



Cabinet

Date:	Tuesday, 9 December 2014
Time:	6.15 pm
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Lyndzay Roberts
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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Cabinet are asked to consider whether they have any disclosable pecuniary 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.

ENVIRONMENT AND SUSTAINABILITY

3. STREETSCENE ENVIRONMENT SERVICES - CONTRACT EXTENSION (Pages 1 - 16)

LEADER OF THE COUNCIL

4. COUNCIL BUDGET CONSULTATION FINDINGS (Pages 17 - 100)

5. OVERVIEW OF THE COUNCIL'S FUTURE POSITION (Pages 101 - 108)

6. COUNCIL TAX 2015/16 (Pages 109 - 126)

7. **BUDGET COUNCIL AGENDA AND PROCEDURE (Pages 127 - 136)**
8. **FINANCIAL MONITORING 2014/15 (MONTH 7) - REVENUE (Pages 137 - 158)**
9. **FINANCIAL MONITORING 2014/15 (MONTH7) - CAPITAL (Pages 159 - 174)**
10. **AMENDMENT TO THE TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2014/15 (Pages 175 - 180)**

ADULT SOCIAL CARE AND PUBLIC HEALTH

11. **VISION 2018 UPDATE (Pages 181 - 206)**

CHILDREN AND FAMILY SERVICES

12. **DAY NURSERY DELIVERY (Pages 207 - 234)**

SUPPORT SERVICES

13. **LAND DISPOSALS AT MANOR DRIVE, UPTON AND AT KERR'S FIELD, PASTURE ROAD, MORETON (Pages 235 - 248)**
14. **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)**

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

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

The following items contain exempt information.

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

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

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

WIRRAL COUNCIL

CABINET

9 DECEMBER 2014

SUBJECT:	STREETSCENE ENVIRONMENT SERVICES – ENHANCED CONTRACT EXTENSION OFFER FOLLOWING STRATEGIC DIRECTOR NEGOTIATIONS
WARD/S AFFECTED:	ALL
REPORT OF:	KEVIN ADDERLEY, STRATEGIC DIRECTOR REGENERATION & ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR BERNIE MOONEY, ENVIRONMENT & SUSTAINABILITY
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 On 11 September, 2014, Cabinet reviewed a report (Minute 48 refers) that considered the benefits, opportunities and risks associated with extending the current Waste and Environmental Streetscene Services contract. Members noted that the partnership between the current service provider and the Council had demonstrated a successful track record in delivering service improvements and efficiencies, in order to steadily improve Value for Money over the life of the contract. Members further approved that the Strategic Director enter into negotiations with Biffa, in order to ensure that the contractor improved on their current “offer” in return for extending the contract to its full permissible term (2027).
- 1.2 This report details the “best and final offer” secured from Biffa Waste Services. The negotiations have resulted in an improved financial offer, and agreement to a number of contractual terms and clarification that eliminate or reduces some of the risks highlighted during the review of their original offer.
- 1.3 This is a Key Decision in the Council’s Forward Plan.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The report presented to Cabinet on 11 September 2014 (Minute 48 refers) provides a detailed analysis of the performance of the current Environmental Streetscene Services contract, that came into force on 22nd August 2006.
- 2.2 The OJEU notice for the contract makes provision to extend the existing contract to March 2027. This would be a seven year extension on the core contract term, or a ten year extension from the 2017 break clause approved by Cabinet 19 July 2012 (Minute 59 refers) .

2.3 The 14/15 forecasted core contract cost is £11.546m, consisting of £7.744m for waste collection and £3.802m for street cleansing). The contract price has already been discounted by a total of £2.2m through a number of initiatives, as well as drawing in significant new income streams.

3.0 ENHANCED CONTRACT EXTENSION OFFER FOLLOWING STRATEGIC DIRECTOR NEGOTIATIONS

3.1 **Appendix 1** details the value and terms of the revised and final offer from Biffa in return for the Council extending the contract to 2027. In total Biffa are offering a contract discount of £13,383K over an extended contract term to 2027. This is an increase of £3,758K from their original offer in January 2014; £450K increase on the current term and £3,308K increase in the extended term. In terms of the Council's annual revenue budget savings from these proposals, there will be an initial stepped increase of the savings between 2014-17 before an ongoing annual revenue saving of £1,065K is achieved from 2017-18 onwards.

3.2 The following terms made in Biffa's original offer still stand:

- A commitment to reduce the burden of inflation by agreeing to the annual application of consumer price index (CPI) as opposed to the retail price index (RPI) from April 2017.
- The inclusion of a "pain-gain" clause in the contract so both parties are incentivised to seek continued efficiencies.
- A commitment to move towards neighbourhood working in order to optimise local solutions, in line with the Council's Corporate Plan.

3.3 In addition, Biffa have improved their offer as follows:

- A continued willingness to assist the council to achieve high recycling targets, committing to enhanced funding of £65Kpa from 2017 for fleet that will enable the collection of a wider range of recyclable materials or an equivalent cash discount if the fleet specification does not change. The Council is legally required to assess its waste collection system by 1st January 2015, in order to ensure it is Technically, Economically and Environmentally Practicable (TEEP). The flexibility secured around fleet replacement will ensure that the Council is better placed to design any new service requirements that are "TEEP".
- Clarification that their offer is not linked to any "collection round" efficiencies, meaning that further savings or efficiencies may be investigated, in order to optimise the efficiency of the current alternate weekly collection rounds.
- The opportunity for Biffa to absorb "property uplift" costs over the remaining contract life.

- Agreement to match fund a new joint contract monitoring post, to reflect the need to continue to drive cleansing and waste collection reliability standards against a challenging backdrop of austerity.
- The fitting of 360 degree cameras to all garden waste collection vehicles in order to improve collection reliability, safety and efficiency in this important commercial service.
- The funding of additional seasonal cleansing at New Brighton to reflect the increased visitor numbers and opening hours.
- The collection of waste from bulk bins the Parks and Countryside Service is to be absorbed into current resources, saving the department around £20Kpa in additional collection fees.
- Upgrading in-cab technology to facilitate further improvements to service reliability and availability of information that will in turn reduce front/back office intervention.
- Biffa have agreed to allow a break clause at March 2023. They have clarified a number of conditions associated to enabling the Council to execute the break clause, but enables Wirral to consider exploring options for the joint tendering of waste collection services in future with other districts within the City Region, should such a time come where services in this geographical area are suitably aligned.

4.0 UPDATED RISK POSITION

- 4.1 The revised offer has further reduced the residual risk scores for this review.
- 4.2 **Appendix 2** details key risks arising when considering Biffa's offer. A risk register has been kept since the offer was first proposed by Biffa. Eight key considerations reported to Cabinet on the 11 September detailed no red risks and two amber risks. As a result of final negotiations all risks are now green with the exception of one risk which remains amber, but has a residual overall risk score of 8, compared to 12 based on Biffa's initial proposal. The reduction in risk is due to the agreement from Biffa to jointly fund a contract monitoring officer (Appendix 2 refers).
- 4.3 Officers continue to be satisfied that the residual risks associated with this decision are manageable and proportionate to the benefits of accepting Biffa's proposal.

5.0 UPDATED VALUE FOR MONEY REVIEW

- 5.1 A detailed VFM analysis was reported to Cabinet on the 11 September in Section 4 of the "Review of the Biffa Extension Proposal", which demonstrated Wirral's strong position when compared with other districts in delivering overall value for money in relation to these Environmental Services. The latest data published from the Audit Commission indicates that Wirral were already spending £10 less per head of population on these services than the average English Council.

5.2 By accepting Biffa's offer the Council can guarantee to further reduce the cost of delivering Waste collection and Street Cleansing by £7.27 (£3.33 per person) per household by April 2018 (plus inflation). This is without any impact on frontline service provision.

6.0 OTHER OPTIONS CONSIDERED

6.1 Reject Biffa's Extension Offer

6.1.1 As detailed in the previous report, rejecting Biffa's offer outright would prohibit any further savings to be generated from the contract in 14/15 and is certain to inhibit savings to be achieved up until April 2017 when the current contract comes to an end. It is not possible to predict whether the value of the financial incentive would increase or decrease from the current offer, but the Council would have lost the opportunity to make immediate savings.

6.1.2 It is also important to highlight that rejecting Biffa's offer to extend would result in approximately £150K in procurement costs to re-tender the work, as well as taking up significant officer time to the value of at least £100K.

7.0 CONSULTATION

7.1 No consultation has been carried out due to the commercial sensitivity of the proposal.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 Extending the contract with Biffa would deny any opportunity for the third sector to tender for this work until post 2027. However, Biffa have indicated a willingness to adapt their working methods to accommodate the Council's neighbourhood management approaches that could lead to opportunities within this sector in the extended contract term.

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

9.1 Accepting Biffa's extension proposal provides a total saving on the contract price of 9.2%. There will be a phased implementation of the saving over a four year period, leading to an annual revenue saving of £1,065,000 from 2017-18 onwards, as shown in the table below. The total cumulative revenue saving to the Council over the full term of the contract will be £13,382,500. This is an increase of £3,757,500 from their original offer in January 2014, representing a £450,000 increase on the current term and a £3,307,500 increase in the extended term.

9.2 The proposal replaces RPI with CPI from April 2017.

9.3 Officers estimate that up to £250k in tendering costs (consultant fees and staffing time) could be avoided if the contract was extended.

9.4 Biffa have offered to match fund a contract monitoring officer post (1 x FTE) with the Council, who would be dedicated to monitoring contractual and crew performance, in order to optimise service reliability and service standards. This will require the

creation of 1 x FTE post (to be evaluated) on the Waste and Environmental Services staffing establishment, requiring £10K of new revenue growth. A further £3K per annum will be required to fund transportation, fuel and other related costs which will be met from within existing waste provisions.

- 9.5 Officers recommend that the £500K in-year saving in 2014/15 be allocated to reserves for use in 15/16 to assist the Biffa/Council partnership to realise further efficiencies from 16/17 onwards. For example, through a budget option agreed March in 2014, the Council has invested an additional £400K over two years to tackle alleyway dumping and ensure alleyways are regularly cleansed. Should the extension proposal be accepted, officers will work with Biffa to ensure the continuation of the programme at the end of the temporary funding period.
- 9.6 In summary, the revenue savings linked to the improved offer are detailed in Table 1 below

Table 1

Revenue Saving – Revised offer				
2014/15	2015/16	2016/17	2017/18	
£500,000	£200,000	£300,000	£65,000	
Total Annual Revenue Saving from 2017/18				£1,065,000
Cumulative saving over current contract term (3 years)				£2,200,000
Cumulative saving over extended contract term (10.5 years)				£11,182,500
TOTAL CUMULATIVE SAVING (REVISED OFFER)				£13,382,500
Revenue Saving – Original offer				
2014/15	2015/16	2016/17	2017/18	
£400,000	£200,000	£150,000	£0	
Total Annual Revenue Saving from 2017/18				£750,000
Cumulative saving over current contract term (3 years)				£1,750,000
Cumulative saving over extended contract term (10.5 years)				£7,875,000
TOTAL CUMULATIVE SAVING (ORIGINAL OFFER)				£9,625,000
Increased saving over full proposed contract term				£3,757,500

10.0 LEGAL IMPLICATIONS

- 10.1 Officers have confirmed that there is provision in the original OJEU notice (CPU010805) to extend the contract for a seven year period from August 2020 to August 2027.
- 10.2 This “best and final” Biffa offer requires the extension of the 2017 break clause agreed in July 2012 to April 2023 and is subject to a number of conditions in order to enable Biffa to offer this level of savings.
- 10.3 Legal colleagues have highlighted that it is necessary to limit the amount of material changes to the contract in order to minimise the risk of the Council being challenged on the legalities of the extension. There are no service changes proposed as a result of this extension proposal. Apart from reducing the price of the contract, there are only two material variations proposed:

(i) To alter the inflation calculation - As the proposal is to apply a mechanism that is most likely to save the Council money, and be less advantageous to the contractor, it is not envisaged that a challenge would arise from previous bidders.

(ii) To introduce a “pain-gain” clause - There are a number of existing clauses relating to need for the contractor to drive continuous improvement and efficiencies. Introducing this clause will not supersede them, but allows greater flexibility to tackle the most challenging of efficiency projects by recognising the costs and risks associated with them to both the contractor and Council. Biffa have agreed to a 70/30 apportionment where the Council is entitled to 70% of the financial saving of any joint initiative instigated under this Clause. This also requires the Council to provide 70% of the upfront costs required to make the changes.

10.4 In the previous report presented to Cabinet on the 11 September, due consideration has been given to establishing whether the Biffa proposal offers VfM as required under the Council’s Contract Procedure Rules. However, it is important to note that the only decisive way to determine whether a more advantageous contract could be secured by the Council would be through retendering the contract.

11.0 EQUALITIES IMPLICATIONS

11.1 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/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010-0>

12.0 CARBON REDUCTION IMPLICATIONS

12.1 The Waste and Environmental Streetscene Services contract seeks to increase recycling through efficient waste collection operations. In addition, Biffa have committed to assisting the Council to collect food waste in an efficient way should it be required to do so in the future.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 Biffa proposes to install 360 degree cameras on some of its fleet. Amongst a range of benefits, this is anticipated to reduce the incidents of “dangerous driving” we commonly have reported where impatient motorists attempt to mount pavements and force their way passed waste collection operatives.

14.0 SUMMARY

14.1 By entering into further negotiations with Biffa, Officers have secured an improved offer in return for the extending the contract term to 2027. This has improved further the Value for Money position that the Council has already established, to a discount equating to £7.27 per household per annum by April 2018. Due to the limitations of data sets around VfM and fluctuating procurement markets, the only way of knowing

exactly how advantageous Biffa's proposal is to the Council would be to decline the offer and go back out to the market. Members must therefore balance the risks and lost opportunities of accepting the offer with the financial benefits and future opportunities gained by securing a long term deal.

14.2 To summarise the opportunities lost include:

- Ability to re-package services where synergies may result in enhanced neighbourhood working capacity (e.g. A Street Cleansing, highway maintenance and grounds maintenance bundle);
- The ability to go to the market in a re-tender exercise.

The opportunities gained include:

- Immediate revenue savings totalling a minimum of 9.22% over 4 years;
- Avoidance of procurement costs of up to £250K in 16/17;
- Stability of provider with proven track record in performance;
- Immediate identification of significant further savings for implementation by 2016/17.

15.0 RECOMMENDATION/S

15.1 Members are requested to:

- (i) Approve acceptance of the revised offer from Biffa outlined in this report in return for an extension to the existing contract to 2027.
- (ii) Instruct the Strategic Director of Regeneration and Environment to work with Biffa to identify further efficiency savings, in order to contribute to reducing the Council's budget deficit from 2016/17 onwards, and to enable the continuation of the Good Neighbour" initiative, and ensure alleyways continued to be cleansed regularly.
- (iii) Approve the use of the 2014-15 contract saving of £500,000 to establish a reserve in order to facilitate further savings detailed as in (ii) above.

16.0 REASON FOR RECOMMENDATIONS

16.1 The Council has unprecedented financial reductions to make over the next 3 years. The Waste and Environmental Streetscene Contractor has a proven track record of working with the Council to make challenging savings in the statutory functions of waste collection and street cleansing. Extending the contract with the existing provider guarantees revenue savings over the next three years and avoids future procurement costs of up to £250k in external consultants and officer time. In addition, immediate work can begin to identify future joint efficiencies.

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APPENDICES

Appendix 1: Final Biffa "Offer": Contract Extension to 2027

Appendix 2: Updated Risk Register

REFERENCE MATERIAL

Audit Commission Website: <http://profiles.audit-comission.gov.uk>

OJEU notice CPU010805: Streetscene Services to include refuse, recycling and street cleansing.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet:	
Biffa Contract Extension Proposal	11 September 2014
Environmental Streetscene Services Contract Break Clause Review	19 July 2012
Environmental Streetscene Services Contract Break Clause Review	21 June 2012
Environmental Streetscene Services Financial Review	12 April 2012
Sustainable Communities Overview and Scrutiny	
Environmental Streetscene Services 5 th Annual Review	30 January 2012
Environmental Streetscene Services 6 th Annual Review	29 January 2013

Wirral Council Waste, Recycling & Cleansing Services

Extension Proposal, Biffa Municipal Limited
October 2014

Background

This contract is a high profile contract for Biffa and is the largest in its portfolio. This, along with the excellent relationship we have with the Council and the excellent services we have provided and developed in partnership over the last 8 years, provides the platform for our discussions and this revised offer to extend the contract to 2027.

The Council has considered an initial offer and we have had subsequent discussions with officers on how and where the Council would like us to improve our offer.

We have taken into account all the feedback and discussions to produce this offer which, we believe, meets the Council's expectations.

Summary of Offer

Whilst the Council values the quality of service we provide and the relationship we have developed over the last eight years, we understand that the primary requirement to extend the contract is to provide a straightforward discount within the current term that continues through the extended term to represent what the Council believes is value for money.

The financial side of the offer is as follows:

Financial Year	2014/15	2015/16	2016/17	Extension Years	Total Discount - Current Term	Total Discount - Extended Term
Discount	£500,000	£700,000	£1,000,000	£1,065,000	£2,200,000	£13,382,500

This is an offer only Biffa can make and includes:

1. A change of the indexation mechanism to CPI in the extended term;
2. The additional capital cost of replacing the current RCVs with Twin Packs if the Council decides to collect food waste separately. If the Council decides not to we will convert this to a further discount of £65,000 per year (included in the table above);

Compared to our previous offer considered by Wirral Council members, this offer provides the following improvements:

- An additional £450,000 in the current contract term
- An additional £3,757,500 in the extended term

The rest of this document explains the details behind the discount numbers, as well as added value offerings.

The structure of the £1m discount

The discount is two-fold, in that it is both an increase in a straight cash offer, but also a response to the request to tidy up some contract rates that do not reflect the cost of carrying out certain service elements. Whilst we are paid for a service and not a level of resource, we understand the Council's position here and are happy to use this exercise tidy up rates as follows:

Discount Description	Annual Discount
Original Offer	£750,000
New Brighton Seasonal Cleansing	£21,000
Bulk bins – parks & countryside	£20,000
Increased discount	£209,000
TOTAL Discount	£1,000,000

This offer has been made based on the current financial performance of the contract, so any further adjustments to individual rates are incorporated into the discount, i.e. any further tidying up of rates must not reduce Biffa's overall contract income. Clearly the existing variation procedure remains.

Added Value

There are other elements of our offer that are difficult to quantify in financial terms, but add genuine value to our offer. These are:

- *Twin Packs* - Whilst the £65,000 per year offer relating to Twin Packs replacing standard RCVs does not apply to the current term of the contract, it genuinely adds value (£65,000 per year for the additional 10.5 years) to our proposal from both a financial and future-proofing perspective;
- *Weekend cleansing* – we currently provide weekend cover in areas that were amended by the 2013 street cleansing variation. This is over and above the requirements of the variation order, costs around £35,000 per year at no cost to the Council, and we commit to continuing this arrangement;
- *360° cameras* – we commit to providing this technology on all new green waste collection vehicles and at least one on each other collection service element. This will cost Biffa around £10,000 per year;
- *Break clause* – we are happy that the break clause remains in the contract and is put back to 2023. However there are three conditions of this:

1. The break can only be exercised in the event of Wirral Council procuring a joint contract either with other Merseyside local authorities, or Cheshire West and Chester;
2. Compensation on termination will be payable based on the net book value of assets, outstanding interest payments (both on a straight line basis over 10.5 years), exit costs, and loss of overhead (3% of turnover at the time extrapolated to 2027);
3. Compensation will not apply if Biffa is awarded the replacement joint contract;

Resolution of other issues

Removal of AWC rounds – We confirm that this offer is not linked in any way to the removal of AWC rounds, and is therefore not double-counted.

Should we be able to remove any AWC rounds as previously discussed, we will share the net savings on a 50:50 basis. In considering the removal of AWC rounds we need to be mindful of the commitment we gave of no further redundancies, when we negotiated the street cleansing variation order last year.

However, the Council may wish to consider an alternative proposal to absorb household growth to a capped level at no additional cost. Should this be of interest we will develop an offer.

Joint monitoring officer – we are happy to accept the Council's proposed variation to amend the joint-funded post from a communications officer to a joint monitoring officer.

Neighbourhood working – We commit to working on this basis and will form detailed proposals for this on acceptance of this offer.

PDAs/In-Cab technology – In keeping with our continuous improvement obligations, we commit to upgrading the Springboard system to the LLPG version and to re-training staff to use the system more effectively.

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Project Name	Biffa Contract Extension Proposal (to 2027)	Project Manager	Tara Dumas	Author	Tara Dumas
Version No.	5.0	Date	19 th November 2014		

Risk Register

Summary				Scores						Controls			
Risk No.	Description of Risk	Risk Category	Risk Owner	Gross Likelihood Score	Gross Impact Score	Total Gross Score	Net Likelihood Score	Net Impact Score	Total Net Score	Proposed Controls	Responsibility	Target Date	RAG Status
Page 13 1	District Audit scrutiny on decision process likely	Legal / Regulatory	Tara Dumas	3	4	12	3	2	6	Member decision based on thorough analysis of risks.	TD	completed	Green
										Best value comparison work to be undertaken- Local benchmarking plus APSE/Audit commission comparison	TD	completed	
										Update on market position sought from previous consultants contracted to review Biffa contract.	TD	completed	
										Process to be reviewed by internal audit	MG	completed	
2	Negative political and media attention	Political/ Societal	PR team (Alan Creevy/ Laura Furlong)	5	3	15	3	2	6	Proactive approach by PR with press releases Confirm offer not linked to service/workforce changes	LF	Post decision completed	Green
3	Length of contract (13 years tie in): Future Legislative changes force changes to contract specification that could be more expensive to change "in contract" than upon re-tendering (e.g. changes to fleet required, addition of further waste streams (such as food waste) etc...	Legal / Regulatory	Tara Dumas	4	5	20	3	2	6	Horizon-scan of current likely changes through life of contract and assess ability to change within contract specification.	CB/ TD/ MR WA	completed	Green
										Secure commitment from Biffa re flexible approach to fleet replacement in order to allow for food waste collections in necessary	TD	completed	

4	Escalating revenue costs due to current method of calculating inflation (RPI) wipe out all benefits of savings.”	Economic/ Financial	Mark Goulding	5	5	25		3	3	9	Provide projections of impact of RPI to 2027 and examine alternative inflation indices. Biffa to put forward alternative method of calculating inflation to reduce council's exposure to uncontrollable costs.	MG Biffa	completed completed	Amber
5	Potential apathy from contractor once the Council is tied in to a long term agreement to drive continuous improvement and identify future efficiencies	Financial Technical/ Operational Corporate/ Commercial	Tara Dumas	4	3	12		2	3	6	Adopt an agreed mechanism for incentivising future improvements through share of benefits as part as contract extension proposal (e.g. pain-gain clause) Identify and reconfirm contractor's commitment to existing contractual requirements and method statements where improvements in service delivery have been identified.	Biffa TD/ MS JD/ Biffa	Post decision Post decision	Green
6	Short timescales for decision prevent detailed scoping exercise and soft market testing to confirm market position and VfM standings	Economic / Financial	Tara Dumas	4	4	16		3	2	6	VfM street cleansing / waste collection review with Merseyside and Halton Analysis of APSE performance network Data on waste collection and street cleansing. Seek updated view of market position from Eunomia (commissioned in 2012 to carry out a contract review). Audit commission comparison	TD TD TD	completed completed no longer deemed necessary due to other analysis and officer knowledge	Green

										analysis required on total cleansing / Waste collection costs		completed		
7	Potential inability of contractor to maintain flexibility after savings removed could lead to strained client/contractor relations and heightened likelihood of formal contractual disputes/ high levels of client "intervention"	Corporate/ Commercial	Tara Dumas	4	4	16				<p>Establish exactly what "conditions" the savings are linked to and how Biffa intend to "cover" or "recover" these savings through the contract term.</p> <p>Ensure the "conditions" under which the savings are agreed are clarified by and understood by both parties.</p> <p>Ensure outstanding £200K saving from the "break clause buy out" is not double counted in new extension proposal</p> <p>Biffa agree to appointment of joint funded monitoring officer</p>	<p>TD Biff a</p> <p>TD/ CH Biff a</p> <p>TD/ MS/ KA TD</p>	<p>completed</p> <p>completed</p> <p>completed</p> <p>Awaiting Cabinet approval Dec 2014</p>	Amber	
8	Workforce unrest if affected by changes linked to extension proposal.	Financial Societal Operational	Biffa/ Mark Smith	5	5	25		1	4	4	<p>Secure political support to agree and see through required changes to realise savings.</p> <p>Council to seek clarification that this proposal not linked to an agreement of service/workforce changes</p>	<p>MS</p> <p>Biff a</p>	<p>N/A</p> <p>completed</p>	Green

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WIRRAL COUNCIL

CABINET

09 DECEMBER 2014

SUBJECT:	FUTURE COUNCIL 2014: CONSULTATION & SCRUTINY FINDINGS (CHIEF EXECUTIVE BUDGET OPTIONS)
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF EXECUTIVE
RESPONSIBLE PORTFOLIO HOLDER:	LEADER OF THE COUNCIL
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 On September 08 2014, the Chief Executive published a series of budget proposals for public consultation as the Council seeks to make savings of £18 million in 2015/2016.
- 1.2 The Future Council project has been able to identify potential savings of £15.5 million through changes and efficiencies which would not require public consultation. If implemented, these changes would potentially reduce the budget gap to £2.5 million in 2015/2016. Options were proposed for public consultation which totalled £3.7 million, providing choice for Members in setting the budget.
- 1.3 This report presents a summary of the feedback from the public consultation and the pre-decision scrutiny work completed by the Policy and Performance Committees. Cabinet is requested to consider these findings, and if it is so minded, to use this feedback to inform its budget deliberations and recommendations.

2.0 BACKGROUND AND KEY ISSUES

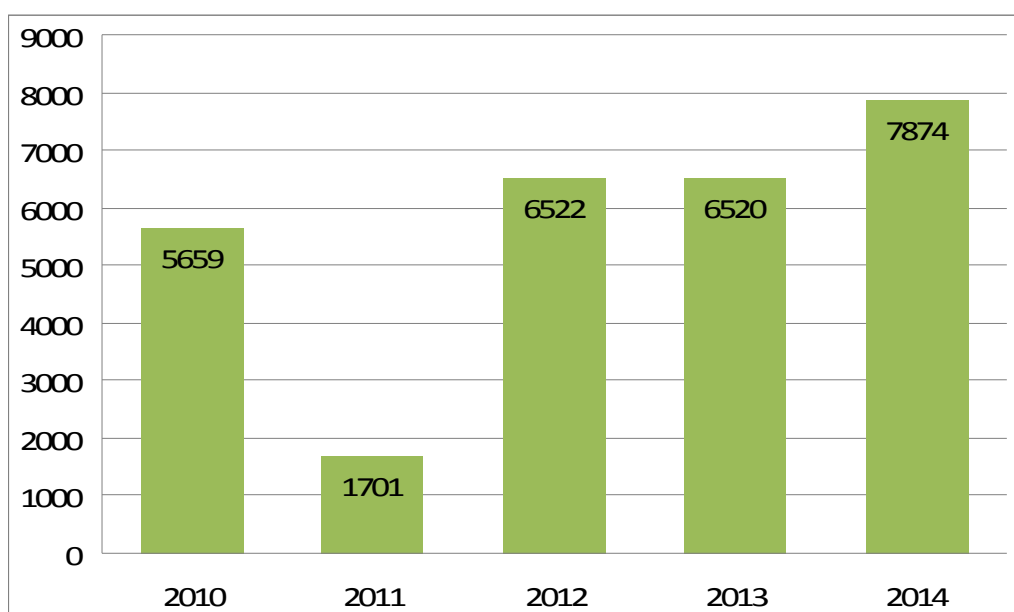
- 2.1 The Council has been aware of an increasing need to reduce its budget requirement, as outlined in its medium term financial strategy. Last year significant savings were agreed by Council in March 2014. There is currently £57 million in already agreed savings that will have a phased impact to 2017. However, further savings are required going forward. £18 million is required in 2015/2016, £27 million is required in 2016/2017 and, according to current estimates, £25 million will be required in 2017/2018. Total savings required over the next three years is therefore in the region of £70 million.
- 2.2 The Chief Executive published his options for 2015/2016 on 08 September 2014. These options have been the subject of a comprehensive programme of public consultation, which ended on 31 October 2014. The findings of this

consultation were reported in full to Cabinet on 6 November 2014. This report can be viewed at the link below:

<http://democracy.wirral.gov.uk/mgAi.aspx?ID=27158>

3.0 CONSULTATION FINDINGS

3.1 The consultation resulted in 7874 individual questionnaires being returned, together with a series of letters, emails and petitions. This is a higher response level than any previous Wirral Council budget option consultation, and also higher than any comparable exercise nationally. The various levels of response achieved through budget consultations since 2010's "Wirral's Future" exercise is shown in the table below. In 2011 the Council delivered an online budget simulator exercise, with no specific budget proposals.



3.2 The budget proposals put forward total almost £4 million in savings for 2015/2016 and were presented for public consultation within a questionnaire. The detailed consultation findings against each option are provided within the appendices to this report. The table below shows a basic dashboard of the quantitative responses to the consultation questionnaire.

Budget Proposal	Saving 15/16 £000s	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
West Kirby Marine Lake	25	21.2%	42.5%	16.5%	9.7%	10.2%
All Age Disability Service	600	11.3%	36.0%	25.8%	13.7%	13.2%
Youth and Play	450	5.5%	12.8%	16.9%	29.0%	35.7%
Preventative Maintenance	570	7.9%	27.8%	15.7%	30.0%	18.6%
School Crossing Patrols	90	19.3%	36.4%	10.0%	16.3%	18.0%
C-Tax Over 70s Discount	600	25.2%	30.4%	10.9%	15.8%	17.7%
Commemorations	100	23.4%	45.5%	15.1%	9.3%	6.6%
Allotments, Bowling, Football	35	22.9%	43.1%	11.4%	11.9%	10.7%
Parking (Countryside Parks)	50	8.4%	18.7%	6.8%	25.2%	41.0%

Parking (Fort Perch Rock)	25	12.9%	28.6%	9.7%	18.8%	30.0%
Litter and Dog Fouling	70	49.4%	33.5%	8.6%	4.1%	4.4%
Cold Calling Zones	80	14.1%	18.3%	24.7%	19.9%	23.0%
Pest Control	65	14.7%	38.9%	19.0%	15.6%	11.8%
Public Conveniences	140	8.9%	17.0%	13.2%	28.1%	32.8%
Roadside Grit Bins	55	12.3%	29.6%	19.5%	20.8%	17.9%
Girtrell Court	385	19.6%	44.4%	23.0%	5.6%	7.4%
Community Libraries	411	15.6%	38.3%	10.2%	11.4%	24.4%

4.0 PETITIONS

4.1 The following petitions related to the budget consultation were received within the consultation period and reported to Cabinet at its meeting on 6 November 2014.

Petition	Signatures
Save our Services (Unison)	568
Save Wirral Sailing Centre	4739
Moreton Youth Centre	128
Greasby Library	353
Irby Library	336
Save Our Play Service	1899
Hoylake Library	10
Pensby Library	551

4.2 The Unison 'Save Our Services' petition was supplemented by a further paper petition containing 3474 signatures after the 6 November Cabinet report was published, meaning the total number of signatures for this petition was 4042.

4.3 The lead petitioners for both 'Save Our Services' and 'Save Wirral Sailing Centre' have both indicated that, due to receiving more than 3,000 signatures, they would like to exercise their right to address the next meeting of Full Council, under the Council's petition scheme.

4.4 A further petition related to a School Crossing Patrol on the A41, New Ferry, was received with 1276 signatures and reported to Council on 16 October 2014. Further submissions were received from pupils of Woodlands Primary School, Birkenhead, in relation to the proposal regarding School Crossing Patrols.

4.5 A small number of petitions were received after the closing date of consultation and, as such, did not form part of the original report to Cabinet on 6 November. These were:

- Upton Library – 107 signatures
- Greasby Library – 171 signatures (in addition to the 353 signatures quoted in the table above).
- St James Library – 214 signatures.

- 4.6 Further petitions were posted on the www.change.org website, relating to Wirral Play Council (61 signatures) and Moreton Youth Centre (16 signatures).
- 4.7 An additional petition related to Irby library was received on November 26, around one month after the closing date of the public consultation. This petition contained 714 signatures, in addition to the signatures quoted above, and was submitted together with a letter from the chair of the Friends of Irby Library.
- 4.8 The chair of the Friends of Greasby Library also submitted a letter opposing the budget proposal, following the initial consultation period.

5.0 FINDINGS FROM SCRUTINY

- 5.1 To ensure a consistent approach to scrutiny across the Policy and Performance committees, the Chair of the Coordinating Committee convened a meeting of all Committee Chairs and Spokespersons on 3rd September. At this meeting, Members considered a review undertaken in 2013 by the Regeneration and Environment Committee of last year's budget options. The review was consistent with the standard task and finish format and was well received by Members. As such this approach was adopted.
- 5.2 This scrutiny approach falls into the category of pre-decision scrutiny, providing non-executive Members with the opportunity to understand and evaluate the Future Council budget proposals in advance of any recommendations by Cabinet and decisions by Council. The reviews undertaken by each committee were time limited in order to meet the schedule for decision-making.
- 5.3 Each committee established a scrutiny review panel to scope out its approach to examining each budget option. This involved a series of detailed question and answer sessions with the relevant officers responsible for producing the saving proposals. Other witnesses and sites visits were incorporated where possible. Discussions focussed on the rationale behind the proposals, their deliverability and the impact and possible mitigation.
- 5.4 The findings of the review panels are presented as three reports, one for each Committee. These are included as appendices 1, 3 and 5. The reports follow a consistent format, presenting the service context, the details of the proposal, the impact of the proposal and the observations / conclusions of the review panel.
- 5.5 In addition to these reports, the draft minutes of the committee meetings held on the 3rd, 4th and 5th of November are also included as appendices 2, 4 and 6 to this report. These capture the additional comments and recommendations from the Committee discussions in the light of the public consultation findings which were presented at each meeting.

6.0 RELEVANT RISKS

- 6.1 A project team was established and met on a weekly basis to develop and deliver a project plan, with robust risk assessment arrangements. The key risk for this project is that failure to deliver a successful consultation project will

leave the Council unable to develop a corporate or financial plan and make the budget savings required in 2015/2016.

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 report to Cabinet on 6 November 2014 sets out the extent of the consultation activity undertaken in relation to the budget options. The Council has used a range of access channels to ensure wide engagement with residents, partners and other stakeholders including the website, email, libraries, one stop shops, leisure and children's centres.
- 8.2 Targeted consultation has also been undertaken in relation to those budget options which would have a particular impact on specific groups of residents or service users. This has included targeting all Wirral Council Youth Hubs and Centres, friends of parks groups, bowling and sports clubs. Over 300 community organisations were directly contacted by the Constituency Teams and a local organisation was commissioned to produce Easy Read versions of the consultation literature to improve accessibility for vulnerable groups.
- 8.3 The budget options were presented to staff on the day they were published. The public consultation has been on going at the same time as statutory consultation with staff in relation to the Future Council remodelling process, which is part of the savings previously agreed at Council.
- 8.4 As well as Members being engaged through the scrutiny process, Constituency Committees have received either a report or a presentation describing the potential impact of each budget option to the particular constituency area. Members in Wirral South, at their meeting, posed a series of questions related to the budget proposals. Eastham Ward Members also submitted a detailed consultation response. Both of these have been considered as part of this process.

9.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 9.1 All outstanding actions are complete.

10.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 10.1 Engagement with organisations within the voluntary, community and faith sector has taken place and this work will continue to ensure that, where applicable, the sector is fully engaged and able to provide those services where a commissioning need may arise.

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

11.1 Existing staffing resources were used to develop and deliver this project, through the establishment of a dedicated project team using skills and expertise from across the organisation, led by the Strategic Director for Transformation and Resources.

12.0 LEGAL IMPLICATIONS

12.1 Recent case law has made it clear that any consultation undertaken must be meaningful, informed and reasonable. Failure to ensure this could lead to legal challenge and any decision taken which takes into account the consultation could be undermined and open to challenge by way of Judicial Review.

12.2 The Local Government and Public Involvement in Health Act 2007 came into force in April 2009 and introduced a duty for local authorities to involve, inform and consult with their communities. The duty is wide-ranging and applies to the delivery of services, policy and decision making and means the Council must consult relevant individuals, groups, businesses, organisations and other stakeholders that the Authority considers likely to be affected by, or have an interest in, their actions and functions.

12.3 Certain budget proposals will be subject to further, statutory consultation on a one to one or other direct basis with people using the service(s) affected.

13.0 EQUALITIES IMPLICATIONS

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

13.2 Individual Equality Impact Assessments relating to each budget proposal have been developed and are published for Members on the Council website from the following link.

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-april-2014>

14.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

14.1 None arising directly as a result of this report.

15.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

15.1 None arising directly as a result of this report.

16.0 RECOMMENDATION/S

16.1 That Cabinet notes the consultation and scrutiny findings as described within this report, and thanks Wirral residents, Elected Members, staff and other stakeholders for their input.

16.2 That Cabinet has regard to these findings in relation to the Future Council budget options.

17.0 REASON/S FOR RECOMMENDATION/S

17.1 The recommendations respond to the Cabinet and Council commitment that budget decisions should be taken on the basis of robust, comprehensive and genuine consultation with Wirral residents, Council staff and all stakeholders.

REPORT Joe Blott
AUTHOR: Strategic Director – Transformation & Resources

APPENDICES

- Appendix 1: Future Council Budget Options Scrutiny Review: Report of the Families & Wellbeing Policy & Performance Committee
- Appendix 2: Draft Minutes of the Families and Wellbeing Committee 3 Nov 2014
- Appendix 3: Future Council Budget Options Scrutiny Review: Report of the Regeneration & Environment Policy & Performance Committee
- Appendix 4: Draft Minutes of the Regeneration & Environment Committee 4 Nov 2014
- Appendix 5: Future Council Budget Options Scrutiny Review: Report of the Transformation & Resources Policy & Performance Committee
- Appendix 6: Draft Minutes of the Transformation & Resources Committee 5 Nov 2014

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	06 November 2014
Cabinet	19 June 2014
Cabinet	10 April 2014
Cabinet	13 March 2014

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FUTURE COUNCIL BUDGET OPTIONS SCRUTINY REVIEW

**Report of the Families & Wellbeing Policy & Performance
Committee**

November 2014

FINAL VERSION

FINAL REPORT

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1. INTRODUCTION BY THE CHAIR

In undertaking this piece of work to scrutinise the budget options for 2015 that fall within the remit of the Families and Wellbeing Policy & Performance Committee, the Panel has been realistic in appreciating that the financial position of the Council, with a reduction in funding of £100m over the last few years and outstanding shortfall of £45m over the next 2 years, means that there will inevitably be an impact on the services that the Council delivers.

In undertaking the task, we have looked in depth at the four proposals that have fallen within our remit which are:

- 1 Changes to the youth and play services
- 2 The proposal for the West Kirby Marine Lake
- 3 The option for the future use of Girtrell Court
- 4 The all-age disability service

During our examinations we have been mindful of our commitment in the Corporate Plan to protect the most vulnerable in our borough and though we have neither agreed or disagreed with the proposals, as that is not our role, we have reflected on the impact of the budget proposals, whether that be positive or negative, and in doing so, I believe we accomplished our task of honest scrutiny.

Councillor Moira McLaughlin (Chair)

Other Panel Members were:

Councillor Alan Brighthouse
Councillor Pat Cleary
Councillor Wendy Clements
Councillor Denise Roberts

2. BACKGROUND AND CONTEXT

Wirral Council's grant funding will have been reduced by around 57% before the end of 2017 and despite already agreeing savings of more than £100 million since 2013; the Council must reduce spending by a further £70 million before 2018.

The Future Council project was established to help meet these challenges. The Council has conducted a comprehensive review into all of its services. The project has identified new ways of delivering services, proposed reduced levels of senior management, and is identifying the best value for money possible from contracts and the way the Council manages its finances. From an initial budget gap of £18 million for 2015/16, implementation of those proposals will reduce the gap to £2.5 million to be found from other options.

The Future Council project has identified 17 possible options for meeting the £2.5million funding gap. Four of these options fall within the remit of the Families and Wellbeing Policy & Performance Committee and have been scrutinised in some detail by members as part of the Future Council scrutiny process. The four options were:

- Youth and Play Services
- West Kirby Marine Lake
- Girtrell Court
- All-age Disability Service

The Chair, Vice Chair and Party Spokespersons formed the core membership of the Panel which undertook the evidence gathering. An initial meeting agreed the scope for this scrutiny work. The Scope document is attached as Appendix 1. Further sessions were held to focus on each of the four options, followed by a wrap-up meeting. All members of the Committee were invited to attend any of the evidence gathering sessions, which included visits to Girtrell Court and Willow Tree. The members attending each session are shown on the Scope document.

This scrutiny report will be presented for consideration by the Families and Wellbeing Policy & Performance Committee at its meeting on 3rd November 2014.

3. YOUTH AND PLAY SERVICE

3.1 Context

The Youth and Play Service currently costs the Council £2.38 million, and this option proposes a saving of £450,000; an approximate reduction of 19%.

The initial proposal would involve closing four satellite youth centres. The Council will continue to deliver provision within the four larger youth 'hubs' (currently located in Birkenhead, West Kirby, Wallasey and Eastham), although provision will be reduced from five to four evenings per week. The option would also see the Council stop the funding associated with the three current Play Schemes, Wirral Play Council, the Civic Award Scheme and the Duke of Edinburgh Award. The approximate impact on jobs is 23 FTE posts.

As part of its long term youth strategy, the Council has committed to making a major capital investment in a state of the art new Youth Zone, to be built in Birkenhead. There will be further implications for revenue funding once the Youth Zone is operational, currently estimated to be 2016.

This is set against a backdrop of a restructure within the Children and Young People's Department (CYPD) in 2013 that effected a move to an integrated targeted or early help offer. These proposals have, therefore, been developed from the premise of preserving the more targeted elements of the service offer.

Youth Hubs / Clubs: There are currently four youth hubs; one based in each constituency. Each hub is open five nights per week (Tuesday to Saturday). In addition, four youth clubs operate as satellite centres to the hubs. The youth centres are open three nights per week (Monday plus two other nights). Both hubs and clubs offer open / universal access to a range of provision such as media suites, computer rooms, pool and table tennis. Hubs and Clubs also offer a range of activities and opportunities for young people including: dance, drama, creative arts, Duke of Edinburgh Award, sporting activities and workshops on issues that are important to young people, such as relationships, drugs, alcohol and sexual health. The aim is to enable young people to socialise in a safe environment while learning more about relevant issues and to enable their transition to adulthood, raise their aspirations and promote resilience.

As the hubs are larger, and open five evenings per week with an enhanced staffing establishment, they are also able to offer more opportunities and space for targeted projects, such as the Lads Project and the Girls Project, which are aimed at vulnerable groups. These projects are often public health funded and young people are referred onto the schemes from services such as outreach work, YMCA, the targeted service gateway and the police. The projects tackle everyday and often complex issues that young people can find themselves facing such as anti social behaviour, gender / transgender issues, child sexual exploitation, drug and alcohol issues, gun crime, gangs and abusive relationships and will alter the approach to respond to current issues and societal pressures and challenges.

Officers have previously done work to assess the distances which young people travel to the youth hubs and clubs. There is a perception that young people will always travel to the closest venue. However, this is not always the case and examples given where that young people travel from Woodchurch to the youth hub at West Kirby or to attend particular planned activities at the creative arts centre in Birkenhead, such as the Girls Group. In some geographical areas, it is a recognised challenge to encourage the young people to travel and noted there are also some physical restrictions, such as the cost, the availability of public transport or the family not being able to transport them.

In order to support young people to travel, needs are assessed and they may be offered grants for initial travel costs and encouraged to travel with peer mentors to encourage attendance and independence. No transport is offered to the youth hubs; only to special projects. There is no current data regarding the form of transport used by young people although, anecdotally, it is known that significant numbers travel on the bus or train.

Estimates of attendances, based on unique young people over the previous year are:

Constituency	Youth Hub		Youth Club	
West Wirral	West Kirby	320	Fender	140
Birkenhead	Shaftesbury	542	Charing Cross	95
Wallasey	Mill Lane	240	Moreton	113
Wirral South	Eastham	182	Bebington	155

Play Schemes: The Council currently runs 3 play schemes:

- Beechwood Play Scheme in Birkenhead – 193 unique individuals users
- Gautby Road Play Scheme in Birkenhead – 169 unique individuals users
- Leasowe Adventure Playground in Wallasey – 245 unique individuals users

The total cost of play scheme provision is £190,000 per year. Currently, approximately 600 children access the services across the 3 play schemes. These three schemes, all based at one end of the borough, are the historical legacy from social unrest in the 1980's. The schemes are open-access for 6 to 14 year olds, operate all year round and are free of charge to users. The schemes, managed by local Committees, open Monday to Friday during school holidays and on Saturday and after school during term-time.

Since the inception of these schemes, provision of play facilities have become much more guided by legislation, for example, the introduction of CRB checks (now DBS – Disclosure and Barring Service) and regulatory Ofsted inspections. The three staff in each scheme are currently employed on Council terms and conditions. It was commented that the schemes were originally set up by community groups with the local authority taking over responsibility at a later date. The increased regulation has inadvertently made them more costly and complex to operate.

Wirral Play Council: Every summer, the Wirral Play Council organises free open-access play schemes across Wirral for children aged 6-14 years of age, as well as holding a national Play day event in Birkenhead Park for up to 3,000 children. Wirral Council provides a contribution towards the running costs of Wirral Play Council and a member of staff is also seconded to Wirral Play Council to support the work. Wirral Council's total annual revenue contribution is £42,000. On average, approximately 1,600 children and young people access the provision across or during a year.

Wirral Civic Award and Duke of Edinburgh (DoE) Award Schemes:

The Wirral Civic Award Scheme works with primary age children via schools, voluntary groups, uniformed organisations and youth and play schemes. The scheme tends to operate as a pre-cursor for the Duke of Edinburgh Award and is for younger children. Most referrals to the scheme arise from primary schools and voluntary groups such as guides, brownies and scouts. The project is based on work in the community and young people work towards badges. On average, approximately 400 young people access the scheme during a year.

Current delivery of the Duke of Edinburgh Award scheme is through a youth worker over 4 evenings per week; one evening a week in each constituency to support existing youth groups to facilitate the Award. Currently, approximately 472 young people access the scheme and are nominated via local secondary schools.

3.2 Proposal

Youth Hubs / Clubs: The proposal would result in the four youth clubs that operate as satellite centres to the youth hubs closing (Charing Cross in Birkenhead, Moreton, Fender in Woodchurch and Bebington).

Play Schemes: It is proposed that the 3 play schemes cease to be directly delivered by the Council and that a sum of approximately £22,000 be allocated to each of the Constituency Committees (approximately £88,000) for them to commission local providers to supply services or for children to access services / activities.

Wirral Play Council: Funding currently made available to support Wirral Play Council would cease. This would impact on summer play schemes and holiday provision. The arrangement to second a member of staff to Wirral Play Council would also cease.

Wirral Civic Award and Duke of Edinburgh (DoE) Award Schemes: The proposal is to cease the funding to support both the Wirral Civic Award Scheme and the Duke of Edinburgh award scheme.

Other proposed service reductions: Additional savings of approximately £40,000 would be made through reductions to current levels of provision. Current proposals are for a reduction in youth hubs opening 4 evenings a week rather than the current provision of 5 evenings. There would be a reduction in outreach services (Kontaktabus) also from five evenings per week to four evenings.

