>
Children and Young People	70	£1590
Department of Adult Social Services	20	£678
Finance	9	£217
Human Resource / Organisational Development	22	£703
Regeneration and Environment	22	£466
Neighbourhoods and Engagement	9	£252
Policy, Performance and Public Health	8	£210
Legal Section	166	£3335
<b>TOTAL PER WEEK</b>	<b>326</b>	<b>£7451</b>

The Panel acknowledged that the figures are indicative only, as the Department had to estimate the time spent dealing with FOI matters in the absence of specific time recording systems. For true costs to be calculated, a more analytical, scientific method would need to be applied.

Looking at the table, there is an indicative cost of £7,451.00 spent on average per week across the Council against 326 hours of officer time. The hours and respective costs for Legal Services also includes:

- The Information and Central Services Manager and the two Freedom of Information Officers;
- The additional time and resources expended by solicitors dealing with Internal Reviews; and
- Providing legal advice and guidance on FOI matters, particularly the more complex and sensitive matters.

The improved performance experienced by the Council shows that resources are being deployed (as required by the ICO) but these come at a cost as demonstrated by the exercise and this was acknowledged by the Panel as part of the review process. The reason for variance in costs against similar hours spent is due to different officers on different pay grades having involvement in the process.

The process of how Freedom of Information requests are coordinated was explained to the Panel. Currently, requests are coordinated centrally by the Freedom of Information Team (Consisting of the Information and Central Services Manager and two other officers). Requests received for information already known or published are responded to without any further assistance from departments. For all others, the respective service area is identified and the request is emailed to one of a number of nominated officers or to the officer that the Freedom of Information Team believes would hold that information. Departments are required to identify responsible officers and to then provide the information relating to the

request in the required timeline. Additionally, some Heads of Service would be copied into the initial email, but in general, there is no consistent approach to how departments action and respond to requests.

If a departmental officer is off for whatever reason, an 'Out of Office' notification would be received so the Freedom of Information Team can identify a solution. They are also given ten working days in which to provide a response, after which point a member of the Freedom of Information Team will intervene and chase up the department by telephone and will escalate it up the Director if necessary.

The Panel had concerns over the reliance of an 'Out of Office' notification being set up by departmental officers and felt that the ten working days was too long to wait before intervention took place for a response to the request. The Panel also commented that there seems to be significant reliance on the Freedom of Information Team to build up the knowledge of where information is held and establishing who the key contacts are for requests, causing a potential impact on efficiency within the team. Additionally, the Panel remarked that there was no existing requirement to record all actions taken in the processing of requests across the Council in the CRM software application to enable effective monitoring, although it is acknowledged that all responses/actions confirmed to the FOI team are recorded on the CRM system.

The Panel was interested in how departments dealt with disclosing information that could be deemed sensitive or damaging. Officers explained that if any exemptions to information being disclosed were to be applied, as defined by the Freedom of Information Act, these could be made by departments. Advice from either the Information and Central Services Manager or the Head of Legal and Democratic Services is available if required. The Council has a legal duty to disclose information and reputational damage does not enter into the equation. There is a quality assurance process by Legal and Member Services and, where appropriate, Press and Public Relations.

It was stated that this may simply be a training issue in reiterating to departments the importance of having the confidence to give the Freedom of Information Team the information to make a decision on what information can be released and what can't, what needs legal input and what needs press input. Officers remarked that departments are improving but there will always be some uncertainty given the complexity and sensitivity of some requests made.

The Panel was informed that not all requests have to go back to the Legal Section before disclosure, only those which required legal input or review by a solicitor or the Monitoring Officer. This gives departments confidence that the reply going out is not going to breach any other legislation. Despite more advice, support and resources being provided by Legal Section, the Panel believed that further training provided to departments may help in reducing the number of requests being forwarded to the Legal Section and reduce the potential for unnecessary delays.

All responses are released by the Freedom of Information Team to ensure the language and jargon is removed, apply any exemptions and to supplement the request with the appeals and complaints process as part of the template. The Panel agreed that this central control process was important to ensure consistency, integrity and clarity of responses released.

Department performance figures from 1 January to 2013 to December 2013 were requested as part of the review to identify how performance was split across all Council departments. These figures were extrapolated from CRM which still retains the previous Council structure's

departmental names. As Law, HR and Asset Management no longer exist, a separate table was provided that breaks down the main service areas.

**Departmental Analysis of Responses Rates (2013)**

Department	Fol Requests Received	Responded to Within 20 days	%
Children and Young People	234	220	94
Department of Adult Social Services	101	49	48
Finance	305	279	91
Law, HR and Asset Management	391	296	76
Regeneration, Housing and Planning	114	98	86
Technical Services	175	163	93

**Law, HR and Asset Management Response Rates (2013)**

Area	Fol Requests Received	Responded to Within 20 days	%
Asset Management	32	27	84
Community Safety	21	20	95
Environmental Health	34	33	97
Human Resources	153	93	61
Legal	103	75	73
Licensing	26	26	100

From a review of the figures, actual performance across departments is varied. The Panel commented on the consistently excellent performance by the Children & Young People Department (CYPD) considering the volume of requests received. It was explained that CYPD has dedicated staff with good training to deal with Freedom of Information and complaints, have built up knowledge to expedite responses and are getting used to enquiries.

The Panel endorsed the approach taken by CYPD and believed that having FOI Champions across Council directorates / departments would benefit the Council going forward in managing Freedom of Information matters. Officers did confirm that this was initially discussed as part of the structure moving forward when the Freedom of Information Act was introduced but was never followed through.

The panel discussed the potential benefits of FOI Champions, namely, a single point of contact to whom all requests could be sent; knowledge of information relating to directorates / departments providing greater efficiency; to provide greater consistency across the Council and the potential to be more cost effective. For strong FOI Champions, the Panel iterated that if they were to be introduced, adequate support and training would be required to enable the role to be fully realised. Officers stated that Departmental Complaints Coordinators are in place across the Council and that these roles could be ideal to embed the roles of FOI Champions. Furthermore, the Panel was aware that the use of FOI Champions has been adopted in other local authorities and has been seen as effective in the drive to meet legislation and make best use of resources.



### **Recommendation 1:**

**Council Directorates should appoint and develop Freedom of Information Champions and Deputies to cover all Council services and to act as a single point of contact between those services and the Freedom of Information Team. The implementation of Champions should be driven by Legal and Member Services, including the provision of the appropriate training and support for the role to be fulfilled effectively and consistently across the Council. Council Directorates should, however, determine which officers should carry out these roles based on staffing resources, number of requests received and of services provided. It is expected that this recommendation should be fully implemented by December.**

### **Recommendation 2:**

**If departmental Champions are to be introduced, they should be provided with appropriate access to CRM. It should then be ensured that all departmental actions / processes are fully recorded within CRM, included acknowledging the receipt of the request within 2 working days to allow the Freedom of Information Team to monitor all requests received effectively.**

## **5.3 Application of Customer Relationship Management for Freedom of Information**

Officers stated that approximately 90% of requests arrive by email through to an email address specifically designated for the purpose of processing them and to provide the required response. Email requests are also generated from the "What Do They Know" website, a site established to assist the public in accessing information from public bodies. All requests are manually input into the Customer Relationship Management software application, used to record all customer contacts across the Council. The Council's website also has a web based form for requests and these automatically populate CRM when they are submitted. The use of the web based form system is promoted over all others as it is more efficient for the Council to process. The Panel believed that there maybe an improvement for efficiency if all requests from the What Do They Know Website, which makes up 35% of total Freedom of Information requests, could automatically populate the CRM application as this is a typically standard feature for a support desk system.