It is also proposed that the service continues to develop synergies with other agencies to identify the additional £100,000 required to bridge the gap to deliver the £450,000 total saving proposed by this budget option.

3.3 Impact

Youth Hubs / Clubs:

- This is a saving of approximately £151,000.
- Currently approximately 500 young people access the service across the four youth clubs (see above).
- The spread of provision will be reduced. Therefore, the distance of travel between locations for some young people will be greater. Previous closures, for example, in Greasby and in Leasowe have been mitigated by ensuring a greater number of regular visits by the Kontactabus. Therefore, some provision continued to be delivered; albeit in a different form. (Note that Kontactabus is a mobile youth provision, often used as a proactive response to problem areas).
- It remains uncertain how the young people currently using the four youth clubs would disperse.

Play Schemes:

- This is a reduction of approximately £100,000 to the budget.
- Other limited play provision schemes do exist within the borough delivered by voluntary and community sector providers and these provide a positive contribution. However, as these schemes are reliant on volunteers, their sustainability is not certain or assured. There is therefore an issue regarding how to make them viable; Council support and financial investment is often required to make them so. It may be possible that some demand could be picked up by existing or potential voluntary schemes.

Wirral Play Council:

- This is a saving of approximately £42,000.
- Alternative sources of funding would have to be found by Wirral Play Council.

Wirral Civic Award and Duke of Edinburgh (DoE) Award Schemes:

- This is a saving of £6,500 for the Wirral Civic Award Scheme and £16,600 for the Duke of Edinburgh Award scheme.
- Both schemes would be affected by the reduction in funding. However, the impact of the proposal is difficult to assess as other contributors to the schemes will continue. It is unknown if other funders could or would fill the funding gap.

Overall Impact for the Youth and Play Service:

- Early intervention and prevention exists in order to reduce the demand for more costly services further down the line. Youth and play services help to prevent young people going into more costly social care or restorative justice systems. A consequence of a reduction in the budget for this form of early intervention could be a later increase in demand for specialist services.
- It is difficult for the service to measure its impact longer term on society. The impact of the service and the outcomes it delivers are not easy to evidence. They are often unique to each individual that engages with them and the baseline and distance travelled as a result may only be realised longer term, such as; entering in to employment and training, completing their education, becoming a resilient parent or not going in to custody. Key to the work of the youth service is that it

enables children and young people to enjoy their childhoods and helps to shape the citizens of tomorrow.

- A risk arising from this option is the loss of skilled Youth Workers and their expertise in identifying potential situations where young people could be at risk and demonstrating and deploying methods to engage and sustain contact with services.

3.4 Conclusions of the Panel Members

- Members recognise that the youth service is a much needed preventative service relevant to young people's health, safety and personal development. The contribution of the service's work in tackling issues such as anti social behaviour, sex education and teenage pregnancy, drugs and alcohol, and so on is recognised. Youth and play services help to prevent young people going into more costly social care or restorative justice systems. There is concern that a consequence of a reduction in the budget for this form of early intervention and preventative work could be a later increase in demand for more costly specialist services.
- Members recognise that the broader strategy for youth provision is to move away from a universal service offer towards a more targeted approach. However, there is concern that the service still requires adequate resources to meet the demand.
- Members were concerned that the proposals appear to have been developed in response to a target figure that has been imposed rather than a level of efficiency that the service has determined possible whilst still providing an acceptable level of provision. Members stressed that further work is required to develop an alternative vision for the future service prior to savings being made.
- With regard to the three play schemes, the members believe that the geographical areas served by the schemes remain areas of high deprivation. Data shows that the schemes are widely used and that there is high community engagement. Therefore, the members suggest that, prior to any service reductions, further work takes place to develop alternative provision and that the possibility of partnership working with any other providers is explored. Members also suggest that the most appropriate allocation and use of the £88,000 made available to Constituency Committees will require further detailed examination.
- Members expressed concern that the proposals still require the identification of a further £100,000 in savings and proposals to secure other sources of funding to meet this are not clear at this stage.
- Members note that, with regard to the Wirral Civic Award and Duke of Edinburgh Award schemes, although the financial contribution from the Council is relatively small (£6,500 and £16,600 respectively) the numbers of young people impacted is significant (approximately 400 and 470 respectively).
- Members acknowledge the importance of outreach work as part of the youth and play service provision. The role of Kontaktabus in delivering the outreach service is, in particular, noted. Therefore, members are concerned that the proposals will reduce the operating hours of the bus.
- Members draw attention to the strength of public feeling which has become apparent during the recent Future Council public consultation exercise in opposition to the youth and play option. This view is evidenced by the percentage of the consultation respondents who either disagree (29%) or strongly disagree (35.7%) with the proposal. Representations in the form of letters and petitions have also been received by the Council as well as representations received by individual members of the Families and Wellbeing Policy & Performance Committee.

4. GIRTRELL COURT

4.1 Context

Girtrell Court is a 'short break', respite service for adults with disabilities. The service has 20 beds, of which currently, 15 are 'respite' and 5 have been dedicated for permanent residents. Currently, 140 people are registered to access respite through Girtrell Court and many do use it for a number of weeks per year, which are allocated following a social work assessment. Cheshire and Wirral Partnership Trust (CWP) operate a similar establishment, Thorn Heys in Oxtan, which is a 6 bedded unit providing respite care for people with learning disabilities. Both services are supported by social work and health professional staff. Girtrell Court can also provide, as part of its respite function, unplanned or emergency care. This helps families in crisis, preventing placement breakdown and can also facilitate discharge from hospital.

Girtrell Court is regarded as a good site, with the potential to expand and the current building is adaptable. The building is 'tired', requiring some update work, for example, to replace the current shared bathroom / shower facilities with ensuite facilities.

Girtrell Court is currently operating at approximately 75% capacity level.

4.2 Proposal

The proposal is to explore the possibility of using Girtrell Court more widely. This could result in further investment in the facility, enabling NHS partners to use the centre on a joint basis. A full review of all the options available is being undertaken. CWP has been approached regarding the provision of a holistic respite and step-up / step-down service, delivering improved outcomes for local people in a local setting. The proposal will join together the facilities currently provided at Girtrell Court and Thorn Heys, which should result in efficiencies for both partners.

The preferred option is for the respite service to be provided at Girtrell Court, with both social care and clinical staff being based on the site. The re-configured service would offer 19 beds, 5 of which would be step-up / step-down beds; the remainder for respite. Provision will be for people with learning and physical disabilities and complex needs and will support patients who do not need hospital care, are being prepared for discharge following treatment or in cases where an acute hospital admission can be prevented. A multi-disciplinary team will be configured and the administration teams will be merged onto the Girtrell Court site. The future aim is for an occupancy rate at Girtrell Court to be 90% or above.

4.3 Impact

Financial: This project could be described as an efficiency; rather than a service cut. The £385k saving, judged by officers to be achievable will be realised by:

- Greatly reducing the commissioning of services externally. Currently, some emergency provision for respite care is provided by external providers, at an annual cost of approximately £300k. If the proposal goes ahead, it is anticipated that the building will run at nearly full (90%) occupancy. Therefore, the need for external providers will be significantly reduced.

- Sharing staff costs between Wirral Council and CWP. The future staffing models are currently being assessed and have yet to be finalised.
- Sharing running costs of the building.

Service provision for residents:

The proposal will significantly improve the facilities at Girtrell Court and expand the level of care and support which is currently available at the site. It was noted that some of the care packages, currently provided by other providers, were relatively expensive to purchase. The cost of a bed for a patient with complex needs can cost up to £3000 per week. Therefore, there is an intention to bring some of the provision in-house. However, a consultation process will be required and it is recognised that some families may be resistant to change as they are committed to their current provider.

Some people currently access their care via a personal budget. It is assumed that the personal budget would be capped at the level which Girtrell Court would charge. Therefore, in those circumstances the client would have to pay a top up in order to purchase their service from a more expensive external provider.

A separate consultation regarding respite practice and procedure is due to take place. The aim is to work towards an annual four week standard allocation, which may represent a reduction for some individuals. However, across the North West, four weeks respite is seen as generous provision.

Staff consultation: A positive meeting has been held with staff at Girtrell Court. The potential investment in Girtrell Court as the preferred site is seen as a positive proposal, based on the initial consultation. However, it is noted that future staffing structures have yet to be agreed.

The drive for greater integration between health and social care: A further driver for change is the Joint Commissioning Strategy between Wirral Council and Wirral Clinical Commissioning Group (CCG). Discussions regarding pooled funding arrangements have commenced with the CCG. The introduction of the Better Care Fund, from April 2015, will further encourage the momentum towards greater integration between partners.

4.4 Conclusions of the Panel Members

- Members welcome the direction of this proposal and are particularly pleased with the commitment to the proposal registered by the Cheshire & Wirral Partnership Trust (CWP).
- Given the envisaged investment in the fabric of the building, the proposal will provide a positive future for the facility and a more positive outlook for the service. However, the building design work is yet to be completed and agreed by both Wirral Council and CWP.
- The proposal to integrate the service demonstrates a local example of the national progression towards closer integration of health and social care provision.
- Members were concerned that the proposals do not lead to a restriction in choice of provision for clients of the respite service. However, officers have provided reassurance that alternative sources of provision will remain available to clients.
- Members expressed concern regarding the significant amount of work that remains to be delivered for this option prior to the commencement of the financial year in April 2015. Further work is required to develop the business case in order to ensure that the option is financially viable.
- It is noted that appropriate capital resource will need to be secured and the appropriate consultation processes need to be completed.
- It is recognised that further work will be required to align the charging policies of the health and social care provision within the service as currently health care is provided free at the point of need whereas social care is provided on a means tested basis.

5. ALL-AGE DISABILITY

5.1 Context

The total budget for the Children with Disabilities service is £5.5million. Wirral's spend per child is more than double comparator Local Authorities (£35 per child compared to statistical neighbour average of £17 in 2013/14). The reputation of Wirral's service is high. The effectiveness of the service is measured by a combination of benchmarking, Ofsted inspections and views from groups such as Parents Forums.

The option has implications for four components of the service:

- Willow Tree short breaks
- Children with Disabilities social work team
- Transition team
- Family Support team

Willow Tree

Willow Tree provides overnight short breaks for children with high-level learning and physical disabilities. The building was formerly Rossclare Children's Home but converted to Willow Tree in 2011. The service is targeted at those children with the most complex needs and / or challenging behaviour, aged between 8 and 18 years old. The facility offers 9 bedrooms for children and is currently accessed by approximately 50 children and young people.

Given the nature of the provision, Willow Tree is a costly service to operate. Running costs are approximately £1.5million per year, partly due to the need for high staffing levels. The average nightly cost per stay for a child is £306 per night. This increases significantly during school holidays. There is a minimum of 4 night staff on duty, although additional staff will be deployed depending on the requirements of individual children.

The length of stay varies depending on the needs of the child and family. Access ranges from 28 nights per year to 120 nights per year. Each individual case is assessed by panel and the level of support determined. The support provided to children at Willow Tree is very much on an individual basis; staff trying to mirror the routines employed by parents at home. Only a few children have provision out-of-borough and that is normally driven by education-based requirements. No short break provision is provided out of borough.

Children with Disabilities team

The Children with Disabilities team is currently working with 233 children. Many of the children have involvement with the team for several years. The majority of children have an allocated social worker, with some being supported via a Fieldwork Assistant. There are currently 10 social workers in the team. Referrals are received from CADT (Central Advice and Duty Team) and cases assessed. The team works with complex needs children which are the criteria required to receive a service from the team.

Some children with disabilities are supported in the Locality Social Work teams. These are children who are disabled but, due to the level of their disability, would not meet the criteria to access the Children with Disabilities Team. However, they would be eligible for direct payments, although they will not be accessing Willow Tree or the Children with Disabilities team.

Transition team

The Transition team provides a link between Children Services and Adult Social Care. Although, organisationally the transition team is part of CYPD, there is also a strong link to DASS. Traditionally, nationwide the crossover from children to adult's services has been a challenge, for example, due to different legislative frameworks and funding arrangements. It is often the case, that a young person will receive a less intensive package of support once they have made the transition into adulthood.

Family Support Team

The Family Support Team works with parents to support them in caring for their child. Many of the children are on the ASD (Autistic Spectrum Disorder) spectrum. There are currently 13 in the team, who work Wirral-wide. Some of the same children access Willow Tree for overnight breaks.

5.2 Proposal

This option, aiming for a budget reduction of £600,000, would involve a holistic review and redesign of the way services are delivered to disabled children and their families, including overnight short breaks at Willow Tree and the interface between children's and adults services. It would mean a redesign of how support is delivered, including a greater emphasis on early help and a greater integration with adult services. There is confidence among senior officers that the £600,000 target can be delivered. Proposals will include reviews of personnel, layers of management and transport arrangements at Willow Tree. Detailed consultation with families accessing services will take place before any changes are agreed and implemented.

Promotion of early help: The key element of this proposal is that the quality of service will not be reduced. The aim remains to provide sufficient support in order to keep families together wherever possible. The general principle will be to promote early help in order to avoid, where possible, escalation to a higher level of need.

Transition: There is an opportunity to review the delivery of support to those young people with disabilities aged between 14 and 25, especially as the Children and Families Act 2014 has now come into effect. The aim is to make the transition process smoother by creating greater integration of children and adult services. It was emphasised that smoothing the transition process does not equate to scaling down the service. In the past, the transition has been a long, drawn-out process, with the perception of clients that they faced a cliff-edge as their services would be vastly diminished as they approached adulthood. It would be advantageous for young people to transition from childhood to adulthood more swiftly by the two services being brought together. It is likely that there would be implications for staff numbers, although further clarity is still required.

Transport arrangements for Willow Tree: The transport to and from school and Willow Tree involves escorts. The escort is not the child's normal escort to / from home and is therefore unknown to the child. Currently, Willow Tree leases 2 vehicles, both of which are up for renewal. It is proposed to lease 3 new vehicles and use Willow tree staff to transport the children. The elimination of the use of specific escorts will generate a total budget saving of £30,000, while the additional vehicle lease cost is negligible (approximately £300). In addition to the budget saving, it is expected that the service will be improved too, as the children will be accompanied by staff to who they are known.

Promotion of independence: The Children and Families Act 2014 places particular emphasis on personalised budgets. It is recognised by the Council that although the quality of service is high further progress needs to take place regarding the personalised budget agenda.

Social worker involvement: Evidence suggests that in many cases parents would prefer to not have a social worker. Instead, parents want access to high quality, effective and consistent services that help support them and their disabled child. The evidence is based on work done by other Local Authorities and on feedback received from parents. However some families do need support from a social worker and that will continue in those cases. Wherever possible, the support should be on a graduated basis.

5.3 Impact

- The intended budget saving is £600,000.
- There will be an impact on staff numbers (although not yet determined).
- Consultation is due to take place with parents, including Wirral Family Forum but has not started yet.
- There is a determination among senior officers that the quality of service will not be reduced.
- It was confirmed that the emphasis of the proposal was to reduce the number of children in categories receiving the highest levels of support. This would be achieved by placing greater emphasis on early help in order to remove the need for complex support at a later time. This can be achieved by reducing the number of children who receive support from a social worker. There are currently 3 caseworkers (that is, non- qualified social workers) in the Children with Disabilities team. The intention is that some families can be stepped-down from receiving social worker support. There are families for whom the benefit from coordination provided by a social worker is debatable. Where young people will need longer term help as an adult, the creation of an all-age disability service will help ensure that they progress through to adulthood more swiftly which will be more cost effective.
- It was confirmed that, regardless of the need for budget reductions, the service would be reviewed. The case was made to Members that the service needs to be delivered to the same standard but more efficiently. Legislative and client requirements have changed; the delivery model needs to change to reflect that. In addition, an early help model is being embedded throughout the directorate. It is not logical for the Children with Disabilities service to be excluded from that change.

5.4 Conclusions of the Panel Members

- Members agree that not enough detail is currently available to formulate a definitive conclusion on this option. There is, therefore, a question mark regarding the achievability of the savings within the required timescale, although senior officers do remain confident that the efficiencies can be found from the within the service's budget. Further work is required to develop a coherent plan to demonstrate how the efficiencies can be delivered from within the Disabilities Service and what the specific impacts of those changes will be.
- Members stressed that the overriding aim must be that the needs of children and families within the service must be met.
- Members welcomed the proposal to reorganise the school transport arrangements for children at Willow Tree, while recognising that the proposed saving (approximately £30,000) is a relatively small part of the total saving (£600,000).
- Members are supportive, in principal, of further work taking place to enable less children being linked to a social worker where that is in the best interests of the child and family.

6. WEST KIRBY MARINE LAKE

6.1 Context

Wirral Sailing School, operated by Wirral Council, is based at West Kirby Marine Lake and offers water sport activities and courses to anyone aged 8 and over. Many sporting and recreational activities are provided at the site such as windsurfing, sailing, kayaking, canoeing and power boating.

The Wirral Sailing School and the West Kirby Sailing Club operate from either end of the Marine Lake, working in collaboration with each other. The West Kirby Sailing Club is a private members club. Members of West Kirby Sailing Club have to obtain a licence from the Council to sail on the lake. An adult licence costs £161 per year (April 2014 – March 2015).

The Wirral Sailing School (local authority) monitors the licences, advising non-licence holders to obtain a licence where necessary. No craft are allowed on the lake without a licence. The Marine Lake offers a very safe and controlled facility.

The Wirral Sailing School provides training and tuition, currently led by a Senior Sailing Instructor and a small bank of seasonal instructors. Once trained, the clients may move on to join the West Kirby Sailing Club. A symbiotic relationship has, therefore, developed between the two organisations. The Council has, in the past, worked well with West Kirby Sailing Club and a positive relationship exists.

The Marine Lake offers a low cost facility, currently relying on an annual Council subsidy of approximately £25,000 dependent on levels of income generated. Sources of income include the provision of courses in addition to licence charges.

6.2 Proposal

The budget option proposes that a partner is sought to which the day-to-day operations of the site, including the running of the Sailing School, would be transferred. This would keep the facility open but remove some of the financial burden to the Council.

It is anticipated that the partner would work in partnership with the West Kirby Sailing Club to manage the facility. In order to remove the £25,000 subsidy, the operator would either have to reduce costs or increase income. The aim is to provide an affordable facility while retaining the current ethos of “pay and play on the lake”. However, no potential partner organisation has emerged to date, although this may happen as a result of the public consultation relating to the Future Council programme.

The potential saving of £25,000 is based on the current amount to which the sailing School is subsidised, that is, the balance of current income minus current expenditure.

The Leisure Strategy will determine the optimum delivery framework for services in the future. Within the existing model, it is assumed that the operation of the Sailing School at West Kirby Marine Lake will be included as part of the wider portfolio of leisure facilities. Conversely, if the Future Council option is approved, the West

Kirby Marine Lake would be removed from the portfolio of services for future review.

6.3 Impact

- The annual savings resulting from the option will be £25,000.
- If the Council no longer directly delivers the Sailing School facility, there will be an impact on 4 staff (3 Lake staff, 1 Senior Sailing Instructor and coaching staff).
- The service would be no longer delivered by the Council; the current ethos may be lost.
- The Sailing School works to encourage usage from across the borough; not just from West Kirby. As an example, the Troubled Families programme has used the Sailing School for clients during the summer. It is anticipated that such work will continue in the future with funding from Sport England. Other inclusion work aims to reduce antisocial behaviour and encourage disability groups to use the Marine Lake. An alternative provider may find it difficult to provide such support.

6.4 Emerging approach

- Staff at the Sailing School are developing a number of ideas aimed at increasing activity at the Sailing School in order to provide additional income. An alternative approach has been suggested as a means to keep the Sailing School in-house and make it cost-neutral based on reducing annual staff costs by £10,000 and increasing income by a minimum of £15,000. It was noted that income has exceeded forecast over the past two years. 2014/15 is also predicted to exceed the budgeted income.
- Pricing strategy for leisure facilities is critical. An increased price can lead to a reduced usage, that is, customers vote with their feet. Before pricing structures are altered, benchmarking work will take place with similar local facilities in Crosby and North Wales. Based on the results of the benchmarking and wider market considerations, there may be options to review pricing structures to further raise additional income.

6.5 Conclusions of the Panel Members

- This Future Council option was dependent on identifying a suitable partner organisation to whom the operation of the Sailing School could be transferred. Members note that no interested partner organisation has yet been identified.
- During the time of this scrutiny review, an alternative approach has emerged. Officers are developing new proposals, the intention of which is to remove the need for the current annual subsidy to the service of approximately £25,000. This will be achieved by a combination of reducing staff costs by £10,000 and raising income by £15,000. Members acknowledge and welcome the alternative approach.
- Members propose that the officers are requested to explore the option for enhanced income generation in greater detail to ensure that, as a minimum, the funding gap can potentially be bridged and the service become self-sustainable.
- If the service was to become self-sustainable, the financial drive to outsource the service, at least in the short-term, would be removed.

Review Title: Future Council Budget Options Scrutiny Review

Scrutiny Panel Chair: Councillor Moira McLaughlin – moiramclaughlin@wirral.gov.uk

Panel members:

Councillors Wendy Clements, Denise Roberts, Alan Brighthouse, Pat Cleary (all sessions except West Kirby Marine Lake), Treena Johnson (Youth and Play only), Christine Spriggs (Youth and Play only), Cherry Povall (Girtrell Court only), Bruce Berry (Girtrell Court and All Age Disability), Tony Norbury (All Age Disability and West Kirby Marine Lake).

Scrutiny Officer(s): Alan Veitch / Mike Callon

Dept Link Officers:

Deborah Gornik – Youth and Play
 Jayne Marshall – Girtrell Court
 Emma Taylor – All Age Disability
 Damian Walsh – West Kirby Marine Lake

Other Key Officer contacts:

Youth and Play – Steve Chan, Caron Druker, Mark Newman.
 Girtrell Court – Michele Doyle, Sarah O’Dowd.
 All Age Disability – Debbie Kewley, Debbie Pearce, Bethan Eagles.
 West Kirby Marine Lake – Mike Withy.

1. What are the review objectives?

- To gain a better understanding of proposed budget options that fall within the remit of the Families & Wellbeing Committee
- To examine the budget options in terms of their context, rationale, deliverability, impact and potential mitigation.

2. What specific value can scrutiny add to this topic?

- Scrutiny can add value by highlighting potential positive and negative impacts of the proposed options to the Executive to inform their decision-making.
- The scrutiny can highlight potential issues and risks and steps that can be taken to mitigate these.

3. Who will the Committee be trying to influence as part of its work?

- Cabinet Members
- Members of Full Council

4. Duration of enquiry?

This is a time limited piece of work due to the lead in times for reporting the outcome of the public consultation in advance of decision-making by Council.

5. What category does the review fall into?

This review falls into the category of pre-decision scrutiny.

6. What information is required?

Primary research: Discussions with relevant Council officers about the detail of proposals.

Secondary research: Previous committee reports, comparator information from other authorities and any supporting data behind the proposals.

7. Who can provide evidence and what areas do we want them to cover?

Relevant Council Officers will be required to provide the details behind the proposed budget option including the service context, the rationale for the proposal, the deliverability of the proposal and the impact and any potential mitigation.

Relevant partners where appropriate i.e. Members have requested that a representative (Val McGee) from the Cheshire and Wirral Partnership Trust is brought into to provide information in relation to the Girtrell Court proposal.

8. What processes can we use to feed into the review? (site visit/survey etc.)

Site visits are proposed for Girtrell Court and Willowtree. It is also proposed that the meeting with officers from the Youth and Play Service is conducted at the Creative Youth Development Centre in Pilgrim Street.

A full public consultation is being undertaken. The outcome of this will be available to the committee at the same time as the findings of this scrutiny review are reported.

FAMILIES AND WELLBEING POLICY AND PERFORMANCE COMMITTEE

Monday, 3 November 2014

Present: Councillor M McLaughlin (Chair)

Councillors D Roberts P Brightmore T Johnson T Norbury W Smith C Spri ggs J Williamson W Clements B Berry P Hayes C Povall A Brighouse P Cleary

Also Present:

Ms Val McGee, Cheshire and Wirral Partnership NHS Trust

Deputies:

Councillor L Rowlands (in place of Councillor Hornby)

23 MEMBER CODE OF CONDUCT - DECLARATIONS OF INTEREST/ PARTY WHIP

Councillor Rowlands declared a personal interest by virtue of his wife's employment within the education department.

Councillor Norbury declared a personal interest by virtue of his sister employment at a childrens centre.

24 MINUTES

RESOLVED:

That the Minutes of the Families and Wellbeing Policy and Performance Committee held on 9 September 2014 be approved.

25 MINUTES OF ATTAINMENT SUB COMMITTEE

RESOLVED:

That the Minutes of the meeting of the Attainment Sub-Committee held on 1 September 2014 be noted.

26 FUTURE COUNCIL CONSULTATION FINDINGS

The Committee received a presentation from the Corporate Marketing Officer, Neighbourhoods and Engagement, on the process of the Budget Options consultation. The consultation was launched on 8 September with an extensive online promotion and finished on 31 October, 2014. A total of 7,874 responses had been received with a breakdown as follows:

- Residents 6,872
- Members of Staff 1,079
- Voluntary, Community, Faith sector 260
- Partner Organisations 62
- Local Businesses 176

He also provided details of the demographic and geographic breakdown of the responses and of a number of petitions which had been received in respect of the Budget Options.

For 2015/16 £18 million savings were required, the Future Council project had been able to identify potential savings and efficiencies of £15.5 million. If implemented, these savings would potentially reduce the budget gap to £2.5 million in 2015/2016. Options had been proposed by the Chief Executive which would achieve a combined saving of just under £4million for 2015/2016.

The Corporate Marketing Officer then provided a breakdown of the responses in respect of the four budget option proposals relevant to this Committee:

- West Kirby Marine Lake
- All Age Disability Service
- Youth and Play
- Girtrell Court

RESOLVED:

That the report be noted.

The Committee received the findings of the Scrutiny Review into the four budget options which fell under its remit.

The Chair thanked all those Members who had sat on the Scrutiny Reviews, the officers for all their time and work on the review, in particular Alan Veitch, Scrutiny Support Officer who had facilitated the report.

The Chair commented upon the review and the positive way in which the review was conducted with a great level of detail provided by officers. The conclusions were a fair representation of what the Panel had decided.

The Committee considered each of the options as follows:-

Youth and Play

The Head of Targeted Services introduced the review on the Youth and Play option to the Committee.

A Member commented that, with regard to the Wirral Civic Award and Duke of Edinburgh Award Schemes, although the financial contribution from the Council was relatively small (£6,500 and £16,600 respectively) the numbers of young people impacted was significant (approximately 400 and 470 respectively).

Members acknowledged the importance of outreach work as part of the youth and play service provision. The role of Kontaktabus in delivering the outreach service was, in particular, noted. Members raised concerns that the proposals would reduce the operating hours of the bus.

Members drew attention to the strength of public feeling which had become apparent during the recent Future Council public consultation exercise in opposition to the youth and play option. This view was evidenced by the percentage of the consultation respondents who either disagreed (29%) or strongly disagreed (35.7%) with the proposal. Representations in the form of letters and petitions had also been received by the Council as well as representations received by individual members of the Families and Wellbeing Policy & Performance Committee.

In response to Members comments, the Head of Targeted Services explained that in relation to the proposal on play schemes, the £22,000 contribution to be allocated to each of the Constituency Committees could be used, not just for play schemes but also to enable young people to access services for e.g. travelling to youth clubs.

On a motion by the Chair, duly seconded, it was –

RESOLVED – That the Scrutiny Review be referred to Cabinet and that this Committee endorses the conclusion of the Panel as follows:

- 1. Members recognised that the youth service was a much needed preventative service relevant to young people’s health, safety and personal development. The contribution of the service’s work in tackling issues such as anti social behaviour, sex education and teenage pregnancy, drugs and alcohol, and so on was recognised. Youth and play services helped to prevent young people going into more costly social care or restorative justice systems. There was concern that a consequence of a reduction in the budget for this form of early intervention and preventative work could be a later increase in demand for more costly specialist services.**
- 2. Members recognised that the broader strategy for youth provision was to move away from a universal service offer towards a more targeted approach. However, there was concern that the service still required adequate resources to meet the demand.**
- 3. Members were concerned that the proposals appear to have been developed in response to a target figure that had been imposed rather than a level of efficiency that the service had determined possible whilst still providing an acceptable level of provision. Members stressed that further work was required to develop an alternative vision for the future service prior to savings being made.**
- 4. With regard to the three play schemes, the members believed that the geographical areas served by the schemes remained areas of high deprivation. Data showed that the schemes were widely used and that there was high community engagement. Therefore it was suggest that, prior to any service reductions, further work took place to develop alternative provision and that the possibility of partnership working with any other providers was explored. Members also suggested that the most appropriate allocation and use of the £88,000 made available to Constituency Committees required further detailed examination.**
- 5. Members expressed concern that the proposals still require the identification of a further £100,000 in savings and proposals to secure other sources of funding to meet this are not clear at this stage.**
- 6. Members note that, with regard to the Wirral Civic Award and Duke of Edinburgh Award schemes, although the financial contribution from the Council is relatively small (£6,500 and £16,600**

respectively) the numbers of young people impacted is significant (approximately 400 and 470 respectively).

7. **Members acknowledge the importance of outreach work as part of the youth and play service provision. The role of Kontaktabus in delivering the outreach service is, in particular, noted. Therefore, members are concerned that the proposals will reduce the operating hours of the bus.**
8. **Members draw attention to the strength of public feeling which has become apparent during the recent Future Council public consultation exercise in opposition to the youth and play option. This view is evidenced by the percentage of the consultation respondents who either disagree (29%) or strongly disagree (35.7%) with the proposal. Representations in the form of letters and petitions have also been received by the Council as well as representations received by individual members of the Families and Wellbeing Policy & Performance Committee.**

Girtrell Court

The Director of Adult Social Services introduced the review on the Girtrell Court option to the Committee.

On a motion by the Chair, duly seconded, it was –

Resolved - That the Scrutiny Review be referred to Cabinet and that this Committee endorses the observations from individual Panel members as follows:

1. **Members welcomed the direction of this proposal and were particularly pleased with the commitment to the proposal registered by the Cheshire & Wirral Partnership Trust (CWP)**
2. **Given the envisaged investment in the fabric of the building, the proposal would provide a positive future for the facility and a more positive outlook for the service. However, it was noted that the building design work was yet to be completed and agreed by both Wirral Council and CWP.**
3. **Members noted that the proposal to integrate the service demonstrated a local example of the national progression towards closer integration of health and social care provision.**
4. **Members raised concerns and hoped that the proposals did not lead to a restriction in choice of provision for clients of the respite service. However, it was noted that officers had provided**

reassurance that alternative sources of provision would remain available to clients.

5. **Members expressed concern regarding the significant amount of work that remains to be delivered for this option prior to the commencement of the financial year in April 2015. Further work is required to develop the business case in order to ensure that the option is financially viable.**
6. **It is noted that appropriate capital resource will need to be secured and the appropriate consultation processes need to be completed.**
7. **It is recognised that further work will be required to align the charging policies of the health and social care provision within the service as currently health care is provided free at the point of need whereas social care is provided on a means tested basis.**

All Age Disability Service

The Head of Specialist Services introduced the review on the All Age Disability Service option to the Committee.

On a motion by the Chair, duly seconded, it was –

Resolved - That the Scrutiny Review be referred to Cabinet and that this Committee endorses the observations from individual Panel members as follows:

1. **Members agreed that not enough detail was currently available to formulate a definitive conclusion on this option. There was, therefore, a question mark regarding the achievability of the savings within the required timescale, although senior officers did remain confident that the efficiencies could be found from the within the service's budget. Further work was required to develop a coherent plan to demonstrate how the efficiencies could be delivered from within the Disabilities Service and what the specific impacts of those changes would be.**
2. **Members stressed that the overriding aim must be that the needs of children and families within the service must be met.**
3. **Members welcomed the proposal to reorganise the school transport arrangements for children at Willow Tree, while recognising that the proposed saving (approximately £30,000) is a relatively small part of the total saving (£600,000).**

- 4. Members were supportive, in principal, of further work taking place to enable less children being linked to a social worker where that was in the best interests of the child and family.**

West Kirby Marine Lake

The Director of Adult Social Services introduced the review on the West Kirby Marine Lake option to the Committee.

On a motion by the Chair, duly seconded, it was –

Resolved - That the Scrutiny Review be referred to Cabinet and that this Committee endorses the observations from individual Panel members as follows:

- 1. This Future Council option was dependent on identifying a suitable partner organisation to whom the operation of the Sailing School could be transferred. Members noted that no interested partner organisation had yet been identified.**
- 2. During the time of the scrutiny review, an alternative approach had emerged. Officers were developing new proposals, the intention of which was to remove the need for the current annual subsidy to the service of approximately £25,000. This would be achieved by a combination of reducing staff costs by £10,000 and raising income by £15,000.**
- 3. Members acknowledged and welcomed the alternative approach.**
- 4. Members proposed that the officers be requested to explore the option for enhanced income generation in greater detail to ensure that, as a minimum, the funding gap could potentially be bridged and the service become self-sustainable.**
- 5. If the service was to become self-sustainable, the financial drive to outsource the service, at least in the short-term, would be removed.**

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FUTURE COUNCIL BUDGET OPTIONS SCRUTINY REVIEW

**REPORT OF THE REGENERATION & ENVIRONMENT POLICY &
PERFORMANCE COMMITTEE**

NOVEMBER 2014

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1. BACKGROUND AND CONTEXT

At the meeting of the Regeneration & Environment Policy & Performance Committee held on 22 September, it was agreed that a Task & Finish Panel would be established to scrutinise the budget options that fell under the remit of the Regeneration and Environment Policy & Performance Committee.

The Review Panel consisted of the Chair and Party Spokespersons, although Members of the wider Committee were invited to participate in the detailed scrutiny sessions. Lead officers for the service areas were invited to each of the sessions to allow Members to question each of the proposals, including the impacts and mitigation.

At the scoping meeting for this review, six budget options out of the eleven that fall under the remit of the committee were prioritised for further scrutiny:

- Preventative Maintenance (Parks and Highways)
- School Crossing Patrols
- Car Parking – Countryside Parks
- Car Parking – Fort Perch Rock
- Public Conveniences
- Roadside Grit Bins

These options were selected in recognition of the level of savings proposed, the public interest they would generate and initial consideration of their impact if implemented. The remaining five budget options not examined in detail as part of this review were:

- Commemorations, Registrations and Memorials
- Charging for Allotments, Bowling Greens and Football Pitches
- Cold Calling Zones
- Pest Control
- Litter and Dog Fouling Enforcement

These five options were generally considered to be about increased revenue generation which was generally accepted as a direction of travel for the Council. Although some concern was expressed with regard to the proposal around charging for Allotments, Bowling Greens and Football Pitches that the respective percentage increases had not been consistently applied.

2. MEMBERSHIP OF THE REVIEW PANEL

Councillor Mike Sullivan (Chair)

Other Panel Members were:

Councillor Dave Mitchell
Councillor Steve Williams
Councillor Alan Brighthouse

3. PUBLIC CONVENIENCES

3.1 Context

The Environmental Health Service manages ten Public Convenience facilities in Wirral. These are predominantly located in retail and coastal areas. The provision of Public Conveniences is not a statutory function and there is no statutory requirement for Wirral to provide this service.

The Public Convenience facilities are open seven days a week (9am – 5pm in the winter and 10am – 6pm in the summer) and serviced by four staff. Whilst detailed usage numbers are unknown, it is acknowledged some facilities are used more frequently than others and peak usage varies during the day and throughout the year i.e. coastal facilities are used more during the summer months.

In terms of other Local Authorities, Liverpool City Council has adopted a market based approach and no longer directly provides any public conveniences and Sefton Council has introduced a charge of 30p per use for facilities they directly provide.

Officers have considered introducing a charge in Wirral. However, there are a number of challenges that make this option impractical for the Wirral facilities, including the very heterogeneous physical design and most not being designed for the fitting of a secure single door meter or turnstile. The infrastructure to install metered doors could be in excess of £20,000 with the annual collections estimated at £5,000.

To achieve a saving equivalent to closing the facilities the annual income target would have to be in the region of £166,300 (budget savings of £141,300, £20,000 capital costs of installing meters and turnstiles, plus the annual collections estimated at £5,000). At 30p per use to achieve this level of income there would need to be over 500,000 users per year. This is unrealistic and officers believe that a reasonable projection would be 50,000 users with an income of £15,000 per annum. For these reasons, the introduction of charges to meet the required level of savings has not been put forward as a budget option.

3.2 Proposal

The budget option proposes the closure of the ten facilities at the following locations:

- Harrison Drive, New Brighton
- Changing Places Facility, Neptune Development, New Brighton
- Leasowe Common, Moreton Shore
- Garden Lane, Moreton Cross
- Hoyle Road, Hoylake
- Bennett's Lane, Meols
- Grange Road, West Kirby
- South Parade, West Kirby
- Thornton Common, Thornton Hough
- Woodhead Street, New Ferry

This option would realise savings of £141,300 broken down as £96,900 staffing costs and £44,300 non-staffing costs.

To mitigate the impact of this option, the Council would seek to identify potential partners i.e. local community organisations or businesses that may be interested in taking on the operation and maintenance of the facilities in their area. If no suitable organisations could be identified then it is proposed that the facilities would be permanently closed.

3.3 Impact

Whilst the realisation of this saving would be straight forward to deliver, the loss of these facilities would be unpopular particularly amongst the more vulnerable sections of the community.

To mitigate the impact of this option, officers have undertaken an assessment to explore the potential for alternative delivery arrangements through a partner organisation. Of the ten public conveniences, three are considered to have high levels of demand: Harrison Drive (New Brighton), Leasowe Common (Moreton Shore) and South Parade (West Kirby). These sites would be a priority for identifying a delivery partner in order to maintain these facilities.

Three other sites: the Changing Place Facility (Marine Point, New Brighton), Hoyle Road (Hoylake) and Thornton Common (Thornton Hough) are considered to have the potential for an alternative provider to be identified.

Of the remaining sites, three are in town centre locations (Moreton Cross, West Kirby and New Ferry) where alternative provision is considered to be provided either at other Council facilities or in cafes and public houses. The final site at Bennett's Lane Meols is only half a mile from the Hoyle Road facility and as such would also not be a priority site for an alternative provider to be identified.

Legal agreements will be required to support the transfer of facilities to any community or organisation. However, the lead time for this is unclear at this stage.

3.4 Conclusions of the Panel Members

- Members emphasised the importance of the sites that have the highest levels of usage and welcomed proposals to identify an alternative provider at these locations.
- Members acknowledge that further work is required in order to develop potential opportunities to try and keep as many sites open as possible under new operating arrangements.
- Members raised concerns about the potential negative impact on the large numbers of coastal walkers and coastal events if facilities are closed.
- Members acknowledged the potential risks to the sustainability of arrangements where facilities are transferred to community organisations that are dependent on volunteers.
- Members noted that where there are well-established friends or residents groups, the potential for these to act as a delivery partner is stronger.

4 SCHOOL CROSSING PATROLS

4.1 Context

The School Crossing Patrol service has some 102 sites in Wirral. To support the overarching service, there are eleven mobile patrols and two supervisors who provide first line management.

In 2013/14, the Council opened discussions with schools in an effort to share the costs of providing this service. However, despite some positive discussions the Council did not get a consensus from headteachers and governing bodies and there has been very limited take up by schools.

Across the 102 sites, 47 have some form of light controlled crossing such as pedestrian traffic lights, puffin or pelican crossings. Historically, whenever a light controlled crossing has been installed, the School Crossing Patrol site has remained.

Wirral Council has provided School Crossing Patrols using formula-based criteria since 2004 which, although not a national requirement, is deemed good practice. In 2009 a revision to the criteria was approved which included weighting being applied to factors which may assist pedestrians to cross such as road width, accident record and vehicle speed. Since 2009, this weighting has not been amended.

Sites are re-assessed against these criteria every 3 years. As part of this review, surveys are carried out on the number of pedestrians using the crossings and the number of vehicles that go through them. A range of other pertinent factors such as the speed of traffic is also analysed. A review is scheduled for this municipal year and is already under way.

Whilst no sites have been disestablished since 2009, some have proven difficult to recruit to and there are currently 40 staff vacancies across the service. As such, officers make operational decisions on a daily basis to prioritise staff resources to those sites which have no fixed crossing controls (such as lights) and provide the most appropriate cover given the staff available. The service includes 11 mobile (relief) patrols which move to cover short-term vacancies.

4.2 Proposal

This budget option involves revising the Council's criteria and the weighting applied where pedestrian traffic lights, pelican or puffin crossings are already in place.

It is estimated that 41 school sites would have their crossing patrol removed due to the presence of light controlled crossing facilities. National guidance from RoSPA (Royal Society for the Prevention of Accidents) indicates that as both School Crossing Patrols and pedestrian crossings serve the same objective (to stop traffic to allow pedestrians to cross) it would be unusual to provide a School Crossing Patrol where there are pedestrian traffic lights.

Implementation of this option would require a revised policy and criteria weighting being approved by Cabinet along with the outcome of the surveys currently under way. The disestablishment of sites would be made prior to the commencement of the 2015/16 school year.

The budget saving of £155k would commence from 2015/16 but would not be fully realised until the end of 2016/17.

4.3 Impact

Risk assessments would be carried out where a school crossing patrol site no longer met the Council's criteria. Any school affected will be consulted with and would have the option to continue funding a school crossing patrol directly.

Where sites do not meet the new criteria, and risk assessments are carried out, mitigation measures will be considered, such as waiting restrictions, vehicle activated speed signs or other physical measures. Whilst the Council does have a statutory duty for road safety, this does not specifically include the provision of school crossing patrols.

Having both a light controlled crossing and a school crossing patrol at the same location can be perceived as a duplication of provision. National Guidelines produced by Road Safety Great Britain indicate that school crossing patrols should not be provided at light controlled crossings as this can cause confusion for pedestrians and motorists.

Children are now educated from year 6 with effective programmes on road safety. It is planned that schools will be provided with additional information on how to use crossings safely.

If the option is implemented, the number of mobile (relief) patrol staff may reduce if the Council does not have the full compliment of 102 sites as the need may not be there.

4.4 Conclusions of the Panel Members

- Members were reassured that the proposal would allow schools to buy the service in (if they did not meet the Council's criteria).
- Members raised concern that whilst schools are becoming more independent, their job and resources should be towards educating children with traffic/transport being the responsibility of the local authority.
- Although Members endorsed the proposal for schools to be provided with safety information as additional mitigation, schools should also be encouraged to ensure their School Travel Plans and Safer Routes to School programmes are reviewed and updated appropriately.
- Officers should take into consideration any comments from the Council's Constituency Committees in relation to school crossing patrols as part of the budget option decision making process.

5 CAR PARKING – COUNTRYSIDE PARKS

5.1 Context

Country parks were established as a result of the 1968 Countryside Act and provide a wide range of opportunities for recreation, health and education to improve the quality of life for local communities. The Council manages 4 countryside parks for the benefit of

residents and visitors to the borough. These are Wirral Country Park, Arrowe Country Park, Eastham Country Park and Royden Country Park. The Council provides a car park at each of these locations and is currently free of charge for all users.

A review of the Council's car parking strategy has recently been completed by the Regeneration and Environment Policy & Performance Committee. This review was set up in response to the standardisation of car parking charges from 1st April 2013. The review has developed a number of principles that should be followed in the development of a borough wide car parking strategy that balances revenue generation with demand and the economic health of local centres across the borough.

5.2 Proposal

The proposal is to introduce pay and display parking charges across all country parks. It is estimated that this will generate income of £50,000 in 2015/16 and a further £15,000 in 2016/17. Wirral's policy of allowing free parking for blue badge holders would continue within these car parks.

For this budget proposal, initial investment is required to provide cash payment ticket machines estimated at a total cost of £60,000 to £80,000 across all four country parks.

It is proposed that surplus income from the car parks, above the target income for the budget option taking into account service costs, would be re-invested for use on projects within the country park where surplus is generated. This will be after the budget saving has been achieved including the deduction of the costs of collection.

In respect of enforcement and cash collection costs, it is anticipated that these would be absorbed within the existing service provision and there would be no direct impact on employees.

The delivery of this budget option would be subject to the requirement to comply with the statutory Traffic Regulation Order (TRO) process and an amendment to the relevant TROs. This could result in objections being received to the TRO proposals which would then need to be resolved before charges could be applied.

5.3 Impact

There is currently very high usage at these car parks. The introduction of parking charges is likely to reduce levels of usage and this is taken into account in the income forecast. The reduction in usage may also have a negative impact on visitor numbers and their contribution to the local economy.

The reduction in usage is considered to be contrary to the Council's Parks and Open Spaces Strategy which seeks to encourage greater use of the borough's parks and open spaces. Widening the use of parks and open spaces is considered to be beneficial for wider public health benefits.

To mitigate the impact of these proposals on local regular users such as by dog walkers, consideration is being given to not introducing charges until 10:00am and the estimated income from car parking charges take this into account. However, it is likely that a review will be carried out on a site by site basis taking into account local factors.

Country park services are reliant on the work and support of friends and volunteer groups. This proposal may impact on the numbers of people becoming volunteers or joining friends groups at these parks. However, consideration is being given to the provision of discounted parking to mitigate this risk.

The proposal could have a negative impact on NHS staff working at Arrowe Park Hospital. To mitigate this, Wirral's policy of providing permits/discounts to traders and their employees for the use of its car parks may be considered.

5.4 Conclusions of the Panel Members

- Members welcomed proposals to mitigate the impact on friends groups and park volunteers. Members suggested that the Council should offer free parking as an acknowledgement to the contribution they make to the quality of these parks.
- Although Members had concerns about the impact on local, regular users of the country parks; the proposal not to introduce charges until 10am was welcomed.
- Members commented that it was critical to get the pricing of charges right to balance an acceptable level of income generation without reducing visitor numbers significantly.
- Concern was expressed about the impact this proposal would have on the additional cost of a round of golf at Arrowe Park acknowledging price sensitivities around this offer. The impact on Sunday League football players was also recognised.
- Members highlighted concerns about pricing being reasonable and the need for convenient denominations.
- Members also suggested that more flexible payment machines i.e. those that allow for credit card payment could have a beneficial impact on receipts.

6 CAR PARKING – FORT PERCH ROCK

6.1 Context

Wirral Council maintains the Fort Perch Rock car park which is located by the entrance to Fort Perch Rock in New Brighton. The car park has approximately 180 parking spaces and is well used with the ongoing development in New Brighton. The car park is currently free of charge for all users.

A review of the Council's car parking strategy has recently been completed by the Regeneration and Environment Committee. This review was set up in response to the standardisation of car parking charges from 1st April 2013. The review has developed a number of principles which should be followed in the development of a borough wide car parking strategy that balances revenue generation with demand and the economic health of local centres across the borough.

6.2 Proposal

The budget option proposes the introduction of pay and display parking into the Fort Perch Rock car park. The estimated income would be £25,000 in 2015/16 and a further £9,000 from 2016/17. This takes into consideration an estimated 20% reduction in car park usage. For this budget proposal, initial investment is required to provide cash payment ticket machines estimated at a cost of £20,000.

The delivery of this budget option would be subject to the requirement to comply with the statutory Traffic Regulation Order (TRO) process and an amendment to the relevant TROs. This could result in objections being received to the TRO proposals which would then need to be resolved before charges could be applied.

In respect of enforcement and cash collection costs, it is understood that these would be absorbed within the existing service provision and there would be no direct impact on employees.

6.3 Impact

Although the reduction in usage could have a detrimental impact on visitor numbers which could have a knock on effect for businesses, traders and the local economy, it is understood that consultation with stakeholders would be undertaken prior to this option being progressed.

The Council's policy of offering discounted parking permits to the employees of local traders and businesses could also provide some mitigation, which allows their employees to come and go throughout the day without the requirement to use Pay and Display equipment.

There is a risk of displaced parking into adjacent areas. However, it is acknowledged that New Brighton does have sufficient alternative parking provision in the area; both on and off-street, in which there are no charges.

6.4 Conclusions of the Panel Members

- Concern was expressed that this proposal would be at odds with the plan to attract more day time activity (such as conferences) to the Floral Pavilion.
- Members also highlighted a potential negative impact on those attending matinee performances at weekends and over Christmas.
- Members acknowledged that this proposal is different from the Countryside Parks proposal as New Brighton is more like a town centre location with alternative car parking provision available.

7 PREVENTATIVE MAINTENANCE (PARKS AND HIGHWAYS)

This budget option has merged both preventative maintenance budgets for Parks and Highways resulting in an aggregated budget saving of £570,000 if both proposals are implemented.

7.1 Context – Highways Preventative Maintenance

The maintenance of Highways is a statutory duty for the Council as a local highway authority (although the level of maintenance to be provided is not prescribed). Highway maintenance covers all aspects of the highway infrastructure such as carriageways, footways, drainage, street lighting, public rights of way, bridges and other structures, traffic signs and road markings, street furniture, together with coastal defence infrastructure.

Most of the funding to maintain highways is provided through government grants from central government but Wirral is still one of the few local authorities to put extra local money into this fund to carry out the preventative works.

7.2 Proposal

It is proposed to cease all revenue-funded highway maintenance which is not directly safety related, as defined in the Council's highway maintenance policy. Similarly, revenue funded coastal defence infrastructure maintenance will be reduced to that which is strictly necessary for maintaining safety, resulting in a saving of £475,000 in 2015/16.

7.3 Impact

If the proposal is implemented, there would no longer be funding for maintenance which addresses the deterioration of the appearance of highway infrastructure, defects which do not meet the intervention criteria defined in the highway maintenance policy, nor revenue funded maintenance which prevents the deterioration of the highway, including the coastal defence infrastructure.

The proposed saving represents approximately 21% of the revenue funding used directly for highway and coastal defence maintenance activity other than tree maintenance, street lighting energy and the fixed costs associated with winter gritting. This would result in a reduction from £2.2M in 2014/15 to £1.7M in 2015/16 for maintenance work carried out.

Some of the deterioration of highway infrastructure is caused by collisions or vandalism and it is proposed that increased levels of financial recovery are achieved. Approximately £100,000 per year is recovered but the total cost is nearer to £250,000. It is proposed that income be increased by £10,000 in 2015/16. However, this would be reliant on information being received and a campaign to encourage the public to report more incidents would be required which could be beneficial for the Council.

A reduction in the preventative maintenance budget may lead to higher levels of reactive safety repairs being required through the deterioration of the highways infrastructure over time. Long term reductions in preventative highway maintenance and other infrastructure repairs and renewals would mean that maintenance carried out at a later date would be significantly more expensive, resulting in greater levels of investment.

Wirral has been able to maintain a steady capital programme which consists of funding from the Local Transport Plan, funding put in by the Council over a number of years, grants from government and also emergency funding for severe weather, pot holes etc. Officers state that there is a need to ensure capital funding remains available to carry out preventative maintenance to support the reduction in reliance on revenue budget funding.

The highways contractor will be affected through a reduction in revenue funded routine and preventative maintenance ordered through the contract. This could result in some potential job losses in the local workforce employed by the contractor. However, there will be no direct implications for Council staff if this option is implemented.

In respect to the installation and maintenance of apparatus by the utilities, it is understood by Members that there is a national issue with unsightly openings in roads

and poor reinstatements as most work is sub-contracted out to third-parties. Permits are paid for by utilities and their fees would cover the authority's costs. Officers commented that even though Wirral does police the activities of the utilities to a satisfactory level there is likely to be some benefit of having a Permit Scheme if value for money can be proved and this is currently being assessed.

If non-essential maintenance is a priority for the community, then Constituency Committee budget priorities might consider the serviceability maintenance of highway and coastal infrastructure.

7.4 Context – Parks Preventative Maintenance

Preventative maintenance works carried out on the 210 parks and countryside sites are paid for out of the Parks and Countryside Planned Preventative Maintenance (PPM) budget which is currently set at £384,200. Maintenance work carried out from this budget includes, amongst others, repairs to seats, fencing, walls, footpaths and playgrounds.

7.5 Proposal

It is proposed that the preventative maintenance budget for parks and countryside is reduced from £384,200 to £300,000 per year. The budgets for the Constituency forums do not include any funding from the preventative maintenance budget.

7.6 Impact

The Council uses a prioritisation programme of maintenance works to make the best use of the budget, with sites receiving works through the parks preventative maintenance programme in some years but not in others. A reduced budget will result in an increase in competing demand for this funding.

Additional funding may also be required to address maintenance requirements of particular parks - for example communities may look to philanthropy or grant aid from the Lottery to fill gaps in public funding for parks.

Parks have a management plan that determines the main work that should be carried out. The preventative maintenance budget also supports these management works, impacting on what can be spent.

There would be increased risk of tripping hazards and accidents associated with other infrastructure / park furniture should preventative maintenance work reduce. This could cause a rise in complaints and accident claims being made against the Council.

Although there is a backlog of works to be carried out across sites, there is not enough in the budget for them all to be completed. However, part of the budget will allow the service to react to emergencies or significant work that must be carried out.

7.7 Conclusions of the Panel Members

- Members agreed there is a need to ensure that capital funding remains available to carry out preventative maintenance on highways to support the reduction in reliance on revenue budget funding.

- Members welcomed proposals in principle for the Council to become a Permitting Authority as a means to recover costs. However, the full implications of a Permit Scheme were not fully explored and are yet to be determined.
- Members were surprised at the small scale of the parks PPM budget and had concerns about this being further reduced highlighting the need for Wirral's parks to remain safe and usable in both the short and long term.

8 ROADSIDE GRIT BINS

8.1 Context

Grit bins are items of street furniture which hold rock salt which is spread across roads to counter snow or ice and generally improve safety on roads which are not gritted by any other means. The provision of grit bins is part of the Highway's Winter Service Operational Plan which is developed to enable the Council to respond to ice and snow conditions. The plan covers the precautionary salt spreading on ten identified priority routes and major shopping areas as well as the filling and maintenance of roadside grit bins.

Wirral Council currently has 298 grit bins on the highway. 100 of these were originally located based on an assessment against an essential safety need i.e. roads off the regular gritting network, deemed potentially hazardous in freezing/icy conditions such as road junctions with steep gradients, road junctions near to schools, medical centres or local shopping areas. The other 198 were installed in locations as determined by local area forums and paid for with 'You Decide' funding. Since installation, their filling has been funded through the highways revenue budget.

8.2 Proposal

The budget option is to discontinue the filling of the additional 198 grit bins. This will result in a saving of £55,000 from the highways revenue budget. The Winter Service will continue as normal with regard to gritting the 10 priority routes and major shopping areas as well as the 100 original grit bin locations to provide an essential safety service. There will be an estimated cost of £10,000 in one-off expenditure to remove the grit bins, should this proposal proceed.

8.3 Impact

The provision of grit bins is important in the public perception for maintaining safety levels in winter conditions. However, the effectiveness of additional grit bin provision is questionable in that the grit can degrade over time and needs to be efficiently spread and ground in by vehicles to be properly effective. Officers would consider it more beneficial for the time used filling these additional grit bins to be prioritised on clearing other locations i.e. higher priority safety areas.

Removal of grit bins may have a detrimental impact on vulnerable adults who may not feel safe in leaving their home and become more isolated. These vulnerable residents may not be able to obtain essential items or be able to access or receive specific services, such as medical appointments. This may create more demand for community and voluntary services.

Should this option proceed, consideration would be given to producing appropriate guidance to residents, particularly the more vulnerable. This guidance would include walking safely in icy conditions and how to assist neighbours in clearing snow.

Although the saving has been identified as £55,000, the overall Winter Service budget can be affected by severe winters during which Cabinet may be requested to approve more funding.

As an alternative solution to grit bins for the future, officers are investigating the use of 'drop bags' which have been adopted in other local authorities. The key benefit of drop bags is that they can provide a more flexible and targeted response and avoid the cost of maintaining a stock of grit bins.

There is potential for grit bins to be left for communities, schools or voluntary organisations to take on their continued maintenance and filling. However, it is acknowledged that future maintenance and replacement costs would need to be considered.

8.4 Conclusions of the Panel Members

- Members noted there is no planned review of the 100 essential grit bin sites. However, concerns were raised that some essential sites may not now be classed as essential and that grit bin sites that are part of this proposal may have more of a case of being essential.
- Members would welcome a report covering future alternative solutions to grit bins, such as 'drop bags', to be presented to the Regeneration and Environment Policy & Performance Committee for discussion.

Review Title: Future Council Budget Options Scrutiny Review

Scrutiny Panel Chair: Councillor Mike Sullivan – mikesullivan@wirral.gov.uk

Panel members:

Councillors Steve Williams, John Hale (for scoping meeting only), Dave Mitchell (for scoping meeting and session 1 covering school crossing patrols and public conveniences) , Alan Brighthouse (for session 2 covering car parking, preventative maintenance and roadside grit bins).

Scrutiny Officer(s): Mike Lester / Mike Callon

Dept Link Officer: Mark Smith

Other Key Officer contacts:

School Crossing Patrols – Dave Rees, Rhian Hughes
 Public Conveniences – Colin Clayton
 Preventative Maintenance – Rob Clifford, Mary Worrall
 Car Parking (Country Parks) – Rob Clifford, Mary Worrall
 Car Parking (Fort Perch Rock) – Rob Clifford
 Roadside Grit Bins – Rob Clifford

1. What are the review objectives?

- To gain a better understanding of proposed budget options that fall within the remit of the Regeneration & Environment Committee
- To prioritise which options the panel intends to explore in greater detail.
- To examine the budget options in terms of their context, rationale, deliverability, impact and potential mitigation.

2. What specific value can scrutiny add to this topic?

- Scrutiny can add value by highlighting potential positive and negative impacts of the proposed options to the Executive to inform their decision-making.
The scrutiny can highlight potential issues and risks and steps that can be taken to mitigate these.

3. Who will the Committee be trying to influence as part of its work?

- Cabinet Members
- Members of Full Council

4. Duration of enquiry?

This is a time limited piece of work due to the lead in times for reporting the outcome of the public consultation in advance of decision-making by Council.

5. What category does the review fall into?

This review falls into the category of pre-decision scrutiny.

6. What information is required?

Primary research: Discussions with relevant Council officers about the detail of proposals.

Secondary research: Previous committee reports, comparator information from other authorities and any supporting data behind the proposals.

7. Who can provide evidence and what areas do we want them to cover?

Relevant Council Officers will be required to provide the details behind the proposed budget option including the service context, the rationale for the proposal, the deliverability of the proposal and the impact and any potential mitigation.

8. What processes can we use to feed into the review? (site visit/survey etc.)

A full public consultation is being undertaken. The outcome of this will be available to the committee at the same time as the findings of this scrutiny review are reported.

REGENERATION AND ENVIRONMENT POLICY AND PERFORMANCE COMMITTEE

Tuesday, 4 November 2014

<u>Present:</u>	Councillor	M Sullivan (Chair)	
	Councillors	KJ Williams S Williams J Crabtree M Daniel R Gregson A Leech	S Niblock J Stapleton G Ellis J Hale A Hodson
<u>Deputies:</u>	Councillors	J Salter I Williams D Elderton	
<u>Cabinet Member:</u>	Councillor	B Mooney S Whittingham A Jones	G Davies C Meaden
<u>In attendance:</u>	Councillor	P Gilchrist	

25 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

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

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

No such declarations were made

26 MINUTES

Resolved – That the minutes of the meeting held on 22 September 2014 be approved

27 FUTURE COUNCIL CONSULTATION FINDINGS

The Council's Marketing and Engagement Manager gave a presentation on the Future Council Consultation Findings. The Chief Executive, on September 08 2014 had published a series of budget proposals for public consultation as the Council sought to make savings of £18 million in 2015/2016.

It was explained how the consultation resulted in 7874 individual questionnaires being returned, together with a series of letters, emails and petitions. This was a higher response level than any previous Wirral Council budget option consultation.

A range of saving options relating to Regeneration and Environment were presented to the Committee and a statistical breakdown of how consultees had responded was provided to Members. It was acknowledged that Members had selected the six budget options that had proved to be of most importance.

Options identified by Members following a scoping meeting were outlined to the Committee in more detail. These included:

- Preventative Maintenance (Parks and Highways)
- School Crossing Patrols
- Car Parking – Countryside Parks
- Car Parking – Fort Perch Rock
- Public Conveniences
- Roadside Grit Bins

A Member enquired about the timing of the construction and publication of all budget options. It was identified that, the closing date for the Consultation was 31st October, yet it was clear that some data had been prepared in advance. It was also reported that a petition of over 4000 signatures had been received, yet had not been included in the findings of the consultation

It was explained to Members that Officers analyse data as and when it is received. This had been common practice since 2010. With regards to the petition, an Officer explained that data reported to Cabinet is based on consultation responses and not individual petitions. The Member was assured that details of the petition in question will be referred to Cabinet for consideration in a separate entity.

A Member acknowledged that a high percentage of people had disagreed with the proposal to introduce car park charges at Fort Perch Rock, New Brighton. It was stated how this issue is of significant local concern. It was then

requested that a geographical breakdown of residential location for participants who had 'strongly disagreed' with this option.

A Member identified that Wallasey had a low response rate and enquired if there was any extra effort on Officers part to encourage participation.

In response to this question, Members heard that Birkenhead had been specifically targeted as this area has traditionally had the lowest turn out across the Borough. It was explained that the Youth and Play Service had been involved in the campaign to encourage the public to participate in the consultation.

With regards to the public convenience budget option, a Member identified that there is strong feeling against the ratification of this.

The Chair thanked Councillors and Officers for the significant work they had undertaken.

28 **FUTURE COUNCIL BUDGET OPTIONS SCRUTINY REVIEW- REPORT OF THE SCRUTINY PANEL**

The Committee considered a report of the Members of the Scrutiny Review Panel. Members were requested to consider the contents of the report alongside the outcome of the Future Council Public Consultation and were asked to refer any comments or recommendations to Cabinet. An appendix to the report contained the scoping document.

The Chair of the Scrutiny Panel was Councillor Mike Sullivan. Scrutiny Panel Members were: Councillor John Hale (for scoping meeting only), Councillor Dave Mitchell (for scoping meeting and session 1 covering school crossing patrols and public conveniences), Councillor Alan Brighthouse (for session 2 covering car parking, preventative maintenance and roadside grit bins). Lead officers for the service areas were invited to each of the sessions to allow Members to question each of the proposals, including the impacts and mitigation.

At the scoping meeting for this review, six budget options out of the eleven that fell under the remit of the committee were prioritised for further scrutiny, including:

1. Preventative Maintenance (Parks and Highways)
2. School Crossing Patrols
3. Car Parking- Countryside Parks
4. Car Parking – Fort Perch Rock
5. Public Conveniences
6. Roadside Grit Bins.

The above options were selected in recognition of the level of savings proposed, the public interest they would generate and initial consideration of their impact if implemented. The remaining five budget options not examined in detail as part of this review were:

1. Commemorations, Registrations and Memorials
2. Charging for Allotments, Bowling Greens and Football Pitches
3. Cold Calling Zones
4. Pest Control
5. Litter and Dog Fouling Enforcement.

The Chair invited the Committee to ask any questions, make any comments or suggest any further recommendations to Cabinet. Members noted that the value of the budget options was in excess of the savings required.

It was agreed that in light of the officers' comments upon the following Regeneration and Environment budget options, the individual views expressed by Members should be referred to the Cabinet for consideration.

Public Conveniences

Members raised some concerns regarding the strong feeling against the ratification of this option with regards to: the impact on local business and inconvenience for members of the public, specifically in coastal areas where there are no alternative provisions available.

Members enquired about alternative arrangements and the possibility of external providers servicing the public conveniences as a means to mitigate the impact of this option. It was reported that some discussions had been had, but a full investigation had not been undertaken at this stage.

It was then proposed, on a motion by Councillor Ellis and seconded by Councillor Hale:

“That the Regeneration and Environment Policy and Performance Committee ask Cabinet to delay the decision on the closing of 10 public conveniences until Officers have reported upon what alternative arrangements can be identified for each of the 10 locations.”

Councillor Leech then moved an amendment, seconded by Councillor Hodson

“That where alternative providers have been identified the Committee will proceed and endorse the recommendations made by the Review Panel .Where other options have not been sought, Councillors will still require a report on alternative options.”

Resolved (14:0) : That the Regeneration and Environment Policy and Performance Committee ask Cabinet to delay the decision on the closing of 10 public conveniences until Officers have reported upon what alternative arrangements can be made in each of the 10 locations. Where alternative providers have been identified the Committee will proceed and endorse the recommendations made by the Review Panel. Where other options have not been sought, Councillors will still require a report on alternative options.

School Crossing Patrols

No comments were made.

Car Parking Country Parks

A Member enquired as to whether a displacement traffic study had been undertaken to assess impact in the wider area. Members heard that at this time no such study had been undertaken.

On a motion by Councillor Carubia and seconded by Councillor Hodson it was proposed that

“The Regeneration and Environment Policy and Performance Committee recommend to Cabinet that the adoption of the Car Parking Country Parks option be deferred until a traffic displacement study around the affected areas has been completed.”

The motion was put and lost (6:8)

Car Parking – Fort Perch Rock

Concerns were raised by members regarding the impact on the local area if this option were to be agreed by Cabinet. Particular concerns were regarding: residents parking, potential flooding to the area and cost of maintenance.

On a motion by Councillor Jerry Williams and seconded by Councillor Gregson it was proposed that:

“The Regeneration and Environment Policy and Performance Committee recommend to Cabinet that the budget option to introduce car parking charges at Fort Perch Rock Car Park, New Brighton is not adopted.”

Resolved (12:2) That:

The Regeneration and Environment Policy and Performance Committee recommend to Cabinet that the budget option to introduce car parking charges at Fort Perch Rock Car Park, New Brighton is not adopted.”

Preventative Maintenance (Parks and Highways)

No comments were made.

Roadside Grit Bins

No comments were made.

Resolved –

- (1) That the Regeneration and Environment Policy and Performance Committee ask Cabinet to delay the decision on the closing of 10 public conveniences until Officers have reported upon what alternative arrangements can be made in each of the 10 locations. Where alternative providers have been identified the Committee will proceed and endorse the recommendations made by the Review Panel. Where other options have not been sought, Councillors will still require a report on alternative options.**
- (2) The Regeneration and Environment Policy and Performance Committee recommend to Cabinet that the budget option to introduce car parking charges at Fort Perch Rock Car Park, New Brighton is not adopted.**
- (3) That the Scrutiny Review be referred to the Cabinet for consideration of the recommendations alongside the views expressed by Members to each of the Budget Options.**

29 HIGHWAYS REPRESENTATION PANEL - MINUTES

Councillor Steve Williams, Chair of the Highways and Traffic Representation Panel presented the minutes of the meeting held on 17 October 2014. The Panel had considered a proposal to revoke a traffic regulation order on Field Road Car Park, New Brighton.

Members heard that after consideration of all representations, orally and in writing, the Panel unanimously agreed to refuse Officers recommendations to revoke the traffic regulation order on Field Road car park.

Resolved –

That the Regeneration and Environment Policy and Performance Committee endorse the recommendation made by the Traffic and Highways Representation Panel to refuse the proposal to revoke the traffic regulation order on Field Road Car Park, New Brighton.

30 ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR

The Chair informed Members that the Liverpool City Region Scrutiny Panel had met on 29th October 2014. During this meeting the Chair and Vice Chair were appointed.

During this meeting the work plan was agreed upon, consisting of: EU Funding, Skills and learning/ Apprenticeships/, Housing and Affordable Transportation.

Members heard that four formal meetings would take place and it is envisaged that Task and Finish Groups would be established. Members of this Committee would continue to report back to the Regeneration and Environment Policy and Performance Committee.

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FUTURE COUNCIL BUDGET OPTIONS SCRUTINY REVIEW

**REPORT OF THE TRANSFORMATION & RESOURCES POLICY &
PERFORMANCE COMMITTEE**

NOVEMBER 2014

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1. INTRODUCTION BY THE CHAIR OF THE REVIEW PANELS

After facing cuts to funding of £100 million over the last few years, Wirral Council is required to make a further £45 million worth of efficiency savings over the next two years. Whilst the scale of these savings is unprecedented, the Council is striving to deliver them in an equitable way, with a focus on maintaining frontline services, and lessening the impact on our most vulnerable residents, in line with our corporate priorities.

With this in mind the Transformation and Resources Department Directorate has put forward two budget option proposals which have been reviewed by elected members on a Task & Finish Panel.

1. Community Libraries
2. Council Tax Over 70s Discount

The Chair would like to thank all of the officers, Members and expert witnesses who attended and contributed to this review. Whilst Members did not always agree on the issues in hand, we worked in a consensual and productive way. No decisions have been taken by the Task and Finish Panel as this was not our remit, but the potential impact of the budget proposals was analysed and discussed by the Panel.

Councillor Janette Williamson (Chair)

Other Panel Members:

Community Libraries: Councillors Adam Sykes, Phil Gilchrist, Christina Muspratt, Paul Doughty, Rob Gregson.

Council Tax Over Seventies Discount: Councillors Christina Muspratt, Adam Sykes, Matthew Patrick, Louise Reecejones, Phil Gilchrist.

2. BACKGROUND AND CONTEXT

At the meeting of the Transformation and Resources Policy & Performance Committee held on 16 September, it was agreed that a Task & Finish Panel would be established to scrutinise the two budget options that fall under the remit of the Committee.

A scoping meeting was held with the Chair, Vice Chair and Spokespersons to consider the objectives and approach to the review. Agreement was reached that separate sessions would be held to review each of the proposals and that Members of the wider committee be invited to attend these sessions.

Lead officers for the relevant service areas were invited to each of the sessions to allow Members to question each of the proposals, including the impacts and mitigation. In relation to the Community Libraries budget option, Professor Robert Lee, Chair of Wirral Libraries Forum, was invited to the session to comment on the proposals.

The contents of this report are to be presented to the Transformation & Resources Policy and Performance Committee on 5th November before being referred to Cabinet for consideration.

3. COMMUNITY LIBRARIES

3.1 Context

Wirral Council maintains twenty four libraries in the borough. The service is organised around a core offer of four large sites and four merged sites, plus a supplementary offer of a further 16 sites. One of these is located in a school and the remaining 15 are referred to as community libraries.

In terms of the core offer, the four large central sites are Birkenhead Central, Wallasey Central, Bebington Central and West Kirby Central. The four merged library / One Stop Shop sites are at Eastham, Heswall, Moreton and Rock Ferry. The merging of these sites over the last couple of years has led to the creation of more generic frontline staff and the streamlining of management with some capital investment being made. Further re-structuring is being undertaken through the Future Council programme to further reduce management tiers and develop an appointments based service at most one stop shops.

In terms of the supplementary offer, fifteen libraries are classed as community libraries. These are located at Beechwood, Bromborough, Greasby, Higher Bebington, Hoylake, Irby, Leasowe, Pensby, Prenton, Ridgeway, Seacombe, St James, Upton, Wallasey Village and Woodchurch.

A further site is located within the grounds of Grove Street School in New Ferry, where the books are provided by the Council but the building itself is owned and maintained by the school.

3.2 Proposal

This budget option proposal is to reduce the opening hours of the community libraries to 2/3 days per week, 10am – 2pm on an alternating basis. The central libraries and merged sites (those with a One Stop Shop) are excluded from the proposal.

The budget saving would reduce costs by £411,000 and provides the benefit of being able to maintain all 24 libraries without any subject to being closed. The proposal considers actively seeking community involvement moving forward in the future with the potential to increase the libraries opening times.

This budget option builds on a pre-existing budget decision for implementation this financial year, which introduces a 30 hour opening week in Community Libraries. The proposed £411,000 saving set out in this option, will be on top of the in-year saving.

3.3 Impact

This proposal presents a number of options that have varying levels of impact in reducing the level of provision across the fifteen Community Libraries. If the budget proposal is implemented, the cost savings will be made from staffing costs derived from fewer working hours being required. However, there will also be small, non-staffing costs saved around buildings.

For the implementation of the proposed budget option, the operational days of the community libraries would have to be rotated across all sites to ensure there is appropriate cover to accommodate reduced staff resource being available.

3.4 Officer Analysis

Officers provided a detailed analysis of Wirral's library service against other local authorities and national averages using data provided by CIPFA from their most recently publicised statistics. Compared with neighbouring authorities and the CIPFA average national:

Service Comprehensiveness

- Wirral has more libraries than the national comparator and all but one of our regional neighbouring authorities.
- Wirral has more libraries per head of population than the national comparator and all but one of our regional neighbouring authorities.
- Wirral has the second highest population density compared to regional and national comparators, meaning it has more libraries across a densely populated, relatively small geographic area.
- Wirral libraries are open for longer than all regional neighbouring authorities.
- Wirral has more individual sites open for longer hours per week compared to national and regional comparators.
- All regional neighbouring authorities have already reduced local library service provision by closing sites; focusing opening hours or increasing community volunteers.

Service Efficiency

- Wirral spends more on the library service per head of population than the national comparator and most regional neighbouring authorities.
- Wirral has the highest service costs per library employee than the national comparator all but one of our neighbouring regional authorities.
- Wirral has the highest staffing costs per head of population than all regional and national comparators.

Service Usage

- Wirral has an average number of active borrowers per head of population.
- Wirral issues a slightly above average number of books per head of population with a proportionally higher number issued at its busiest sites.
- Wirral has an above average number of visitors to library sites.
- Wirral has an above average number of sessions logged at public access computers.
- Wirral has a below average number of visits to the library website but issues more e-books than the national comparator and any other neighbouring regional authority who offers this service.

In addition, further analysis was undertaken in relation to year on year comparison of Wirral's Library Service and hourly usage data.

Year on year comparison

- Wirral has recorded year on year reductions in library site book issues since 2008/09.
- Where available, self-service RFID usage has increased year on year since 2012/13.
- There is a decreasing demand for public access computers at library sites.
- Demand for e-books is increasing year on year since their introduction in 2011/12.

Hourly usage

- All sites follow a broadly similar pattern of usage with morning and afternoon peaks and pronounced drops in demand during midday and evening periods.
- Demand is focused across central/merged library sites with 82% of average unique borrowers using these sites.
- Central and merged libraries still record a drop in usage during midday periods even though they remain open during the week.
- Central library usage drops off significantly after 7pm (on available late opening days).
- Merged sites record more uniform usage across the day with no evening opening.
- Community libraries record morning and afternoon peaks in usage with reduced demand either side of lunchtime closure 1-2pm.
- Community libraries record a significant drop in demand after 5 pm (available late opening days).

Finally, analysis was undertaken in relation to the overall usage at each site. The following summaries were provided for each library site:

Bebington Central Library

A well-used central library with an average number of visitors and borrower interactions but slightly below average ICT usage. Hourly usage closely follows the prevailing trend with slightly higher demand peaks in the morning and afternoon. A high premises cost leads to a slightly above average cost per borrower across all demand periods.

Birkenhead Central Library

An under-used central library with a below average number of visitors and borrower interactions but slightly above average ICT users and usage. Hourly usage closely follows the prevailing trend with a below average usage across available opening hours. A high non-staffing cost combined with below average usage leads to a significantly above average cost per borrower across all demand periods.

Wallasey Central Library

The most popular central library with a significantly above average number of visitors and borrower interactions and average ICT usage. Hourly usage closely follows the prevailing trend with an above average usage across available opening hours. A below average non-staffing cost combined with above average usage leads to the lowest cost per borrower for any central library.

West Kirby Central Library

A popular central library with a significantly above average number of visitors but below average number of borrowers and ICT usage and average number of borrower interactions. Hourly usage closely follows the prevailing trend with a below average usage across available opening hours. A significantly below average non-staffing cost leads to below average costs per borrower.

Eastham (Merged Library)

An under-used merged library with a below average number of visitors; borrowers and ICT users. Hourly usage closely follows the prevailing trend with a slightly below average usage across available opening hours. Below average non-staffing costs lead to below average costs per borrower.

Heswall (Merged Library)

A well-used merged library with an above average number of visitors; borrowers and borrower interactions but below average ICT usage. Hourly usage closely follows the prevailing trend with an above average usage across available opening hours. Non-staffing costs are significantly above average but due to levels of demand, average costs per borrower are below average.

Moreton (Merged Library)

A well-used merged library with an above average number of visitors; borrower interactions and ICT usage. Hourly usage closely follows the prevailing trend with an above average usage across available opening hours. Non-staffing costs are significantly below average and combined with levels of demand lead to the lowest average costs per borrower across merged libraries.

Rock Ferry (Merged Library)

An under-used merged library with a below average number of visitors and borrowers but above average ICT usage. Hourly usage follows the prevailing trend with a significantly below average usage across available opening hours. Non-staffing costs are below average but combined with lower levels of demand lead to significantly above average costs per borrower.

Beechwood Community Library

An under-used community library with a significantly below average number of visitors; borrowers and ICT users. Hourly usage remains static across available opening hours. Despite having below average non-staffing costs the level of demand at this library leads to significantly above average costs per borrower at any time of the day.

Bromborough Community Library

A well-used community library with a significantly above average number of visitors; borrowers and above average ICT usage. Hourly usage follows the prevailing trend of marked peaks in demand morning and afternoons with falling demand thereafter. Despite having the highest premises cost of any community library the above average level of demand at this library leads to below average costs per borrower at any time of the day.

Greasby Community Library

A well-used community library with a significantly above average number of visitors; borrowers and above average ICT usage. Hourly usage follows the prevailing trend of marked peaks in demand morning and afternoons with falling demand thereafter. Relatively high non-staffing costs but due to the above average level of demand at this library the costs per borrower are significantly below average at any time of the day.

Higher Bebington Community Library

An under-used community library with a significantly below average number of visitors; borrowers interactions and ICT usage. Hourly usage follows the prevailing trend of marked peaks in demand morning and afternoons with falling demand thereafter. Relatively low non-staffing costs but due to the below average level of demand at this library the costs per borrower are significantly above average at periods of lowest demand.

Hoylake Community Library

A relatively well-used community library with an above average number of visitors; borrower interactions and ICT usage. Hourly usage follows the prevailing trend of marked peaks in demand morning and afternoons with falling demand thereafter apart from a minor evening increase. Relatively low non-staffing costs, combined with high usage mean the costs per borrower are significantly below average across all demand periods.

Irby Community Library

An under-used community library with a significantly below average number of visitors; borrower interactions and ICT usage. Hourly usage follows the prevailing trend of marked peaks in demand morning and afternoons with falling demand thereafter. Despite the low demand at this site, significantly below average non-staffing costs mean the costs per borrower are below average across all demand periods.

Leasowe Community Library

A frequently visited community library with a significantly above average 'people count' but below average borrowers and ICT users. Hourly usage follows the prevailing trend but will less pronounced peaks in demand morning and afternoons with no available late opening. Despite having negligible non-staffing costs, the level of demand at this library means costs per borrower are significantly above average across all demand periods.

Pensby Community Library

A well-used community library with above average visitors and borrowers but below average ICT usage. Hourly usage follows the prevailing trend with pronounced peaks in demand morning and afternoons and reducing demand thereafter. Relatively low non-staffing costs, combined with an above average number of borrowers lead to low costs per borrower across all demand periods.

Prenton Community Library

A well-visited community library with above average 'people count' but below average borrowers and average ICT usage. Hourly usage follows the prevailing trend with peaks in demand morning and afternoons and reducing demand thereafter. Relatively low non-staffing costs but combined with level of demand there is an a significantly high cost per borrower at periods of low demand.

Ridgeway Community Library

An under-used community library with below average visitors; borrowers and ICT usage. Hourly usage follows the prevailing trend with less pronounced peaks in demand morning and afternoons and reducing demand thereafter. Relatively low non-staffing costs but combined with level of demand there is an above average cost per borrower across most periods.

Seacombe Community Library

A well-used community library with significantly above average visitors; borrowers and ICT usage. Hourly usage does not follow the prevailing trend with a steadily increasing level of demand until late afternoon. Despite the relatively high non-staffing costs, the high level of demand means there is a below average cost per borrower across all periods.

St James Community Library

An under-used community library with significantly below average visitors and borrowers but above average ICT usage. Hourly usage follows the prevailing trend with less pronounced peaks across mornings and afternoons. Relatively high non-staffing costs, combined with the low level of borrower demand means there is an above average cost per borrower across all periods.

Upton Community Library

A well-used community library with above average visitors; borrowers and ICT usage. Hourly usage follows the prevailing trend with pronounced peaks across mornings and afternoons and reducing demand thereafter. Despite relatively high non-staffing costs, the high level of borrower demand means there is a significantly below average cost per borrower across all periods.

Wallasey village Community Library

A relatively under-used community library with below average visitors; borrowers and ICT usage. Hourly usage mainly follows the prevailing trend with a more pronounced afternoon peak and reducing demand thereafter. Despite the relatively high non-staffing costs, the cost per borrower is below average across all periods.

Woodchurch Community Library

An under-used community library with significantly below average visitors; borrowers and ICT usage. Hourly usage mainly follows the prevailing trend with less pronounced morning and afternoon peaks and no evening opening. Relatively high non-staffing costs, combined with the level of demand lead to a significantly high cost per borrower across all periods.

3.5 CHAIR OF WIRRAL LIBRARIES FORUM

As part of the Panel's review, Professor Robert Lee, the Chair of Wirral Libraries Forum was invited to discuss the proposal with Members. Professor Lee put forward the view that 'the proposals relating Wirral's 15 community libraries are unacceptable and, if implemented, would represent a clear breach of the Council's statutory duties under the terms of the Public Libraries and Museums Act 1964'. In making this point, he highlighted the following:

- The continued importance of the 15 community libraries as an integral part of a comprehensive and efficiency library service.
- The lack of consultation in advance of these proposals being put forward in line with what was proposed at the first Wirral Libraries Festival held in July 2014.
- The failure to comply with the statutory requirement to deliver a comprehensive and efficient service. Specifically in terms of not being based upon a strategic or development plan for the Library Service as a whole or in terms of meeting the general (and any special requirements) of adults and children, living, working or studying in the local area.
- Operational and systemic weaknesses in the current proposals, with specific reference to the reduction in opening hours and therefore the provision for school children and the impact of alternate opening arrangements on users and the role of libraries as key local centres.
- The failure to understand the significant contribution of the community libraries to the delivery of an efficient and comprehensive service.

- The failure to recognise the needs of children and young people and the role of community libraries in providing safe spaces after school for young people to do homework.
- The need for a more effective forward-looking strategy with specific reference to the implementation of a plan that meets the needs of both children and adults; the installation of one-click digital book issuing technology and the adoption of a proper volunteer policy and strategy to maintain levels of service.

Professor Lee summed up by concluding that the Council should work with Friends Group, community groups, and other stakeholders to put in place a new development strategy for the Library Service which will recognise in full its clear statutory responsibilities under the terms of the Act, but allow all libraries to continue to meet the wider needs of their local communities within an operational framework that takes into account the financial problems faced by Wirral Council. A proper development strategy can only be developed with the active involvement of all library staff, as well as external agencies, such as The Reader Organisation, which may be well placed to contribute to the continued provision of an efficient and comprehensive library service in the future.

3.6 OBSERVATIONS OF THE PANEL MEMBERS

- Members agreed closing any of the community libraries would not be an option but the majority of the Panel agreed hours would need to be reduced if these savings are to be met.
- Members commented that the officer analysis in terms of usage figures was limited in that it is based on existing hours of operation rather than wider potential demand i.e. demand for book lending falls during lunch time hours because libraries are closed during those times.
- Members noted demand from local groups was often outside core hours and to cope with this some groups are provided with key access to the buildings. Flexible approaches such as this would need to be adopted more widely to mitigate the impact on local reading and other groups meeting in library buildings.
- Members were concerned that whilst the proposal would seek to rotate opening days in order to maintain a broad levels of provision, those seeking to access alternative sites might have to travel further than a two mile radius from their local library site.
- Members felt the new proposals in terms of operating times specifically the 4:00 pm closure time did not adequately provide for children and young people specifically after school provision for young people wishing to do homework.
- Members also raised concerns proposals did not cater sufficiently for working adults as there would be no evening provision.
- Members acknowledged the issues raised by Professor Lee of the Friends of Wirral Libraries Forum, specifically the need for an up-to-date library strategy and children not being restricted in being able to access a comprehensive library service.

- Members considered the potential for the public to change its usage habits to accommodate the proposed changes to opening hours of community libraries. However, this was felt to be prioritising the organisational need rather than the needs of users.
- Members of the Panel broadly agreed that a better approach would be for communities to identify their own needs to determine their preferred opening arrangements against a proposed allocation of hours. This would ensure a comprehensive, needs-based community library service is provided.
- The majority of the Panel agreed that in accepting a need for reduced levels of provision, there should be more localised consultation for communities to determine themselves their preferred opening times to meet local demand.
- It was noted the Libraries Act does not specify what operational hours have to be in place and it is up to the Council to determine the approach that best meets the needs of the community.
- Members acknowledged the roll out of RFID digital book issuing system and the increase use of this by library users. This will have a role to play in reducing cost whilst still maintaining levels of provision.
- Members acknowledged the value Friends Groups add to the library service and the increasing role volunteers will have to sustaining an effective and comprehensive service.

3.7 CONCLUSION OF THE PANEL

Whilst the majority of members accepted a need for reduced levels of provision to meet the need for savings, the whole Panel felt the current proposals in respect of opening hours were not ideal. Specifically, a one size fits all approach in allocating the number of hours should not apply across all community libraries as operational needs may differ. The majority of the Panel recommended local consultation is carried out on Community Libraries to determine preferred opening arrangements on the basis of an allocation of 24 hours of operation per week. The Panel also agreed the constituency committees should play a role in deciding on the future of libraries in their area

4. COUNCIL TAX OVER SEVENTIES DISCOUNT

4.1 Context

The Council Tax Discount Scheme for over 70s households was originally introduced in 2007 as a 1% discount for over 75s. In 2009 this was increased to 6.2% and in 2012 this was further increased to 7.8% and widened to include over 70s. In 2013 the discount was reduced to 5% and withdrawn for property bands E-H. The impact of this was that it reduced the number of recipients by 18% and reduced the budget by 45%.

Wirral Council is one of only two authorities which offers a discount on Council Tax for people of pensionable age. The only other is Barnsley and that authority has recently agreed to remove its discount, by phasing it out over a number of years.

The discount is not means-tested and people receive it regardless of their personal financial circumstances. Residents with the lowest incomes already receive Council Tax Support and therefore pay no or only a proportion of Council Tax.

4.2 Proposal

The proposal is this discount would cease altogether. This would be effective from 1st April 2015. This proposal would deliver a saving to the Council of £600,000 in 2015/16. The discount is a local discretionary scheme and would only require 28 days public notice to those affected.

4.3 Impact

The value of the discount for property bands A-D is set out below.

	Full Charge	5% discount	Charge after single person discount	5% discount
BAND A	£1,003.30	£50.17	£752.25	£37.63
BAND B	£1,170.52	£58.53	£877.89	£43.90
BAND C	£1,337.74	£66.89	£1,003.31	£50.33
BAND D	£1,504.96	£75.25	£1,128.73	£56.44

The removal of this discount would have an impact on approximately 11,700 over 70s households. As the Council Tax for 2015/16 has yet to be determined, it is not clear what the level of increased Council Tax liability would be for these households. However, assuming no Council tax rise, the increase would be equivalent to the 5% discount.

Of the 11,700 households, there are approximately 1,500 that receive some level of additional Council Tax Support which is less than full 100% award. Council Tax Support is a means-tested Council Tax benefit for low income households also administered by the Council. The removal of the over 70s discount would be largely offset by increased Council Tax Support for these households. However, it is acknowledged some older households eligible for Council Tax Support probably do not currently claim this benefit.

There are 15,500 over 70's, low income households that receive 100% Council Tax Support. These households would be unaffected by these proposals.

The biggest financial impact is expected to be felt by people on their own, particularly women whose former partners had been the main earner. The discount for a single person in a band A property is worth £37.63 per year. This equates to approximately £3.13 per month and £0.80 pence per week.

The requirement to contribute towards Council Tax for a single person in a band A property currently commences at a weekly income of £237.45. Therefore, removal of the discount would result in a person's weekly income going from £237.45 to £236.65. The same impact for the other bands is set out below:

	Annual 5% discount	Monthly amount	Weekly amount	CTS weekly income eligibility	Impact on lowest weekly income	Increased CT liability as % of weekly income
BAND A	£37.63	£3.14	£0.72	£237.45	£236.73	0.30%
BAND B	£43.90	£3.66	£0.84	£249.30	£248.46	0.34%
BAND C	£50.33	£4.19	£0.96	£261.34	£260.38	0.37%
BAND D	£56.44	£4.70	£1.09	£273.38	£272.29	0.40%

4.4 OBSERVATIONS FROM INDIVIDUAL PANEL MEMBERS

- The proposal brings Wirral in line with other authorities which do not provide a pensioner discount.
- Council Tax Support was reduced for working age residents with the introduction of 22% contributions immediately when it was introduced in April 2013. In this context, the removal of the 5% discount in terms of impact is more marginal and is considered less likely to put people into real hardship.
- Pensioners are seen as being on a fixed income. The government's threshold for a referendum on increased Council Tax is 2%, therefore a 5% increase albeit for a proportion of the population could be considered significant.
- A key opportunity for mitigating the impact would be to phase out the discount gradually in a similar way to Barnsley Council. However, it was acknowledged that this becomes a more complex change to communicate.
- Another way to mitigate this proposed budget option would be to communicate the change clearly in order that households can undertake mitigating activity themselves. This could be through communication via the annual Council Tax statement, through a dedicated communication to all those affected and/or via communications through all other communication channels.
- There is an opportunity to use this change as a mechanism to promote and widen the take up of other benefits for eligible pensioners.

Appendix 1

Review Title: Future Council Budget Options Scrutiny Review

Scrutiny Panel Chair: Councillor Janette Williamson – janettewilliamson@wirral.gov.uk

Panel members:

Councillors Adam Sykes, Phil Gilchrist, Christina Muspratt, Paul Doughty (Community Libraries only), Rob Gregson (Community Libraries only), Louise Reecejones (Council Tax over 70s Discount only).

Scrutiny Officer(s): Mike Lester / Mike Callon

Dept Link Officer: Malcolm Flanagan

Other Key Officer contacts:

Community Libraries – Julie Barkway, Julie Williams, Phil Russell.

1. What are the review objectives?

- To gain a better understanding of proposed budget options that fall within the remit of the Transformation & Resources Committee
- To examine the budget options in terms of their context, rationale, deliverability, impact and potential mitigation.

2. What specific value can scrutiny add to this topic?

- Scrutiny can add value by highlighting potential positive and negative impacts of the proposed options to the Executive to inform their decision-making.
- The scrutiny can highlight potential issues and risks and steps that can be taken to mitigate these.

3. Who will the Committee be trying to influence as part of its work?

- Cabinet Members
- Members of Full Council

4. Duration of enquiry?

This is a time limited piece of work due to the lead in times for reporting the outcome of the public consultation in advance of decision-making by Council.

5. What category does the review fall into?

This review falls into the category of pre-decision scrutiny.

6. What information is required?

Primary research: Discussions with relevant Council officers about the detail of proposals.

Secondary research: Previous committee reports, comparator information from other authorities and any supporting data behind the proposals.

7. Who can provide evidence and what areas do we want them to cover?

Relevant Council Officers will be required to provide the details behind the proposed budget option including the service context, the rationale for the proposal, the deliverability of the proposal and the impact and any potential mitigation.

Professor Robert Lee, Chair of Wirral's Libraries Forum will be requested to provide evidence as a representative of the Libraries' friends groups.

8. What processes can we use to feed into the review? (site visit/survey etc.)

A full public consultation is being undertaken. The outcome of this will be available to the committee at the same time as the findings of this scrutiny review are reported.

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TRANSFORMATION AND RESOURCES POLICY AND PERFORMANCE COMMITTEE

Wednesday, 5 November 2014

<u>Present:</u>	Councillor	J Williamson (Chair)	
	Councillors	P Doughty M Daniel R Gregson M Patrick J Walsh	I Williams T Anderson B Berry K Hodson P Gilchrist
<u>Deputies:</u>	Councillors	M Sullivan (In place of C Muspratt) W Clements (In place of Tracey Pilgrim) S Williams (In place of A Sykes)	
<u>In attendance:</u>	Councillors	A Jones	C Meaden
<u>Apologies</u>	Councillor	L Reecejones	

13 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST / PARTY WHIP

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

Members were reminded that they should also declare whether they were subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

Councillors Wendy Clements and Tom Anderson declared their personal interests in agenda items 3 and 4, 'Future Council Consultation Findings' and 'Future Council Budget Options Scrutiny Review', by virtue of their being friends of Greasby and Irby Libraries.

Councillor Mike Sullivan declared a personal interest in agenda items 3 and 4, 'Future Council Consultation Findings' and 'Future Council Budget Options Scrutiny Review', by virtue of him being a friend of Pensby Library.

Councillor Matthew Patrick declared a personal interest in agenda items 3 and 4, 'Future Council Consultation Findings' and 'Future Council Budget Options Scrutiny Review' by virtue of him being a member of Upton Library.

14 MINUTES

Members were requested to receive the minutes of the meeting of the Transformation and Resources Policy and Performance Committee meeting held on 16 September, 2014.

Resolved – That the minutes of the meeting of 16 September, 2014 be approved.

15 FUTURE COUNCIL CONSULTATION FINDINGS

The Committee received a presentation from Kevin MacCallum, Marketing and Communications Manager, Neighbourhoods and Engagement, on the process of the Budget Options consultation. The consultation was launched on 8 September with an extensive on and offline promotion and finished on 31 October, 2014. A total of 7,874 responses had been received with a breakdown as follows:

- Residents 6,872
- Members of Staff 1,079
- Voluntary, Community, Faith sector 260
- Partner Organisations 62
- Local Businesses 176

He also provided details of the demographic and geographic breakdown of the responses and of a number of petitions which had been received in respect of the Budget Options and particularly with regard to Pensby, Irby, Greasby and Upton Libraries.

For 2015/16 £18 million savings were required, the Future Council project had been able to identify potential savings and efficiencies of £15.5 million. If implemented, these savings would potentially reduce the budget gap to £2.5 million in 2015/2016. Options had been proposed by the Chief Executive which would achieve a combined saving of just under £4million for 2015/2016.

Kevin MacCallum then provided a breakdown of the responses in respect of the two budget option proposals relevant to this Committee:

- Council Tax Over 70s Discount
- Community Libraries

With the Council Tax Over 70s Discount option he also provided a breakdown of the responses by age.

In response to comments from Members, Kevin MacCallum agreed to provide a breakdown of the geographical analysis provided based on wards rather

than constituencies. Kevin MacCallum further directed Members to a report to Cabinet which provided Committee with a dashboard of all options and the feedback provided through the consultation questionnaire. The petitions which had been submitted would be referred to in the report to Cabinet, but they did stand independent of the questionnaires.

Resolved – That the report be noted.

16 **FUTURE COUNCIL BUDGET OPTIONS SCRUTINY REVIEW**

The Committee received the findings of the Scrutiny Review into the two budget options which fell under its remit.

Community Libraries

The Head of Business Processes introduced this review to the Committee.

The Chair thanked all those Members who had sat on the Scrutiny Reviews, the officers for all their time and work on the review and Professor Lee, Chair of the Wirral Libraries Forum.