### **Recommendation 3:**

**Legal and Member Services should investigate whether there is an existing technical solution for the CRM to be automatically populated with all requests made via the What Do They Know website and by email. If a technical solution is identified, this should be fully tested to ensure all requests are captured before being implemented.**

The Panel discussed the functionality of the CRM moving forward and whether it meets the needs of managing Freedom of Information processes. Specific case management systems generally provide a simplified process for managing information requests. Benefits of a case management system include capturing incoming requests from emails and web forms, redaction tools and managing fees, exemptions and appeals. Officers stated CRM doesn't meet the ideal requirements for managing Freedom of Information but there is scope for looking at getting a case management system for obtaining better efficiencies if there are staffing resource issues. It was highlighted that Liverpool City Council has a case management system in place and is effective, but there is a larger Freedom of Information Team in place.

#### **Recommendation 4:**

**Legal and Member Services should determine the desired functionality of the IT software / workflow management system for the Council moving forward in managing Freedom of Information. If the existing CRM system is deemed not fit for purpose or too costly to configure, the feasibility of procuring a new case management system should be investigated. If the Council intends to acquire a new case management system, it should be ensured that a business case, supported by a cost-benefit analysis, is developed accordingly.**

### **5.3 Performance Management**

The Panel identified performance management as a core component of effective governance over complying with Freedom of Information requirements. Officers explained that on a weekly basis, the Chief Executives Strategy Group (CESG) receives a report covering the number of requests received and statistics on requests outstanding, specifically highlighting those which are close to and have exceeded the 20 working days. Reports come with a brief narrative to allow concerns to be flagged up quickly. These reports are broken down into the respective directorates so each Strategic Director can review and monitor their own area.

The Panel believed that these reports only allow monitoring at an operational level, where specific requests for information can be reviewed and targeted. The panel proposed that performance figures should be included as part of the CESG reports, with these broken down not only at the directorate level, but departmentally to identify departments that are not meeting the target required. This would then allow targeted strategic intervention to identify any issues contributing to the under achievement of the target.

The Panel commented that at Committee level, it would be beneficial for Members of the Transformation and Resources Policy & Performance Committee to have better performance information as part of the Performance Management Framework. Currently, a corporate performance figure is provided to this committee and, as of recently, the performance figure of those directorates that have exceeded the 85% compliance has also been included under the comments area of the Performance Report. For more effective scrutiny, the Panel considered that it would be useful to be provided with performance information on directorates / departments that did not meet an appropriate tolerance threshold.

#### **Recommendation 5:**

**In order to enhance performance management of compliance against Freedom of Information legislation, Legal and Member Services should:**

- iii) Ensure that the percentage of Freedom of Information requests responded to within 20 working days is reported to the Chief Executive's Strategy Group as part of the monitoring reports submitted, with the performance figure broken down at Council directorate and departmental level; and**
- iv) Liaise with the Performance & Business Intelligence Team to develop a solution for providing exception reporting on directorate and departmental performance where an appropriate threshold tolerance has not been met. This recommendation should be implemented in line with the commencement of the new municipal year.**

## 5.4 The publication scheme and information management

The Panel was aware that all public authorities are required to have a Publication Scheme, approved by the ICO and to publish information in accordance with the Scheme as part of Freedom of Information legislation. The Scheme has to set out the commitment to make certain classes of information routinely available, including policies, procedures, minutes of meetings, annual reports and financial information.

Officers informed the Panel that Wirral's Publication Scheme is based on the model provided by the ICO and that it was re-launched 12 months ago in collaboration with Corporate Marketing. The categories of the Publication Scheme were reviewed and the local authors for each information asset are responsible for updating it as appropriate.

The Panel looked at the Publication Scheme as a method of potentially reducing the number of Freedom of Information requests being made. The review identified that there wasn't any formal process in place to identify any emerging trends or themes from requests received, which if carried out, could facilitate in updating and improving the Council's Publication Scheme and potentially reduce the number of requests being made. Additionally, the Panel was aware that a number of public bodies publish a summary of commonly asked requests on their website, not only to reduce the number of requests, but also to promote greater transparency. The Panel was keen for this to be introduced by Wirral Borough Council moving forward.