Members commented upon the review and the positive way in which the review was conducted with a great level of detail provided by officers. The conclusions were a fair representation of what the Panel had decided.

The Head of Business Processes clarified for Members the way in which opening hours of 24 hours could be split across libraries. If a constituency had four community libraries then the 96 hours total could be spread out across the four libraries to best meet the needs of each particular area. He also confirmed that the majority of libraries did have a user group, though not everyone and those that didn't tended to be in those areas with most need.

A Member queried whether the Council could be in breach of the Public Libraries and Museums Act 1964 if it were to reduce opening hours of libraries if local user groups were not consulted.

The Head of Legal and Member Services responded that he was not aware of any such challenges to this option and that the consultation arrangements were compliant with requirements under the legislation. There would be a need to consult with all relevant stakeholders to ensure the Council met their identified needs. User groups would be consulted as to how hours were allocated across each library within a constituency.

A Member suggested that if Cabinet were to approve this budget option then another Task and Finish Group could be established to examine the best way forward.

A Member commented that the Council was trying its utmost to maintain all 24 libraries within the Borough and that each library was unique with its own specific requirements.

Councillor Gilchrist moved, and it was seconded by Councillor Steve Williams, an addition to the conclusions of the scrutiny review, that –

“Cabinet be reminded of the findings of the Sue Charteris review with regard to the need for an assessment of local needs, the requirements of children, the need for a Strategic Plan and the requirement to address the needs of deprived communities and be asked to develop a process to ensure that this is taken into account.”

The motion was agreed unanimously and it was then –

Resolved – That the Scrutiny Review be referred to Cabinet and that this Committee endorses the conclusion of the Panel as follows:

- (1) Whilst the majority of members accepted a need for reduced levels of provision to meet the need for savings, the whole Panel felt the current proposals in respect of opening hours were not ideal. Specifically, a one size fits all approach in allocating the number of hours should not apply across all community libraries as operational needs may differ. The majority of the Panel recommended local consultation is carried out on Community Libraries to determine preferred opening arrangements on the basis of an allocation of 24 hours of operation per week. The Panel also agreed the Constituency Committees should play a role in deciding on the future of libraries in their area.**
- (2) Cabinet be reminded of the findings of the Sue Charteris review with regard to the need for an assessment of local needs, the requirements of children, the need for a Strategic Plan and the requirement to address the needs of deprived communities and be asked to develop a process to ensure that this is taken into account.**

Council Tax Over 70s discount

The Committee then considered this second budget option, which the Head of Business Processes introduced.

The Chair thanked all the officers who were involved in this scrutiny review.

A Member commented upon the position some people could be in who were just above the level for support and the need to mitigate the impact of any loss of discount for those on a low income.

The Head of Business Processes responded that this was referred to in the fifth observation on the review and the need to look at the best ways to alert people to the assistance they could seek out. He would expect the Council to be alerting people within the billing regime.

On a motion by the Chair, duly seconded, it was –

Resolved - That the Scrutiny Review be referred to Cabinet and that this Committee endorses the observations from individual Panel members as follows:

- **The proposal brings Wirral in line with other authorities which do not provide a pensioner discount.**
- **Council Tax Support was reduced for working age residents with the introduction of 22% contributions immediately when it was introduced in April 2013. In this context, the removal of the 5% discount in terms of impact is more marginal and is considered less likely to put people into real hardship.**
- **Pensioners are seen as being on a fixed income. The government's threshold for a referendum on increased Council Tax is 2%, therefore a 5% increase albeit for a proportion of the population could be considered significant.**
- **A key opportunity for mitigating the impact would be to phase out the discount gradually in a similar way to Barnsley Council. However, it was acknowledged that this becomes a more complex change to communicate.**
- **Another way to mitigate this proposed budget option would be to communicate the change clearly in order that households can undertake mitigating activity themselves. This could be through communication via the annual Council Tax statement, through a dedicated communication to all those affected and/or via communications through all other communication channels.**
- **There is an opportunity to use this change as a mechanism to promote and widen the take up of other benefits for eligible pensioners.**

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WIRRAL COUNCIL

CABINET

9 DECEMBER 2014

SUBJECT	OVERVIEW OF THE COUNCIL'S FUTURE FINANCIAL POSITION
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report provides an overview of the Council's future financial position. It provides an update to the Medium Term Financial Strategy approved in March 2014 and outlines the approach to operate within the finance available. The Budget for 2015/16 is to be considered by Cabinet on 10 February 2015 and Council on 24 February 2015.

2 BACKGROUND AND KEY ISSUES

- 2.1 The Medium Term Financial Strategy (MTFS) provides an overview of the Council's financial position and the strategy required to operate within the finance available. The Council sets a detailed budget for the forthcoming financial year but the annual process fits within financial plans for a longer timeframe to ensure decisions taken have due regard to future sustainability and are part of a more strategic approach to the future challenges.
- 2.2 This report sets out an update to the MTFS and provides the context in which budget decisions for the period 2015/18 are being made. This follows the decisions the Council has taken over the last 5 years against a changing and challenging local government financial environment. The future response to further reductions in funding, planned through the setting of the 2015/16 budget is detailed in this report and elsewhere on this agenda.

2015/18 FINANCIAL INFLUENCES

- 2.3 The MTFS, as agreed in February 2014, covers the three years 2014/17 and has an estimated funding gap of £83 million. It set out an anticipated level of funding and financial pressures known at that time. This view was based on known government allocations for 2014/15 and indicative allocations for 2015/16.
- 2.4 Forecasts of the Councils financial position over three years are kept under constant review as external circumstances change and decisions are taken. These are based on assumptions about inflation, financial pressures and levels of income such as grant.

- 2.5 As set out in previous updates to Cabinet the Council is facing severe funding reductions with further falls in Government grant to take place. These combined with increasing financial pressures have resulted in a continuing deficit position. The key cause of the deficit has been the decrease in Government Funding.
- 2.6 In developing a revised picture of the MTF5 the previous assumptions and funding gap have been reviewed to reflect announcements made by Government and developments since February 2014. The announcement of indicative general grant allocations for 2015/16 has been reflected in the latest projections. There have been no further Government announcements beyond indicative figures for 2015/16. For 2016/17 and 2017/18 the current projections reflect further potential reductions in central Government funding reflecting the Government's plan to eliminate the national deficit by early 2018. This is in line with the view of the Local Government Association (LGA) whose work on projections of grant funding for the period anticipated further reductions.
- 2.7 From 2015/16 the Council will take on a number of new responsibilities in the area of social care. The Government has indicated that these new burdens will come with financial support and work is ongoing to assess the full financial impact of these changes and the level of funding that may be received. When known these will be incorporated into the Budget for 2015/16. The changes are as follows:
- The Better Care Fund (BCF) is a pooled fund to help areas improve the integration of health and care services through the joint commissioning of services. The BCF is £3.8 billion nationally and revenue funding will be from within existing NHS budgets. The allocation for the Wirral area is expected to be over £30 million but replace current NHS and Council funding.
 - The Care Act from April 2015 will see new social care responsibilities for local authorities. These include altered assessment arrangements, the introduction of national eligibility criteria and support to carers. The allocation of funding to implement these changes is expected for 2015/16. Further reforms take effect from April 2016 and announcements on the methodology for allocation of resources to offset these burdens are expected.
 - The Independent Living Fund (ILF) delivers financial support to disabled people to enable them to live in their communities rather than in residential care should they choose to do so. The responsibility for and funding of this care will transfer to local authorities from the 1 July 2015. It is not presently known what resources will be released to support this change.

- 2.8 In terms of income the Council has limited ability to raise further income. The reduction in grants maybe offset by the Council's share of any growth in real terms in business rate income and any growth in its Council Tax-Base. However, it is important that unachievable income projections are not used to close real budget gaps.
- 2.9 The future financial position takes account of assumptions about growth, specific cost increases and unavoidable financial demands. The following areas are incorporated into the projections:-
- Growth, including demographic changes;
 - inflation, including pay and changes in pensions;
 - New legislative responsibilities;
 - Capital financing; and
 - Council Tax levels.
- 2.10 The assumptions are kept under review and revised as and when new information becomes known. During the budget process certain assumptions will be confirmed whilst others will emerge or need to be changed. The impact of any revisions will be assessed and brought together in the budget setting report that Budget Cabinet will consider in February 2015.

OVERALL FINANCIAL PROJECTIONS

- 2.11 The MTFS approved for 2014/17 reflected the financial projections for the Council based on the SR 2013, a forecast impact of the changes to local government finance that commenced in April 2014 and budget assumptions. This forecast that the Council would have an overall deficit of £83 million for the period 2014/17.
- 2.12 The revised position now being updated highlights a gap of £70 million for the period 2015/18. The previous forecast gap has been updated for information released in the summer and the Council's agreed budget saving options. Further revisions have come from the announcement of the indicative grant figures for 2015/16 and the addition of the anticipated budget gap for 2017/18 to give a financial forecast for 2015/18. A summary of the movement in the forecast gap is given in the table.

Funding Challenge – Updated Position 2015/18

Details	£m
Previous Forecast Funding Gap 2014/17	83
Less : Budget Savings Options 2014/17	41
Add : Revisions to Funding Gap 2015/18	28
Revised Forecast Funding Gap 2015/18	70

- 2.13 The analysis of all financial influences on the Council shows that the Council is facing a continuing financial deficit from 2015/16 that is expected to reach £70 million by 2017/18. The following sets out how the Councils projected deficit is built up.

Overall Financial Context for Three Year Period

Details	2015/16 £m	2016/17 £m	2017/18 £m	Total £m
Forecast Expenditure (including demographic changes)	275	277	264	816
Forecast Income (including reduced grants)	257	250	239	746
Funding Gap	18	27	25	70

2015/16 BUDGET AND FINANCIAL STRATEGY

- 2.14 The budget approach for 2015/16 has been focused on a series of changes to services without closing services that residents rely on. The following programmes have been used to classify and assess proposed savings:

Delivery Programmes

- Delivering Differently – Assessing the best means of delivering a service-choosing the most efficient and effective option.
- Managing Demand – Reducing demand and the costs of specialist, substantial services through empowering people and communities to help themselves.
- Income and Efficiency – By stopping subsidising chargeable services unless it helps up to meet another objective.
- Customer Contact – Moving Council customers away from expensive ways of contacting us and targeting those who need face to face support.

Support Programmes

- People – Enabling the Council to define and deliver workforce requirements for the future, enabling people based change such as culture, up-skilling of staff and ensuring appropriate policies and procedures are in place.
- Technology and Information – Driving a strategic approach to the use of systems, data and information to support Council Services.
- Assets – Delivering the consolidated asset requirements of the services, enabling key service changes through the rationalisation and future proofing of the asset base.

This prioritised approach reflects the Corporate Plan and the way we need to deliver services in the future.

- 2.15 The Chief Executive's Public Consultation set out the background to the financial position and that the Council was required to identify £2.5 million of savings from the options presented to Public Consultation. These are the subject of a separate report on this agenda.
- 2.16 For 2015/16 £15.5 million of savings through efficiencies, changing the assumptions regarding Capital Financing and reflecting the intention to Freeze Council Tax for 2015/16 if the conditions surrounding the Council Tax Freeze Grant in 2014/15 are maintained in 2015/16.

Details	£m
Efficiency Savings	12.5
Changed Assumption – Capital Financing	1.7
Council Tax Freeze Grant (subject to Local Government Finance Settlement and final decision by Council	1.3

- 2.17 The above set out the currently anticipated funding gap faced by the Council as well as a series of proposed savings. The budget for 2015/16 is due to be considered by Cabinet on 10 February 2015 when final figures for a number of key budget assumptions such as grant funding will be known.

2016/17 – 2017/18 FINANCIAL STRATEGY

- 2.18 The Medium Term Financial Strategy 2014/17 will be revised in the light of announcements and decisions made over the coming months and a new Strategy for 2015/18 will be considered by Cabinet on 10 February 2015.
- 2.19 It is clear that the total financial resources of the Council and partners need to be maximised, prioritised and channelled to the right areas and activities. As such resources will need to be matched to priorities as identified in the Corporate Plan whilst ensuring that statutory functions continue to be delivered and that enabling functions are provided in the most efficient way.

- 2.20 The Council has already examined and challenged the way services are delivered looking for improvements in the effectiveness of services to produce savings. It has also challenged the methods of delivery.
- 2.21 The increasing deficit coupled with the ability of the Council to continue to get “the same for less” becomes increasingly difficult and the emphasis for future years will be on the challenging services the Council continues to fund, integrating with partner organisations to get focus on the overall “public purse” and ensuring that efficient ways of working are at the heart of the organisation. Efficiencies alone will not resolve the funding gap. Difficult decisions on the range of services provided will need to be made and the Corporate Plan will set out the vision and framework for those decisions.

GENERAL FUND BALANCES AND RESERVES

- 2.22 The level of General Fund balances and reserves that the Council maintains is critical to its financial resilience. It is important balances and reserves maintained are sufficient to fund costs that occur be it from planned activities or unexpected events. A review of reserves, provisions and general fund balances is being undertaken as part of the process to set the 2015/16 budget. This will take account of the financial risks anticipated to be faced in the coming period 2015/18 and known commitments and plans. The outcome of the review will be reported to Cabinet on 10 February 2015.

CAPITAL PROGRAMME

- 2.23 The Council has a planned 2014/17 Capital Programme of £92.0 million. The 2015/18 programme will be reported to Budget Cabinet. In preparing this the existing Programme will be revised with the re-profiling of schemes and the resources anticipated being available. New schemes will be considered for inclusion in the Programme.

3 RELEVANT RISKS

- 3.1 The report sets out the anticipated future financial position for the Council. It contains and / or is based on forecast amounts for key budget items such as Government funding being based on a number of assumptions. A key risk to these forecasts is that the assumptions change of which the most likely are those related to:

- Government funding levels;
- Government decisions on Council Tax rises,
- Changes in Government policies,
- Demand for services;
- Changes in inflation
- Levies from other bodies.

3.2 The funding projections for 2015/18 are based on a large amount of financial information and a number of assumptions. This process is ongoing with data and assumptions being kept under review and updated in the light of new information. Cabinet will be updated of the latest position on 10 February 2015 to inform the Budget setting process.

3.3 This report and the MTFS sets out a planned approach to the funding deficit that the Council faces. The Council response to this through its budget options comes with risks that arise in the main from the considerable size reductions in expenditure that are required. To mitigate the risk, the achievement of agreed savings will have to be proactively managed.

4 OTHER OPTIONS CONSIDERED

4.1 There are no other options considered in this report.

5.1 CONSULTATION

5.1 The Chief Executive's Public consultation that ran from 8 September 2014 to 31 October 2014 is the subject of a separate report.

6 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are none directly relating to this report.

7 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none arising out of this report.

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

8.1 The resource implications are detailed in the report. The financial implications will be further updated to Cabinet on 10 February 2015.

9 LEGAL IMPLICATIONS

9.1 The Council is required to agree a Budget for 2015/16 by 10 March 2015. As part of agreeing the Budget the Chief Financial Officer is required under Section 25 of the Local Government Act 2003 to produce a report on the robustness of the estimates made for the Council Budget.

10 EQUALITIES IMPLICATIONS

10.1 There are none arising out of this report. An Equality Impact Assessment (EIA) is not required.

11 CARBON REDUCTION IMPLICATIONS

11.1 There are none arising out of this report.

12 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising out of this report.

13 RECOMMENDATIONS

13.1 To note the forecast funding gap for 2015/18 and that this includes assumptions regarding items still to be determined such as the Local Government Finance Settlement and the determination of levies for 2015/18.

13.2 That the further updates relating to the financial position be presented to Cabinet on 10 February 2015.

14 REASON FOR RECOMMENDATIONS

14.1 An updated MTFs is critical to an effective financial strategy and governance. The Corporate Plan and the MTFs is key to ensuring that the Council functions well in the future. It is important that Members are informed of the major financial issues that the Council faces and are in turn able to make the required financial decisions.

14.2 The financial future remains difficult. Reductions in Government funding will continue and coupled with increasing services demand mean that the Council is facing a budget deficit over the coming years if it does not take actions to reduce expenditure or generate new income. This report updates Members on the Council MTFs and the need to deliver savings.

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SUBJECT HISTORY

Council Meeting	Date
Cabinet – Council Budget 2015/16 – 2017/18	7 July 2014
Cabinet - Reports on the Budget 2014/15 including the Medium Term Financial Strategy	12 February 2014
Cabinet – Corporate Plan (included the Future Financial position)	27 November 2014

WIRRAL COUNCIL

CABINET

9 DECEMBER 2014

SUBJECT	COUNCIL TAX 2015/16
WARD/S AFFECTED	ALL
REPORT OF	HEAD OF BUSINESS PROCESSES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

1.1 This report brings together related issues regarding the proposed Council Tax Tax-Base for 2015/16 upon which the annual billing and Council Tax levels will be set; the proposed Council Tax Discounts and exemptions for 2015/16 and the Council Tax Support Scheme to be used during 2015/16. All, apart from the Pensioner Household Discount which is a local discount, need to be approved by Council by 31 January 2015.

2.0 BACKGROUND AND KEY ISSUES

2.1. The Authority has a number of statutory decisions that it must make each year with regard to its administration of Council Tax. The three which are required to be agreed by Council by 31 January 2015 are set out in this report.

2.2 The Authority is required to annually determine the Council Tax Tax-Base in order to determine the appropriate levels for the Preceptor Authorities (Wirral Council, Police & Crime Commissioner and Fire & Rescue Services). The Tax-Base has a direct impact on the Council Tax that will be levied for Wirral for 2015/16. This decision could be a delegated function but the matter is to be considered by Cabinet and Council for 2015/16. The calculation and factors taken into consideration are set out in Appendix 1.

2.3 Local Discounts can be granted under Section 13a of the Local Government Act 1992 and are used in Wirral to support Wirral Women's Aid Refuge and award Pensioner Household Discounts. These are reviewed annually. The Local Government Finance Act 2012 introduced changes in national Council Tax discounts and exemptions. These were considered and adopted for 2013/14 by Cabinet on 24 January 2013 and cover the level of discount awarded on empty properties and the premium charged on long term empties. These were unchanged for 2014/15. Wirral has chosen to maximise the amount payable in each category and must review its charges again for 2015/16. The calculation and factors taken into consideration are set out in Appendix 2 of this report. The Pensioner Discount in 2015/16 is the subject of public consultation the results of which are to be covered in a separate report and need to be agreed at least 21 days prior to their adoption.

- 2.4. In April 2013 the Government replaced the national Council Tax Benefits Scheme with a localised scheme of support which would be set and administered by each Council to support people on low income. Certain national parameters remain such as previous levels of support must continue for pensioners and vulnerable people. Wirral's Council Tax Support Scheme is largely based on the previous Council Tax Benefit Scheme. The Scheme must be approved by each 31 January prior to the year it will be applied. The calculations, implications and factors taken into consideration are set out in Appendix 3

3.0 RELEVANT RISKS

- 3.1 If the Council Tax Tax-Base figure is not declared by 31 January 2015 the Council and Preceptor Authorities will be unable to make considered budgetary decisions that could delay the Council Tax bills and income streams for 2015/16.
- 3.2. In respect of Local Discounts and Exemptions the changes made to domestic empty property charges raised anticipated collection by £3 million. Collection is ongoing and as anticipated a lower figure than the overall collection rate is being collected given the nature of these charges. Any changes to the current level of discounts or reduction to the empty premium would see a reduction in Council Tax raised by this means and the income lost would have to be replaced by another income stream.
- 3.3. If the Council Tax Support Scheme provides a reduced level of support to people in need, this will increase the risk of further financial hardship. For the Council this Scheme may be a growth item and impact on its overall budgetary position as if the decision is taken to raise the amount of support given then the cost of the Scheme rises.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The Local Discounts, Exemptions and the Council Tax Support Scheme could be amended from that proposed which will have financial impact for the authority as set out in each part of this report.

5.0 CONSULTATION

- 5.1 No consultation is required in the calculation of the Tax-Base. The Discount and Exemptions are proposed to be maintained at the previous year's level and no direct consultation has been undertaken on making no change. The Council Tax Support Scheme similarly stays unaltered in its Scheme rules and as such this does not require formal consultation as was undertaken prior to its introduction.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 A number of charge payers will see their Council Tax charges increase and will then look to access these organisations for support and advice.

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

7.1 The Council Tax Tax-Base is used to calculate Council Tax levels for 2015/16. Failure to comply with timescales could delay Council Tax bills with the potential to affect collection and cash-flow. On the assumption that the levels of support under the Local Council Tax Support Scheme and the Discounts and Exemptions remain unchanged from 2013/14 the increase in the Council Tax-Base from 2014/15 to 2015/16 will result in increased Council Tax income of approximately £2.42 million in 2015/16. This increase reflects the changes in empty property discounts and premiums agreed in previous years and also the outcome from the current Single Person Discount Review and changes to property numbers feeding through into the Council Tax base. Wirral Council's share of the precept after the non-collection allowance is applied will be just under £2 million.

7.2 For Local Discounts variations to the discount levels will either generate additional or less income. The cost of local discounts are met in full by the Council and do not impact upon the Council Tax-Base. Any saving to the Council will result in an increase in the amount payable by the charge payer.

Table 1: Local Government Act 1992 Local Discounts

	£
Wirral Women & Children's Aid	3,502
Pensioner Discounts (at 31 October 2014)	613,774
Council Tax Discretionary Relief (Hardship)	50,000
Total	667,276

Table 2: Local Government Act 2012 Empty Property Discounts

Income from minimising discounts	£
Empty properties – renovation (Discount D) of 0%	146,574
Empty properties – unoccupied (Discount C) of 0%	2,247,264
Empty property – premium of 150%	578,034
Total	2,971,872

7.3 For 2015/16 the Council Tax Support Scheme will be retained bar for the up-rating amendment and any increase in overall Council Tax. The likely cost of the Scheme will be £27.9 million based on the current charges.

7.4 It is estimated that an additional £265,000 will be required if it is agreed to fund the up-rating increase in Council Tax Support which is in line with similar up-rating increases in respect of Housing Benefit. If not agreed then the amount paid by charge payers would increase.

7.5 There are no IT, asset or specific staffing implications arising directly from this report.

8.0 LEGAL IMPLICATIONS

8.1 The legislation requiring this calculation is the Local Authorities (Calculation of Council Tax-Base) Regulations 1992. This requires the Authority to declare, by means of Council resolution, the Tax-Base it will use to calculate the tax level and this resolution must be no later than 31 January in the year preceding the tax.

8.2 This decision, could be delegated under Section 84 of the Local Government Act 2003, amended Section 67 of the Local Government Finance Act 1992, such that a full Council meeting is no longer required to adopt the Council Tax Base. The Council could then delegate the Tax Base determination function in accordance with Section 101 of the Local Government Act 1972.

8.3 Publication of the Council Tax Discounts and Exemptions and the Council Tax Support Scheme for 2015/16 is required by 31 January 2015.

9.0 EQUALITIES IMPLICATIONS

9.1 The link to the Equality Impact Assessments for the Discount and Council Tax Support Scheme <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 no implications arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no implications arising directly from this report.

12.0 RECOMMENDATIONS

12.1 That the figure of 89,344.9 be approved by Cabinet and recommended to Council as the Council Tax-Base for 2015/16.

12.2 That the level and award of each local discount for 2015/16 be made as follows:-

Wirral Women's & Children's Aid

To award the Refuge discount of 50% and the Flat's Discount of 75%.

Pensioner Household discount

Cabinet is asked to consider whether it wishes to vary/remove the current Pensioner Household discount.

Empty Property Discounts

The discount and premium rate charges remain unchanged for 2015/16 as follows:

Discount category D 0%

- Full charge on properties undergoing renovations.

Discount category C 0%

- Full charge on empty properties from date they become unoccupied.

Empty Premium 150%

- Properties empty for more than two years

- 12.3 The Council Tax Support Scheme approved for use in 2013/14 and 2014/15 be also approved as the Scheme for 2015/16 subject to the annual up-rating of figures which maintains the existing level of support in line with that used for the Housing Benefits Scheme.

That Cabinet agrees that the funding of the annual up-rating (estimated at £265,000) should be treated as a growth item in the preparation of the 2015/16 budget.

13.0 REASONS FOR RECOMMENDATIONS

- 13.1 To allow Members to be aware of the Council Tax base for 2015/16 and the factors taken account in its calculation.
- 13.2 To allow Members to decide on the level of Local Discounts and the content of the Council Tax Support Scheme for 2015/16 taking account of the financial issues impacting on the authority as well as charge payers.

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APPENDICES

- Appendix 1 COUNCIL TAX TAX-BASE 2015/16
- Appendix 2 COUNCIL TAX LOCAL DISCOUNTS 2015/16
- Appendix 3 COUNCIL TAX SUPPORT SCHEME 2015/16

REFERENCE MATERIAL

Department for Communities and Local Government; - Council Tax (CTB1) form and accompanying documentation.

Local Government Finance Act 1992, 2003 and 2012.

Valuation Office Agency - Valuation List.

Welfare Reform Act 2012.

Council Tax Reduction Scheme (Default Scheme) (England) Regulations 2012.

SUBJECT HISTORY

Council Meeting	Date
Cabinet	11 December 2011
Cabinet	24 January 2013
Council	28 January 2014

COUNCIL TAX TAXBASE 2015/16**1. EXECUTIVE SUMMARY**

- 1.1. The Authority is required to annually determine the Council Tax-Base. This is in order to determine the appropriate levels for the Preceptor Authorities (Wirral Council, Police & Crime Commissioner and Fire & Rescue Services). The Council Tax-Base has a direct impact on the Council Tax that will be levied for Wirral for 2015/16.
- 1.2. This Council Tax-Base can be a delegated function. However it is considered that the matter is considered by Cabinet and Council for 2015/16. The Council Tax-Base must be agreed by 31 January 2015 and will be used to calculate the Council Tax charges for 2015/16.

2. BACKGROUND AND KEY ISSUES

- 2.1. The Tax-Base calculation process is as follows;
- Calculate the number of properties at 17 November 2014 adjusting for changes due to demolitions and new builds which are then converted to the Band D equivalent.
 - Adjust for discounts, exemptions and disabled relief and add in any changes expected over the year reflecting the Local Council Tax Support Scheme and changes to empty discounts.
 - Convert the number of “discounted” dwellings in each Council Tax Band to Band D equivalent;
 - Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year. The amended calculation is as below and will be utilised in calculating the Council Tax charge for 2015/16.
- 2.2 The properties per Council Tax band within Wirral as at 17 November 2014:-

Table 3: Wirral Council Tax bandings November 2014

Band	Value (£)	Properties 2013	Change	Properties 2014	Band %	Ratio
A	<40,000	58,697	+461	59,158	40.2	6/9
B	40,001-52,000	31,629	+240	31,869	21.7	7/9
C	52,001-68,000	27,134	+40	27,174	18.5	8/9
D	68,001-88,000	13,135	+65	13,200	9.0	9/9
E	88,001-120,000	8,053	+17	8,070	5.5	11/9
F	120,001-160,000	4,233	-8	4,225	2.9	13/9
G	160,001-320,000	3,087	-9	3,078	2.1	15/9
H	>320,000	268	-4	264	0.2	18/9
Total		146,236	+802	147,038	100.0	

- 2.3. The properties are then converted to the Band D equivalent and adjusted for the Local Council Tax Support Scheme and other Council Tax Discount, Exemptions and Disabled Relief and then adjusted by the Collection Rate to give the Council Tax-Base.

Table 4: Wirral Council Tax Band D calculation 2015/16

Band	Properties Nov 2014	Changes due to Council Tax Support, discounts and exemptions	Revised property equivalent	Ratio to Band D	Net Band D equivalent
A	59,158	-26,452.5	32,705.5	6/9	21,803.7
B	31,869	-7,763.7	24,105.3	7/9	18,748.6
C	27,174	-4,397.6	22,776.4	8/9	20,245.7
D	13,200	-1,555.2	11,644.8	9/9	11,644.8
E	8,070	-717.9	7,352.1	11/9	8,985.9
F	4,225	-336.5	3,888.5	13/9	5,616.7
G	3,078	-195.3	2,882.7	15/9	4,804.5
H	264	-36.4	227.6	18/9	455.2
Band A Disabled (1/9 th of Band A)		73.9	73.9	5/9	41.0
Total	147,038	-41,381.2	105,656.8		92,346.1
			Collection Rate		x 96.75%
			Adjusted Council Tax-Base		89,344.9

- 2.4 The Collection Rate takes into consideration previous experience and current collection rates. Last year's projections are so far proving accurate and it is recommended to continue with the Collection Rate of 96.75%.
- 2.5 The Collection Rate is the rate that best reflects collection over more than just the current year and will therefore take longer than the financial year to achieve. All previous year collections have ultimately met or exceeded projections and this rate should be achieved for 2015/16.
- 2.6 The recommended figure for 2015/16 is 89,344.9. Compared to the 2014/15 figure of 87,786.2 this is an increase of 1,558.7.
- 2.7 The level of Council Tax is confirmed at Budget Council which for 2015/16 is scheduled for 24 February 2015.

3.0 RELEVANT RISKS

- 3.1 If the Council Tax-Base figure is not declared by 31 January 2015 the Council and Preceptor Authorities will be unable to make considered budgetary decisions that could delay the Council Tax bills for 2015/16.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 None as the Council has to set the Council Tax-Base by 31 January each year.

5.0 CONSULTATION

- 5.1 None required in calculating the Council Tax-Base figure.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are no implications arising directly from this report.

7.0 RESOURCE IMPLICATIONS, FINANCIAL; IT; STAFFING AND ASSETS

- 7.1 The Council Tax-Base is used to calculate Council Tax levels for 2015/16. Failure to comply with timescales could delay Council Tax bills with the potential to affect collection and cash-flow.
- 7.2 On the assumption that the levels of support under the Local Council Tax Support Scheme and the Discounts and Exemptions remain unchanged from 2013/14 the increase in the Council Tax-Base from 2014/15 to 2015/16 will result in increased Council Tax income of around £2.42 million in 2015/16. This increase reflects the changes in empty property discounts and premiums agreed in previous years and also the outcome from the current Single Person Discount Review and changes to property numbers feeding through into the Council Tax base. Wirral's share of the precept after the non-collection allowance is applied will be just under £2 million.
- 7.3 There are no IT, asset or staffing implications arising directly from this report.

8.0 LEGAL IMPLICATIONS

- 8.1 The legislation requiring this calculation is the Local Authorities (Calculation of Council Tax-Base) Regulations 1992. This requires the Authority to declare, by means of Council resolution, the Tax-Base it will use to calculate the tax level and this resolution must be no later than 31 January in the year preceding the tax.
- 8.2 This decision, could be delegated under Section 84 of the Local Government Act 2003, amended Section 67 of the Local Government Finance Act 1992, such that a full Council meeting is no longer required to adopt the Council Tax Base. The Council could then delegate the Tax Base determination function in accordance with Section 101 of the Local Government Act 1972.

9.0 EQUALITIES IMPLICATIONS

- 9.1 There are no implications arising from this report and an Equality Impact Assessment is not required.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are no implications arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no implications arising directly from this report.

12.0 RECOMMENDATION

12.1 That the figure of 89,344.9 be approved by Cabinet and recommended to Council as the Council Tax-Base for 2015/16.

13.0 REASON FOR RECOMMENDATION

13.1. To allow Members to agree and be aware of the Council Tax-Base for 2015/16 and the factors included in its calculation.

COUNCIL TAX LOCAL DISCOUNTS & EXEMPTIONS 2015/16**1. EXECUTIVE SUMMARY**

- 1.1 Local Discounts and Exemptions are subject to an annual review and impact directly upon the Council Tax income to the Council. From 1 April 2013 the Council adopted 0% discount levels for empty properties and properties undergoing construction, where previously they had been exempt for 6 and 12 months respectively thus receiving a 100% discount. This report reviews these reduced discounts and increased charges and also the current levels of specific local discounts. Any amendment or granting of discount agreed as part of this report will come into force from 1 April 2015.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Councils can reduce the Council Tax paid by using locally defined discounts. The discount granted can be anything up to 100% and is met fully from Council resources. The original driving force behind the introduction of these discounts was to allow Councils to react to local circumstances such as flooding or other natural disasters. These discounts do not affect the Tax-Base calculation and are not required to be published in advance.
- 2.2 Any amendment or granting of discount agreed as part of this report will come into force from 1 April 2015.

LOCAL GOVERNMENT ACT 1992 – LOCAL DISCOUNTS

- 2.3 Local Discounts, as used by Wirral, are granted under Section 13a of the Local Government Act 1992 and reviewed annually.

Table 5: Local Government Act 1992 Local Discounts in Wirral 2014/15

	£
Wirral Women & Children's Aid	3,502
Pensioner Discounts (at 31 October 2013)	613,774
Council Tax Discretionary Relief (Hardship)	50,000
Total	667,276

Wirral Women & Children's Aid

- 2.4 Cabinet on 22 July 2004 awarded a local discount to Wirral Women's and Children's Aid. The discount has been confirmed annually to date at 50% for the refuge and 75% for both flats, leaving no Council Tax to pay, on the basis of the valuable work undertaken at the premises. The circumstances have remained unaltered and the cost of the award is currently £3,502.
- 2.5 A decision is required as to whether this discount continues for 2015/16.

Pensioner Households

- 2.6 Wirral has operated a non-means tested local discount for pensioner households since 2007/08. The qualifying age for households was reduced to 70 two years ago. The discount was reduced to 5% last year and limited to Bands A –D.

Table 6: Pensioner Households Discount 2014/15 at October 2014

Council Tax Band	Recipients Oct 2014	Full award per household	Full award per Single household
		£	£
A	2,697	£50.17	£37.63
B	3,093	£58.53	£43.90
C	3,878	£66.89	£50.33
D	2,070	£75.25	£56.44
Recipients	11,738		

- 2.7. Cabinet will be aware the continuation of this discretionary discount scheme is the subject of public consultation through the latest budget consultation.
- 2.8 A decision is required as to whether this Pensioner Discount continues and then specifying the qualification criteria and recipient amounts for 2015/16.

Council Tax Discretionary Relief

- 2.10 Regulations allow that a discount can be granted to an individual in case of extreme hardship and that is covered by the Council's Council Tax Discretionary Relief policy (minute 71, 10 October 2013) or a discount can be granted to all empty properties within a specific area, such as a clearance area. This can give more flexibility to the Council which has to fund any locally defined discounts.

LOCAL GOVERNMENT ACT 2012 – DISCOUNTS AND EXEMPTIONS

- 2.11 The Local Government Finance Act 2012 introduced changes in national Council Tax discounts and exemptions which gave local authorities local discretion as to levels of discounts. These were considered and adopted by Cabinet on 24 January 2013 (minute 166) for the 2013/14 financial year and Wirral chose to maximise the charges it raises by minimising the discount awarded, ie 0%.

Table 8: Local Government Act 2012 Empty Property Discounts 2014/15

Income from minimising discounts	£
Empty properties – renovation (Discount D) of 0%	146,574
Empty properties – unoccupied (Discount C) of 0%	2,247,264
Empty property – premium of 150%	578,034
Total	2,971,872

Empty Properties Discount

- 2.12 The changes allowed by the 2012 Act covered charges made against empty property and second homes. In broad terms this removed the exempt classifications A and C and allowed Councils to define their own level of discounts re-categorising them as discounts C and D. The Regulations also allowed Councils to apply a premium on properties that had been empty for more than two years with the maximum premium being 50% on top of the 100% Council Tax already levied.
- 2.13 Council chose to award 0% discount (Discount D) – full charge - on properties undergoing renovations (Exemption A) which were previously entitled to a 12 month exemption, or 100% discount. The major impact other than increased charges, based upon this change is that as there is no incentive to inform the Council that a property is undergoing major repairs. This maximisation of charge has raised an additional £146,574 in Council Tax during 2014/15.
- 2.14 Council chose to similarly award a 0% discount (Discount C) – full charge - on empty properties that had previously been exempt for the first six months that they were empty, or 100% discount. This has received the most negative comments in our contacts. Disputes have increased between tenants and landlords as to the date a tenant left the property. Previously as there was a six month exemption neither party was immediately liable as Council Tax was not payable and so nearly all were able to be adequately resolved. The charge is levied now from day one and disputes often occur which have to be resolved by Council Tax staff. This maximisation of charge has raised an additional £2,247,264 in Council Tax during 2014/15.
- 2.15 A further issue for landlords is that this immediate charge does not give any opportunity to “turn a property around” for a new tenant to take over without incurring a Council Tax liability. Landlord representative’s state they are denied rental income whilst readying a property for a new tenant but are charged full Council Tax in that time. If the Council were to grant a 100% discount for the first month that a property became empty this would clearly alleviate some of the problems mentioned. However if this proposal from landlords was implemented then this would cost £400,000 in lost Council Tax income.
- 2.16 The Council similarly resolved to charge the maximum amount of Premium on properties that had been empty for more than two years which is 150%. The aim of this was to encourage prompt property re-occupation and discourage properties being held empty by speculators waiting for an increase in values. Our records indicate that this has not had the effect hoped for as yet. The number of long term empty properties in Wirral has ranged between 700-750 over the last 12 months. However to remove the Premium would cost £578,034 in lost Council Tax income if property eligibility levels in 2015/16 are the same as in the previous year.

3.0 RELEVANT RISKS

- 3.1. The changes made last year to empty properties raised anticipated additional Council Tax charges in the region of £2.9 million net. Collection is ongoing and a lower figure than the overall charged sums is being collected.
- 3.2. Any increase to the current level of discounts, or reduction to the empty premium, would see a reduction in Council Tax raised and collected. The income foregone would have to be replaced by another income or budget stream or would be a cut in total Council budgets.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The options available are as detailed in Section 2 of this appendix.

5.0 CONSULTATION

- 5.1 The continuation of the local discount scheme for Pensioner Household Discount is a Budget Option within the recent public consultation exercise.
- 5.2. The level of charges for discounts and exemptions were consulted on in 2012/13 and no specific consultation has been undertaken on their levels for 2015/16 as they are not proposed to be changed. The highlighted issues that landlords have made the service area aware of are set out in this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 A number of charge payers who see their Council Tax charges increase will look to access these organisations for support and advice.

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

- 7.1 The financial impact is dependent on the level of Local Discounts that Cabinet / Council resolve to take forward and variations to the discount levels will either generate additional or less income than as proposed below;

Table 9: Local Government Act 1992 Local Discounts

	£
Wirral Women & Children's Aid	3,502
Pensioner Discounts (at 31 October 2013)	613,774
Council Tax Discretionary Relief (Hardship)	50,000
Total	667,276

Table 10: Local Government Act 2012 Empty Property Discounts

Income from minimising discounts	£
Empty properties – renovation (Discount D) of 0%	146,574
Empty properties – unoccupied (Discount C) of 0%	2,247,264
Empty property – premium of 150%	578,034
Total	2,971,872

- 7.2 The cost of local discounts are met in full by the Council and do not impact upon the Council Tax-Base. Any saving to the Council will result in an increase in the amount payable by the charge payer.
- 7.3 There are no IT, asset or staffing implications arising directly from this report.

8.0 LEGAL IMPLICATIONS

- 8.1 Legal publication of the decisions made will be required.

9.0 EQUALITIES IMPLICATIONS

- 9.1 The Equality Impact Assessment link is 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 RECOMMENDATIONS

- 12.1 That the level and award of each local discount for 2015/16 be as follows:-

Wirral Women's & Children's Aid

To award the Refuge discount of 50% and the Flat's Discount of 75%.

Pensioner Household discount.

Cabinet is asked to consider whether it wishes to vary/remove the current Pensioner Household discount.

Empty Property Discounts

The discount and premium rate remain unchanged for 2015/16 as follows;
Discount category D 0% - Full charge on properties undergoing renovations.
Discount category C 0% - Full charge on empty properties from date they become unoccupied.

Empty Premium 150% - Properties empty for more than two years

13.0 REASON FOR RECOMMENDATIONS

- 13.1 To allow Cabinet to decide on the level of local discounts to be awarded for 2015/16 being able to take account of the financial issues impacting on the Authority as well as charge payers.

COUNCIL TAX SUPPORT SCHEME 2015/16

1.0 EXECUTIVE SUMMARY

- 1.1 This report details the current status of recipients of Wirral's Council Tax Support Scheme and details options available for consideration for 2015/16 and proposes the scheme to be adopted be largely unaltered from that used in 2014/15. The 2015/16 scheme must be adopted by Council no later than 31 January 2015.

2.0 BACKGROUND AND KEY ISSUES - COUNCIL TAX SUPPORT

- 2.1 Central Government abolished Council Tax Benefit (CTB) on 31 March 2013 and tasked each administering Council to formulate an individual Local Scheme to replace it. At the same time Central Government reduced the grant they awarded to Councils for CTB by 10%. The Government also stated that any local Council Tax Support Scheme (CTS) devised should leave pensioners no worse off than they were under the 2012/13 CTB scheme. The option was also given to define vulnerable groups and offer the groups the same level of protection as pensioners. Wirral designated persons classed as disabled or with disabled children as vulnerable in 2013/14.
- 2.2 At 31 October 2014 there were 37,051 Council Tax Support claimants in receipt of Council Tax Support totalling £27.5 million.

Table 11 : Council Tax Support Scheme claimants at 31 October 2014

By category	Numbers	% of total
Pensioners	15,680	42%
Vulnerable Groups	8,343	23%
Working Age	13,028	35%
Totals	37,051	100%

- 2.3 Having regard to the financial pressures Council resolved, on 28 January 2013, that it could not find funding from its existing budgets to make up the shortfall between 2012/13 and 2013/14 and decided to pass on the reduction to Council Tax Support recipients that resulted in non-vulnerable working age claimants paying a minimum of 22% of the Council Tax charge. This decision was supported by both the Council's "What Really Matters" consultation scheme and the separate consultation scheme on the Council Tax Support Scheme.
- 2.5 The response to the new Council Tax Support (CTS) Scheme has seen a lower than expected number of appeals against the decisions that Council officers have had to make. CTS was one of a number of changes taking place in the Welfare Reform arena and the main focus of attention has been on the Under Occupancy Regulations (what has become more commonly known as the "Bedroom Tax") which has seen benefits reduced for rent support in the Registered Social Landlord Sector by either 14% or 25% in some cases.

- 2.6 Council Tax payment levels of CTS recipients were anticipated to be lower than the main level, projecting a 66% in year collection rate on these specific sums. Thus far the actual collection rate is in line with projections and are reported to Cabinet as part of the regular Revenue Monitoring report. There was a degree of protest at the initial court hearing, supporting non-collection of these debts, which passed peacefully and without incident and the Council obtained the necessary Liability Orders.
- 2.7 The current scheme has been reviewed by officers and consideration has been given to include or exclude different income types on a full or partial basis, cap the level of Council Tax Support Scheme to a particular Band, residency timescales, deduction levels for additional occupiers, capital limits, taper levels and changes to vulnerable groups. This list is not exhaustive but indicative of the areas reviewed. After only two years of the scheme it is felt no substantive eligibility criteria should be altered and these be retained for the third year 2015/16. We will though look to see how the increasing impact of Universal Credit is reflected in the scheme for the following year.
- 2.8 While the impact on individuals undoubtedly has been considerable the local elements or variances within the scheme were not disproportionate in their effect. The retention of the vulnerable group and qualifying criteria are as fair and equitable as could be put forward balancing this against the financial impacts that face the authority.
- 2.9 Wirral's Council Tax Support Scheme is largely based on the previous national Council Tax Benefit scheme and its calculations mirror Housing Benefits to build up an entitlement for support. These include applicable amounts, premiums, disregards and non-dependant deductions. Each year these are able to be up-rated, for example in line with inflation, or as in this year by a previously set 1%. This up-rating is to be done for Housing Benefits and the Council must approve if it will apply a similar up-rating to Council Tax Support calculations. This is recommended to be the course of action in this area. The Scheme, its impacts and costs are continually monitored and need to annually reviewed and approved by the 31 January prior to the year it will be applied.

3.0 RELEVANT RISKS

- 3.1 That the opportunity to amend the local Scheme is not utilised.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The local Scheme was reviewed and various options to that Scheme have been considered.

5.0 CONSULTATION

- 5.1 No specific consultation has been undertaken on the levels for 2015/16 as the main Scheme is retained.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 Charge payers who see their Council Tax charges increase will look to access these organisations for support and advice.

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

7.1 For 2015/16 the Council Tax Support Scheme will be retained bar for the up-rating amendment and any increase in overall Council Tax. The likely cost of the Scheme will be £27.9 million based on the current charges. It is estimated that an additional £265,000 will be required if it was agreed to fund the up-rating increase which is in line with similar increases in respect of Housing Benefit. If not agreed then the amount paid by charge payers would increase.

7.3. There are no IT, asset or specific staffing implications arising directly from this report.

8.0 LEGAL IMPLICATIONS

8.1 Publication of the Scheme for 2015/16 is required by 31 January 2015.

9.0 EQUALITIES IMPLICATIONS

9.1 The Equality Impact Assessment link is - <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 RECOMMENDATIONS

12.1 The Council Tax Support Scheme approved for use in 2013/14 and 2014/15 be also approved as the Scheme for 2015/16 subject to the annual up-rating of figures which maintains the existing level of support in line with that used for the Housing Benefits Scheme.

12.2. That Cabinet agrees that the funding of the annual up-rating (£265,000) should be treated as a growth item in the preparation of the 2015/16 budget.

13.0 REASON FOR RECOMMENDATIONS

13.1 An annual decision has to be taken on the Local Council Tax Support Scheme including decisions as to the funding of the impact of up rating calculations in line with Housing Benefits Scheme and of any increase in Council Tax levels.

WIRRAL COUNCIL

CABINET

9 December 2014

SUBJECT:	Budget Council Procedure
WARD/S AFFECTED:	All
REPORT OF:	Head of Legal & Member Services
RESPONSIBLE PORTFOLIO HOLDER:	Leader of the Council
KEY DECISION?	No

1.0 EXECUTIVE SUMMARY

- 1.1 This report proposes an Agenda and the procedure for the Budget meeting of the Council to be held on 24 February 2015.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Standing Order 13 provides that the Head of Legal & Member Services:

“shall, prior to the Budget meeting of the Council, consult with the Leaders of each political group and submit to the Cabinet and Council a suggested procedure to be adopted at the budget meeting, but if no such procedure is adopted the normal procedures of the Council in relation to amendments to Cabinet recommendations will apply”.

- 2.2 The Budget meeting of the Council is scheduled to take place on 24 February 2015.

3.0 Proposed procedure

- 3.1 The procedure for the Budget meeting of Council is set at Appendix 1 to this report and has been prepared following consultation with all the three Political Group Leaders.

4.0 RELEVANT RISKS

- 4.1 The Council is under a legal obligation to set a lawful budget. The proposed Budget Council Procedure seeks to facilitate and assist the Council in this regard.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 No other options were considered given that all three Political Group Leaders were consulted in relation to the proposed Council Budget Procedure.

6.0 CONSULTATION

6.1 All three Political Group Leaders were consulted in relation to the proposed Budget Council Procedure.

7.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

7.1 None.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 None.

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

9.1 There are no such implications arising directly from this report.

10.0 LEGAL IMPLICATIONS

10.1 The legal implications are set out in the main body of the report.

11.0 EQUALITIES IMPLICATIONS

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

No such implications arise.

12.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

12.1 None

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 None

14.0 RECOMMENDATION/S

14.1 That Cabinet:

- approves the Agenda and Budget Council Procedure set out at Appendix 1 to this report.
- recommends to Council at its meeting on 15 December 2014 the adoption of the Agenda and Budget Council Procedure set out at Appendix 1 to this report in respect of the Council Budget Council meeting scheduled for 24 February 2015.
- recommends to Council that the Head of Legal and Member Services be authorised to make changes to the Agenda and/or Budget Council Procedure set out at Appendix 1 providing the consent of all the three Political Group Leaders has been obtained.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 To give effect to Standing Order 13 of the Council Procedure Rules set out in the Council's Constitution.

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APPENDICES

Appendix 1 - Budget Council Procedure

BACKGROUND PAPERS/REFERENCE MATERIAL

None

BUDGET COUNCIL PROCEDURE

COUNCIL
24 February 2015

- 1. Apologises for absence**
- 2. Declarations of Interest / Restrictions on voting**
- 3. Mayor's Announcements**
- 4. Approval of Minutes**
- 5. Petitions (pursuant to Standing Order 5(2)(d) Council Procedure Rules)**
However, if a petition relates to the setting of the Budget, the member who presents it should be given the opportunity during the main debate to speak to it, in order that the Council can take account of it in that context.
- 6. Suspension of Standing Orders of the Council's Constitution**
 - (i) Standing Order 12(1) relates to 'Motions and Amendments' and provides that:

"A motion or amendment shall relate to a recommendation of a committee submitted in accordance with Standing Order 5.2(i), or to a matter referred to in Standing Orders 7 and 8. It shall not be discussed unless it has been proposed and seconded.

The terms of any amendment or notice of motion shall not be varied except with the agreement of the Council."
 - (ii) Standing Order 12(9) relates to 'Amendments' and provides that:

"Subject to Standing Order 7(5) an amendment to a motion or recommendation of the Cabinet or of a Committee shall be relevant to the motion or recommendation under consideration and shall be either
 - (a) to refer or refer back a subject of debate for consideration or reconsideration as the case may be;
 - (b) to leave out words;
 - (c) to leave out words and insert or add others;
 - (d) to insert or add words.

as long as the effect of any amendment is not to negate the motion or recommendation.”

- (iii) Standing Order 12(10) relates to ‘Amendments to be dealt with in order’ and provides that:

“Only one amendment may be moved and discussed at a time”.

For the purposes of the Budget Debate, Council is requested to suspend:

- (a) Standing Orders 12(1) insofar as it relates to amendments;
- (b) Standing Order 12(9); and
- (c) Standing Order 12(10).

7. Council Budget

The Budget Debate will only consider:

- (i) the Cabinet’s Budget Recommendations/Minutes, which shall include any additional paragraphs/ recommendations (e.g. those relating to precepts), together with any other recommendation(s)/minute(s) from the Cabinet meeting to be held on 10 February 2015 (and/or any other relevant Cabinet meeting) that require approval by the Council; and
- (ii) any Alternative Budget Proposal(s) or Amendment(s) to the Cabinet’s Budget Recommendations/Minutes referred to at (i) above duly lodged with the Head of Legal & Member Services on or before **12.00 noon on Friday, 20 February 2015**.
- (iii) Budget Debate shall be conducted in accordance with the Budget Debate Process set out at Annex 1 to this Appendix.

8. Appointments

Council shall consider any recommendations referred for appointment, approval and/or designation (as appropriate).

9. Vacancies

Council shall consider any appointments to be approved or any changes proposed to existing appointments.

10. Any Urgent Business

Council to consider any urgent business approved by the Mayor

Budget Debate Process

1. Cabinet Minute

- a. The Cabinet's Budget Recommendations/Minute(s) referred to at 7(i) of the Budget Council Procedure is formally moved by the Leader of the Council.
- b. The Cabinet's Budget Recommendations/Minute(s) is formally seconded.

2. Alternative Budget Proposal(s)/Amendments

- a. The Mayor will advise Council that Alternative Budget Proposal(s) or Amendments (submitted in accordance with 7(ii) of the Budget Council, Procedure) are to be proposed by both the other two Political Group Leaders and the Green Party Member (if applicable).

First Alternative Budget Proposal(s) or Amendment

- b. The Mayor will invite the Group Leader of the largest opposition political group to first propose his Alternative Budget Proposal(s) or Amendment.
- c. The Group Leader of the largest opposition political group formally moves his Alternative Budget Proposal(s) or Amendment.
- d. The Alternative Budget Proposal(s) or Amendment is formally seconded.

Second Alternative Budget Proposal(s)/Amendment

- e. The Mayor will invite the Group Leader of the other opposition political group to propose his Alternative Budget Proposal(s) or Amendment.
- f. The Group Leader of the other opposition political group formally moves his Alternative Budget Proposal(s) or Amendment.
- g. The Alternative Budget Proposal(s) or Amendment is formally seconded.

Third Alternative Budget Proposal(s) or Amendment
(If applicable)

- h. The Mayor will invite the Green Party Member to propose his Alternative Budget Proposal(s) or Amendment.
- i. The Green Party Member formally moves his Alternative Budget Proposal(s) or Amendment.
- j. The Alternative Budget Proposal(s) or Amendment is formally seconded.

In the event that there is no seconder, the Third Alternative Budget Proposal(s) or Amendment(s) shall not be debated or voted upon.

3. Debating and Voting

The moved and seconded Cabinet's Minute and Alternative Budget Proposal(s)/Amendments shall be debated together (in accordance with the Rules of Debate set out below) and a vote then taken on each of them in turn.

Order of Speakers

- a. The Leader of the Council will speak to the Cabinet Budget Recommendations/Minute(s) (15 Minutes).
- b. The Portfolio Holder for Children's Services will speak to the Schools' Budget element of the Cabinet Budget Recommendations/Minute(s). (7 Minutes).
- c. The Group Leader of the largest opposition political group will speak to the First Alternative Budget Proposal(s)/Amendment (15 Minutes).
- d. The Group Leader of the other opposition political group will speak to the Second Alternative Budget Proposal(s)/Amendment (15 Minutes).
- e. If applicable, the Green Party Member will speak to the Third Alternative Budget Proposal(s)/Amendment (15 Minutes).
- f. Other members wishing to speak shall indicate to the Mayor, who will call them to speak in the order determined by the Mayor (Each Member - 3 Minutes).

- g. The budget debate shall end with the Seconders, **unless** they have spoken earlier. (Each Secunder - 7 Minutes)

Right of Reply

- h. If applicable, the Proposer of the Third Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- i. The Proposer of the Second Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- j. The Proposer of the First Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- k. The Leader of the Council will be invited to exercise his right of reply. (5 Minutes).

Speakers

Speakers will be allocated the following time:

The Leader of the Council speaking to the Cabinet's Budget Recommendation(s)/Minute(s)	15 minutes
The Portfolio Holder for Children's Services (speaking on the Schools' Budget element)	7 minutes
The Group Leaders of the opposition political groups and Green party Member (if applicable) speaking to their respective Alternative Budget Proposal(s)/ Amendment	15 minutes
Other speakers	3 minutes
Secunder of an Alternative Budget Proposal(s)/Amendment (as applicable)	7 minutes
The Secunder of the Cabinet Budget Recommendation(s)/Minutes(s)	7 minutes
The Group Leaders of the opposition political groups and Green Party Member (if applicable) – right of reply	5 minutes
The Leader of the Council – right of reply	5 minutes

(For the avoidance of any doubt the times mentioned in the table above shall not affect the Mayor's discretion to permit a speaker to speak beyond the allotted time).

4. Voting

The order of voting shall be as follows (and subject to 4(d)(ii) below):

a. If applicable, Third Alternative Budget Proposal(s)/ Amendment

A vote will be taken on the Third Alternative Budget Proposal(s)/Amendment.

b. Second Alternative Budget Proposal(s)/Amendment

A vote will be taken on the Second Alternative Budget Proposal(s)/Amendment.

c. First Alternative Budget Proposal(s)/Amendment

A vote will be taken on the First Alternative Budget Proposal(s)/Amendment.

d. Substantive Cabinet Recommendation(s)/Minute(s)

- (i) If all the Alternative Budget Proposal(s)/Amendments to the Cabinet's Budget Recommendation(s)/Minute(s) fall, a vote will be taken on the Cabinet's Budget Recommendation(s)/Minute(s).
- (ii) If the Cabinet's Budget Recommendation(s)/Minute(s) are amended or an Alternative Budget Proposal(s) carried pursuant to 4a–c above, that decision will be regarded as an in-principle decision, which will automatically come into effect five working days after the date of the decision, *unless* the Leader of the Council informs the Head of Legal & Member Services in writing within that time that he objects to the decision becoming effective and provides a written submission setting out his reasons why.

Council shall adjourn the matter to 6.15pm, 3 March 2015 when the Council will reconsider its decision having regard to Leader of the Council's written submission.

At that the adjourned meeting the Council can:

- (i) accept the Cabinet Budget Recommendation(s)/Minute(s) (without amendment); or
- (ii) approve a different decision that does not accord with the Cabinet Budget Recommendation(s)/Minute(s).

The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 requires a recorded vote (i.e. names of all cllrs voting and how they voted) to be taken in respect of all votes.

WIRRAL COUNCIL

CABINET

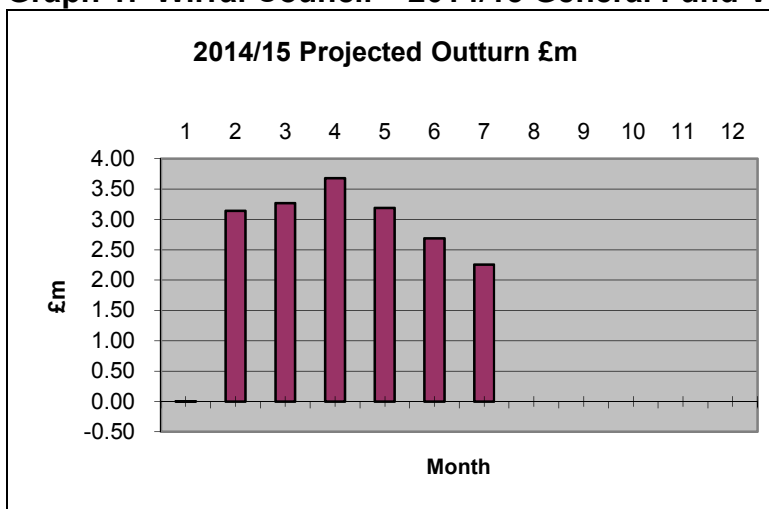
9 DECEMBER 2014

SUBJECT	REVENUE MONITORING 2014/15 MONTH 7 (OCTOBER 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the revenue position for 2014/15, which at Month 7 (October 2014) shows a projected General Fund overspend of £2.25 million (0.8% of the net revenue budget). This shows an improvement compared with a projected overspend reported at month 6 of £2.69 million as shown in graph 1. The improvement is largely a result of an increased projected underspend within Regeneration and Environment. This is due to savings made in advance and efficiencies from supporting people contracts.
- 1.2 The projected overspend originates in the main from the Families and Wellbeing Directorate. Adult Social Services continue to project a £2.7 million overspend. This is mainly due to slippage or non-delivery of in year savings and demand pressures. The Children's area of the Directorate is also forecasting an overspend of £552,000. This is largely due to the non-achievement of in year transport savings as well as costs of external placements. A series of management actions are taking place within the Directorate to help compensate and/or limit any variances.

Graph 1: Wirral Council – 2014/15 General Fund Variance, by month



2 CHANGES TO THE AGREED BUDGET

- 2.1 The 2014/15 Budget was agreed by Council on 25 February 2014 and is detailed in Annex 2; any increase in the Budget has to be agreed by full Council. Any changes to the budget occurring since it was set will be summarised in the table below.

Table 1: 2014/15 Original & Revised Net Budget by Directorate £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 7	Revised Net Budget
Chief Executive	10,035	-	-	10,035
FWB - Adult Social Services	74,667	330	-385	74,612
FWB – Children & YP, Schools & Safeguarding	82,877	-	-126	82,751
FWB - Sport & Recreation	8,502	-	-	8,502
Regeneration & Environment	95,190	-93	-529	94,568
Transformation & Resources	20,199	-379	-88	19,732
Corporate Growth & Savings	-15,813	142	1128	-14,543
Net Cost of Services	275,657	0	0	275,657

- 2.2 A number of budget changes occurred during the month. These reflect reductions in Directorate budgets following a review of 2014/15 growth forecasts previously reported to Cabinet and a reduction of staffing budgets linked to Future Council. There is no net bottom line impact to the overall revenue budget of these changes. These adjustments either contribute or mitigate agreed savings held within the Corporate Growth and Savings area. Further adjustments will take place in future months as staffing budgets are reduced reflecting leavers under the Future Council programme.

3 PROJECTIONS AND KEY ISSUES

- 3.1 The outturn position projected as at the end of period 7, key issues emerging and directorate updates are detailed below.

Projections

Table 2: 2014/15 Projected Budget variations by Directorate £000's

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 7	RAGBY Classification	Change from prev mnth
Chief Executive	10,035	9,893	-142	B	-5
FWB - Adult Social Services	74,612	77,329	2,717	R	-
FWB – Children & YP, Schools & Safeguarding	82,751	83,303	552	R	7
FWB - Sport & Recreation	8,502	8,591	89	G	4
Regeneration & Environment	94,568	93,933	-635	Y	-485
Transformation & Resources	19,732	19,400	-332	Y	40
Corporate Growth & Savings	-14,543	-14,543	-	G	-
TOTAL	275,657	277,906	2,249		-439

The main report only comments on large variations (Red and Yellow items). The 'variations' analysis over 29 budget areas, distinguishes between overspends and underspends. The 'risk band' classification is:

- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over -£301k)
- Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to -£140k); Blue (-£141k to -£300k)

3.2 Directorate Updates

Significant Directorate Variances and Actions to Address

Families and Wellbeing:

- 3.2.1 **Adults:** A potential overspend of £2.7 million remains forecast at Month 7. This is made up of £2.4m slippage against current year savings and £0.3m demand pressures. Management actions of £3.6m have been identified and are being analysed against new datasets from the recently implemented Adults care management system to provide a further update.
- 3.2.2 Day Services are likely to only achieve in year £370,000 of the £750,000 2014/15 saving, due to part year impact of implementation, with the balance slipping into 2015/16. This shortfall is reflected within the directorate forecast and will continue to be reviewed throughout the year. Whilst progressing, and further actions to accelerate progress are being made, at this stage there remains potential slippage of £400,000 to 2015/16.
- 3.2.3 Targeting support through NHS contracts and targeting Council resources are large 2014/15 savings options. Although the review of current cases remains challenging, revised processes and tightened procedures are now in operation for all new packages and current packages are being picked up through the review process.
- 3.2.4 Demand for Adult Social Care continues to increase and the mix of services provided to individuals continues to vary as a consequence. With changes to assessed requirements as well as the impact of the case reviews the forecasted spend in specific care areas is subject to change. At this stage there remains a £300,000 projected overspend attributable to demand pressures.
- 3.2.5 The review of Continuing Health Care Appeals requires liaison with health colleagues and it is a lengthy 10 stage engagement process. Whilst a number of hurdles have now been cleared the process is taking longer than initially envisaged delaying the achievement of the £500,000 saving.
- 3.2.6 A number of the savings are linked to increased income the main item being the income from the domiciliary care block contracts. The £250,000 target is viewed as achievable but the full target is unlikely to be reached until 2015/16.

3.2.7 Management actions include:-

- The assessment and review of cases is key and a Business Case is being prepared about the potential recruitment of additional temporary support in order to progress the reviews.
- For the high cost placements an additional review is being undertaken by the Head of Service and Director.
- A Transformation Group supported by colleagues from other Directorates is monitoring progress this has given greater focus to ensure that scarce resources are targeted towards achieving the savings.
- Review of other directorate budgets to ascertain if any efficiencies can be identified to mitigate against the projected overspend being forecast. This includes the use of the monies set-aside as a result of the early delivery of savings achieved in 2013/14.

3.2.8 **Children's:** A potential overspend of £552,000 is currently forecast. This is due in the main to non-achievement of savings regarding transport contracts and the transport depot where projected savings have reduced following the Cabinet report dated 7 July 2014 due to various contractors not accepting all contracted routes. Currently there is a £50,000 part year saving against the £556,000 target this year with £104,000 of travel grant monies carried forward from last year leaving a potential shortfall of £412,000. In addition there are also issues within specialist services in respect of higher independent residential sector placements, fostering numbers and costs of agency staff. The Day Nursery saving agreed as part of the 2014/15 budget has slipped as reported elsewhere on this Agenda. The shortfall will be dependent on time taken to reduce or transfer provision in the year and will be compensated for from a combination of vacant posts and use of the early learning reserve.

3.2.9 A number of management actions are being taken with regards to controlling the overspend, these are -

- Restructures across the department are being implemented and are closely managed to minimise the impact on services and staff, whilst keeping slippage on savings targets as low as possible.
- There is a rolling programme of recruitment to Social Work positions. Agency costs and placements are reviewed on a monthly basis.
- Residential Care placements are by a multi agency panel and no decision is made below head of service. Progress and packages of care are closely monitored by the Head of Service in monthly traffic light meetings to ensure that decisions are implemented and overall costs for children entering and leaving care are clearly understood.
- Budget progress is reported and reviewed monthly at DMT with opportunities to maximise grant and external funding are constantly reviewed.

3.2.10 **Sport & Recreation:** An adverse variance of £89,000 is currently forecast on current projections. It is envisaged however that this can be managed in year to bring it back into line within current available resources. If so future reports

will show the overspend figure reducing.

3.3 Other Directorate Variances

3.3.1 **Chief Executive's:** A potential underspend of £142,000 is currently forecast as a result of staffing vacancies and anticipated non-utilisation of the improvement fund for 2014/15.

3.3.2 **Regeneration and Environment:** This area has a forecast underspend of £635,000. This underspend is due to a number of variations.

The largest two being:

- A budget of £200,000, currently set aside for match funding future grant delivery programmes, will not be used in this financial year due to delays in finalising future ERDF & ESF grant programmes.
- A budget of £250,000, savings made in advance plus efficiencies within the supporting people contract area of Housing & Community Safety.

Some of this underspend will be used as compensatory 'one off' saving (£85,000) for the ceased 2014-15 Street Lighting budget saving option, as agreed at the October 9th Cabinet.

The Floral Pavilion budget position continues to be challenging although the Directorate forecast remains an underspend position.

3.3.3 **Transformation & Resources:** An underspend of £332,000 is currently forecast for the directorate. This is mainly due to a predicted reduction in revenue funding required following a review and re-profiling of the 2014/15 capital programme.

3.3.4 For libraries and One Stop Shops a saving of £500,000 was based upon revised opening hours and whilst achieved in the current year through the temporary management of vacancies the original decision to reduce hours has not been implemented and forms part of a current consultation exercise.

3.3.5 In respect of the £300,000 Business Rates Discretionary Relief saving a paper on the options was presented to 6th November Cabinet. Cabinet agreed arrangements for continued funding of reliefs in 2014/15 and 2015/16 with funding coming from the Business Rates Equalisation Reserve. This allows the revenue budget saving to be taken, which will be reflected in the November monitoring report.

3.3.6 **Corporate Wide Budgets:** A number of high value corporate-wide savings options, because of their size and complexity, are currently classed as red or amber. These include savings from Corporate Commissioning where substantial mitigation has already been identified as outlined in previous monitoring reports. Given their strategic importance these projects are being very closely monitored and will be further reported upon during the year. The

Future Council saving for 2014/15 remains rated as amber. Work is progressing in realising the £9.4 million approved in February 2014 for 2014/15 and 2015/16. The £4.9 million relating to 2014/15 is part of the current work in progress including early release voluntary redundancies and restructures being consulted upon. The amber rating relates to the issue that although there is confidence in achieving the overall £9.4m target, there is risk/concern regarding the timing of savings release into 2014/15.

Graph 2: 2014/15 Directorate Variance, by month

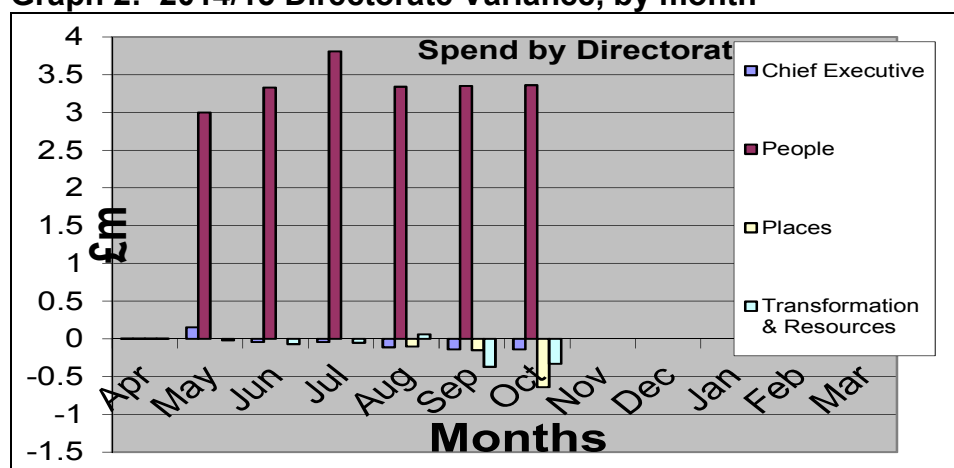


Table 3: Directorate Business Area Projected Budget variations

	Chief Exec	FWB	Rege & Environ	Trans & Res	Total
Red Overspend	0	3	0	1	4
Yellow Underspend	0	2	1	1	4

The full Table is set out at [Annex 3](#)

- 3.4 Directorate budgets are further sub-divided into a number of business areas. Four business areas are currently flagged as red rated.
- 3.4.1 Delivery within Families and Wellbeing (Adult Social Services) – This relates mainly to the delivery of some 2014/15 savings for which management actions are as outlined earlier in the report.
- 3.4.2 Integrated Transport Unit within Families and Wellbeing (Childrens) - Overall against the £556,000 target for both the Children’s (£306,000) and Adult’s (£250,000) provision there is £50,000 shown as being achieved. There is £104,000 of travel grant monies carried forward that will help to offset the savings target leaving a potential shortfall of £412,000. The overspend is also attributable to the Depot savings target of £100,000 only having been partially met by the relocation of the Reeds Lane Depot and the lease of the Salt Barn.
- 3.4.3 Specialist Services within Families and Wellbeing (Children’s) - The main reasons for the projected overspend continues to be in relation to the cost of agency staff (currently 39 in Fieldwork) exceeding the established employee budget however there are contributions from reserves helping to reduce the impact. The forecast for Residential placements exceeds the available budget by £700,000 with 44 in residential and 22 in semi-independent placements

compared to 45 and 34 at the start of the financial year respectively. Fostering is also £0.5m over budget with 37 in non-local authority placements compared to 34 at the start of the year.

- 3.4.4 Business Processes within Transformation & Resources – This overspend is due to increased costs as a result of delayed savings. Based on the 2013/14 outturn position there is a potential shortfall on Summons Costs income.

Four business areas are currently flagged as yellow rated.

- 3.4.5 Targeted Services within Families and Wellbeing (Childrens) – There are budgetary pressures within Youth & Play and, although New Brighton Day Nursery has transferred, the remaining 5 day care nurseries are subject to ongoing discussions. The additional costs to the end of March have been offset by a reserve and a number of vacancies.

- 3.4.6 Universal Services within Families and Wellbeing (Childrens) - Vacant posts within Admin contribute largely towards the under spend together with a projected £150,000 under spend against the redundancy/severance budget relating to teachers.

- 3.4.7 Resources within Transformation & Resources – increased Treasury Management savings have been generated from the re-profiling of expenditure following a capital programme review and the use of internal resources to temporarily fund spend. This results in a reduction in investment income which is outweighed by a greater saving on borrowing costs, the net saving being approximately £410,000. There are also some small underspends within salary budgets.

- 3.4.8 Housing & Community Safety within Regeneration and Environment - This is due to savings made in advance plus efficiencies within the supporting people contract area of Housing & Community Safety.

4 IMPLEMENTATION OF SAVINGS

- 4.1 The delivery of the agreed savings is key to the Council's financial health and is tracked at both Council and Directorate level. The assumption is that, where there is slippage, the Strategic Director will implement replacement savings.

Table 4: Budget Implementation Plan 2014/15 whole Council (£000's)

BRAG	Number of Options	Sep 2014	Change from prev mnth	Approved Budget Reduction	Amount Delivered at Oct	To be Delivered
B - delivered	46	45	1	10,231	10,231	0
G – on track	24	25	-1	5,330	1,151	4,179
A - concerns	25	26	-1	13,609	2,876	10,733
R - high risk/ not achieved	9	8	1	7,089	1,073	5,044
P – mitigation achieved	0	0	0	0	962	0
Total at M7 Oct 14	104			36,259	16,293	19,956
<i>Total at M6 Sept 14</i>	<i>104</i>			<i>36,259</i>	<i>15,357</i>	<i>20,902</i>

Note: For 2014/15 the red rating definition has been amended from that used in 2013/14. Red is now classed as high risk or not achieved (in 2013/14 it was defined as failed)

- 4.2 A number of savings options are currently red rated. The 2014/15 red rating definition has been broadened from that used in 2013/14 to now include high risk rather than only failed options.
- 4.3 The mitigation achieved (purple) category will be used to show mitigating actions taken against savings that have failed or partially failed within 2014/15. This reflects adjustments including a review of corporate growth assumptions and will be updated in future months to reflect directorate actions.
- 4.4 The savings tracker contains an assessment of the 2014/15 savings programme. This shows £7.1 million of savings assessed as red (defined as high risk or not achieved) with a further £13.6 million of options rated at amber (concerns). Please note that a red rating does not mean that no savings will be delivered, but that there is a risk to full delivery in the year. Savings of £4 million have been delivered so far in year relating to options currently rated red or amber. There are also mitigating actions identified against a number of options as outlined below.
- 4.5 The ratings are a result of robust assessment of progress to date against the original proposed budget options and identification of in year slippage against targets. Red rated options include a number relating to Adult Social Services, transport, Floral Pavilion, the library budget, not yet implemented. The corporate commissioning and procurement savings are still to be identified. However mitigation is in place and being developed as set out below
- 4.6 A number of identified mitigating actions are in place to assist the Corporate savings delivery and reduce the risks to the budget. These include continuation of the spending freeze, vacancy management, the voluntary redundancy offer, reviewing growth allocations and identification and control of other underspending directorate budgets.
- 4.7 The impact of the above measures combined with the projections for the overall budget position reduces the forecast overspend to £2.25 million. Projections are updated monthly and further mitigating measures are being identified to cover any potential overspend.

- 4.8 The spending freeze for non-essential spending remains in place until further notice. The purpose being to reduce any projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council.
- 4.9 The 2014/15 Budget includes a number of budget saving options profiled to produce benefits towards the end of the financial year. Details will continue to be provided throughout the year within the report regarding any slippage in savings achievement and actions taken to bring savings back on schedule, or to provide temporary compensatory funding where appropriate.

5 GROWTH

- 5.1 An allowance for the impact of demographic changes, inflation and other risks - that is outcomes that could be worse than assumed - was built into the budget 2014/15 as detailed at Annex 4. The assumptions which totalled £9.2 million have been subject to review resulting in a reduction of £0.9 million. This has been removed from the budget in period 7. These amounts then contribute or mitigate agreed savings held within the Corporate Growth and Savings area.

6 INCOME AND DEBT (in yellow to be updated)

- 6.1 Revenue and Income falls into four broad areas for reporting purposes:

Table 5: Amount to be collected in 2014/15

	2014/15	2014/15	
	Collectable	Collected	%
	£000	£000	
Council Tax	137,319	88,152	64.2%
Business Rates	72,141	46,829	64.9%
Fees and charges – Adults	24,422	20,127	83.3%
Fees and charges – all other services	24,065	23,676	98.4%

Note: fees and charges income includes receipts for invoices raised pre 1 April 2014

COUNCIL TAX

- 6.2 The Council Tax collection after seven months of the year is comparable with the equivalent 2013/14 collection rate. No significant changes to Council Tax apart from the amendment to the Pensioner Discount scheme were implemented for 2014/15. This is now the second year of Local Council Tax Support scheme.
- 6.3 Recovery from non-Council Tax Support recipient debtors is continuing as normal. Action taken to recover from those of Working Age that previously received Council Tax Benefit is on-going. Repayment plans offering weekly/fortnightly instalments were offered to those contacting the Council. Where possible attempts to collect by Attachment of Earnings and Benefits will be prioritised however inevitably in some cases this will not be possible and alternative methods including Bailiffs will need to be utilised.

BUSINESS RATES

- 6.4 Following changes implemented recently by central government, businesses can now have the option to pay Business Rates over 12 monthly instalments. Previously payment options had been over 10 instalments. Income collection to the end of October was 64.9%. This was lower than the 68.8% collected at the equivalent period in 2013/14. The most significant factors affecting collection are that the Discretionary Rate Relief policy was only agreed in November so at month end this still showed an inflated debit balance of £600,000 due to the non-awarding of this relief. Added to this the previously mentioned take up of 12 monthly instalment option means that the annual collection rate will not be clarified until March 2015.

DEBTORS

- 6.5 On-going work has continued to improve overall collection and reduce the outstanding debt position. Currently a balance outstanding of £18,171,961 compared to last year which at the end of October 2013 was £33,185,502.

7 RELEVANT RISKS

- 7.1 The possible failure to deliver the Revenue Budget is being mitigated by:
- Tracking system of savings options to ensure delivery;
 - Budget Tracker Officer Group / CESG review savings progress;
 - Future Council Project Governance arrangements including the regular review of in year and future savings by Chief Officers;
 - Monthly review by Chief Officers and Cabinet, together with an improved Scrutiny regime and greater transparency;
 - Individual monthly review by Cabinet Portfolio holder at portfolio meeting.

8 OTHER OPTIONS CONSIDERED

- 8.1 Any option to improve the monitoring and budget accuracy will be considered.

9 CONSULTATION

- 9.1 No consultation has been carried out in relation to this report.

10 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 10.1 There is an on going requirement to identify during the financial year necessary actions to mitigate any forecast overspend.

11 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 11.1 As yet there are no implications for voluntary, community or faith groups.

12 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

- 12.1 Cabinet 12 February 2014 agreed a 2014/15 General Fund balance risk calculation of a minimum of £17.3 million. The level of risk is forecast to reduce in future years with the General Fund balance requirement for 2015/16 calculated at £15.4 million. This will be reviewed during the year to reflect changing circumstances and any in year developments.

Table 6: Summary of the projected General Fund balances

Details	£m	£m
Balance 31 March 2015 when setting the Budget 2014/15		+17.3
Less: Potential overspend, at M7		-2.3
Add: Additional New Homes Bonus		+0.2
Projected balance 31 March 2015		+15.2

- 12.2 Earmarked Reserves excluding school balances totalled £66.1 million at 1 April. These include reserves relating to the cost of Council remodelling, mitigation and specific project support and ongoing financial risks. Earmarked reserves will be reviewed during the year.

13 LEGAL IMPLICATIONS

- 13.1 The entire report concerns the duty of the Council to avoid a budget shortfall. The Chief Finance Officer has a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to them that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

14 EQUALITIES IMPLICATIONS

- 14.1 This report is essentially a monitoring report which reports on financial performance. Any budgetary decisions, of which there are none in this report, would need to be assessed for any equality implications.

15 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

- 15.1 There are no implications arising directly from this report.

16 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 16.1 There are no implications arising directly from this report.

17 RECOMMENDATIONS

- 17.1 Cabinet is asked to note that at Month 7 (October 2014), the full year forecast projects a gross General Fund overspend of £2,249,000.
- 17.2 Cabinet is asked to note the risks relating to non delivery of savings as detailed within the report and the continued requirement for mitigation and actions to be identified.

18 REASONS FOR THE RECOMMENDATIONS

18.1 The Council, having set a Budget at the start of the financial year, needs to ensure that the delivery of this Budget is achieved. This has to be within the allocated and available resources to ensure the ongoing financial stability of the Council. Consequently there is a requirement to regularly monitor progress so that corrective action can be taken when required which is enhanced with the monthly reporting of the financial position.

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ANNEXES

Annex 1 Revenue Monitoring and Reporting Timetable 2014/15.
Annex 2 General Fund Revenue Budget for 2014/15 agreed by Council.
Annex 3 Monitoring RAGBY Full Details
Annex 4 Growth and Risk
Annex 5 Income and Debt

BACKGROUND PAPERS/REFERENCE MATERIAL

There are no background papers/reference materials relating to this report.

BRIEFING NOTES HISTORY

Briefing Note	Date
N/A	N/A

SUBJECT HISTORY

Council Meeting	Date
Since September 2012, a monthly Revenue monitoring report has been submitted to Cabinet. Budget Council	25 February 2014

Annex 1

REVENUE MONITORING AND REPORTING TIMETABLE 2014/15

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Reports Available For The Executive Strategy Group	Reports Available For Cabinet
			Monthly	Monthly
1	April	N/A	N/A	N/A
2	May	Jun 6	Jun 17	Jul 7
3	June	July 7	Aug 26	Sep 11
4	July	Aug 7	Aug 26	Sep 11
5	August	Sep 5	Sep 22	Oct 9
6	September	Oct 7	Oct 20	Nov 6
7*	October*	Nov 7	Nov 20	Dec 9
8*	November*	Dec 5	Dec 19	Jan 15
9	December	Jan 8	Jan 19	Feb 10
10	January	Feb 6	Feb 23	Mar 12
11	February	Mar 6	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC

* Amended from previously reported as Period 7 and 8 reports have been brought forward to above dates

Annex 2

GENERAL FUND REVENUE BUDGET 2014/15

AGREED BY COUNCIL ON 25 FEBRUARY 2014

Directorate/Service Area	Original Budget	Variances	Revised Budget
	£000	£000	£000
Expenditure			
Chief Executives	10,035	-	10,035
Families and Wellbeing		-	
Children and Young People, Schools and Safeguarding	82,877	-126	82,751
- Adult Social Services	74,667	-55	74,612
- Sports and Recreation	8,502	-	8,502
Regeneration and Environment	95,190	-622	94,568
Transformation and Resources	20,199	-467	19,732
Net Cost of Services	291,470	-	290,200
Corporate Growth	1,016	-	1,016
Corporate Savings	-16,829	1,270	-15,559
Budget Requirement	275,657	-	275,657
Income			
Local Services Support Grant			
New Homes Bonus	1,768	-	1,768
Revenue Support Grant	87,492	-	87,492
Business Rates Baseline	32,036	-	32,036
Top Up	40,513	-	40,513
Council Tax Requirement	112,214	-	112,214
Council Tax Freeze Grant	1,334	-	1,334
Contribution from G Fund Balances	300	-	300
Total Income	275,657	-	275,657
Statement of Balances			
As at 1 April 2014	17,300	-	17,300
Contributions from Balances	-300	-	-300
Forecast Balances 31 March 2015	17,000	-	17,000

Note: This table will be updated for agreed variances during the year

Annex 3

MONITORING FULL DETAILS

RAGBY REPORTING AND OTHER ISSUES

The Red and Yellow RAGBY issues that are the subject of corporate focus are detailed in the following sections by Business Areas within Directorates.

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Chief Executive's	6	0	0	5	1	0
Adult Social Services	2	1	0	1	0	0
Children & Young People, & Schools	5	2	0	1	0	2
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	1	0	0
Regeneration & Environment	5	0	1	1	2	1
Transformation & Resources	7	1	0	5	0	1
Corporate Growth & Savings	2	0	0	2	0	0
Total	29	4	1	17	3	4

Business Area Reds

	Chief Exec	People	Places	Trans & Res	Total
Red Overspend	0	3	0	1	4
Value £000s		4,410		419	4,829

Business Area Yellows

	Chief Exec	People	Places	Trans & Res	Total
Yellow underspend	0	2	1	1	0
Value £000s		1,260	340	680	2,280

Annex 4

GROWTH AND RISK

DIRECTORATE	OPTION TITLE	2014/15
		£000
FAMILIES		4,626
Demographic Growth	Childrens - Special Guardianship and Adoption numbers	240
	Adults - Demand (Young Adults with Learning Disabilities)	926
	Adults - Increased demand Older People	1,139
	Adults - Ordinary Residence	500
Other Growth	Assets - Leasowe Millennium Centre	76
	Childrens - Youth and Play Services - refocus provision	50
Inflation	Childrens - Increasing Fostering & Adoption Allowances	200
	Childrens - PFI Affordability Gap	190
	Childrens - Teacher Retirement Costs	80
	Childrens - Transport Contracts	80
	Childrens - Energy and CRC Allowances price increases	310
	Adults - Contract inflation	835
REGENERATION		1,784
Demographic Growth	Temporary Accommodation Budget	50
Other Growth	Car Parking Operations Income	350
	Increase to green waste processing gate fee	65
	Economic Strategy Unit	200
	New System for administering Resident Parking Schemes	40
	Parking Income shortfall due to end of income agreement	68
	Biffa Property Uplift	13
	Selective Licensing of Landlords	356
	Homelessness Prevention Grant	221
Inflation	Highway Services Contract	48
	Contract for Parking Enforcement Services	10
	Urban Traffic Control Systems	20
	Biffa Contract Inflation	343

DIRECTORATE	OPTION TITLE	2014/15
		£000
TRANSFORMATION		2,773
Other Growth	Graduate Trainee Programme	88
	Savings Profiling including Business Rates	900
	Council Tax Summonses	1,300
	Council Tax Support Scheme: Uprating in line with Housing Benefit	265
	IT Support	120
	Benefit Advice Services	100

SUMMARY

By Directorate	2014/15
	£000
Families & Wellbeing	4,626
Regeneration	1,784
Transformation	2,773
Total	9,183

By Type Of Growth	2014/15
	£000
Demographic	2,855
Other Growth	4,212
Inflation	2,116
Total Growth	9,183

Since the budget was set a review of growth and assumptions has been undertaken which was reported in the month 2 monitor.

Annex 5

INCOME AND DEBT

The following shows the collection progress for Council Tax, Business Rates, Accounts Receivable and Benefits.

Council Tax

The following statement compares the amount collected for **Council Tax** in the period 1 April 2014 to 31 October 2014 with the amount collected in the same period in 2012/13:

	Actual 2014/15 £000s	Actual 2013/14 £000s
Cash to Collect	137,319	135,501
Cash Collected	88,152	86,930
% Collected	64.2%	64.2%

Council Tax benefits have been abolished and replaced by Council Tax Support. £27.65 million is in payment and the numbers as at 30th September 2014 are as follows:

Number of pensioners	15,682
Number of vulnerable (working age)	8,358
Number of working age	13,005
Number of Council Tax Support recipients	<u>37,045</u>

Claimants have dropped from 37,932 to 37,226 (887) since the beginning of the financial year.

Council Tax Discretionary Policy as at 31 October

34 awards granted totalling £6,176
257 cases. Refused reason, requesting payment of 22% after maximum Council Tax Support granted.
9 cases. Reason, moved to 100% CTS from 78%,
7 cases. Reason, other/misc.
10 cases outstanding to be considered by officers.

Business Rates

The following statement compares the amount collected for **National Non-Domestic Rates** for the period 1 April 2014 to 31 October 2014 with the amount collected for the same period in 2013/14:

Actual 2014/15	Actual 2013/14
---------------------------	---------------------------

	£000	£000
Cash to Collect	72,141	70,353
Cash Collected	46,829	48,419
% Collected	64.9%*	68.8%

* 12 instalments introduced and has been adopted by at least 25% of accounts

Accounts Receivable

The table below shows the directorates and amount of debt at each recovery stage:

Directorate Description	Less than 10 days	1st reminder	2nd reminder	3rd reminder	Total at 31.10.14
Chief Executive	£66,169	£56,935	£5,184	£655,619	£783,907
Neighbourhood	£4,491	£489	£0	£12,993	£17,973
Transformation & Resources	£302,411	£640,880	£37,782	£1,057,659	£2,038,732
Families & Wellbeing	£3,815,971	£483,404	£315,261	£9,862,678	£14,477,314
Regeneration & Environment	£425,342	£43,554	£134,649	£587,007	£1,190,552
Policy & Performance	£3,105	£0	£0	£0	£3,105
Totals	£4,617,489	£1,225,262	£492,876	£12,175,956	£18,511,583

The above figures are for invoices in respect of the period up to the end of October 2014. Payments as well as amendments such as write-offs and debt cancellations continue to be made after this date on all these accounts. There is a further deduction of £339,622 to be made for unallocated payments leaving a balance of **£18,171,961**.

BENEFITS

The following statement details the number of claimants in respect of benefit and the expenditure for Private Tenants and those in receipt of Council Tax Support up to 31 October 2014:

	2014/15	2013/14
Number of Private Tenant recipients	31,868	31,627
Total rent allowance expenditure	£84,025,294	
Number under the Local Housing Allowance Scheme (<i>included in the above</i>)	12,218	12,243
	£34,023,178	
Number of Council Tax Support recipients	37,046	38,138
Total Council Tax Support expenditure	£27,599,124	
Total expenditure on benefit to date	£111,624,418	

The following statement provides information concerning the breakdown according to client type as at 31 October 2014 and gives the early year numbers to show the shift in sector by benefit claimants during the year.

	31.10.14	30.4.14
Claimants in the Private Rented Sector	14,435	14,531
Claimants in the Social Rented Sector	17,433	16,906
Owner Occupiers	9,802	10,118
 Total claimants by age group		
- under 25 years old	2,405	2,504
- 25 – 60 years old	22,034	21,548
- over 60 years old	17,231	17,361

There are 41,670 benefit recipients in Wirral as at 31 October 2014.

Under Occupancy regulations

From 1 April 2013 property size criteria was introduced to working age tenants of social landlords (Registered Providers). Where a claimant is deemed to be occupying accommodation larger than they reasonably require Housing Benefit is restricted:-

- By 14% in 2,683 cases
- By 25% in 658 cases

The number of claims affected does fluctuate. The numbers above are a snapshot at 31 October 2014.

Housing Benefit Fraud and Enquiries – 1 April 2014 to 31 October 2014

New Cases referred to Fraud team in period	724
Successful Prosecution/Administration penalty/caution	48
Tenancy Fraud	3

Discretionary Housing Payments

The table below profiles the position of Discretionary Housing Payment (DHP) administration and associated spend. DHP is not a payment of Housing Benefit and is funded separately from the main scheme. Since the introduction of Welfare Reform and associated impacts, additional funding has been made available.

The Government contribution for 2014/15 is £995,795 with an overall limit of £2,489,487 which the Authority must not exceed. The committed spend of the Government contribution at 87%, compares to 33% at the end October 2013. 62% of awards made are in respect of social sector tenant/claimants whose housing benefit has been reduced on the basis of accommodation size. Whilst the variant is considerable at this point in 2013/2014, spend did increase to 95% at year end. However, the present rate of spend projects a considerable overspend. As such, applications are now subject to increased scrutiny together with necessary limits being imposed around awards. Although managers monitor fund administration /applications closely whilst continuing to ensure that applications are considered in line with Policy, the available remaining fund is unlikely to support as many applicants who would otherwise meet the criteria to secure an award. It is expected that the fund will be exhausted before Year End.

Month	Claims Considered			DHP Awards in Payment	Current Awards	% spent (committed) of total fund	Annual Total Cont. remaining
	Total considered	Awarded	Refused				
April	259	203	56	248	£93,371	10%	£902,424
May	464	361	103	816	£181,503	35%	£814,292
June	501	358	143	1370	£307,503	57%	£426,171
July	401	235	166	1777	£503,465	74%	£256,841
August	248	124	124	1953	£600,280	81%	£192,869
September	203	96	107	2073	£689,039	83%	£165,221
October	255	132	123	2238	£779,946	87%	£129,113
Totals	2331	1509	822				

Local Welfare Assistance

The Local Welfare Assistance Support Scheme (LWA), supported by a £1,345,925 Government Grant, gives assistance to those in immediate crisis or need through the provision of pre-payment cards for food and fuel and direct provision of white goods. The number of applications continues to rise on a week by week basis. The present rate of spend now projects 100% grant spend at year end.

LWA details for period from 07 April 2014 to 31 October 2014:

Number of awards granted for food	1,656	value	£79,166
Number of awards granted for fuel	2,184	value	£35,909
Number of awards granted for goods	4,373	value	£469,715
Total number of awards made	8,214	value	£584,790

This direct grant will be ended on 31 March 2015 and during 2014/15 the Authority is reviewing options for what, if any, provisions are made for 2015/16 in this area which would have to be from its own resources.

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WIRRAL COUNCIL

CABINET

9 DECEMBER 2014

SUBJECT	CAPITAL MONITORING 2014/15 MONTH 7 (OCTOBER 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

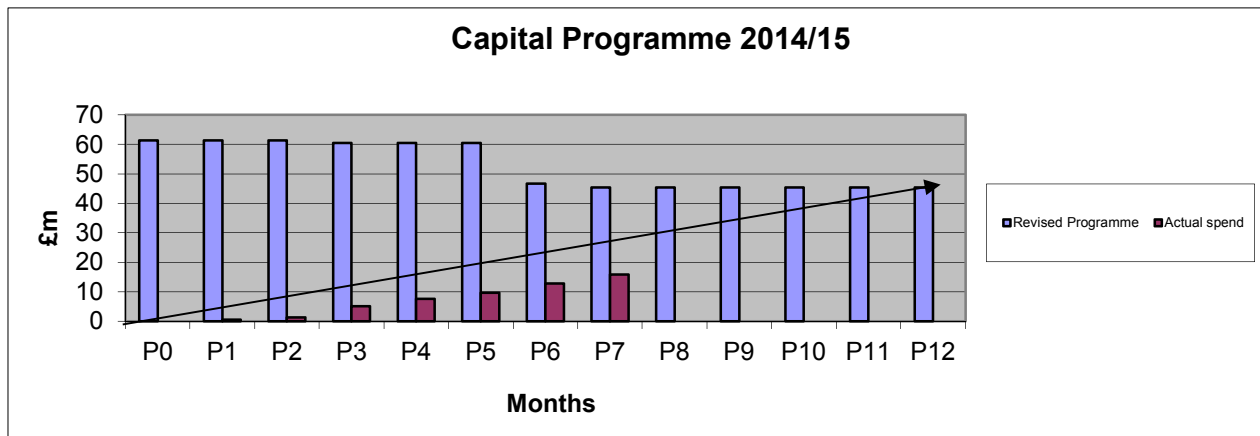
1 EXECUTIVE SUMMARY

1.1 This report sets out the capital position for 2014/15 at Month 7 (October 2014).

2 OVERALL POSITION AT PERIOD 7 (OCTOBER 2014)

2.1 A number of variances have been identified which impact upon the forecast outturn. These are highlighted in Table 2. The report provides information which outlines the 2014/15 capital programme and the sources of financing.

Chart 1: Capital Programme spend below line of best fit



3 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2014/15

3.1 The Programme for 2014/15 is subject to change. Period 7 reflects the Programme agreed by Cabinet on 12 February 2014 together with subsequent amendments. Broadly these reflect the re-profiling from 2013/14 as referred to in the Capital Outturn report, more up to date information regarding external financial support, primarily latest grant notifications, the outcome of a half year review to update the forecast spend profile and information subsequently available in October.

3.2 Given the level of slippage from 2013/14, in total £35 million, the profiling of the Programme was reviewed by the Capital Working Group with the aim of identifying the deliverable Programme for 2014/15. The outcome was included in the Month 6 Monitoring report.

3.3 To aid the monitoring process, greater use is being made of the Concerto Performance Management System for each scheme. This shows how schemes in the Capital Programme are progressing. Appendix 1 contains information about which stage in the gateway process schemes have reached. The 5 gates currently in use are: Conception, Approval, Start Up, Delivery and Completion.