The ICO also encourages public bodies to publish performance information on a regular basis and this is taken up by a number of Councils across the country. The Panel is keen for Wirral Borough Council to adopt this practice and demonstrate the intent to be accountable for its performance and to act on the Council's desire to be more transparent.

### **Recommendation 6:**

**Legal and Member Services should implement a process for identifying emerging trends and themes of all Freedom of Information requests received by the Council and to then ensure that the Council's Publication Scheme is appropriately updated with the relevant information.**

### **Recommendation 7:**

**Legal and Member Services should engage with the Corporate Marketing Team to implement a strategy on using the Council's internet website in order to:**

- i) Publish the Council's performance on managing Freedom of Information requests on a periodic basis, including all relevant statistics such as volume of requests received; and**
- ii) Categorise and publish commonly asked Freedom of Information requests received with their respective responses.**

As part of the review, the Panel requested a number of recently made Freedom of Information requests where the information was already made available on the Council website to form a view of the search system for locating specific information. The Panel concluded that they found it difficult to locate the information that was requested from the majority of the Freedom of Information requests sampled using the search tool. Multiple pages had to be accessed and there was no real clarity on which Council department or section a specific piece of information would sit with. Although it was considered that the operation of the search functionality on the Council's website may sit outside the scope of

Freedom of Information, the Panel conveyed that this is something that could be considered as part of the Council's ongoing development of the Council's website.

**Recommendation 8:**

**Legal and Member Services is requested to note the views of the Panel on the search functionality of the Council's website, when using detailed search criteria. These views should be forwarded to the Corporate Marketing Team to ensure that they can be considered as part of the Council's ongoing development of the Council's website.**

**6. CONCLUSION**

The Panel applauds the Council's improving Freedom of Information performance but believes that it is important to ensure this is maintained moving forward. The Panel also believes that by implementing these proposed recommendations, it will assist the Council on performance gains going forward.

As part of the scrutiny process, it is intended that the recommendations made in this report will be followed up in the new municipal year.

## 7. MEMBERS OF THE REVIEW PANEL

### Chair's Statement:

As we began this Review, Wirral Borough Council had already taken steps to improve FOI response times. Following enforced monitoring action by the Information Commissioner, the Council had responded and response times are now significantly over 85%, for which the Council can be commended.

It is, however, important to keep striving for improvement towards being an even more open and transparent council, and to recognise that the Council is now in a good starting position to move forward.

This Scrutiny Panel has investigated the current issues faced by the Council, regarding FOI requests, and I would like to thank the officers involved for their engagement in this process.

The recommendations that have come out of this investigation aim to help to improve the Council's FOI performance, through improving availability of information to the public, from the outset. Secondly, progress is sought through a more robust and consistent process, involving designated FOI champions across the Council, with better training and clear accountability. Finally, by investing in better monitoring both throughout the individual requests and more corporately, we can always be looking for further development.

### Panel Membership

Councillor Adam Sykes (Chair)



Councillor Christina Muspratt



Councillor Stuart Whittingham



---

***This Report was produced by the Freedom of Information Scrutiny Review Panel  
(which reports to the Transformation and Resources Policy & Performance Committee)***