Table 1: Capital Programme 2014/15 at Period 7 (October) £000's

	Capital Strategy	Changes approved by Cabinet	Changes not yet approved/ noted	Revised Capital Programme	Actual Spend Oct 2014
Universal & Infrastructure	5,827	-2,157	-333	3,337	1,157
Families & Wellbeing – Children	10,998	-521	-167	10,310	4,650
Families & Wellbeing – Adults	3,611	1,006	-1,044	3,573	694
Families & Wellbeing – Sport & Recreation	1,000	1,157	0	2,157	292
Regeneration & Env – Environment & Regulation	8,006	2,403	122	10,531	3,672
Regeneration & Env – Housing & Community Safety	5,707	-1,861	0	3,846	1,415
Regeneration & Env – Regeneration	5,744	3,339	50	9,133	1,572
Public Health	401	-401	0	0	0
Transformation & Resources	4,000	-1,500	0	2,500	2,400
Total expenditure	45,294	1,465	-1,372	45,387	15,852

Universal and Infrastructure Services

3.4 The roofing scheme at West Kirby Concourse is 100% complete, cost £344,000.

3.5 Phases 1-3 of Electrical Infrastructure and refurbishments works at Cheshire Lines are complete with Phase 4 to be completed by March 2015. This will enable Birkenhead Municipal Building to be vacated and staff relocated to Cheshire Lines.

3.6 Works to Birkenhead Town Hall are complete and Acre Lane staff have now been relocated.

- 3.7 The full refurbishment tender for Wallasey Town Hall North Annexe will be loaded onto the Procurement Portal (The CHEST) by the end of December.
- 3.8 As the Fund to assist land assembly and resale will not be fully committed this year an additional £136,000 can be slipped into 2015/16. This to be utilised as and when future plans are developed.
- 3.9 Cleveland Street Transport Depot, works are underway refurbishing existing buildings to allow a phased move from various Parks Depots that will reduce revenue implications and/or produce a capital receipt.
- 3.10 Work in respect of a New Salt Barn facility at the Cleveland Street site is approximately 20% complete.
- 3.11 Construction of the new build for Arrowe Park changing pavilion is expected to start late November.
- 3.12 The schemes to demolish Bebington Town Hall and Liscard Municipal Building is on temporary hold.
- 3.13 Stanley School demolition on site with an estimated contract duration of 10 weeks (tender price £171,000). Work to the playing field cannot be completed until April/May 2015.
- 3.14 Planning permission has been granted for the demolition of Rock Ferry High School but awaiting Secretary of State approval before proceeding to tender. Approval is also awaited before the demolition of former Foxfield facility can commence.
- 3.15 Moreton Adult Unit demolition work is progressing, work commenced 25 August and programmed to complete in November. (Contract Sum £95,000).
- 3.16 Fernleigh, demolition works due to commence 29 September with completion expected late November. The anticipated final account is £65,000, a reduction from the original tender price of £72,745.
- 3.17 Cabinet 13 March 2014 agreed that the Council enters into a Deed of Surrender of land included in the present agricultural tenancy at New Hall Farm, Hoylake, which is required for the proposed Hoylake Golf Resort. Compensation to the current lessee was agreed from the Capital Programme with a capital receipt being generated from the future disposal of this land.

Children and Young People

- 3.18 Good progress is being made by the in-house Asset Management and Design Teams on major projects. There are 2 large contracts (over £500,000) on site in addition to a range of smaller value projects and 15 large projects where detailed design work is taking place; these are at various stages of the design/conception phases.

- 3.19 Universal Infants Free School Meals. The Government initiative will result in an expected increase of 7,000 pupil meals per day. Some kitchens required extensive building work to meet capacity increase others new heavy equipment. Continuation of capital investment was required to meet the increased meal numbers, to ensure that safety legislation is met and to replace old kitchen equipment. This being met from the grant of £624,000.
- 3.20 The tenders for the redevelopment works to Elleray Special School are due to be returned in early December with the scheme then to commence and carry over in 2015/16.
- 3.21 Priority School Building Programme (PSBP). The first scheme to rebuild Foxfield Special School is on-site and construction is progressing quickly. The anticipated date for completion is February 2015. Ridgeway High School and Bedford Drive School are also included in PSBP (1) but will follow a Private Finance Initiative route and the projects are progressing. PSBP (2). Wirral submitted three bids as follows; Pensby High for Girls, Pensby High for Boys - refurbishment & re-design and Riverside primary bid to re-build new school. The announcement for successful bids is expected in December.
- 3.22 School Basic Need and Sufficiency Requirements
- Fender Primary School has been identified for use of the Basic Need allocation to meet the increase in pupils in the Woodchurch area. However, The Council Capital contributions of £750,000 in 2014/15 and the indicative allocations for Basic Need in 2015/16 and 2016/17 which are in the region of £3 million have not been allocated. Further discussions are required with curriculum leaders, pupil admissions, schools forum etc to agree the programme for increasing pupil numbers in selected schools. Further updates to Cabinet will follow.
- 3.23 Phase 1 of the Somerville Mobile Replacement scheme has been completed (approx £0.7 million in total). Phase 2 has been completed (estimated £0.2 million) with the final phase starting in September (£0.85 million).
- 3.24 A new charitable organisation is being created to manage the construction of the Youth Zone. Once formally established the Council contribution to the £6 million scheme will be paid.
- 3.25 School remodelling – a number of schemes have now been identified. Given that these will need approval and feasibility studies it is anticipated that £1.1 million will now be required in 2015/16 as opposed to the current year.
- 3.26 Vehicle procurement – 2 gritters have been purchased and a car for transporting pupils to and from Oaklands has been ordered.

Adults

- 3.27 The Integrated I.T. scheme (Liquidlogic) went live during September 2014.

- 3.28 Next phase of the Liquidlogic project will see the procurement and implementation of the additional modules relating to the citizen and provider portals. Implementation will support the delivery of some of the Care Act duties from April 2015.
- 3.29 Following discussions with Magenta Living the first scheme at Barncroft, now an expanded scheme is likely to start in May 2015 at an estimated cost of £0.8 million. Magenta still need to confirm the start date for the Sevenoaks scheme for which the latest estimate is £1.9 million. This means that the overall scheme £1.0 million is being re-profiled into 2015/16.
- 3.30 Transformation of Day Services is ongoing and now moving into the implementation stage with work expected to be completed by the year end.

Sport and Recreation

- 3.31 All projects are now underway at Guinea Gap with completion estimated for December 2014. Works at West Kirby are due to commence late October with completion anticipated in April 2015.
- 3.32 The work on the 3G football pitches at Guinea Gap commenced on 30 July. Tender cost is £204,000 with a revised completion date of the end of November.

Environment and Regulation

- 3.33 The two major programmes relate to Highway Maintenance for which the annual programme has been drawn up, and previously reported to Cabinet, with schemes now progressing and no significant issues identified. Minimal slippage is anticipated. Magenta Living has provided additional funding (£70,000) for the refurbishment of 2 car parks.
- 3.34 The major scheme within the Bridges programme is the Bidston Bypass North refurbishment which is currently being tendered for. Slippage of £496,000 is anticipated. The emergency strengthening works at Cottage Lane (£245,000) have been completed. The Dell underpass is subject to possible adjudication and work on Network Rail bridges is subject to agreement of that organisation. There is therefore the possibility that these schemes may slip to 2015/16.
- 3.35 Vehicles, plant and equipment have been ordered in respect of the two Parks schemes.
- 3.36 A comprehensive review of the approach to managing and maintaining street lighting included a street lighting strategy and action plan approved by Council on 20 October. The conversion of existing light sources to LED lighting is a way to reduce long-term energy costs. The initial project plan assumes the installation contract will start in May 2015 and finish February 2016. £300,000 is already included in the 2014/15 programme with the additional £4 million now included in 2015/16. The expenditure will be funded from borrowing.

3.37 Under delegated authority the Cabinet Member for Environment and Sustainability endorsed the introduction of Variable Messaging Signs, permanent horizontal swing barriers and improved signage in New Brighton and West Kirby in order to deliver an improved flood incident response. Funding for the £87,000 scheme will be available from the Flood Protection budget.

Housing & Community Safety

3.38 Disabled Facilities Grants continue to be approved and the spend committed but the incurring of this spend is determined by the grant applicants which means that there will invariably be works approved that will not be completed during the year and will therefore be a commitment into the following year. Slippage of £1.269m has now been allowed for.

3.39 Regarding the New House-building Programme, funding has been committed to 7 schemes with a value of £1.14 million. This will deliver the first 80 units of the 100 planned. It is envisaged that £262,000 will be secured and paid during 2014/15 with the balance having been re-profiled into 2015/16.

Regeneration

3.40 The Regional Growth Fund grant supports investment into the offshore renewable energy sector. Applications have been approved up to the grant allocation but companies are only paid upon defrayment of supported expenditure with this grant having to be paid by May 2015. The £508,000 allocated for Business Investment Grants has been slipped into 2015/16 although this may be used in 2014/15 to provide a resource to enable the successful delivery of the RGF programme

3.41. The Liverpool City Region Local Enterprise Partnership (LEP) has secured a total of £15 million from the Governments' Regional Growth Fund (RGF) for a Business Growth Grant programme. From this allocation Wirral has, to date, secured £3 million with grants payable upon defrayment and having to be paid by March 2015.

3.42 The contract for New Brighton, primarily for infrastructure developments, started in September and is to be completed by March 2015.

3.43 Funding from reserves (£50,000) is available to ensure that the final phase of the Marine Business Park was completed to the agreed standard.

Transformation & Resources

3.44 The substantial programme of investment into Information Technology is underway. This includes investment in both hardware and software with the new equipment having been piloted and is being 'rolled-out' across the Council from September. Further developments include elements to support the delivery of the Future Council project and upgrading the ORACLE financial system which is likely to occur in 2015/16.

Table 2: Variations to the 2014/15 programme £000's

	Amount £000	Explanation (A) Policy (B) Items previously deferred (C) Funding (D) Re-profiling (E) Reduced requirement
Universal & Infrastructure	-197	The costs of the energy scheme relating to the heating system in the North Annex can be subsumed in the Building Refurbishment programme (E).
	-136	Land Assembly - current plans indicate a requirement of £0.2 million in 2014/15 the balance to be utilised in 2015/16 (D)
	-150	PFI – wprks programme to be developed in 2015/16 (D)
Families & Wellbeing - CYP	-17	Vehicle procurement – based on anticipated 2014/15 commitments (D)
Families & Wellbeing – Adults	-1,044	Extra Care Housing schemes likely to commence May 2015 (D).
Environment & Regulation	87	Additional flood risk management schemes funded from reserves / revenue (A)
	35	Parks improvement works funded from reserves (C)
Regeneration	50	Additional costs required to complete Marine Business Park (C)
Total Variation	-1,372	

4 FINANCING OF THE CAPITAL PROGRAMME

4.1 Table 3 summarises the financing sources for the original and latest programmes.

Table 3: Revised Capital Programme Financing 2014/15 £000's

Capital Programme Financing	Capital Strategy	Revised 2014/15 Programme
Unsupported Borrowing	20,717	10,986
Capital Receipts	3,000	8,073
Revenue and Reserves	290	745
Grants	21,287	25,583
Total Financing	45,294	45,387

4.2 The reprofiling of the Capital Programme following a half year review, previously agreed changes reduced the borrowing requirement for 2014/15 by £8.8 million resulting in a one-off financing saving in 2014/15 of £800,000. The changes for October revise this figure to £840,000. The full budget will be required in 2015/16 when the re-profiled expenditure occurs.

5 PROJECTED LONGER TERM CAPITAL PROGRAMME

5.1 Funding for the forecast 2014/15 to 2016/17 capital programme is shown in Table 4 and reflects the 2014/17 Capital Programmes agreed by Budget Council and subsequent amendments.

Table 4: Capital Programme Financing 2014/15 to 2016/17 £000's

Capital Programme Financing	2014/15 Revised Estimate	2015/16 Revised Estimate	2016/17 Original Estimate	Total Programme
Unsupported Borrowing	10,986	20,420	4,376	35,782
Capital Receipts	8,073	5,758	0	13,831
Reserve Reserves	745	177	0	922
Grants	25,583	9,282	6,644	41,509
Total Financing	45,387	35,637	11,020	92,044

6 SUPPORTED AND UNSUPPORTED BORROWING AND THE REVENUE CONSEQUENCES OF UNSUPPORTED BORROWING

6.1 Based on the current cost of borrowing, £1 million of Prudential Borrowing would result in additional revenue financing costs of £90,000 per annum in the following year. As part of the Capital Strategy 2014/15 to 2016/17 the Council has included an element of prudential borrowing. At Period 7 there is a sum of £36.0 million of new unsupported borrowing included over the next three years, which will result in approximately £3.2 million of additional revenue costs detailed at Table 5, if there is no change in strategy.

Table 5: Unsupported Borrowing Forecasts & Revenue costs £000's

	2014/15	2015/16	2016/17	2017/18
New Unsupported borrowing	10,986	20,420	4,376	-
Cumulative		31,406	35,782	35,782
Cumulative Annual Revenue repayment costs		989	2,827	3,220

The Unsupported Borrowing has to be divided into those schemes for which there is planned support i.e. spend to save schemes; and truly unsupported schemes.

Table 6: Analysis of Unsupported Borrowing £000s

	2014/15	2015/16	2016/17	Total
Spend to save	4,192	10,012	750	14,954
Other borrowing	6,794	10,408	3,626	20,828

7 CAPITAL RECEIPTS POSITION

- 7.1 The Council has worked with the Local Government Association to review the Council's Assets - a report was presented to Cabinet on 7 November 2013. This highlighted that the Council could realise £20 million from asset disposals including Acre Lane, former Rock Ferry High School and Manor Drive, Upton. The latest projections from Lambert, Smith, Hampton suggest a figure closer to £22 million; however the market is subject to fluctuations. It is now expected that the disposals for Acre Lane and Manor Drive will occur in 2015/16 and that for Rock Ferry in 2016/17. Table 6 reflects these latest projections.
- 7.2 The Capital Programme is reliant on the Council generating capital receipts to finance future schemes. The Capital Receipts Reserve at 1 April 2014 contained £8.8 million of receipts. The table assumes the proposed spend, set out at 4.1 is agreed. At this stage the receipts and funding assumptions are only estimates.
- 7.3 At October 2014 the Council had banked receipts of £2.166 million during the current financial year as against the full year target of £2.5 million (Annex 2).

Table 7: Projected Capital Receipts position £000's

	2014/15	2015/16	2016/17
Capital Receipts Reserve	8,800	3,227	12,969
In - Receipts Assumption	2,500	15,500	8,000
Out - Funding assumption	-8,073	-5,758	TBA
Closing Balance	3,227	12,969	20,969

8 RELEVANT RISKS

- 8.1 The possible failure to deliver the Capital Programme will be mitigated by the fortnightly review by a senior group of officers, charged with improving performance.
- 8.2 The generation of capital receipts could well be influenced by factors outside the authority's control e.g. ecological issues.
- 8.3 An in year review of the capital programme has been undertaken by the Capital Working Group.

9 OTHER OPTIONS CONSIDERED

9.1 No other options have been considered.

10 CONSULTATION

10.1 No consultation has been carried out in relation to this report.

11. OUTSTANDING PREVIOUSLY APPROVED ACTIONS

11.1 There are no outstanding actions.

12 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

12.1 As yet, there are no implications for voluntary, community or faith groups.

13 RESOURCE IMPLICATIONS

13.1 The whole report is about significant resource implications.

14 LEGAL IMPLICATIONS

14.1 There are no legal implications arising directly from this report.

15 EQUALITIES IMPLICATIONS

15.1 An Equality impact assessment is not attached as there are none.

16 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

16.1 There are no carbon reduction or environmental implications arising directly from this monitoring report.

17 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

17.1 There are no planning and community safety implications arising directly from this monitoring report.

18 RECOMMENDATIONS

18.1 That Cabinet is asked to note:

- a) The spend to date at Month 7 of £15.8 million, with 58% of the financial year having elapsed;
- b) The inclusion of the LED Lighting scheme as agreed by Council on 20 October 2014.

18.2 That Cabinet is asked to agree and refer to Council:

- a) The revised Capital Programme of £45.7 million (Table 1);
- b) The re-profiling in respect of the schemes referred to in Table 2, reference D (£1.211 million).
- c) The inclusion in the programme of the Flood Risk Management (£87,000, 2014/15) and Parks Improvement Works (£35,000, 2014/15) schemes.

19 REASONS FOR RECOMMENDATIONS

19.1 Regular monitoring and reporting of the Capital Programme enables decisions to be taken faster which may produce revenue benefits and will improve financial control of the Programme.

19.2 Any variations to the Capital Programme are agreed by Cabinet but then referred to Council to formally approve the changes.

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SUBJECT HISTORY

Council Meeting	Date
Capital monitoring reports, from September 2012, are being submitted monthly. Capital Programme - Council	25 February 2014

ANNEXES

Annex 1 Revised Capital Programme and Funding
Annex 2 Capital Receipts

Annex 1

Revised Capital Programme and Funding 2014/15 and Programme 2015/16

	Revised Programme £000	Actual £000	Council Resources £000	Grants £000	Revenue/ Reserves £000	Total £000	Programme 2015/16	
Universal and Infrastructure Services								
Building refurbishment to increase occupancy	660	334	660			660	2,262	Start Up/Delivery
Wallasey Town Hall	68	0	68			68		Completion
Strategic Asset Review	96	164	96			96		Completion
Fund to assist land assembly and re-sale	200	97	200			200	736	Up
Cleveland St Transport Depot	450	6	450			450	3,050	Start Up
Park depot rationalisation	710	40	710			710	600	Conception
Energy efficiency Initiatives	500		500			500	500	Conception
Structural/Roofing works - West Kirby Concourse	344	306	344			344		Completion
Arrowe Park Changing pavilion	144	106	144			144		Start Up
Demolish Stanley Special & External Renovation Work	160	99	160			160	115	Start Up/Completion
Demolish Bebington Town Hall and Liscard Municipal	0		0			0	378	Conception
Demolish former Rock Ferry High	5	5	5			5	395	Conception
Demolish Foxfield	0		0			0	120	Conception
	3,337	1,157	3,337	0	0	3,337	8,456	

	Revised Programme £000	Actual £000	Council Resources £000	Grants £000	Revenue/ Reserves £000	Total £000	Programme 2015/16	
Families and Wellbeing - CYP								
Elleray Park Special School redevelopment	100	9	100			100	900	Conception
School remodelling/additional classrooms	236	71	0	236		236	1,850	Conception
Children's centres	106	18		106		106	100	Approval
Aiming Higher for Disabled Children	90	63		90		90		StartUp/Delivery
Youth Capital	149		98	51		149		Approval
Birkenhead High Girls Academy	472	306		403	69	472		Delivery
Vehicle Procurement	123	106			123	123	17	Delivery
Condition/Modernisation	3,590	2,029		3,590		3,590	4,500	Delivery/Completion
Basic Need	100			100		100		Conception
Family Support Scheme	155	1	155			155	100	Approval
Private Finance Initiative	0				0	0	150	Conception
Wirral Youth Zone	2,085	27	2085			2,085		Approval
Funding for 2 year olds	130	51		130		130		Delivery
Foxfield contribution to priority school	1,000	1,000	500	500		1,000		Completion
Somerville primary school mobile replacement	1,350	611	600	750		1,350		Delivery/Completion
Universal Free School Meals	624	358		624		624		Delivery/Completion
	10,310	4,650	3,538	6,580	192	10,310	7,617	
Families and Wellbeing - DASS								
Citizen and Provider Portal for Social and Health Services	450			450		450	167	Conception
Transformation of Day Service	1,250	114		1,250		1,250		Conception
Integrated IT	1,873	580	1,000	873		1,873		Delivery
Extra Care Housing	0					0	1,500	Conception
LD extra care housing	0					0	1,396	Conception
	3,573	694	1,000	2,573	0	3,573	3,063	
Families and Wellbeing - Sports & Recreation								
West Kirby/Guinea Gap/Europa	1,800	148	1,800			1,800	1,200	Delivery
Guinea Gap 3G Football pitches	245	144	245			245		Delivery
West Kirby Concourse Fitness Suite	112		112			112		Conception
	2,157	292	2,157	0	0	2,157	1,200	

	Revised Programme £000	Actual £000	Council Resources £000	Grants £000	Revenue/ Reserves £000	Total £000	Programme 2015/16	
Regeneration and Environment - Environment & Regulation								
Road Safety	671	388	33	638		671	84	Start Up/Delivery
Congestion	358	0	3	355		358		Conception
Active Travel	641	291	211	430		641	84	Start Up/Delivery
Transportation	321	96	91	230		321		Start Up/Delivery
Local Sustainable Transport Fund	499	0		499		499		Conception
Bridges	1,090	289	240	850		1,090	496	Conception/Start Up/Delivery
Highways Maintenance	3,559	1,770	735	2,824		3,559	42	Start Up/Delivery/Completion
Street Lighting	288	146	88	200		288		Start Up/Delivery
Coast Protection	125	0		38	87	125	251	Approval
Asset Management	84	0		84		84		Approval
Energy schemes (LED Street Lighting)	300		300			300	4,000	Approval
Parks Plant and Equipment	728	212	728			728		Delivery
Parks vehicles replacement	988	231	988			988		Delivery
Landican Cemetery	71	48	71			71		Delivery
Birkenhead Park Restoration	97	81	97			97		Delivery
Parks Improvement Works	35	11			35	35		Delivery
Hoylake Golf Course	30		30			30		Conception
Park Outdoor Gyms	2	1		2		2		Completion
Reeds Lane Play Area	60	31		60		60		Delivery
Royden Park/Eastham Country Park	23	12		23		23		Delivery
Gautby Rd Play Area	16	16			16	16		Completion
Allotments	168		168			168		Conception
Start Active, Play Active, Stay active	260	11	230		30	260	10	Conception
Wirral Way - widening and safety improvements	117	38	117			117	13	Start Up
Cemetery extension/improvement							150	
	10,531	3,672	4,130	6,233	168	10,531	5,130	

	Revised Programme £000	Actual £000	Council Resources £000	Grants £000	Revenue/ Reserves £000	Total £000	Programme 2015/16	
Regeneration and Environment - Housing & Community Safety								
Aids, Adaptations and Disabled Facility Grants	2,485	1,075	796	1,689		2,485	3,206	Start Up/Delivery
Clearance	200	60		125	75	200	1,321	Start Up/Delivery
Home Improvement	523	222	102	421		523	912	Start Up/Delivery
Improvement for sale grants	200				200	200		Conception
Empty Property Interventions	176	58	116		60	176	156	Start Up/Delivery
New House Building Programme	262		262			262	1,238	Start Up
Housing Renewal							1,030	
	3,846	1,415	1,276	2,235	335	3,846	7,863	
Regeneration and Environment - Regeneration								
Business Investment Grants	0		0			0	808	
Other Regional Growth Fund Schemes	4,697	332		4,697		4,697		Start Up/Delivery
LEP Regional Growth Fund Schemes - Targetted Assistance	3,000	924		3,000		3,000		Start Up/Delivery
New Brighton	1,111	149	1,111			1,111		
Marine Business Park	50	50			50	50		
The Priory	275	117	10	265		275		Delivery
	9,133	1,572	1,121	7,962	50	9,133	808	
Transformation & Resources								
I.T Development	2,500	2,400	2,500			2,500	1,500	Delivery
	2,500	2,400	2,500	0	0	2,500	1,500	
	45,387	15,852	19,059	25,583	745	45,387	35,637	

Annex 2

Capital Receipts

Disposals for which cash has been received by 31 October 2014

	£000
Former day centre 78 Union Street	150
Land at St Mary's Gate	15
Overchurch Hall	10
Site of Lingham School	352
Land at Sandy Lane North	15
Sylvandale	450
Land at Hope Street	40
Land at Abbey Street	12
Tarran Industrial (Units 1,2,3,2A,2B – Freehold reversion)	370
	1,414
Magenta Living – Right to Buy	752
Total Receipts	2,166

Anticipated auction list for December

Land at Bedford Place / New Chester Road, Rock Ferry
Land at Holt Road / Old Chester Road, Rock Ferry
Former Luncheon Club, Highfield Road, Rock Ferry
Cottage Street, Industrial Unit, Birkenhead
Land at Belmont Avenue, Wallasey

WIRRAL COUNCIL

CABINET

9 DECEMBER 2014

SUBJECT	AMENDMENT TO THE TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2014/15
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

1.1 The original Treasury Management and Investment Strategy 2014/15 was approved by Cabinet as part of the Medium Term Financial Strategy 2014/17 on 12 February 2014. The UK is implementing the final bail-in provisions of the EU Bank Recovery and Resolution Directive to commence in January 2015, a year ahead of most other countries. Credit rating agencies have stated they plan to review EU banks' ratings in line with each country's implementation of the directive.

1.2 Many UK banks have standalone credit ratings in the "BBB" category with uplifts for potential Government support taking them into the "A" category. There is a realistic risk that some major UK banks' credit ratings will this financial year fall below our current minimum investment criteria rating of A-, if this uplift is removed. As a precursor to this the Investment element of the Strategy should be amended.

2.0 BACKGROUND AND KEY ISSUES

INTRODUCTION

2.1 The recent EU Bank Directives agreed in Brussels coupled with the Banking Reform Act 2014 are intended to shield taxpayers from another round of crippling bank bailouts of the kind that took place in 2008 and also avoid a re-run of the Eurozone crisis where troubled banks and heavily indebted governments have become inextricably linked.

2.2 Basically a "Bail-In" forces banks on the verge of collapse to require their shareholders, bondholders and biggest customers to contribute cash before falling back on taxpayer bailouts under this agreement.

- 2.3 Under the regime being created, a clear pecking order for this support is set out: shareholders are first; certain types of bondholders; and then customers who have deposits over the guaranteed level of €100,000 (£85,000). These three types of creditors would need to take minimum losses of 8% of a troubled bank's total liabilities.
- 2.4 Under the Deposit Guarantee Directive 2014/49/EU it has been deemed that "Public authorities have much better access to credit than citizens, so should not be eligible for protection".
- 2.5 Secured bonds are exempt from bail-in. However, traditional local authority term deposits and call accounts do not fall under this category.
- 2.6 The loss incurred by creditors depends on the bank's actual losses and the proportion of secured bonds and other liabilities that are exempt from a bail-in. The greater these elements, the higher the loss to the creditor.
- 2.7 The Council's Treasury management advisors have suggested 2 alternative courses of action:
- Option 1 – the preferred option is to amend the Treasury management Strategy to allow investment in lower rated banks; or
- Option 2 – prepare to invest without using any of the major UK banks.
- 2.8 Conducting Treasury Management investment activities without using major UK banks would lead to a number of practical difficulties. Given the Deposit Scheme Directive is European wide there is a risk of there being insufficient foreign banks meeting the investment criteria. There may also arise a need to utilise/increase use of non-bank deposit sources of investment such as covered bonds, repurchase agreements and non-financial corporate bonds. These may contain risks of their own including reduced liquidity resulting in increased likelihood of temporary borrowing costs being incurred.
- 2.9 A credit rating within the 'BBB' range per the Fitch rating agency definition is an institution with 'good credit quality'. BBB+ is the highest rating in this class. The 'A' rating is defined as 'high credit quality' with A- the lowest rating in this class. The change in allowable investment criteria from an A- to BBB+ credit rating whilst a lower rating still allows for investment in banks with good credit quality and is a reduction of one 'notch' in the existing investment criteria.
- 2.10 The EU Bank and Recovery Directive does not increase the risk of a UK bank defaulting. The change only increases the potential loss to local authorities if a default occurs as losses will be borne by a smaller number of creditors.

3.0 RELEVANT RISKS

3.1 Treasury Management activities involve a degree of financial and reputational risk. The Treasury Management Strategy prioritises security, liquidity and yield in that order. The change in policy to invest in institutions with a minimum credit rating of BBB+ whilst involving some increase in risk still ensures the authority is investing in institutions of good credit quality. The authority continues to mitigate treasury management risk by placing counterparty limits on deposits, by using a range of suitably rated institutions and engaging advisors to assess market conditions and potential risks and opportunities.

4.0 OTHER OPTIONS CONSIDERED

4.1 The alternative option of retaining a minimum credit rating of A- is discussed in paragraphs 2.8 and 2.9 above.

5.0 CONSULTATION

5.1 There has been no specific consultation in respect of this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 Not applicable.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none arising directly from this report.

8.0 RESOURCE IMPLICATIONS

8.1 The Council will continue to invest on the basis of security, liquidity and yield.

9.0 LEGAL IMPLICATIONS

9.1 There are none arising from this report

10.0 EQUALITIES IMPLICATIONS

10.1 There are no equality implications arising directly from this report so an Equality Impact Assessment (EIA) is not required.

11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are none arising directly from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising directly from this report.

13.0 RECOMMENDATIONS

13.1 That Cabinet approve the amendment in respect of the Annual Investment Strategy in Appendix 1. This is the inclusion of a specific proviso relating to banks and other organisations with a long term credit rating of BBB+.

14.0 REASON FOR RECOMMENDATIONS

14.1 If the Strategy is not amended, in the event of Government support being withdrawn for failing banks thus affecting their credit ratings, the Council would not be able to make any further investments with any major UK bank which would limit the investment opportunities available.

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APPENDICES

Revised table of non-specified investments

BACKGROUND PAPERS

CIPFA Treasury Management Code 2011 Edition.
EU Bank Recovery and Resolution Directive

REFERENCE MATERIAL / SUBJECT HISTORY

Council Meeting	Date
Cabinet - Treasury Management and Investment Strategy 2014/17	12 February 2014

Non-Specified Investments

Instrument	Maximum maturity	Max %/£M of portfolio	Capital expenditure?
Term deposits with banks, building societies which meet the specified investment criteria (on advice from TM Adviser)	2 years	15% per Counterparty	No
Term deposits with local authorities	5 years	15% per Counterparty	No
CDs and other negotiable instruments with banks and building societies which meet the specified investment criteria (on advice from TM Adviser)	5 years	15% per Counterparty	No
Investments with organisations which do not meet the specified investment criteria (subject to an external credit assessment and specific advice from TM Adviser)	3 months	£5m per counterparty	No
	1 year	£1m per counterparty	No
	2 years	£1m per counterparty	Yes/no
	<i>Specific Proviso (for new investment) Banks and other organisations whose lowest long term credit rating from the 3 main agencies is BBB+</i>	<i>100 days</i>	<i>10% of total investments per Counterparty</i>
Deposits with registered providers of Social Housing with a credit rating of BBB- or higher	5 years	15% per Counterparty	No
Gilts	5 years	25% per Counterparty	No
Bonds issued by multilateral development banks	5 years	15% per Counterparty	No
Sterling denominated bonds by non-UK sovereign governments	5 years	15% per Counterparty	No

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WIRRAL COUNCIL

Cabinet

9 December 2014

SUBJECT:	Vision 2018: an update for partner Governing Bodies/Organisational Boards
WARD/S AFFECTED:	ALL Wards
REPORT OF:	Clare Fish, Strategic Director of Families and Wellbeing
RESPONSIBLE PORTFOLIO HOLDER:	Cllr Chris Jones - Portfolio Holder for Adults and Health
KEY DECISION?	No

1.0 EXECUTIVE SUMMARY

- 1.1. There is a real and significant financial challenge facing the NHS, Local Government and our partners in the coming years.
- 1.2. If we continue to deliver services the way we do now, the demand for services will outweigh the available funding. An ageing population with increased complex health conditions, the increased expectations of patients, and the cost of new drugs and technologies that enable people to live longer, mean nationally the NHS will be facing a potential shortfall of £30 billion by 2020/21. Alongside this councils have to make unprecedented savings, due to reductions in funding from central Government. This is a challenge facing health and social care systems throughout the country¹.
- 1.3. Vision 2018 is the local response to national challenge which is led by Chief Executive Officers (or equivalent) in; Wirral Clinical Commissioning Group; Wirral Council; Cheshire & Wirral Partnership NHS Foundation Trust; Wirral Community NHS Trust and Wirral University Teaching Hospital NHS Foundation Trust.
- 1.4. Vision 2018 is the plan to re-shape health services and social care in Wirral, whilst supporting people to take more responsibility for looking after their own health.
- 1.5. Over the next 20 years, the number of people who are aged 85 or over will more than double, meaning many more people with multiple, long term health conditions and increased financial pressures. However the challenges also present opportunities.

¹ [A Call To Action – NHS England](#), [Better Care Fund – Local Government](#), [All Together Now – Making Integration happen](#), [Five Year Forward View - NHS England](#)

1.6. Vision 2018 will transform GP, primary care, community health, hospital and social care services in Wirral.

1.7. It will mean:

- Community based health services (e.g. access to GPs, community nurses and social workers) seven days a week
- More hospital services in the community, with consultant led teams
- Health and social care professionals working together for people with on-going needs: one assessment, one care plan, one key coordinator
- Specialist in-patient hospital care for those that need it
- Support for people to look after themselves and stay healthy

1.8. A Vision 2018 Strategy is being developed to outline the case for change, to describe the vision for Wirral health and social care economy and how this will be achieved.

1.9. The attached paper describes the progress to date in regards to;

- the review of Vision 2018 governance arrangements and programme structure and priorities;
- the case for change describing the size of the financial challenge and population need;
- and the development of the next steps for implementing change.

1.10 The members of the Board are asked to:

- to note the progress of the development of Vision 2018
- to provide feedback to the Strategic Leadership Group regarding progress to date and next steps

2.0 **BACKGROUND AND KEY ISSUES**

2.1 We know from our planning that the demand for health and social care will be increasing against a background of reducing resources across all organisations. In this context, we need to transform the way we provide health and social care, to ensure we are working as efficiently as possible, and we will need services that empower patients to manage their health and wellbeing.

2.2 A piece of work has been undertaken which models the scale of the challenge faced by Wirral Health Economy, the 'Shape Change Analysis'. This piece of work requires further validation in the coming months however shows a potential gap of around £150m given forecast of cost pressures and assumptions around funding growth. This is an unprecedented position, and we need to reimagine how health and wellbeing is delivered and consider making assumptions about the scale of change required.

- 2.3 Alongside the financial pressures, the demand for local services is increasing. Wirral's overall population is projected to increase by 1.4% from 319,863 in 2011 to 324,226 in 2021. The older population (aged 65 years and above) are expected to increase at the fastest rate, with an 18% increase projected by 2021. They are also more likely to have a long term condition; the 2011 Census reported about 36,000 (57%) people living in Wirral aged 65 years and over have a long term condition or disability that limits their daily activities. The health outcomes of Wirral residents vary depending on the area of Wirral in which they live, which has an impact on the health inequalities across the population.
- 2.4 Locally, leaders of health and social care have agreed to work in partnership to develop a health and social care strategy called "Vision 2018." Our aim is for quality of care and outcomes to be protected and enhanced, despite increased costs and a potential reduction in funding.
- 2.5 In response to this identified challenge we have established a new shape to Vision 2018 which allows us to focus our efforts on 3 key programmes of work; Planned Care, Unplanned Care and Long Term Conditions and Complex needs and a number of enabling programmes. These programmes of work have assigned Programme Directors and Programme Managers from the partner organisations who are accountable to the Strategic Leadership Group.
- 2.6 The Vision 2018 Strategic Leadership Group (SLG) is made up of the Chief Executives from NHS Providers and Commissioners along with equivalent Stakeholders from Local Authority. The SLG recognises that there exists already a Health Economy governance framework; the Health and Wellbeing Board and the Joint Strategic Commissioning Group, there are also respective Provider and Commissioner Boards or similar Governance Arrangements. None of the proposed governance arrangement for Vision 2018 are intended to replace or interfere with any established governance models.
- 2.7 Rather, the Vision 2018 SLG is seeking to establish the best way to integrate decision making within the context of Vision 2018 into this broader established framework, the desired outcome being an appropriate balance of pace and rigour to enable safe but rapid progress to be made meeting the challenges this health economy faces.
- 2.8 It is proposed therefore that respective Governing Bodies delegate through their Chief Executive some level of decision making authority to enable the SLG to take certain decisions in a more timely fashion, but at the same time provide clarity on the expectations each Board has for when their CEOs will refer back to their Boards. It is also proposed that the Implementation Group, on behalf of the SLG, provides recommendations to the Commissioners on matters which affect Commissioning, contracts and use of Better Care Fund.

- 2.9 We have done more work to ensure we have really clear strategic outcomes defined for Vision 2018; these have been informed by local evidence base and national drivers including the Better Care Fund aims and objectives. Each of the programmes are developing a detailed definition of scope to ensure its aims and objectives are linked back to these strategic outcomes. This will enable a clear description of how those programmes will enable benefits that will ultimately improve health outcomes for the people of Wirral together with their experience of health care. At the same time, balancing quality and value to improve the efficiency of services delivered will be the third major consideration for each programme.
- 2.10 As part of a series of 30 day challenges each of the programmes are identifying the projects that can be done quickly to start to make a real difference in 2015 i.e. 'the Fast 5 projects' along with those bigger, transformational projects that will need further planning 'the Big 5 projects'. It is important that we balance the need to re-imagine health and wellbeing in 2018 and consider how best we achieve this future state vision with the need to make real and practical improvements to the services we have today. It is this balance that the Vision 2018 team is now focused on achieving.
- 2.11 The paper indicates the progress to date in regards to the review of Vision 2018 governance arrangements and Programme structure and priorities. This has enabled the baseline quantum of change required (£) to enable sustainable health and social care economy between now and 18/19 and a consensus on the Strategic Outcomes. An alignment exercise of all current initiatives and along with this strategic direction has informed the development of initial programme plans for each area, identifying co-dependencies and benefits that link back to the endorsed strategic outcomes. It has also led to initial ideas of the 'Faster' and 'Bigger' Projects that aim to deliver the benefits.
- 2.12 The next steps are as follows:
- Continue the mapping to commissioning intentions and 15/16 contracting round to ensure that the Vision 2018 planning is linked into the Commissioning Cycle.
 - Establish rapid cycle testing frameworks for quick wins to enable benefits to be realised at pace
 - Establish plans for delivering bigger initiatives for delivery during 2015/16 to follow a methodology to enable transformational change and clarity on the outputs that will be realised.
 - Undertake a focused approach for Respiratory to identify opportunities to transform models of care in these areas of work and establish the short term and longer term benefits.
 - Undertake a focused approach for Unplanned Care System Redesign to identify opportunities to transform models of care in these areas of work and establish the short term and longer term benefits.
 - Implement tools and templates to enable the Implementation Group to have a 'Grip' on the project planning, so that we can effectively manage delivery, interdependencies, cost and benefit tracking.

- Embed the Governance Framework to ensure Programme Directors and Programme Managers have clear checkpoints to report to the Implementation Group and the Strategic Leadership Group so that decision making can be made in a fully informed way by the right people.
- Determine opportunity and right size/capability for a pooled Vision 2018 Change Management Office, and how to align enabling functions 'supply' (e.g. workforce management, communications, engagement, finance, business intelligence) with the 'demand' from primary and system enabling programmes. This will ensure that there is sufficient resource to form the Vision 2018 strategy and deliver it effectively in the timescales necessary.

3.0 RELEVANT RISKS

- 3.1 Without the partnership approach and reaching an agreed solution to the financial challenge via Vision 2018, there is a risk of cumulative financial pressures to the health and social care economy and consequently poorer health and social care outcomes to Wirral residents.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 N/A

5.0 CONSULTATION

- 5.1 In the development of the Vision 2018 Programme we are undertaking a number of methods of engagement in order to encourage participation of strategic leaders and their organisational boards/governing bodies; the workforce of partner organisations and local residents. A key principle of the engagement process is to ensure that it is undertaken in a co-design approach where models of care are designed with staff, service users and carers to ensure they meet the needs of the population, achieving the strategic outcomes. The requirement for any formal consultations will be considered and agreed for each individual project.
- **Strategic Leaders and their organisational boards** -The Strategic Leadership Group (including representation from Chief Executives, or equivalent from each organisation) meets monthly and has the remit to set strategic direction, resolve escalated issues and to engage with and provide regular updates to their respective boards and governing bodies.
 - **Workforce of partner organisations** -Vision 2018 is being delivered in partnership with Wirral Clinical Commissioning Group, Wirral Council, Cheshire & Wirral Partnership NHS Foundation Trust, Wirral Community NHS Trust and Wirral University Teaching

Hospital NHS Foundation Trust. Members of these organisations are represented on each of the Programme Steering Groups. One of the work streams is the Communications and Workforce enabling programme which provides a regular bulletin including updates and engagement opportunities.

- **Local Residents-** As part of the Vision 2018 Programme we have undertaken a launch event and series of project-specific focus groups. The launch event enabled the public to hear about, discuss and inform the long term plans and the development of the programme. Following the initial launch event the 'Engagement with People Group' has been established to ensure that we are involving all Wirral communities with Vision 2018. The group includes traditionally under-represented groups of all ages (including those identified in the 2010 Equalities Act as being most risk of discrimination). It is utilised to develop the engagement strategy for Vision 2018 as well as being a 'sounding board' to focus test publicity and the programmes/project outcomes and a cascade mechanism to engage with the wider stakeholders that the group represents.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 N/A

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 It is vital to the success of Vision 2018 that Voluntary, Community and Faith Groups are part of the development and delivery of model that extends beyond the traditional health and social care system.
- 7.2 The Engagement with People group includes representation from Voluntary, Community and Faith Groups which has a core role in the co-design of the Vision 2018 projects.
- 7.3 Each individual project within Vision 2018 will be required to undertake a stakeholder analysis to identify likely individuals or groups who may need to interact with the project or who may be affected by the project's outcome, including protected groups. The document prompts project managers to plan the necessary engagement activity.

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

- 8.1 Directors and Officers within the Adults Social Services, Children and Young People's services and Public Health are currently engaged in the programmes of work and other departments will be informed/engaged as appropriate.
- 8.2 The resource implications of projects will be assessed and approved via existing organisational governance structures as appropriate on an individual basis.

- 8.3 The Vision 2018 Programme Management Office are meeting with the Future Council Team/Programme Management Offices in each organisation to ensure that there is a joined up approach to project documentation and processes where possible.

9.0 LEGAL IMPLICATIONS

- 9.1 There are processes in place to ensure that both Local Authority and NHS statutory duties e.g. the Public Sector Equality Duty are met in the implementation and delivery of Vision 2018.

10.0 EQUALITIES IMPLICATIONS

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

(c) No because of another reason which is

Each individual project within Vision 2018 will assess equality implications as necessary. In the Vision 2018 Project Documentation the stakeholder analysis prompts the project managers to identify likely individuals or groups who may need to interact with the project or who may be affected by the project's outcome, including protected groups. It is a statutory duty to engage with these appropriately and ensure Public Sector Equality Duty is met. The document prompts project managers to plan the necessary engagement activity and if significant change to a protected group a project manager must complete a Equality Impact Assessment

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

- 11.1 N/A

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 N/A

13.0 RECOMMENDATION/S

- 13.1 The members of the Board are asked to:
- to note the progress of the development of Vision 2018
 - to provide feedback to the Strategic Leadership Group regarding progress to date and next steps

14.0 REASON/S FOR RECOMMENDATION/S

- 14.1 To ensure that the Cabinet are updated with the progress of Vision 2018 and contribute any feedback to the development of the programme.

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APPENDICES

1. Vision 2018: an update for partner Governing Bodies/Organisational Boards

BACKGROUND PAPERS/REFERENCE MATERIAL

[All Together Now – Making Integration happen](#)
[Better Care Fund – Local Government](#)
[A Call To Action – NHS England](#)
[Five Year Forward View - NHS England](#)

BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

Vision 2018: an update for partner Governing Bodies/Organisational Boards

Document History

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Approved:

Vision 2018 Strategic Leadership Group (SLG): 22.10.14

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The purpose of this paper is to provide an update to Cabinet/Board members of partner organisations in respect of the Vision 2018 programme.

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1. Vision 2018 Context

Vision 2018 is the plan to re-shape health services and social care in Wirral, whilst supporting people to take more responsibility for looking after their own health. Over the next 20 years, the number of people who are aged 85 or over will more than double, meaning many more people with multiple, long term health conditions and increased financial pressures. However the challenges also present opportunities. Vision 2018 will transform GP, primary care, community health, hospital and social care services in Wirral.

It will mean:

- Community based health services (e.g. access to GPs, community nurses and social workers) seven days a week
- More hospital services in the community, with consultant led teams
- Health and social care professionals working together for people with on-going needs: one assessment, one care plan, one key coordinator
- Specialist in-patient hospital care for those that need it
- Support for people to look after themselves and stay healthy

We are developing a Vision 2018 Strategy to outline the case for change, to describe the vision for Wirral health and social care economy and how this will be achieved.

We have established a new shape to Vision 2018 which allows us to focus our efforts on 3 key programmes of work; Planned Care, Unplanned Care and Long Term Conditions and Complex needs (Appendix B). We also have a number of enabling programmes, for example Integration Adults, which focuses on the development of integrated teams, services and systems to provide coordinated care for people aged over 18. For the full programme structure see Appendix A.

We have done more work to ensure we have really clear strategic outcomes defined for Vision 2018; these have been informed by local evidence base and national drivers including the Better Care Fund aims and objectives (Section 4 – Strategic Outcomes). Each of the programmes are developing a detailed definition of scope to ensure its aims and objectives are linked back to these strategic outcomes. This will enable a clear description of how those programmes will enable benefits that will ultimately improve health outcomes for the people of Wirral together with their experience of health care. At the same time, balancing quality and value to improve the efficiency of services delivered will be the third major consideration for each programme.

As part of a series of 30 day challenges each of the programmes are identifying the projects that can be done quickly to start to make a real difference in 2015 i.e. ‘the Fast 5 projects’ along with those bigger, transformational projects that will need further planning ‘the Big 5 projects’. It is important that we balance the need to re-imagine health and wellbeing in 2018 and consider how best we achieve this future state vision with the need to make real and practical improvements to the services we have today. It is this balance that the Vision 2018 team is now focused on achieving.

2. Governance

The Vision 2018 Strategic Leadership Group (SLG) is made up of the Chief Executives from NHS Providers and Commissioners along with equivalent Stakeholders from Local Authority (see Terms of Reference in Appendix D). The SLG recognises that there exists already a Health Economy governance framework; the Health and Wellbeing Board and the Joint Strategic Commissioning Group, there are also respective Provider and Commissioner Boards or similar Governance Arrangements. In no way shape or form is any proposed governance arrangement for Vision 2018 intended to replace or interfere with any of these established governance models.

Rather, the Vision 2018 SLG is seeking to establish the best way to integrate decision making within the context of Vision 2018 into this broader established framework, the desired outcome being an appropriate balance of pace and rigour to enable safe but rapid progress to be made meeting the challenges this health economy faces.

It is proposed therefore that respective Governing Bodies delegate through their Chief Executive some level of decision making authority to enable the SLG to take certain decisions in a more timely fashion, but at the same time provide clarity on the expectations each Board has for when their CEOs will refer back to their Boards. It is also proposed that the Implementation Group, on behalf of the SLG, provides recommendations to the Commissioners on matters which affect Commissioning, contracts and use of Better Care Fund (Figure 1).

If this is done, and done effectively, there is increased probability that the organisations can become better performing collaborators in defining solution options for Wirral’s Health and Social Care Economy, and that an effective delivery and tracking mechanism can be wrapped around the whole transformation agenda to ensure a joined up approach, informed decision making, robust benefits and costs management plus effective dependency and risk management.

There will need to be different ‘checkpoints’ during the development and implementation of the projects within Vision 2018 and to ensure that the governance model enables faster projects to be implemented quickly whilst ensuring that they align to the longer term vision and principles of the individual organisations. There are four scenarios that have been developed to describe how the governance model will be applied to 1) Faster projects 2) Bigger Projects 3) Commissioner Led Projects and 4) ‘Other’ non contractual projects.

Figure 1: Proposed Governance Structure



3. The Case for Change

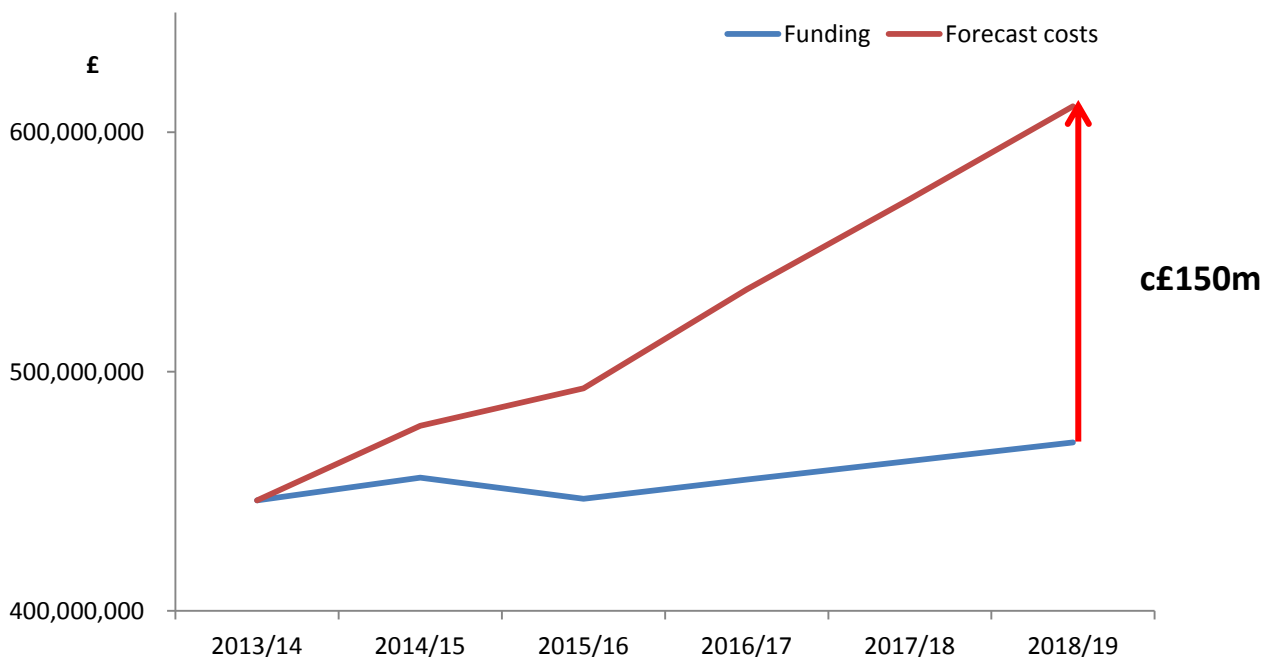
We know from our planning that the demand for health and social care will be increasing against a background of reducing resources across all organisations. In this context, we need to transform the way we provide health and social care, to ensure we are working as efficiently as possible, and we will need services that empower patients to manage their health and wellbeing.

People will need to share in the decision-making process about themselves and their care and support. The interactions between community, residential and hospital services will be improved, with care delivered through integrated services 7 days a week that are joined up around the needs of patients. This integrated care will be provided across the community, bringing specialised care and treatment (when appropriate) into community settings near patients' homes, to enable the right care to be provided at the right time and the right place, with patients supported to self-care as appropriate.

These changes will be implemented between now and 2018, and the model of care will be co-developed with the public and staff to ensure it meets the needs of the Wirral population, with the right capacity and balance across the community, residential and hospital services.

A piece of work has been undertaken which models the scale of the challenge faced by Wirral Health Economy, the 'Shape Change Analysis'. This piece of work requires further validation in the coming months however shows a potential gap of around £150m given forecast of cost pressures and assumptions around funding growth (Figure 2). This is an unprecedented position, and we need to reimagine how health and wellbeing is delivered and consider making assumptions about the scale of change required.

Figure 2: The challenge facing the system

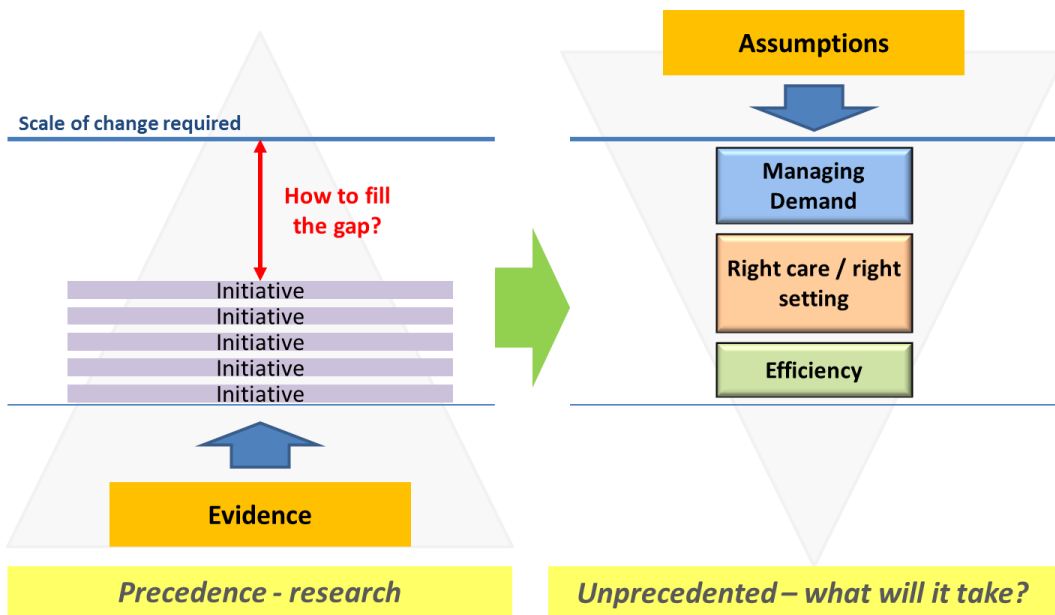


Alongside the financial pressures, the demand for local services is increasing. Wirral's overall population is projected to increase by 1.4% from 319,863 in 2011 to 324,226 in 2021. The older population (aged 65 years and above) are

expected to increase at the fastest rate, with an 18% increase projected by 2021. They are also more likely to have a long term condition; the 2011 Census reported about 36,000 (57%) people living in Wirral aged 65 years and over have a long term condition or disability that limits their daily activities. The health outcomes of Wirral residents vary depending on the area of Wirral in which they live, which has an impact on the health inequalities across the population.

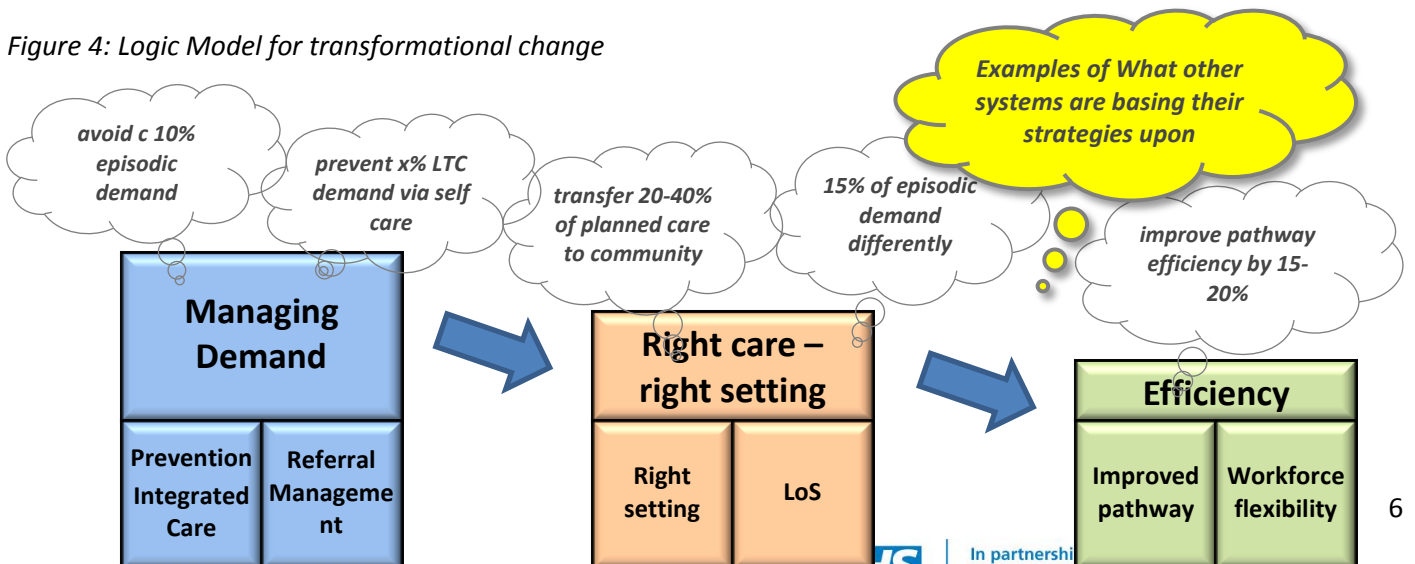
Due to the size of the gap and the needs of the population changing there is a need to reimagine health and social care and make transformational changes that will create a new health and social care system to improve health outcomes, patient and service user experience and value for money (Figure 3).

Figure 3: A significant change in approach



In addition to continuing with traditional incremental change (Cost Improvement Programmes (CIP) based on current operating models), the transformational change that we will need to make begins with **managing the demand** on services e.g. via prevention, referral management, integrated care. Then, making sure that of those people who do require services that they are provided with the **right care in the right setting** and finally a focus on the **efficiency** is needed to ensure the pathways are delivered in the most efficient way (Figure 4). As much of the evidence base is focused on efficiency rather than managing demand and right care right setting it is necessary for us to create some high level assumptions of how we can change the health and social care system in a different way.

Figure 4: Logic Model for transformational change

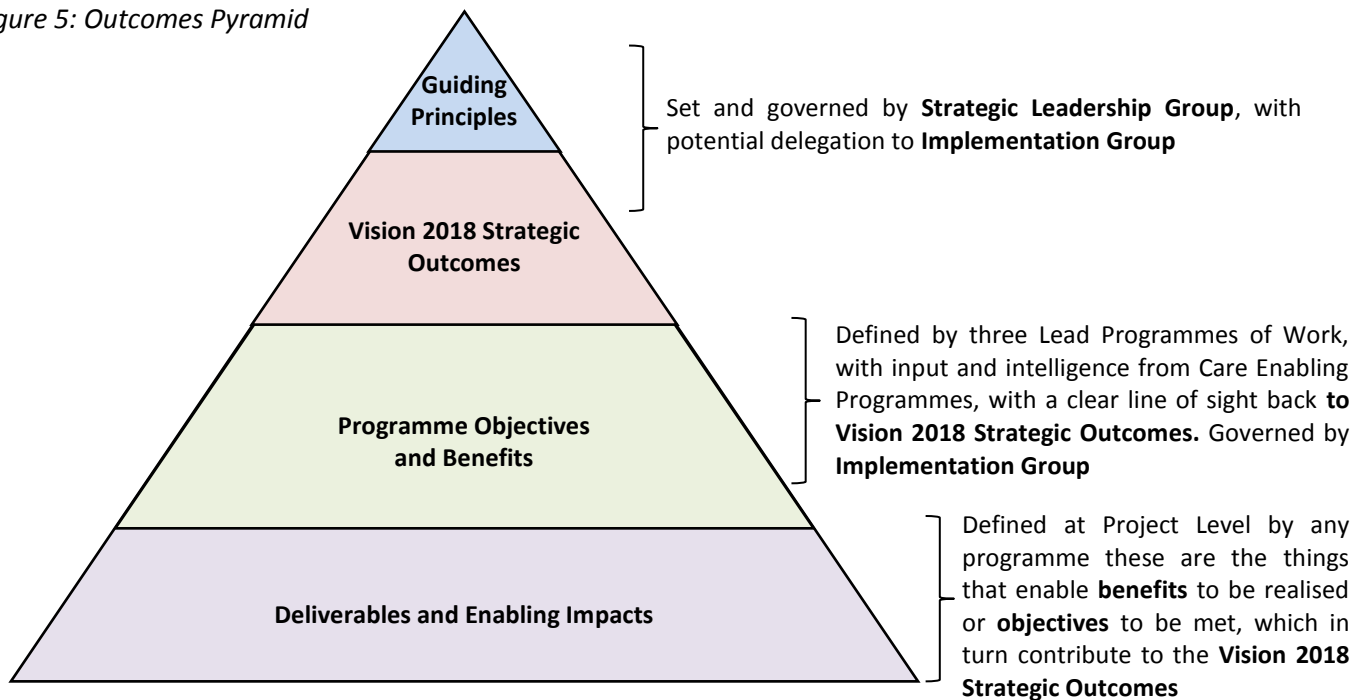


4. Strategic Outcomes

To provide some further guidance to colleagues working on Vision 2018, and to ensure we have the right focus on patient safety and quality in addition to the financials, we have identified three guiding principles that underpin the scope of work within Vision 2018;

1. We will improve Health and Wellbeing outcomes
2. We will improve patients' and service users' experience
3. We will reduce the cost of health and social care

Figure 5: Outcomes Pyramid



These guiding principles, the 'triple aim' have then been further defined in a set of Strategic Outcomes that we are striving to achieve through Vision 2018. Some of these are highly aspirational and ambitious, but they serve as a goal that all programme objectives and benefits should directly link back to. Taking this approach will ensure that the deliverables at project level will be demonstrably and directly linked back to one or more of the triple aims.

The Strategic Outcomes defined are listed below.

Table 1: Vision 2018 Strategic Outcomes

Vision 2018 Strategic Outcomes	
1	We deliver the right care in the right place at the right time. First time and every time.
2	We deliver an improved health and wellbeing experience to all patients, service users and carers, in all health, community and social care settings
3	We reduce the frequency and necessity for emergency admissions and for care in hospital, residential and nursing home settings
4	We enable more people to access appropriate and effective services closer to home
5	We improve health and social care outcomes in early years to improve school readiness
6	We enable more people to live independently at home for longer
7	We improve the health and social care related quality of life for people with more than one long term condition, physiological and/or psychological
8	We increase collaboration and effective joint working between health and social care partners
9	We improve the satisfaction levels for our workforce colleagues across all health, community and social care settings
10	We improve the end of life experience for individuals and their carers.
11	We are better able to prevent ill health and diagnose conditions quickly thereby reducing the burden on treatment facilities
12	We enable people to live longer, healthier lives
13	We reduce the cost of health and social care while maintaining balance of quality and value
14	We ensure equal and fair access to clinically appropriate services for everyone on the Wirral
15	We will reduce health inequalities so that all Wirral's residents can expect and receive the same health and wellbeing opportunities

5. Programme Scopes

Each of the programmes are developing a detailed definition of scope to ensure its aims and objectives are linked back to these strategic outcomes. This will enable a clear description of how those programmes will enable benefits that will ultimately improve health outcomes for the people of Wirral together with their experience of health care. At the same time, balancing quality and value to improve the efficiency of services delivered will be the third major consideration for each programme.

The programmes are identifying the projects that can be done quickly to start to make a real difference in 2015 i.e. 'the Fast 5 projects' along with those bigger, transformational projects that will need further planning 'the Big 5 projects'. The Programme Managers are using a checklist to identify if their project is faster or bigger. The existing projects and evidence base including Better Care Fund schemes and Quality, Innovation, Productivity and Prevention (QIPP) initiatives are being incorporated into this work to enable a coherent view and governance over all change projects across the system.

Figure 6: Hexagon 'Deep Dive' model

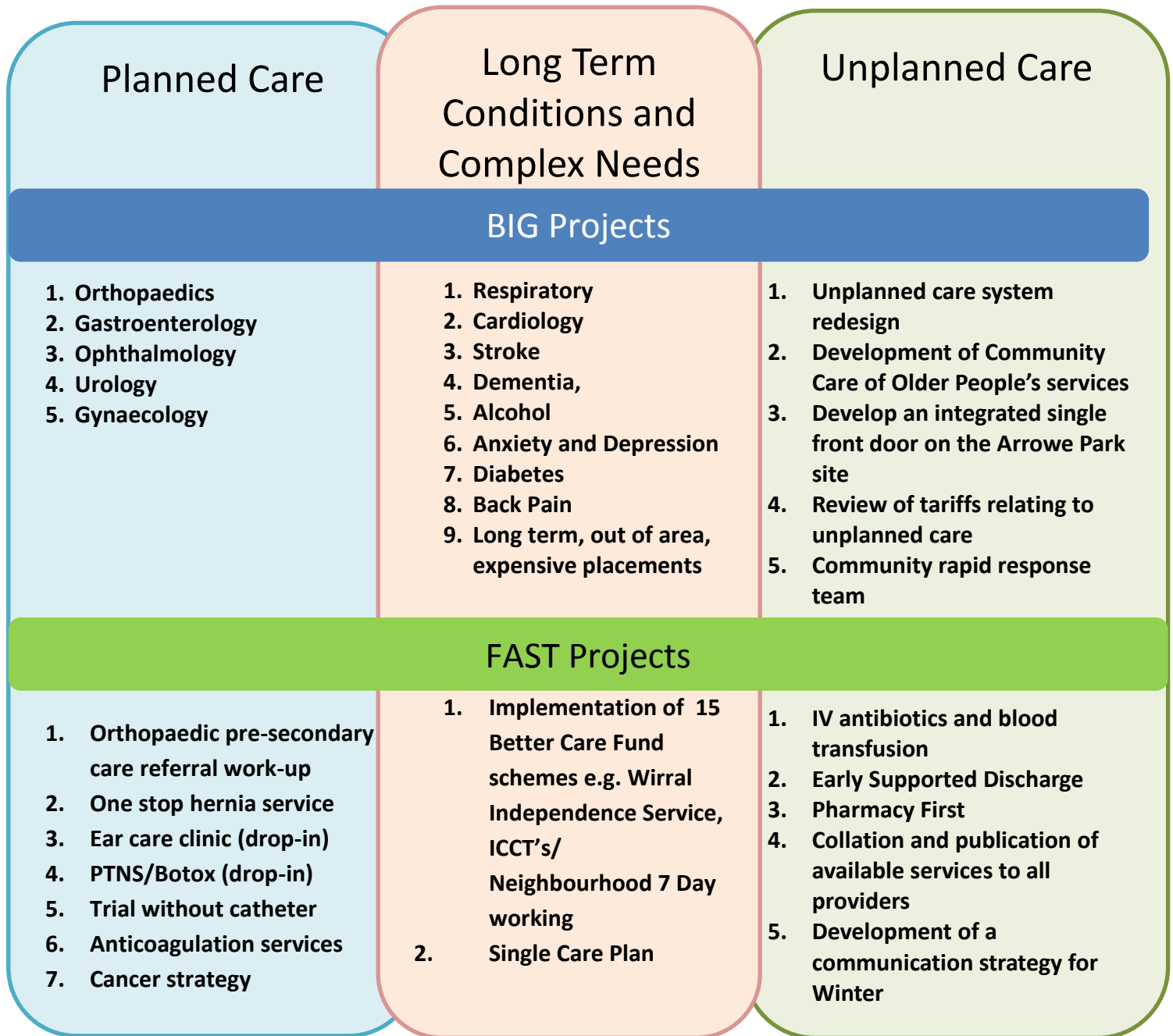
For the Big 5 projects a Hexagon 'Deep Dive' model for data collection is being used to develop a more detailed view of the current model/pathway and opportunities for improvement prior to developing a future state service model with staff, patients and carers (Figure 6). Some initial examples of the Big 5 and Fast 5 projects for the Lead Programmes are in Figure 7.

The next step is to implement the Faster projects identified below and for the Bigger projects to initially focus on a couple that will have the biggest impact such as 'Unplanned care system redesign' and 'Respiratory'. For these Bigger projects a focused approach would be undertaken to identify opportunities to transform models of care in these areas of work and establish the short term and longer term benefits.



N.B. Including benchmarking data

Figure 7: DRAFT BIG and FAST Projects for Lead Programmes



6. Current Position and Next Steps

As part of the review of Vision 2018 a programme methodology has been developed (Figure 8) that is based upon Public Sector Programme Management Approach. There are five distinct phases each broken into key steps and can be used across all Vision 2018 programmes or individual projects. The current position of the Vision 2018 programme in is at the initiation phase and depending on the pace and complexity of individual programmes and projects within Vision 2018 the speed at which they progress will differ.

Figure 8: Programme Methodology

INITIATE	DEFINE	DESIGN	IMPLEMENT	CLOSE
1. Mandate/ case for change	3. Organise programme	7. Engage stakeholders	11. Plan project	15. Formal close down
2. Programme brief/ vision	4. Define governance	8. Develop future state	12. Change management	16. Learning capture
	5. Investigate/ scope benefits	9. Define metrics	13. Programme monitoring	
	6. Programme blueprint	10. Consult	14. Benefits realisation	

Progress to date: Review and Initiate Phase

The paper has indicated the progress to date in regards to the review of Vision 2018 governance arrangements and Programme structure and priorities. This has enabled the baseline quantum of change required (£) to enable sustainable health and social care economy between now and 18/19 and a consensus on the Strategic Outcomes. An alignment exercise of all Better Care Fund and QIPP initiatives and along with this strategic direction has informed the development of initial programme plans for each area, identifying co-dependencies and benefits that link back to the endorsed strategic outcomes. It has also led to initial ideas of the 'Faster' and 'Bigger' Projects that aim to deliver the benefits.

Next steps: Define, Design and Implement Phase

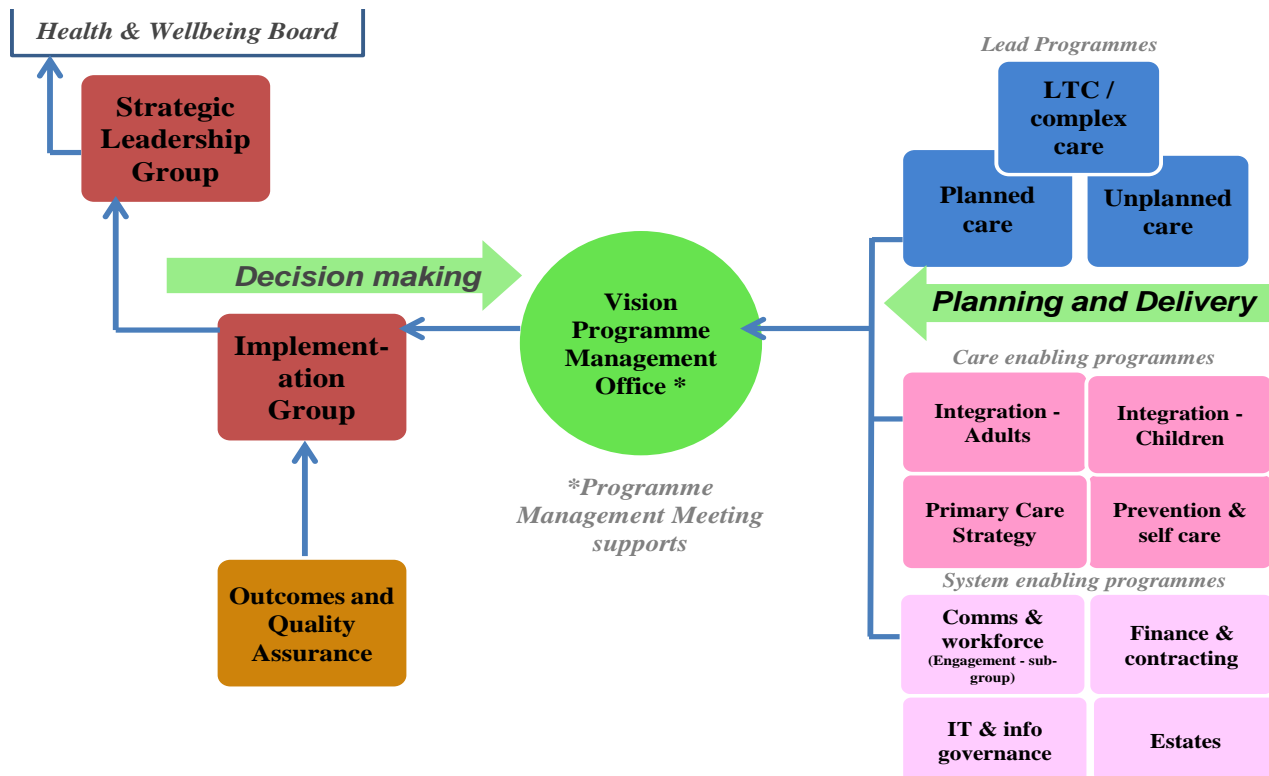
The next steps are as follows:

- Continue the mapping to commissioning intentions and 15/16 contracting round to ensure that the Vision 2018 planning is linked into the Commissioning Cycle.
- Establish rapid cycle testing frameworks for quick wins to enable benefits to be realised at pace
- Establish plans for delivering bigger initiatives for delivery during 2015/16 to follow a methodology to enable transformational change and clarity on the outputs that will be realised.
- Undertake a focused approach for Respiratory to identify opportunities to transform models of care in these areas of work and establish the short term and longer term benefits.
- Undertake a focused approach for Unplanned Care System Redesign to identify opportunities to transform models of care in these areas of work and establish the short term and longer term benefits.

- Implement tools and templates to enable the Implementation Group to have a 'Grip' on the project planning, so that we can effectively manage delivery, interdependencies, cost and benefit tracking.
- Embed the Governance Framework to ensure Programme Directors and Programme Managers have clear checkpoints to report to the Implementation Group and the Strategic Leadership Group so that decision making can be made in a fully informed way by the right people.
- Determine opportunity and right size/capability for a pooled Vision 2018 Change Management Office, and how to align enabling functions 'supply' (e.g. workforce management, communications, engagement, finance, business intelligence) with the 'demand' from primary and system enabling programmes. This will ensure that there is sufficient resource to form the Vision 2018 strategy and deliver it effectively in the timescales necessary.

APPENDIX

A. Programme Structure



B. Lead Programmes

Integrated health and social care system principles: Right care, right time, right place, rapid response, change in culture and expectations, prioritising elderly care, 7 day integrated care, early intervention and prevention, building on community based assets

Short term care

Ongoing Care

Planned Care

begins with a diagnosis in the community, leading to treatment in the community or specialist input for further opinion, diagnosis, treatment or procedure. There is a planned pathway and patient is able to make decisions about their own treatment.

Unplanned Care

not planned or pre-booked with a GP or hospital. It includes urgent / emergency:

- GP appointments
- social care
- mental health crisis
- pharmacists, opticians, dentists
- walk-in centres
- minor injuries units
- North West Ambulance Service
- accident and emergency (A&E)
- emergency admission to hospital
- GP out of hours

Long term conditions and complex needs

represents the largest proportion of people who access planned and unplanned services and require ongoing support. Eg people with diabetes, suffering from drug abuse, alcohol abuse, mental health condition or homelessness

Self-care, early intervention prevention, building resilience and maintaining wellbeing

C. Programme Directors and Managers

	Group	Chair	Programme Manager
Boards	Strategic Leadership Group	Jon Develing (CCG)	Terry Whalley (NWLA) Project Director - Vision 2018
	Implementation Group	Clare Fish (LA)	Anna Rigby (CCG) PMO Programme Manager

	Programme	Programme Directors	Programme Manager
Lead Programmes	Planned Care	Anthony Hassall (WUTH)	Jo Goodfellow (WUTH)
	Unplanned Care	Jon Develing (CCG)	Andrew Cooper (CCG)
	Long Term Conditions/ Complex Needs	Sheena Cumiskey (CWP)	Val McGee (CWP)
Care Enabling Programmes	Integration -Adults	Graham Hodgkinson (LA)	Peter Tomlin (CCG/LA)
	Prevention, Self-Care and Community Development	Clare Fish (LA)	Julie Webster (LA)
	Primary Care Strategy Group	Dr Peter Naylor (CCG)	Christine Campbell (CCG) Barbara Dunton (CCG)
	Integration -Children	Julia Hassall (LA)	Janice Montey(LA)
System Enabling Programmes	Informatics / IT and Information Governance	Mark Blakeman (WUTH)	
	Communications and Workforce	Simon Gilby (CT)	Jane Loughran -Communications (CT), Roger Nielson- Workforce (CWP)
	Engagement (sub group – C and W)	Chairs - Sandra Wall (Older peoples parliament)	Peter Tomlin (CCG) Jane Loughran (CT)
	Finance and Contracting	Mark Bakewell (CCG)	
	Estates	Simon Gilby (CT)	TBC

Key

(CCG) – Clinical Commissioning Group

(LA) – Local Authority

(CWP) – Cheshire and Wirral Partnership NHS Foundation Trust

(CT) – Community Trust

(WUTH) – Wirral University Teaching Hospital NHS Foundation Trust

D. Strategic Leadership Group Terms of Reference

Role/Purpose

- To be accountable for delivering a sustainable Wirral Health and Social Care Economy

Tasks

- To agree the strategy and implications of this
- To agree the processes and resources for delivery
- To steer the implementation group
- To enable delivery/resolution of issues
- To resolve conflict/issues

Interfaces

- Health and Wellbeing Board (the Strategic Leadership Group will report to the Health and Wellbeing Board)
- Wirral Joint Strategic Commissioning Group (this group also reports directly to the Health and Wellbeing Board)
- Strategic planning for each organisation needs to link in with the development of the Vision 2018 strategy
- Organisational Boards to be informed and updated by members of the Strategic Leadership Group
- Implementation Group (this group will report to the Strategic Leadership Group), the Implementation Group Chair will be a member of the SLG to provide a link.

Governance and Accountability

The Strategic Leadership Group (SLG) will be accountable for delivering a sustainable Wirral Health and Social Care Economy. It will hold the Implementation Group to account to lead and manage the successful delivery of the strategy.

The Implementation Group (IG) will hold the programmes identified below to account to organise and manage the delivery of the goals and objectives assigned to the programme of work/enabling groups. The Strategic Leadership Group will report its progress to Health and Wellbeing Board.

The Programme Management Office (PMO), hosted by the CCG, will support the Implementation Group in organising and managing programme development and delivery, providing a central function for the programme in collating and reporting overall status. The programmes will report progress to the Implementation Group on a monthly basis and exceptions and risks to the Strategic Leadership Group.

The members of the group, through the Memorandum of Understanding, will also hold each other to account for delivery of agreed objectives and ensuring each partner contributes appropriately to overall vision and aims.

The SLG, while appropriately empowered by respective organisations to take decisions with delegated limits, will nonetheless ensure that assurance is provided back to respective Boards and to the Health and Wellbeing Board and Joint Strategic Commissioning Group as to those decisions, and will refer recommendations to those Boards when limits of decision making are reached. This mechanism will maximise the opportunity for effective collaboration while eliminating the risk of collusion.

Programmes of Work

A number of programmes of work have been established to deliver specific elements of the overall aims and objectives of Vision 2018, these programmes of work will report into the Implementation Group.

The lead programmes are;

- Planned Care
- Unplanned Care
- Long Term Conditions and Complex Needs

The programmes that deliver care or system enablers are:

- Communications and Workforce
 - Engagement (sub group)
- Integration - Adults
- Integration - Children
- Prevention, Self-Care and Community Development
- Information Technology and Information Governance
- Primary Care Strategy Group
- Finance and Contracting
- Estates

There is also the Outcomes and Quality Assurance group (OQuA), which is charged with providing scrutiny to proposals and providing oversight and responsibility for ensuring that outcomes and modelling support is made available to programmes.

Role of Members

The members of the Strategic Leadership Group will be of senior level within their respective organisations and have the ability to make decisions and escalate issues as appropriate. They will also ensure compliance with governance arrangements. Members will be responsible for disseminating information to and from their organisations, departments or professional groups.

Membership

Name	Title	Organisation	Role
Jon Develing	Interim Accountable Officer	CCG	Commissioner
Clare Fish	Strategic Director of Families and Wellbeing	WMBC	Commissioner
Fiona Johnstone	Director of Public Health	WMBC	Commissioner
Graham Hodgkinson	Director of Adult Social Services	WMBC	Commissioner
David Allison	Chief Executive	WUTH	Provider
Simon Gilby	Chief Executive	CT	Provider
Sheena Cumiskey	Chief Executive	CWP	Provider
Dr Peter Naylor	Acting Chair CCG	CCG	Provider

In cases where members cannot attend for a single meeting, apologies should be sent. A deputy would not be permissible for the core members section, but is encouraged for the Business Items for Decision.

Also in attendance at the Business Items for Decision segment of SLG are:

Name	Title	Organisation
Anna Rigby	Vision 2018 Programme Manager	CCG
Terry Whalley	Project Director - Vision 2018	NWLA
Clare Grainger	Vision 2018 Project Manager	CCG
Andrew Crawshaw	Director of Operations and Delivery	NHS England

Additional members will be invited as and when required.

Frequency of Meetings

Monthly (to be reviewed after 6 months)

Communication and Accountability Arrangements

Members will retain accountability to their respective organisational governance arrangements, but with agreed levels of delegated authority from their respective organisations

Resources

In terms of publicity, engagement and other activities related to Vision 2018, member organisations should be prepared to contribute resources on an equitable on-going basis as details arise. In addition, partner organisations will be expected to provide resource to enable members to attend and will not be reimbursed additionally.

Administrative Arrangements

Decisions and Actions will be recorded, but there will be no need for full meeting minutes.

Chair/Vice Chair

Chair: Jon Develing
Vice Chair: Pete Naylor

Quorum

2 Commissioners and 2 Providers

Date of Ratification/Date of Review

First draft: 30.05.14
Second Draft: 10.06.14
Third Draft 10.10.14

Date of approval: 22.10.14
Date for review: 01.03.15

E. Glossary of Acronyms

BCF	Better Care Fund
CCG	Clinical Commissioning Group
CEO	Chief Executive Officer
CIP	Cost improvement Programme
Comms	Communications
CT	Community Trust
CWP	Cheshire and Wirral Partnership NHS Foundation Trust
HWBB	Health and Wellbeing Board
ICCT	Integrated Care Coordination Teams
IG	Implementation Group
IT	Information Technology
IV	Intravenous
LA	Local Authority
LTC	Long Term Conditions
NWLA	North West Leadership Academy
OQuA	Outcomes and Quality Assurance group
PMO	Programme Management Office
PTNS	Percutaneous tibial nerve stimulation
QIPP	Quality Innovation, Productivity and Prevention
SLG	Strategic Leadership Group
WJSCG	Wirral Joint Strategic Commissioning Group
WMBC	Wirral Metropolitan Borough Council
WUTH	Wirral University Teaching Hospital NHS Foundation Trust

WIRRAL COUNCIL

Cabinet

9 December 2014

SUBJECT:	DAY NURSERY PROVISION
WARD/S AFFECTED:	All
REPORT OF:	DIRECTOR OF CHILDREN'S SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR TONY SMITH
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 It was agreed by Cabinet on 7 July 2014, that proposals to cease delivery of Day Nursery provision by the Council, at five different locations, be subject to a further 12 week period of consultation (this was to ensure that the school holiday period did not inhibit schools from engaging with the process).
- 1.2 This report is to update Cabinet on the future proposals for the Council's Day Nursery provision following the further period of consultation - undertaken between 15 July 2014 and 22 October 2014.
- 1.3 Ceasing to deliver Day Nursery provision will realise a saving of £772,000 already taken as part of the Council's Budget saving options for 2013/14, but not yet fully delivered. It represents the shortfall between fees and charges collected at six day nursery settings from parents/carers and the cost to deliver the service.
- 1.4 Following a tendering exercise in 2013, one of the day nursery settings has transitioned to a social enterprise company; this was decided by Cabinet on the 19 June and will reduce the outstanding saving to approximately £700,000.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 A report submitted to Cabinet on 13 June 2013 recommended that Day Nursery provision – (childcare paid for by parents and carers) directly delivered in 6 locations progress through a tendering and procurement exercise to become externally commissioned.
- 2.2 The required associated saving represented the deletion of a subsidy of £772,000 per annum, used to financially subsidise childcare for children aged 0 – 5 years. The subsidy was reflective of a shortfall between fees and charges collected from service users (parents) and costs to deliver the service.

- 2.3 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).
- 2.4 A tendering exercise ran from the 13 August 2013 to the 10 October 2013 and provided the opportunity for interested parties to submit a tender on 'The Chest' (the North West Procurement Portal). Tenders were invited from parties interested in running the day nursery (childcare) provision, for up to a 5 year period in the first instance.
- 2.5 Four of the six day nursery settings did not attract any tenders.
- 2.6 Co-located schools although interested in the tendering process, did not progress to submit tenders citing sustainability issues. The risks to the wider school community and associated school budgets were deemed too great, largely due to school staff rates of pay and conditions. However schools remain strong partners, which is currently evidenced through the expressions of interest shown for the 2, 3 and 4 year old offer at four settings to be delivered by schools
- 2.7 NBDT did submit a tender to deliver full day care and whilst this did not progress due to sustainability issues cited by NBDT, they also remain a strong partner and continue to express an interest in delivering the 2, 3 and 4 year old offer within the St James Centre.
- 2.8 A report submitted to Cabinet on 19 June 2014, was partially agreed. Cabinet approved the day nursery at the New Brighton setting becoming a Social Enterprise model and that the provision would transition to be delivered by New Brighton Day Nursery Ltd (NBDN Ltd). This has now progressed to sign off and the day nursery has been operating as a social enterprise through NBDN Ltd since September 2014.
- 2.9 The report also recommended that the Council stop delivering day nursery provision as soon as is practicable and that negotiations with relevant partners, including the co-located primary schools and North Birkenhead Development Trust for the delivery of the 2, 3 and 4 year old offer be progressed. This element of the report was not progressed, noting the requirement for a future report to advise further consultation.
- 2.8 Following the submission of a further report to Cabinet on 7 July 2014 it was agreed that:
- The proposal to cease delivery of the Council's day nursery provision detailed within the report, in respect of the remaining five day nurseries be subject to a 12 week consultation period. It was felt that earlier consultation 'What Really Matters' used in respect of outsourcing the provision was out of date and was not specific enough to advise on a decision to cease to deliver the day nursery service.
 - Families accessing the provision at the five day nurseries would be made aware of the presenting position and consulted with.

- Families accessing the provision at the five day nurseries would be informed of the current position and offered advice based on their individual circumstances to enable them to consider their own position and childcare needs
- A tailored childcare brokerage service would be made available if required by families to enable them to consider their own position and childcare needs and access appropriate support to mitigate the impact of any changes to their childcare offer.
- The allocation of any future places for children at the five day nurseries during the agreed 12 week consultation would ensure families were made aware of the current position. Tailored support (through brokerage with parents) to help mitigate against any possible upset for children and future inconvenience for parents would be offered. This was to ensure families were made aware of the current position and to reduce disruption or unnecessary transfers for children to a different childcare provider in the event that the Council's day nursery provision ceased to operate.
- Further consultation and negotiations to be undertaken with school partners to explore the potential of them delivering the 2, 3 and 4 year old education offer from the sites of the current day nurseries.
- Further consultation and negotiations to be undertaken with North Birkenhead Development Trust (NBDT) as a current and key stakeholder at the St James Centre to explore the potential of them delivering the 2, 3 and 4 year old education offer.
- Contingency be further considered if necessary and appropriate to ensure sufficiency of the 2, 3 and 4 year old education offer.
- The Director of Children's Services be authorised to prepare the requisite consultation documentation and commence the consultation process. This progressed from 15 July 2014 to 22 October 2014.

2.10 During this period (and to date) information, advice and guidance along with a supported brokerage service have been offered to all parents using the services and to potential future service users.

2.11 A number of parents have already transitioned and potential service users requiring full day care (in most instances) have chosen to take up provision at alternative providers. It is reported by the day nursery managers that in general parents are exercising a degree of caution and that numbers of families using the provision to access the 2, 3 and 4 year old offer are expected to increase when the service has more certainty in its future.

2.12 During this period there has been a gradual reduction in the numbers of families using and accessing full day care, at four of the day nurseries (attached or co-located with schools). However parents requiring the 2, 3 and 4 year old education offer on a sessional and term time only basis continue to access the service.

2.13 A higher number of children (68) using the provision at Miriam Place Day Nursery - (situated in the St James Centre) have continued to access the service, with parents delaying making changes to their childcare until a decision has been taken by Cabinet.

- 2.14 It is noted that a paper based petition containing 426 signatures (which will be commented on later in this report) from the parents and community linked to Miriam Place Day Nursery was submitted as part of the consultation.
- 2.15 It is expected that approximately 63 of these children will continue to require childcare or early education in January 2015 - the breakdown of the 63 children against current occupancy is 20 children will require some paid for day care (made up of a combination of full and part time places) and 43 children will require their 15 hours of 2, 3 or 4 year early education offer.
- 2.16 The childcare sufficiency assessment demonstrates that there are vacancies across all type of providers (sessional, day nurseries and childminders) and across each area to accommodate the number of children who will be displaced as a consequence of the Council ceasing to deliver childcare.
- 2.17 In the event that the decision is taken to cease to deliver the day nursery service, plans on a setting by setting basis will be detailed and put in place. The approach will see the day nursery provision reduce and phase out in line with children who are due to leave to go to school between January 2015 and July 2015. This will ensure children and families are not unnecessarily disrupted or expected to resettle in to alternative provision for one or two terms. During this period the service will be required to continue (up to 10 hours a day and be inclusive of holiday periods on a needs led basis) albeit as a much reduced offer. It is anticipated longer term that the 2, 3 and 4 year old early education offer currently being worked up by schools and NBDT will be on a term time only basis.
- 2.18 Plans will be progressed with other families using the day nursery service who have younger children and who will likely require day care over a longer period of time (post July 2015). Plans will ensure support to help them to broker the right type of childcare for them and assist with any transfer arrangements for children.

3.0 RELEVANT RISKS

- 3.1 There is a continued risk from the disruption to services required to achieve the necessary changes. However reports to date where parents have secured alternative provision as a result of the proposed changes, by the day nursery managers' report smooth transitions. A tailored package of support for each family will continue to be offered, to mitigate against this risk. The Family Information Service will continue to ensure that information, advice and guidance is available and effective and that supportive brokerage continues to be made available.
- 3.2 Staff have been 'at risk' for an extended period of time and will be further impacted by any subsequent changes. Changes may involve; moving to term time only conditions, annualised hours, transfer implications or compulsory redundancy.
- 3.3 The staffing position has changed significantly since changes to the day nursery service were first debated (over 2 years ago) and the number of staff has reduced from (approximately) 90 full time equivalent posts to 45. Staff have left to take up other employment both internal and external to the Council. The staffing position continues to change and a reliance on agency staff to support the business is required. Further to this a number of staff have indicated that they would be willing

to take voluntary redundancy, this position cannot be confirmed for individuals until a decision regarding the future of the service is reached, however will support and mitigate against implications for council employees should it be required.

- 3.4 The report acknowledges a responsibility and a duty of care for the day nursery staff. Staff have been at risk of redundancy and continue to be so for an extended period of time, they are working under significant pressure (to maintain a quality provision), and it is becoming critical that resolution through a clear way forward is reached to ensure a position of employment stability.
- 3.5 There is a risk that plans for the schools or North Birkenhead Development Trust, who have all indicated a clear intention to take on the running of the provision for the 2, 3 and 4 year old Early Education Offer do not come to fruition. To mitigate against unmet childcare needs for families as a result of this happening or any wider sufficiency implications as a result, contingency plans to ensure places are available for all eligible 2, 3 and 4 year olds will be carefully managed through the early year's team.
- 3.6 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). There are currently full time, part time and sessional places to accommodate all children displaced as a result of any changes to the service, available across the Borough
- 3.7 The uncertainty of the future of the directly provided Council day nursery service over an extended period of time, to support the current period and the previous tendering exercise has seen staff numbers significantly reduce (from approximately 90, to 45 FTE). This has necessitated a requirement of managers to work together and move staff across the service to carefully balance the mix of skill and ability; this position has also seen an increased reliance on agency staff.
- 3.8 This position is likely to become more critical as time goes on and present increasing challenges for managers to deliver and or sustain a quality provision. Senior managers are carefully overseeing the position which is kept under constant review. Exposure from increased challenge to regulatory practice could risk bringing disrepute to the Councils reputation.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The Local Authority continues to directly deliver the day nursery provision. Whilst this would ensure the continuation of locally valued service, it would not be able to demonstrate it could target those children and families most in need of the service (Children's Centre Guidance 2013) the cost implications would be significant to the Council (circa £700,000 per annum) and the budget savings already agreed and taken from the budget would not be achieved.
- 4.2 In addition 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).The childcare sufficiency assessment does not currently indicate a need and vacancies across the borough are currently over and above the level of places being offered in the five day nursery settings.

- 4.3 The Local Authority re structures its services, ceasing to deliver the day nursery provision (for children 0-5 years for 50 weeks a year across a 10 hour day), to refocus 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 to sustain their own 3 and 4 year old provision or develop the 2 year old offer. Since work began in 2012 to consider the Council's future arrangements for childcare, the Government's ambition for the 2 year old offer for disadvantaged children to be more closely aligned to schools has become more evident.
- 4.4 The Local Authority re structures its services ceasing to deliver the day nursery provision (for children 0-5 years for 50 weeks a year across a 10 hour day), to refocus 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 more in line with the Council's responsibility to deliver services to the most disadvantaged children in the Borough.

5.0 CONSULTATION

- 5.1 Earlier public consultation took place through the Council's "What Really Matters" September 2012 budget consultations which included the role of Children's Centres.
- 5.2 A period of consultation (as advised in the report to Cabinet on the 7 July 2014) from 15 July 2014 to 22 October 2014 has taken place. Seeing: all children's centres provide clearly presented detail of the proposal to cease delivering the day nursery service, information available through all children's centres and other community buildings, an online questionnaire, a paper based copy of the on-line questionnaire available (with support for parents to complete if required) with sealed return post boxes in all children's centres, an individual appointment offered to all parents/carers as current users of the day nursery service, an individual appointment offered to potential parents/carers on the waiting lists at the day nurseries and those parents/carers who requested to go on a waiting list during the consultation period (and since).
- 5.3 In addition a supported brokerage service was made available to parents who required it, tailored to ensure their unique childcare needs were responded to. Staff have also supported any transition as a result of parents initiating a change to their childcare.
- 5.4 Managers also ensured that partners were aware of the proposal and could support parents and carers or sign post parents and carers to ensure an appropriate response to any queries or concerns.
- 5.5 In addition the private, voluntary and independent sector were invited to meet with managers to discuss the proposal and any likely impact at a business level or as a consequence for parents and children. An on-line questionnaire was made available to the private, voluntary and independent sector to ensure awareness of the proposal and better support any likely adjustments to their future business plans as a result.

- 5.6 Individual consultation meetings have taken place with those partners (schools and NBDT) who have expressed an interest in taking on the delivery of the 2, 3 and 4 year old early education offer. All five partners remain committed to progressing plans with the Council to deliver the 2, 3 and 4 year old early education offer and are keen that a decision is reached as soon as possible. All indicate that further investment of time to progress is futile until such time that a decision is taken that will advise a clear direction of travel and a return on any further commitment.
- 5.7 Heading into and during the consultation period The Head of Targeted Service and Senior Managers from Early Years facilitated a meeting with each team of Day Nursery Staff. This ensured clear communication in respect of the proposed changes and afforded the staff the opportunity to openly discuss the implications for the service and themselves. Positive feedback was received from the staff regarding the approach taken.
- 5.8 The results of the consultation see 456 responses from local parents and community members and 65 from early year's providers across the voluntary, private and independent sectors.
- 5.9 The responses from local parents and community members comprised of 32 on-line and paper based responses. All parents have been afforded support to use the on-line or paper based responses.
- 5.10 There were 426 responses submitted as part of a paper based petition from the parents and community linked to Miriam Place Day Nursery, based at the St James Centre (the nursery currently has 66 children on roll). The petition stated:
- “We, the undersigned, are concerned parents and supporters of Miriam Place Day Nursery and urge Julia Hassall the Director of Children’s Services, Wirral Borough Council to keep Miriam Place Nursery open to our and future 0 – 5 children from the North Birkenhead Area” .*
- 5.11 Analysis of the petition sheets highlight:
- 69% of petitioners live within a 1 mile of Miriam Day Nursery (this equates to 294 out of 426 petitions)
 - 29% of petitioners live outside of a 1 mile (but within Wirral) of Miriam Day Nursery (this equates to 125 out of 426 petitions)
 - 2% of petitioners live in Liverpool (this equates to 7 out of 426 petitions)
 - There were 16 incomplete postcodes within the 426 total.
- 5.12 It is noted that the petition asks for name, postcode and a comment and whilst it is assumed that many of the comments are from parents (current, past and potential) it does not make a direct correlation to local parents requiring childcare in support of either work or study.
- 5.13 The petition clearly demonstrates depth of feeling in respect of opposing proposed changes to the provision and is duly noted in terms of demonstrating strong support for the provision to continue to be delivered.

- 5.14 In the event of any change for families and in addition to the plans for an extended period of time to phase the day nursery service out, brokerage and support will continue to be offered for all parents and on an individual basis. Work will be undertaken with other providers local to Miriam place to ensure they are geared up to receiving the children who may have to make any change - This approach has recently seen early years staff undertake active partnership with other childcare providers where parents have expressed a wish to move, children's key workers from the Council have worked alongside staff from other providers to ensure an extended settling in period for children and causing least disruption for parents work commitments.
- 5.15 In the event of any change and whilst it is not suggested that the Council continue to subsidise paid for childcare (which leaves it open to challenge), it is proposed that the Council work closely with NBDT to ensure relevant support for any plans it may have around establishing the delivery of the 2, 3 and 4 year old early education offer. This could be in the form of resource to ensure transition including officer support to help progress operational change. It is important to recognise from the outset that trust across the community, the organisation and the Council is vital if we are to collectively meet the needs of the most vulnerable children and families and must be maintained and further strengthened to support any period of adjustment.
- 5.16 Analysis of the on line consultation which ran from 15 July 2014 to 22 October 2014 shows that:
- 17% of responding parents use the service on a full time basis – the remainder use if as part time and/or to access early education places.
 - 7% use public transport to access their childcare places, the remainder walk or travel by car.
 - 8% have never used any other childcare provision
 - 78% are most concerned that their child would be disrupted if they changed to another provider.
 - 54% were most concerned about the disruption to the family and
 - 39% were concerned about disruption to their job.
- 5.17 Analysis of the on line consultation with local early year's providers which ran from 15 July 2014 to 22 October 2014 shows that:
- 91% of providers responding offer both full and part time places for children.
 - 66% reported that they felt that changes to the Councils day nursery provision would have a positive impact on their business
 - 86% felt that if needed they could increase their numbers or change their operating hours to support changes to demand for local services.

Summary reports from the consultation are attached as Appendix 1.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 6.1 None.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 Childcare providers from the voluntary, community and faith groups have been afforded the opportunity to respond to the consultation along with private and independent businesses and have been invited to meet with early years managers to both understand the implications and or to seek advise regarding the implications for their business.
- 7.2 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.
- 7.3 Voluntary, Community and Faith groups have a significant role in the delivery of childcare across the Borough, with a high number of pre-schools operating under a voluntary management committee and or as a charity. Future plans will ensure that partnership arrangements with the Voluntary, Community and Faith sector are maintained.

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

- 8.1 The commissioning or restructuring of the six day care settings was anticipated to reduce overall costs by £772,000 per year and anticipated delivery dates were estimated to be from September 2013. The procurement process failed to attract the desired result.
- 8.2 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 reduce and progress to transfer provision. The shortfall is being met from within the Department's Budget.
- 8.3 Plans on a setting by setting basis will be put in place that will reduce services in line with children who are due to leave to go to school between January 2015 and July 2015, so as not to disrupt children and expect them to resettle in to alternative provision for one or two terms. This will require some full time daycare to continue albeit on a much reduced basis and be inclusive of holiday cover for Christmas and Easter as the main holidays (longer term the offer will be on a term time only basis). Plans will progress with other families requiring care for a longer period of time to support them to broker the right childcare and assist with the transfer for children.
- 8.4 All current staff (circa 45 individuals in post reducing from a full staffing establishment of 90) who are employed in the five settings will be affected, options and legalities surrounding this are currently being considered with the Councils Human Resource service.
- 8.5 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.
- 8.6 Work to mitigate the impact on other staff in terms of establishing any posts in schools or at the North Birkenhead Development Trust will be considered.

9.0 LEGAL IMPLICATIONS

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

10.0 EQUALITIES IMPLICATIONS

- 10.1 An equality impact assessment has been detailed and can be found via the following link:

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-april-2014/eias-families-wellbeing>

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

- 11.1 Not applicable.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 Not applicable.

13.0 RECOMMENDATION/S

- 13.1 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 have been considered in the report).
- 13.2 That work with families accessing day nursery provision begins in order to ensure a smooth transition of care, using a phased approach where necessary in order to minimise the disruption and need for multiple transfers and disruption to children and their parents and carers.
- 13.3 That negotiations with relevant partners and co-located primary schools from the five settings (for the continued 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.
- 13.4 That subject to appropriate agreements being secured facilities and resources are transferred to schools and partners to deliver the extended 2 year old offer.
- 13.5 In the event appropriate agreements are not reached, or are not reached within mutually agreeable timeframe to support children, parents and staff that a contingency plan is detailed in order to support transitions and secure sufficiency of the early education offer at the affected settings. The plan will consider:
- Direct delivery (by the Council), of the two, three and four year old early education offer on a term-time only basis and for a period of time until other

partners can be identified or other local providers can accommodate and meet need. This will need to ensure clarity of the government's intention with regard to extending the two year old offer longer term.

- How to best meet any transitional arrangements for the 2, 3 and 4 year old offer as changes to service delivery are implemented.
- Any HR implications as a consequence for staff.

13.6 That Cabinet agree that the Cabinet member for Children and Young People is given delegated responsibility to direct and monitor the progress against the recommendations.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 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). The current subsidy is circa £700,000 per annum.

14.2 Childcare subsidies are directed by the government (currently through tax credits and tax relief childcare voucher schemes) to eligible families, this sees a number of parents doubly subsidised when using the Councils provision. This could likely include parents and children who would not be in the target groups (for delivery) as advised by government guidance

14.3 Whilst the day nursery provision is positioned in the most disadvantaged communities, it operates as a business in the open market place. The service is reliant on payments made by parents and carers as fees and charges and access and take up by parents and carers is not restricted to those most in need of the service (children's centre guidance 2013). The service is therefore subsidising all service users. This is not in the form of reduced payment but in respect of the cost to run the service – which can not compete with the private, voluntary or independent sectors, largely due to the cost associated with staffing.

14.4 There was previously a requirement for local authorities to ensure childcare was available to support parents and carers to take up training and/or employment. The position for local authorities has shifted and now requires them to act as a brokerage service to support families to find and secure the right type of childcare for them.

14.5. 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. The proposals will support this position.

14.6 The uncertainty of the future of directly provided Council day nursery services and over an extended period of time to support the current period and the previous tendering exercise has seen some families who may have used the provision in the past use alternative provision. Whilst this has been carefully managed along with the expectations of families who continue to use the service the outcome has resulted in the day nursery provision not currently viable as a business model.

14.7 The uncertainty of the future of the directly provided Council day nursery service over an extended period of time, to support the current period and the previous

tendering exercise has seen staff numbers significantly reduce (from approximately 90, to 45 FTE). This has necessitated a requirement of managers to work together and move staff across the service to carefully balance skill and ability; this position has also seen an increased reliance on agency staff. This position is likely to become more critical as time goes on and will present increasing challenges for managers to deliver and or sustain a quality provision. Senior managers are carefully overseeing the position which is kept under constant review. This is progressively more difficult to manage and exposure from this increased challenge to quality and regulatory practice carries risk.

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APPENDICES

Appendix 1 - Summary Sheets

BACKGROUND PAPERS/REFERENCE MATERIAL

BRIEFING NOTES HISTORY

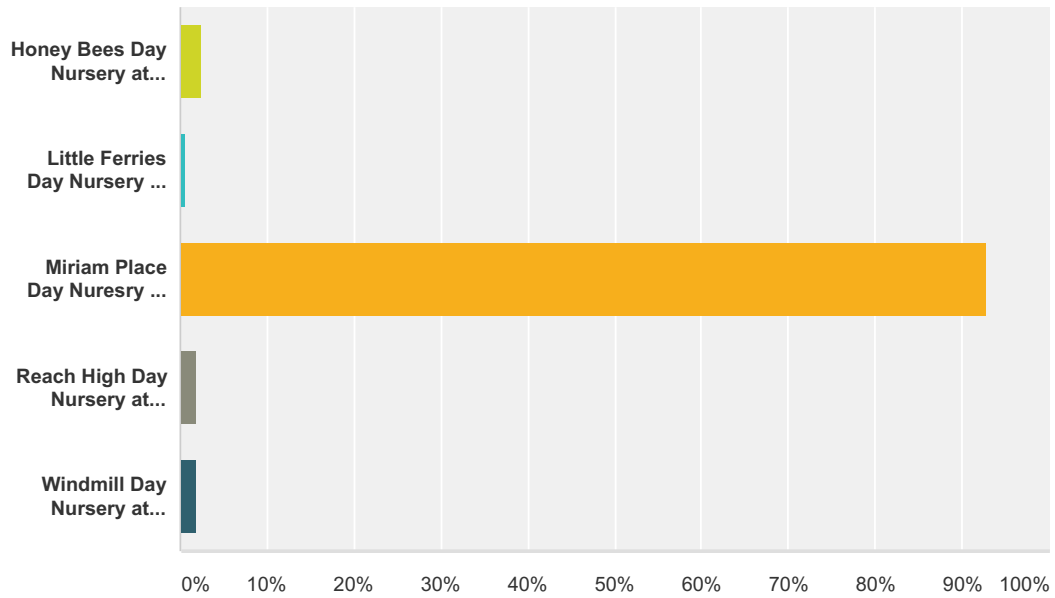
Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

Q1 Select the nursery that your child/children attends:

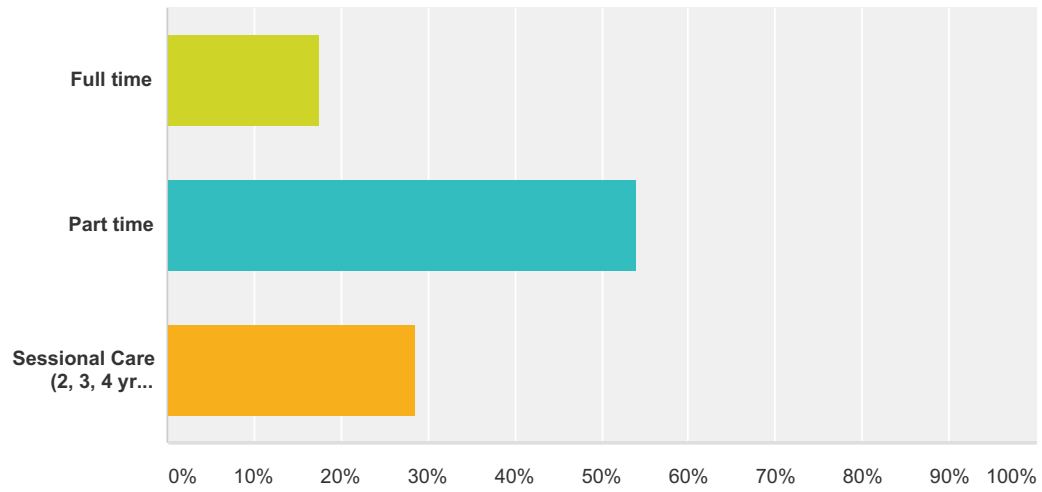
Answered: 456 Skipped: 0



Answer Choices	Responses
Honey Bees Day Nursery at Birkenhead & Tranmere Children's Centre	2.41% 11
Little Ferries Day Nursery at Rock Ferry Children's Centre	0.66% 3
Miriam Place Day Nuresry at Bidston & St James Children's Centre	92.98% 424
Reach High Day Nursery at Liscard Children's Centre	1.97% 9
Windmill Day Nursery at Claughton Children's Centre	1.97% 9
Total Respondents: 456	

Q2 Does your child/children attend:

Answered: 63 Skipped: 393



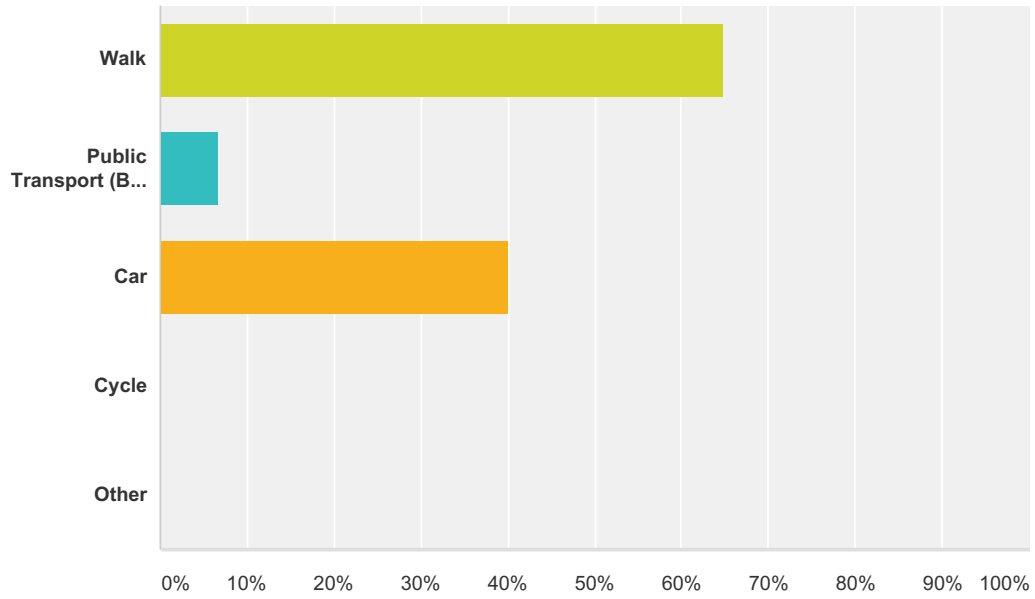
Answer Choices	Responses
Full time	17.46% 11
Part time	53.97% 34
Sessional Care (2, 3, 4 yr funded or other)	28.57% 18
Total	63

Q3 How would you be affected if the day-care facility became sessional care only, for example, 9:00am-12 noon or 12:30pm-3:30pm?

Answered: 57 Skipped: 399

Q4 How do you travel to your day nursery?

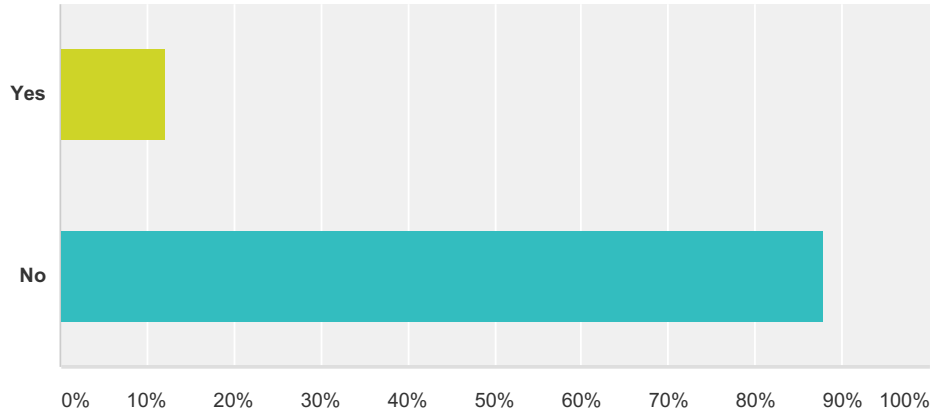
Answered: 60 Skipped: 396



Answer Choices	Responses
Walk	65.00% 39
Public Transport (Bus, Train)	6.67% 4
Car	40.00% 24
Cycle	0.00% 0
Other	0.00% 0
Total Respondents: 60	

**Q5 Have you used any other alternative providers for childcare in your local area?
For example Childminders, pre-schools, day nurseries?**

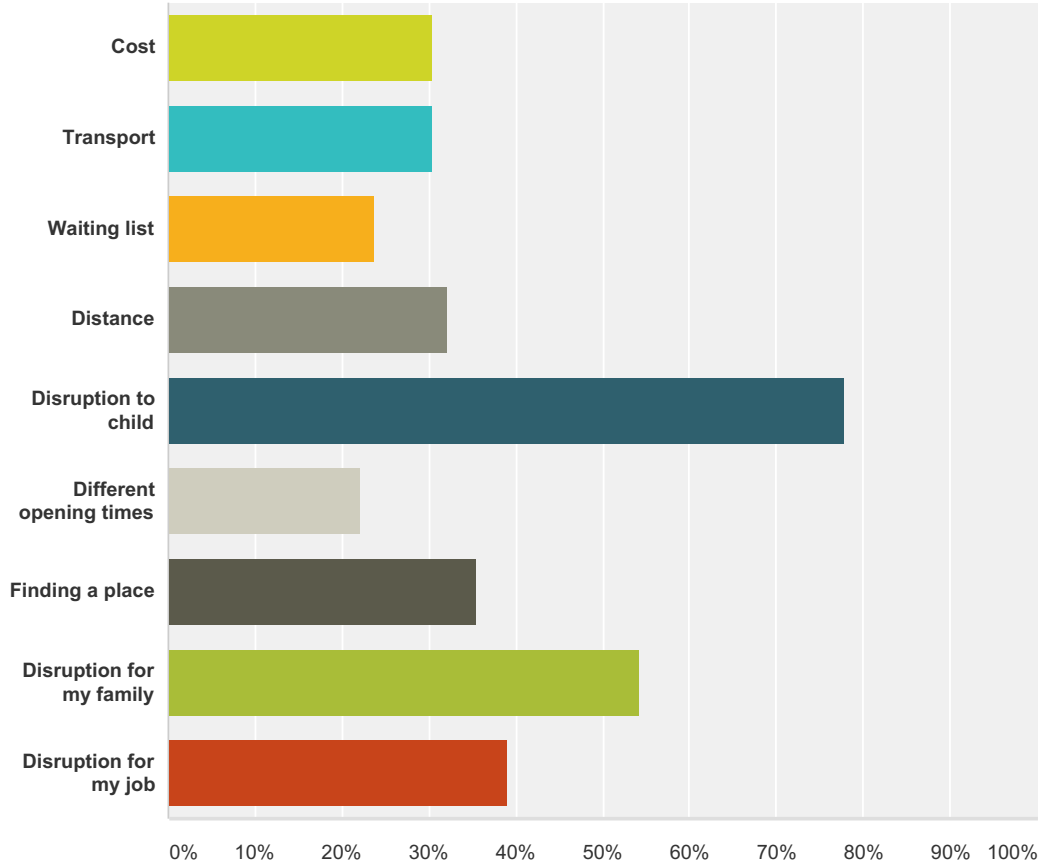
Answered: 58 Skipped: 398



Answer Choices	Responses
Yes	12.07% 7
No	87.93% 51
Total	58

Q6 What would be your biggest concern if you had to use another provider for childcare?

Answered: 59 Skipped: 397



Answer Choices	Responses
Cost	30.51% 18
Transport	30.51% 18
Waiting list	23.73% 14
Distance	32.20% 19
Disruption to child	77.97% 46
Different opening times	22.03% 13
Finding a place	35.59% 21
Disruption for my family	54.24% 32
Disruption for my job	38.98% 23
Total Respondents: 59	

Q7 Please tell us if you have any views, concerns or general thoughts about this proposal to stop directly providing a full time day nursery service.

Answered: 433 Skipped: 23

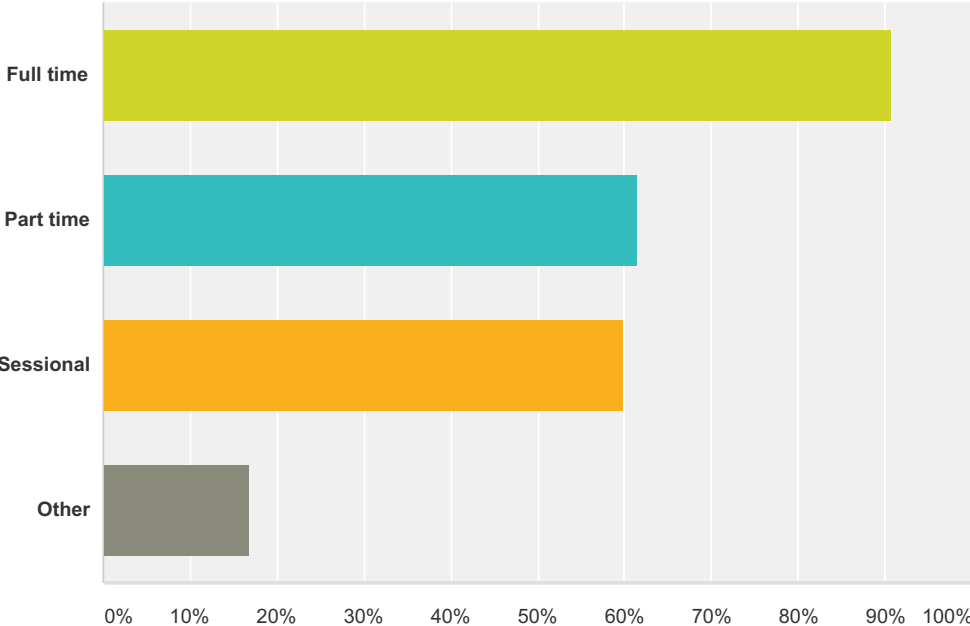
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Q1 Name

Answered: 21 Skipped: 44

Q2 What services do you currently provide?

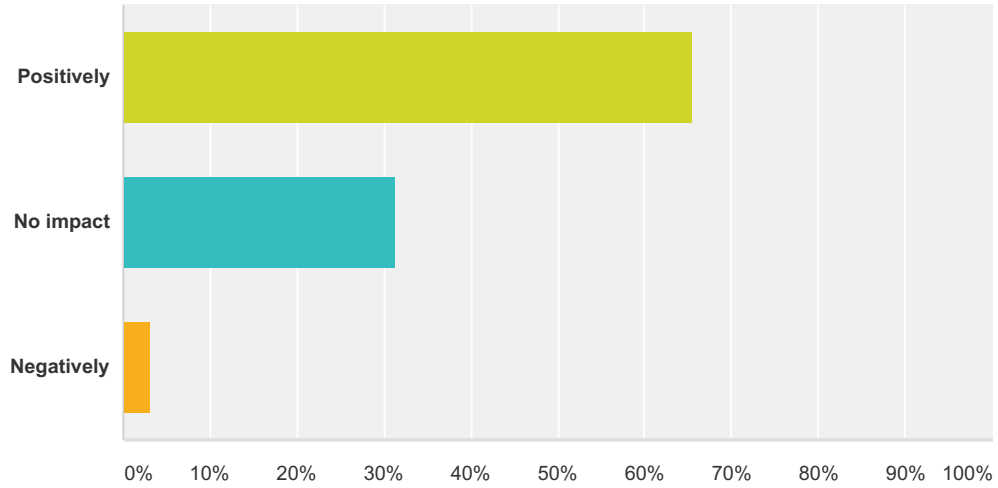
Answered: 65 Skipped: 0



Answer Choices	Responses
Full time	90.77% 59
Part time	61.54% 40
Sessional	60.00% 39
Other	16.92% 11
Total Respondents: 65	

Q3 If the Council stopped directly providing day nurseries, how would this impact your business?

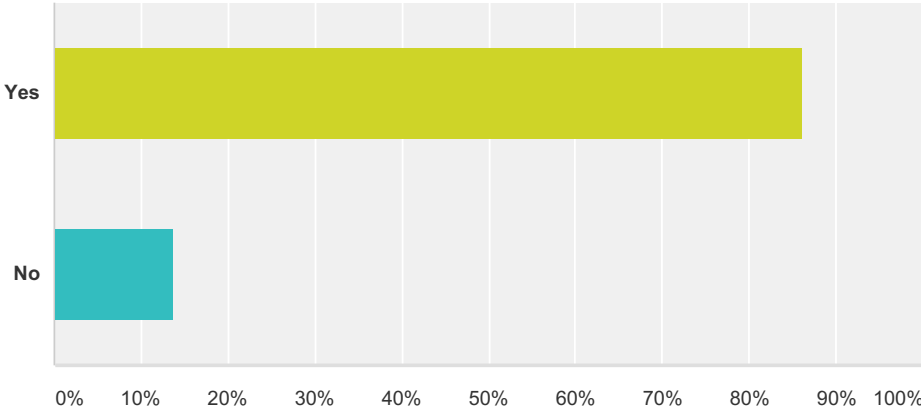
Answered: 64 Skipped: 1



Answer Choices	Responses	Count
Positively	65.63%	42
No impact	31.25%	20
Negatively	3.13%	2
Total		64

Q4 If demand increased could your business accommodate increased numbers or changes to operating hours?

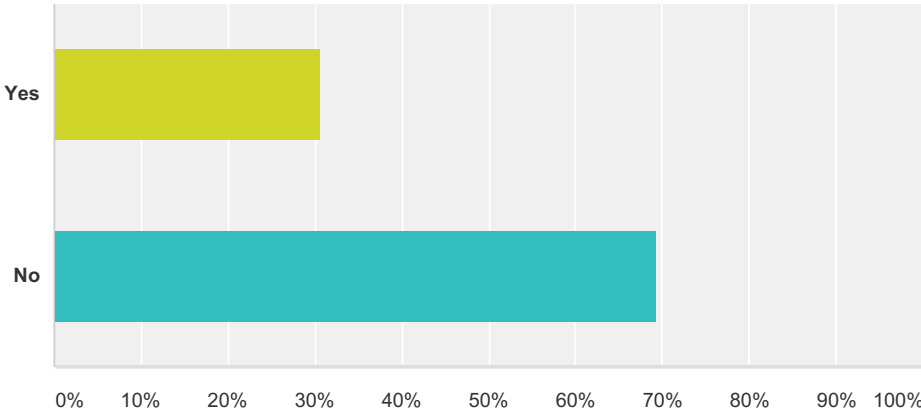
Answered: 65 Skipped: 0



Answer Choices	Responses	Count
Yes	86.15%	56
No	13.85%	9
Total		65

Q5 Are you registered with any other Information Services?

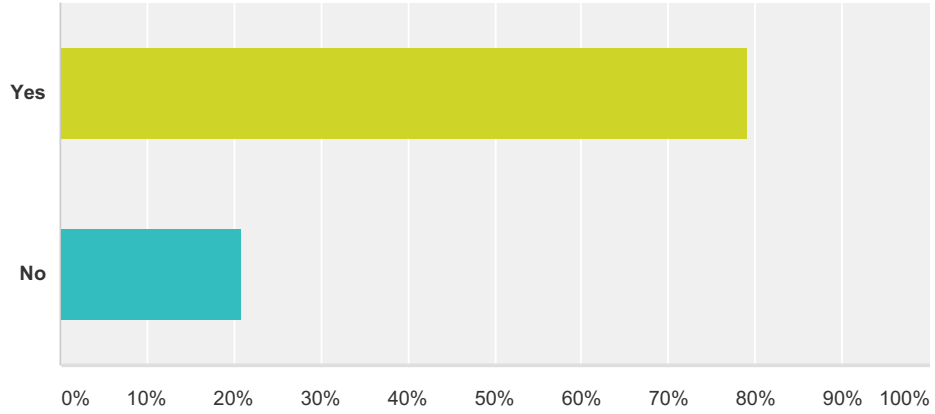
Answered: 52 Skipped: 13



Answer Choices	Responses
Yes	30.77% 16
No	69.23% 36
Total	52

Q6 As a Wirral provider you are currently registered with Wirral Council’s Family Information Service. Is this useful to you?

Answered: 62 Skipped: 3



Answer Choices	Responses	
Yes	79.03%	49
No	20.97%	13
Total		62

**Q7 Do you have any further comments on
this proposal?**

Answered: 27 Skipped: 38

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WIRRAL COUNCIL

CABINET

9 DECEMBER 2014

SUBJECT:	LAND DISPOSALS AT MANOR DRIVE, UPTON AND AT KERR'S FIELD, PASTURE ROAD, MORETON
WARD/S AFFECTED:	LEASOWE & MORETON EAST MORETON WEST & SAUGHALL MASSIE
REPORT OF:	DAVID ARMSTRONG
RESPONSIBLE PORTFOLIO HOLDER:	CLLR ADRIAN JONES
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek Members' approval for the disposal of land at Manor Drive, Upton following the Court's decision to uphold the termination of the tenancy. The report also provides an update on the proposals to relocate Upton Park Pony Owners' Association from Manor Drive, Upton to alternative land known as Kerr's Field which is located off Pasture Road, Moreton.
- 1.2 It also seeks approval to enter into an Agreement for Lease/Lease of land at Kerr's Field, Pasture Road, Moreton shown for indicative purposes edged red on Plan 2 annexed to this report for the relocation of the Upton Park Pony Owners' Association.
- 1.3 In addition, approval is also required for the land shown edged red on Plan 2 to be appropriated for planning purposes under section 237 of the Town and Country Planning Act 1990. Appropriation occurs where the Council holds for one particular purpose and it makes a declaration that it is going to hold it for a different purpose. The site is held as open space as part of the North Wirral Country Park which is designated as a Countryside Recreational Site on the UDP Proposals Map.
- 1.4 Section 122 of the Local Government Act requires the Council to advertise the intention to appropriate open space as shown edged red on Plan 2 for two successive weeks in a newspaper circulating in the area. Section 123 of the Local Government Act requires the Council to similarly advertise any proposed disposal of open space land. Any objections need to be notified to the Council for consideration prior to such appropriation or disposal.
- 1.5 Cabinet is therefore requested, subject to there being no objections as referred to in paragraph 1.4 above, to approve the appropriation and disposal

of the land shown edged red on Plan 2 and to approve the appropriation and grant of an Agreement for Lease and Lease. It is further requested that any objections be considered by the Director of Universal and Infrastructure Services in consultation with the relevant Portfolio holder who shall then have delegated authority to determine the appropriation and disposal.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The land occupied by Upton Park Pony Owners' Association is a 10 acre green site located off Manor Drive, Upton, the freehold is held by Wirral Council. The tenants, Upton Park Pony Owners' Association have been in occupation of the site for approximately 40 years, held under a series of formal tenancies of approximately 3 year periods. In 2000, following extensive public consultation a major part of the land was allocated as a housing development site with the remainder designated as part of the primarily residential area within the Unitary Development Plan (UDP).
- 2.2 The tenants were consulted on the UDP and the resultant categorisation of the Manor Drive site. An alternative Council owned field for the pony club was identified in Meols however, interim planning policies were introduced which restricted the building on greenfield sites, this effectively put any development opportunities on the Manor Drive site on hold.
- 2.3 In July 2012 the Council served a Section 25 notice under the Landlord and Tenant Act 1954 to terminate the tenancy of the land at Manor Drive and offer terms for renewal.
- 2.4 In October 2012 the planning restrictions on the site were lifted which would enable the land to be used in accordance with the UDP designation which makes the decision to dispose of this site a key priority for the Council, as the significant capital receipt will allow investment in other assets Borough wide without the need for revenue borrowing. This would also contribute towards the Borough's ongoing housing land supply.
- 2.5 The tenant failed to apply to Court to protect their tenancy and the Council was able to apply to Court for possession of the land.
- 2.6 On 7 November 2013 Cabinet was asked to consider a number of key sites for disposal including the land at Manor Drive (also known as Fernbank Farm). It was resolved that the decision on the land at Manor Drive be deferred and reconsidered at the next scheduled meeting of Cabinet when the outcome of legal proceedings for possession would be known. This has not been formally reported to Cabinet Members until now due to the continuing discussions with Upton Park Pony Owners' Association.
- 2.7 In February 2014 the Court granted possession to the Council but agreed to suspend the date for possession for a period of up to 12 months to give sufficient time to allow the Club to find a suitable alternative site. The Council indicated at trial that the Council will assist in this process but the Council is not under any obligation to provide an alternative site.

- 2.8 If the Council had not been able to gain possession of the land through the Court the Upton Park Pony Owners' Association could have refused to vacate the site and the opportunity to dispose of the site for residential redevelopment and achieve a substantial capital receipt would have been lost.
- 2.9 The leader of the Council at the meeting of 7 November 2013 requested that officers in Asset Management identify alternative sites for the pony club. In June 2014 a number of sites were identified and these were discussed with the club, unfortunately only one of these sites was thought suitable by the Club for more detailed investigation, this is located off Pasture Road, Moreton and known as Kerr's field.
- 2.10 The 14.8 acres of land at Kerr's Field is shown outlined red on the attached plan (2). The proposal is to offer the Club a 99 year lease of the majority of this land at an agreed rent and subject to such other appropriate terms as are satisfactory to the Council. The proposal is to do this under delegated powers of the Head of Legal & Member Services and Head of Universal & Infrastructure Services.
- 2.11 Kerr's Field, whilst a designated green space, has not formally been declared surplus by Parks and Countryside. It is currently little used and receives minimal council maintenance. It is also a source of some anti-social behaviour. Due to the exposed nature of the proposed site, it is considered that areas 1 and 2 will be made more secure and the condition of the vegetation will be improved and area 3 is recommended for the placement of stables.
- 2.12 Kerr's Field is part of the linear North Wirral Coastal Park, the linear open, nature of the park would remain intact and Leasowe Common which is opposite Kerr's field would remain available for use as green space. As part of the project detailed ecology, flood risk assessment, bird surveys and habitat surveys have been undertaken in consultation with the Environment Agency and Merseyside Environmental Advisory Service. A planning application will be submitted using the evidence gained to seek approval to form a fenced grazing area for horses and to erect a wooden 10 stable block and store room on the flood protected area of the field. The Council would carry out the fencing work, stabling and obtain the necessary planning permission.
- 2.13 An agreement for lease will be drawn up setting out the legal obligations of both parties. Upon completion of the work including the receipt of the planning permission, erection of the stables and fencing around the site the lease will comprise the majority of area 1 and part of area 3 shown on plan 2 however the exact boundaries are still to be agreed. The detailed terms of the agreement/lease are to be agreed by the Head of Universal & Infrastructure Services.
- 2.14 The planning application will be submitted in December and will therefore not be received until early 2015. The land at Manor Drive must be vacated by the Club by 13 February 2015 and the new fencing/stabling at Kerr's Field will

therefore not be completed by this date. It is proposed that the Club are allowed to occupy the land and a temporary stable block under a licence pursuant to the terms of the completed agreement for lease.

- 2.15 The land at Manor Drive, Upton, known as Fernbank Farm including the un-adopted road Fernbank Lane shown on the attached plan (1) will be declared surplus and marketed by the Council's appointed Property Consultants. Redevelopment for new housing would be acceptable in principle in accordance with the Unitary Development Plan and the sale should generate a substantial capital receipt.

3.0 RELEVANT RISKS

- 3.1 The land at Manor Drive, Upton does not attract purchasers or get agreement for development but, shortage in house building land has been recognised. Development of this land is subject to planning conditions and the Council's Housing Development Policy.
- 3.2 Change of use of the land known at Kerr's field, Moreton from public open space to use by the pony club would increase slightly some existing localised green space deficiency for parts of housing areas on the North edge of Moreton and West edge of Leasowe however, much of Moreton and Leasowe would remain within 800m access of North Wirral Coastal Park. The linear nature of the park would remain intact and Leasowe Common which is opposite Kerr's field would remain available for use as green space.
- 3.3 The development of the land known as Kerr's field will require Planning consent. Failure to obtain planning consent would require the pony owners association to make their own arrangements for alternative accommodation for their stabling requirements.
- 3.4 If planning consent is not granted for the proposed work after the club's temporary location to Kerr's field, the lease cannot be completed and the Council will have to regain possession of this land.
- 3.5 The pony club will be required to enter into an "Agreement for Lease" with the Council to ensure the club are contractually obliged to complete a lease following the grant of satisfactory planning consent and completion of the accommodation works.
- 3.6 If an agreement for lease cannot be agreed before the date for possession of the land at Manor Drive, the Council will seek to enforce the possession order and the club will not be permitted to move to Kerr's field.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 Not selling the land off Manor Drive, Upton would significantly reduce the anticipated Capital receipts which would fund other Capital projects. Capital receipts also impact on the amount of money the Council needs to borrow resulting in an increase of revenue expenditure. The land also forms part of its plans to meet housing needs in the borough.

- 4.2 Alternative sites were offered to the pony owners' association but the land known at Kerr's field was the only option the pony owners association were willing to consider.
- 4.3 The option for the Council to remove the pony owners association without assistance to relocate remains.

5.0 CONSULTATION

- 5.1 Upton Park Pony Owners' Association has been consulted throughout this process since the Court order was received.
- 5.2 A range of external agencies have been consulted, including the Environment Agency, Merseyside Environmental Advisory Service as part of the planning approval process.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 6.1 Cabinet 7 November 2013 refers: the decision on land at Manor Drive be deferred and reconsidered at the next scheduled meeting of the Cabinet when the outcome of legal proceedings will be known.

Cabinet were also made aware of officers being mindful of the interests of Upton Pony Club who had occupied the site for approximately 40 years and whose lease had recently expired. The Council's preference was to work with the pony club over the next year or so to explore suitable alternative sites.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 Upton Park Pony Owners' Association is directly affected by this decision and is regarded as a community group.

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

- 8.1 The estimated capital receipt for the Manor Drive site is in the region of £4m.
- 8.2 The land at Manor Drive, Upton will be marketed for housing development.
- 8.3 The costs of relocating the pony association is estimated to be in the region of £100,000 and will be funded from capital. State Aid implications will be considered if appropriate.
- 8.4 The proposed relocation site will remain in Council ownership with a lease term offered to Upton Park Pony Owners' Association for 99 years at an agreed rent subject to such other appropriate terms as are satisfactory to the Council as referred to in paragraph 2.10 above.

9.0 LEGAL IMPLICATIONS

- 9.1 In February 2014 the Court granted possession to the Council but agreed to suspend the date for possession for a period of up to 12 months to give sufficient time to allow the Club to find a suitable alternative site. The Council indicated at trial that the Council will assist in this process but the Council is not under any obligation to provide an alternative site.

- 9.2 The land at Manor Drive must be vacated by 13 February 2015. If the club do not vacate the land on or before this date the Council will subsequently enforce the possession order.
- 9.3 It is proposed that a 99 year lease of the land at Kerr's Field is offered to the Upton Park Pony Owners Association. An initial agreement for lease will be agreed setting out the legal obligations of both parties as the stabling/fencing at Kerr's Field will not all be completed by the date the club will be required to vacate the Manor Drive site. It is proposed that the club are allowed to occupy the land with a temporary stable block under licence pursuant to the agreement for lease. The Council will be required to complete some of the fencing work by February 2015. Permanent works to Kerr's Field are subject to planning consent.
- 9.4 It is necessary that the land at Kerr's Field be formally appropriated for planning purposes and the required notices under section 122 of the Local Government Act 1972 be served and also that notice for disposal of open space with regards to the land at Kerr's Field be served under Section 123 of the Local Government Act 1972.
- 9.5 The agreement for lease/lease for the land at Kerr's Field and the disposal of the land at Manor Drive, Upton will require the preparation of appropriate legal documentation.
- 9.6 State Aid implications if appropriate will be taken into account to ensure there is no breach of State Aid rules.

10.0 EQUALITIES IMPLICATIONS

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

(a) Yes and impact review is attached

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-april-2014/eias-chief-executives-d>

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 No carbon reduction implications.

11.2 Environmental implications are being dealt with as part of the planning application process for the proposed relocation site. Any developments at Manor Drive, Upton will be addressed during the planning and development process in due course.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

Manor Drive

12.1 The majority of the site at Manor Drive is allocated for residential development with the remainder designated as part of the Primarily Residential Area in the

Council's Unitary Development Plan (UDP). New housing would be acceptable in principle in both these areas.

- 12.2 Proposals to develop at Manor Drive will be subject to UDP Policy HS4 Criteria for New Housing Development, which contains criteria which will require any future scheme to relate well with surrounding property.

Kerrs Field

- 12.3 Kerrs Field is in the Green Belt and is also designated as part of a Countryside Recreational Site in the Coastal Zone and as Washland for the north Wirral floodplain in the UDP. It is also adjacent to a Site of Biological Importance, which contains a number of rare species.
- 12.4 Appropriate facilities for outdoor sport and recreation, which preserve the openness of the Green Belt, are acceptable in principle under UDP Policy GB2 and National Planning Policy Framework.
- 12.5 UDP Policy CO2 only permits proposals that clearly need a coastal location.
- 12.6 UDP Policy LA5 permits non-commercial horse shelters and stables that are not intrusive or prejudicial to nature conservation and provide 0.4 ha of grazing land for each horse.
- 12.7 UDP Policy AG8 includes criteria for assessing commercial equestrian or livery stables, which seeks to prevent new residential accommodation in the Green Belt.
- 12.8 UDP Policy TL9 protects rural attractions and resources, whereas proposals for tourism and visitor facilities for countryside recreation are permitted under the terms of UDP Policies TL10 and TL11.
- 12.9 The National Planning Policy Framework seeks to steer development to areas with lowest probability of flooding. UDP Policies WAT1 and WA1 also seek to prevent risk from flooding for new and existing development.
- 12.10 UDP Policy NCO1 sets out the principles for nature conservation. The impact would need to be screened under the Habitats Regulations as the site is located close to the North Wirral Foreshore Special Protection Area.
- 12.11 The Council's Landscape Character Assessment indicates that the general quality of the area is good and the strategy should be to conserve.

13.0 RECOMMENDATIONS

- 13.1 That Cabinet declares the land off Manor Drive, Upton known as Fernbank Farm as surplus and instructs officers to dispose of the land in accordance with S123 Local Government Act 1972.
- 13.2 That Cabinet declares the area of land at Kerr's field shown edged red on Plan 2 as surplus to requirements and agrees that subject to there being no objections to the disposal of the land at Kerr's field referred to in paragraph 1.4

above that an Agreement for Lease and a 99 year Lease of the land be granted at an agreed rent to be negotiated by the Director of Universal and Infrastructure Services and the Head of Legal and Member Services and upon on terms satisfactory to the Council.

13.3 That Cabinet agrees, subject to there being no objections to the disposal of land at Kerr's field shown edged red be appropriated for planning purposes.

13.4 Any objections received following the public notices of the intended appropriation and disposals shall be considered by the Director of Universal and Infrastructure Services in consultation with the relevant Portfolio holder who shall have delegated authority to determine the relevant appropriations and disposal of land at Kerr's field.

13.5 That Cabinet approves for works to be undertaken at the alternative site Kerr's field, off Pasture Road, Moreton subject to planning approval.

13.6 In the event that possession of the land at Manor Drive, Upton is not given by Upton Park Pony Owners Association by 13 February 2015, that Cabinet approves the enforcement of the court order after 14 February 2015.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 By agreeing to the disposal of the land on Manor Drive, Upton the Council will commence marketing of the site which has the potential to realise a Capital receipt in the region of £4m.

14.2 By having vacant possession of the land at the Manor Drive site ensures that best market value can be achieved.

14.3 By agreeing to a long term lease at an agreed rent this retains the Council freehold interest but allows the security of the pony association for a long period of time, this arrangement also generates revenue income to the Council in line with other similar land use.

14.4 To facilitate the appropriation and disposal of the land at Kerr's field.

14.5 To delegate authority to the Portfolio holder to determine the relevant appropriation.

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APPENDICES

Plan (1) shows land at Manor Drive, Upton

Plan (2) shows land at Kerr's field, Pasture Road, Moreton

BACKGROUND PAPERS/REFERENCE MATERIAL

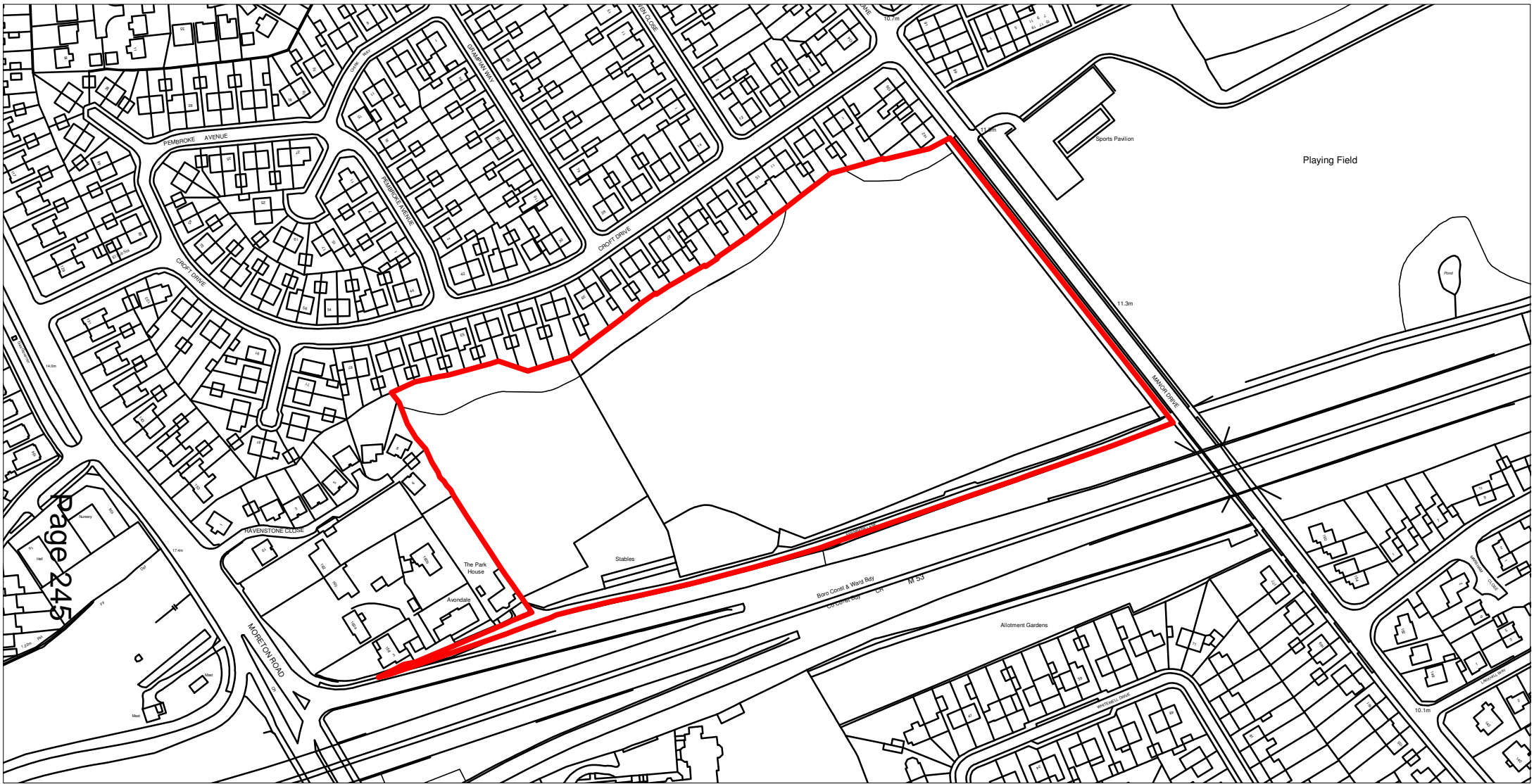
BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	7 November 2013

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title Land at Manor Drive Upton	scale 1:2500		
	date 27/11/2014	map ref. 39SE	
<h1>PLAN 1</h1>			



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