**Review Title: Freedom of Information**

<p><b>Scrutiny Panel Chair:</b> Cllr. Adam Sykes, 0151 324 286, <a href="mailto:adamsykes@wirral.gov.uk">adamsykes@wirral.gov.uk</a>,</p>
<p><b>Panel members:</b> Cllr. Stuart Whittingham, 0151 653 5539, <a href="mailto:stuartwhittingham@wirral.gov.uk">stuartwhittingham@wirral.gov.uk</a> Cllr. Christina Muspratt, 0151 645 8864, <a href="mailto:christinamuspratt@wirral.gov.uk">christinamuspratt@wirral.gov.uk</a></p>
<p><b>Scrutiny Officer(s):</b> Michael Lester, 0151 691 8628, <a href="mailto:michaellester@wirral.gov.uk">michaellester@wirral.gov.uk</a></p>
<p><b>Departmental Link Officers:</b> Surjit Tour, 0151 691 8569, <a href="mailto:surjittour@wirral.gov.uk">surjittour@wirral.gov.uk</a> Jane Corrin, 0151 691 8645, <a href="mailto:janecorrin@wirral.gov.uk">janecorrin@wirral.gov.uk</a></p>
<p><b>Other Key Officer contacts:</b> None identified at this stage</p>
<p><b>2. What are the main issues?</b></p> <ul style="list-style-type: none"><li>• Concerns were raised about the Council’s overall performance in meeting the requirements of the Information Commissioner’s Office to respond to Freedom of Information requests. This is in light of recent monitoring action taken by the Information Commissioner until recently. There is a risk that Council may not move to where it wants to be.</li><li>• Concerns were raised on the strategic approach to managing information and making information readily available as part of the Council’s Publication Scheme. There is a risk that Freedom of Information requests may be unnecessarily made due to lack of transparency and governance in making appropriate information available.</li><li>• There are risks that the procedures and processes in place to manage Freedom of Information requests may be ineffective and inefficient in line with existing and future strategies.</li></ul>
<p><b>3. The Committee’s overall aim/objective in doing this work is:</b></p> <p>For the panel to receive assurances that the Council is moving in the right direction in managing Freedom off Information.</p>
<p><b>4. The possible outputs/outcomes are:</b></p> <ol style="list-style-type: none"><li>1. That the Council achieves and sustains a desired level of performance.</li><li>2. That the number of requests made for information is reduced to make better use of resources.</li><li>3. That the Council will be subject to less external criticism and therefore improving it’s overall reputation.</li></ol>

<p><b>5. What specific value can scrutiny add to this topic?</b> Scrutiny can provide assurance to the Council that it is operating adequately and moving in the direction it wants to achieve.</p>	
<p><b>6. Who will the Committee be trying to influence as part of its work?</b> Council officers responsible for information management.</p>	
<p><b>7. Duration of enquiry?</b> This is considered to be a short review, based on a small number of meetings with key officers to review evidence presented.</p>	
<p><b>8. What category does the review fall into?</b> Performance</p>	
<p><b>9. Extra resources needed? Would the investigation benefit from the co-operation of an expert witness?</b> None identified at this stage.</p>	
<p><b>10. What information do we need?</b></p>	
<p><b>10.1 Secondary information (background information, existing reports, legislation, central government documents, etc).</b></p> <ul style="list-style-type: none"> <li>• Freedom of Information legislation.</li> <li>• Documented procedural documentation and relevant process maps to understand and appraise the system.</li> <li>• Best practice documents issued by the Information Commissioner or other public bodies.</li> </ul>	<p><b>10.2 Primary/new evidence/information</b></p> <ul style="list-style-type: none"> <li>• Performance benchmarking data against other similar sized Local Authorities</li> <li>• A report of all Freedom of Information requests made in the last twelve months where information to respond to theses requests was publicly available at the time.</li> <li>• A report illustrating how time is spent and resources are deployed in managing Freedom of Information requests across the Council.</li> </ul>
<p><b>10.3 Who can provide us with further relevant evidence? (Cabinet portfolio holder, officer, service user, general public, expert witness, etc). council officers to include:</b></p> <p>Not applicable at this stage.</p>	<p><b>10.4 What specific areas do we want them to cover when they give evidence?</b></p> <p>Not applicable at this stage.</p>
<p><b>11. What processes can we use to feed into the review? (site visits/observations, face-to-face questioning, telephone survey, written questionnaire, etc).</b></p> <ol style="list-style-type: none"> <li>1) Face-to-face questioning</li> <li>2) Sampling a number of Freedom of Information requests made for the transparency of information that is made publicly available.</li> <li>3) Comparison of procedures and processes employed against best practice</li> </ol>	
<p><b>12. In what ways can we involve the public and at what stages? (consider whole range of consultative mechanisms, local committees and local ward mechanisms).</b></p> <p>Not applicable for the subject.</p>	

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank